

LFC Requester:

Sunny Liu

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared 1/24/25 *Check all that apply:*
Bill Number: HM0002 Original Correction
 Amendment Substitute

Sponsor: Joy Garratt, Brian G. Baca **Agency Name**
 LESC Artificial **and Code** Dept. of Workforce Solutions-631
 Intelligence Work **Number:** _____
Short Title: Intelligence Work **Person Writing** Sarita Nair
Phone: 505-263-3187 **Email** Evan.Sanchez@dws.nm.gov

SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
0	0		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
0	0	0		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$100.0			\$100.0	nonrecurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

This bill proposes to convene an education data governance and artificial intelligence working group to study and recommend ways to improve data quality and improved usability of statewide education and workforce data. The working group would identify rules, policies, and procedures regarding data governance and the role artificial intelligence has regarding data access.

Synopsis:

FISCAL IMPLICATIONS

This will require DWS to provide support for the studies which may include access and information related to our existing systems. Additionally, the resolution calls for unfunded participation by subject matter expertise to contribute to the working group. The window of 4 months to complete the work will require some dedicated support. DWS estimates this cost for DWS only to be as follows:

Tech Maanger	175 hours	\$ 28,000.00
Data SME	175 hours	\$ 28,000.00
Security SMD	175 hours	\$ 14,000.00
ERA SME	85 hours	\$ 13,600.00
		\$ 83,600.00

In addition, due to the extremely lean staffing in our IT department, we estimate additional costs for overtime to backfill the security and manager positions for an estimated 100 hours for an additional \$16,000. DWS does not have adequate general funded IT positions that can be re-assigned to do this work, so this would require careful analysis of the scope of the working group against the permissible uses of federally funded employees' time.

SIGNIFICANT ISSUES

The management and functioning of the working group is not well defined, and travel may be involved. