



NEW MEXICO
LEGISLATIVE
FINANCE
COMMITTEE

New Mexico Legislating for Results

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NEW MEXICO
LEGISLATIVE
FINANCE
COMMITTEE

Fiscal management and accountability arm of the state legislature

Interim committee

Bicameral and proportionate to political make up of each chamber

Staffed by a permanent nonpartisan team of fiscal analysts (budget-making), economists (revenue estimating and tracking), program evaluators, and support staff

A Brief History

LFC established in 1957

1990: Program Evaluation Unit moves from State Auditor's Office to LFC

1994: NM Legislation calls for the creation of the *New Mexico Horizons Task Force* which recommended development of an AGA

1998: Urban Institute & NCSL begin examining practices in results-based state government

2000: Accountability in Government Act (AGA) established performance-based budgeting

2003: NCSL publishes best practices for performance hearings and using data

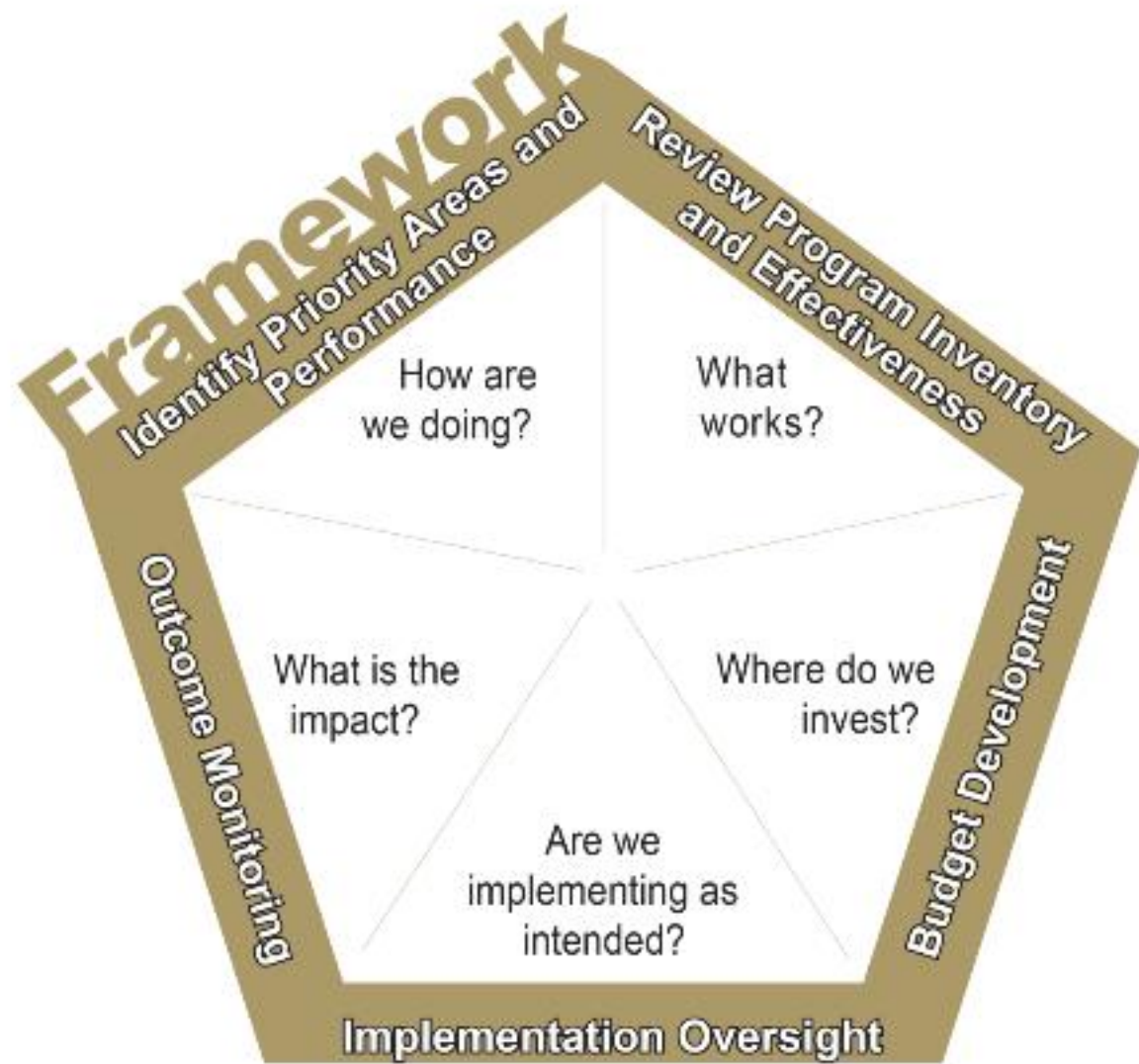
2005: AGA amended to require quarterly performance reporting

2019: SB58 - Evidence and Research-Based Funding bill passed

2021: LFC holds its first LegisStat hearing

2023: LFC develops and implements its seven elements to guide budget decision-making

g for Results Framework



Legislating for Results Tools

ACTIVITIES

- Traditional: Policy Analysis, Cost-Benefit Analysis, and Other Research
- Performance Measurement, Evaluation and Monitoring
- Public Hearings on Performance, Policy, and Budget
- Budget Analysis



Legislating for Results Tools

ACTIVITIES

RESULTING PRODUCTS AND PROCESSES

- Traditional: Policy Analysis, Cost-Benefit Analysis, and Other Research → Briefs, Volumes, Revenue Estimates, FIRs
- Performance Measurement, Evaluation and Monitoring → Quarterly Report Cards
→ Program Evaluation Reports
- Public Hearings on Performance, Policy, and Budget → LegisStat
- Budget Analysis → Budget Guidelines & Seven Elements



Legislating for Results Tools

ACTIVITIES

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RESULTING PRODUCTS AND PROCESSES

Briefs, Volumes, Revenue Estimates, FIRs

- Performance Measurement, Evaluation and Monitoring

Quarterly Report Cards

Program Evaluation Reports

- Public Hearings on Performance, Policy, and Budget

LegisStat

- Budget Analysis

Budget Guidelines & Seven Elements

**This
Presentation**



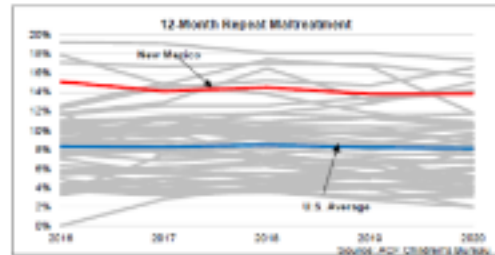


PERFORMANCE REPORT CARD: Fourth Quarter, FY23
Children, Youth and Families Department

New Mexico consistently ranks among the top six states for repeat maltreatment occurring within 12 months of an initial allegation. There are several evidence-based options to reduce and prevent repeat maltreatment and better leverage the child welfare workforce, including improving the use of screening and assessment tools, intervening early with the level of intervention based on the level of risk, and following through with the appropriate supports and services. In recent years, the state enacted legislation and significantly increased appropriations in support of these objectives. However, delivering the right interventions to the right people at the right time is easier said than done. In a February 2023 press release the governor declared the child welfare system "is fundamentally broken." This came 13 years after the reforms that led to the establishment of the Children, Youth and Families Department (CYFD), said the system was crisis-oriented and failed to support families. For FY24, the Legislature increased appropriations significantly for the child welfare system to adjust salaries, fill vacancies, improve access to behavioral health services, and boost prevention programming for evidence-based programs.

Protective Services

Prevention and early intervention is the key to reducing repeat child maltreatment. Over the long-term, child maltreatment causes physical, psychological, and behavioral consequences leading to increased costs to the child welfare, behavioral health, and physical healthcare systems. Several evidence-based options for preventing repeat maltreatment could be expanded and leveraged to garner more federal revenue and improve outcomes. Between FY18 and FY22, CYFD protective services expenditures grew from about \$1.1 million to \$11.1 million, a tenfold increase, with most of the increase occurring in the last two years. The number of children placed in either foster care, relative foster care, or other placements increased by 14 percent since December 2022 or about 142 children. Prior LFC program evaluation reports pointed out that the state may be over-removing children and that many of these children end up in short-term placements. The increased number of children in custody of the department reverses a trend going back to at least 2018 of fewer children in foster placements.



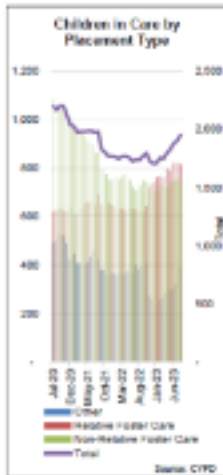
ACTION PLAN

Submitted by agency?	No
Timeline assigned?	No
Responsibility assigned?	No

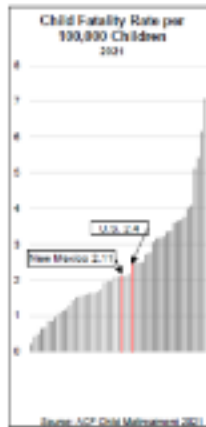
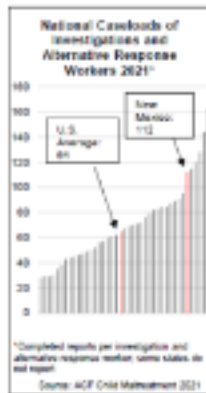
Kevin S. et al v. State of New Mexico and State Law Enforcement Settlement

The lawsuit against CYFD alleged:

- systemic failures resulting in harm to children in foster care,
- Lack of stable placements,
- Behavioral health needs unmet,
- No trauma sensitive system, and
- Little behavioral health capacity.



Children, Youth and Families



Budget: \$180,723,000 FY16: 1,311

	FY21 Actual	FY22 Actual	FY23 Target	FY24 Actual	Rating
Maltreatment					
Children who were victims of a substantiated maltreatment report during a 12-month period who were victims of another substantiated maltreatment allegation within 12 months of their initial report	14%	14%	9%	12%	Red
Rate of maltreatment victimizations per one hundred thousand days in foster care	14.7	10.1	8.0	12%	Red
Families with a completed investigation that participated in family support or in-home services and did not have a subsequent substantiated abuse report within 12 months	New	35%	30%	41%	Green
Services initiated with prior protective services involvement in the last year	New	41%	20%	32%	Red
Turnover rate for protective service workers	28%	21%	20%	21%	Red
Average statewide central intake call center wait time in seconds	27	30	180	29	Green
Foster Care					
Children in foster care who have at least one monthly visit with their caseworker*	38%	33%	52%	32%	Red
Children in foster care for more than eight days who achieve permanency within 12 months of entry into foster care	30%	30%	30%	32%	Green
Children in foster care for 12 to 23 months at the start of a 12-month period who achieve permanency	40%	42%	35%	34%	Yellow
Children in foster care for 24 months, or more, at the start of a 12-month period who achieve permanency	41%	38%	32%	31%	Yellow
Foster care placements currently in foster care waiting	42%	42%	30%	32%	Green
Indian Child Welfare Act foster care youth who are in an appropriate placement	73%	72%	35%	57%	Green
Relative placements that transition to permanency or are still stable after 12 months	78%	74%	30%	72%	Green
Children who enter care during a 12-month period and stay for 15 days, placement moves rate per 1,000 days of care	8.6	8.7	4.0	7.8	Red
Program Rating	Y	Y		Y	

Juvenile Justice Services

The Juvenile Justice Services (JJS) secure population continues shrinking and in November 2022 there were a total of 80 claims in secure facilities, a 63 percent decrease since FY13. Because of the continual decreased population trend, in January 2023 the department closed the Camino Nuevo Youth Center after ceasing to hold clients at the San Juan County Detention Center in FY21. Physical assaults at the facilities are significantly down and there is currently a two-to-one student/teacher ratio. With the reduced population and low ratios, the program should start performing better on improving math and reading scores. The turnover rate for youth care specialists increased from 18 percent in FY21 to 42

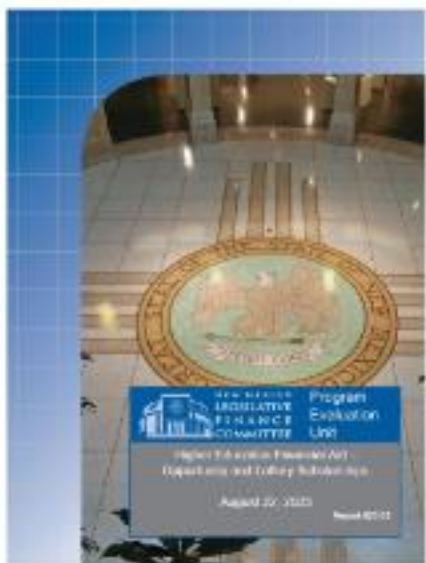
Quarterly Report Cards

Required by statute – New Mexico’s Accountability in Government Act

Only key (large) agencies

Measures and targets negotiated annually between executive and legislature

Agencies must identify their core services and ways to measure effectiveness and report on whether programs are demonstrating that effectiveness.



Program Evaluation

https://www.nmlegis.gov/Entity/LFC/Program_Evaluation_Search?Query=&StartYear=1991&EndYear2023&Category=ALL&PubType=ALL

Deep dive research that covers the gamut of government and outcomes analysis on outcomes, management, compliance, effectiveness, and efficiency.

Contain far-reaching recommendations, which may include changes to law, rule, appropriations, or implementation

Often spurred by changes in performance noted in report cards

LegisStat

LegisStat is an **initiative of the LFC** designed to help the committee become a more effective partner with New Mexico state agencies in continually improving agency programs and policies.

Based on a leadership strategy known as **PerformanceStat**.

LegisSTAT **adapts the PerformanceStat approach to a legislative context.**

The goal is to ensure **focused conversations** between the LFC (as a committee or subcommittee) and agency leaders about addressing high-priority agency performance challenges and opportunities.

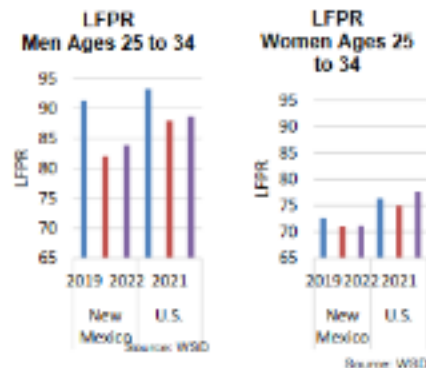
Principals of LegisStat

- Focused:** Meetings focus on most important challenges facing agencies, identified ahead of time.
- Committee-driven:** Meetings driven by the committee chair and by members' questions; only short presentations.
- Emphasizing deeper dives:** Use of follow-up questions by members to get to the root causes of problems... "the Five Whys."
- Action-oriented:** Agencies ideally commit to specific actions by the next meeting, representing near-term actions even if long-term challenges.
- Strong on accountability:** Meetings designed to start with agency updates on action items from previous meeting.
- Collaborative:** Meetings require ongoing collaboration between legislators and agency leaders.
- Aiming for impact:** Important part of the initiative's impact occurs between meetings, when agencies work to achieve action items committed to during the meetings.

Key Data

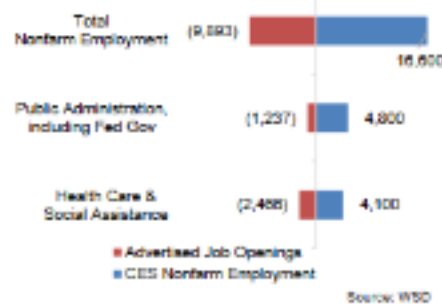


- Between 2008 and 2021, the state lost about 26 thousand workers.
- An estimated one-quarter of the state's population is not employed but is of working age.
- Between February 2023 and July 2023, as the state began to unwind benefit programs that were enhanced during the pandemic, the LFPR increased slightly, from 56.5 percent to 57.1 percent.
- The national LFPR in July 2023 was 62.6 percent.



- While national labor force participation rates have increased for both men and women who are 25 to 34 years of age between 2021 and 2022, in New Mexico they only increased for men.
- Overall, 60.4 percent of working age men participate in the labor force, compared to 50.5 percent of working age women in New Mexico.
- Among men and women of prime working age, more men participate in the workforce than women.
- An estimated 77 thousand men and women in this prime working age range are not participating in New Mexico's labor force.

Change between August 2022 to August 2023, Select Industries



- Over the last year, employment trends have returned to those that were more normal before the pandemic.
- The number of advertised job openings overall and in select industries has declined, while the number of workers employed has increased.

Guidelines & Seven Elements

- Budget guidelines approved by committee
- Guides approach to budget development
- Prioritizes funding recommendations for evidence-based programs and initiatives.
- Instructs analysts to evaluate requests on the “seven elements” of quality program design
 - Program Premise
 - Needs Assessment
 - Program Description
 - Research and Evidence
 - Implementation Plan
 - Fidelity Plan
 - Measurement and Evaluation
- Staff use rubric to rate expansion requests based on these seven elements



Legislating for Results: Budget Development Tool

New Mexico agencies making significant requests to expand agency budgets, other than workload changes, or for large special appropriations that appear to expand an agency's recurring budget are being asked to assess the proposals and report on their purpose, potential for success, and plans for implementation and accountability in accordance with the [Budget Guidelines of the New Mexico Legislative Finance Committee \(LFC\)](#) and LFC's [Legislating for Results Framework](#).

Program Premise

What public problem does this program seek to address? How will this program address the problem? Does the proposed program link to a goal in the agency's strategic plan?

What is the extent of the problem stated in numerical, geographic, and equity terms? What portion of the total need identified does this program seek to address?

Needs Assessment

Program Description

What specific activities in the program will achieve these expected program outcomes? What are costs per person or activity? Once the program is fully operational, what are the estimated ongoing annual costs?

Is the program based on evidence or research or a promising practice? Will it need formal evaluation?

Research and Evidence

Implementation Plan

What activities are needed to implement the program? How much will it cost? What is the timeline for each startup activity?

Will the program be implemented with equity and fidelity? Do you have a checklist of the program components need to achieve the impacts?

Fidelity Plan

Measurement and Evaluation

What specific outcomes are expected? What are key performance measures? How often will the program be measured and evaluated?

Results Focused Government

Best Practices in Leadership

- Practice #1: Demonstrating that agency leadership values evidence and results

Best Practices in Evidence-Related Strategies

- Practice #2: Using evidence-based budgeting
- Practice #3: Developing a learning agenda
- Practice #4: Creating an evaluation policy
- Practice #5: Using rapid experimentation (also known as A/B testing)
- Practice #6: Implementing results-driven contracting
- Practice #7: Adding evidence incentives to grants

Best Practices in Performance Management

- Practice #8: Using performance information
- Practice #9: Implementing strategic planning
- Practice #10: Collaborating with other agencies or levels of government

Best Practices in Using Data

- Practice #11: Expanding data sharing and usage



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For More Information

- <http://www.nmlegis.gov/lcs/lfc/lfcdefault.aspx>
- Session Publications
- Performance Report Cards
- Program Evaluations

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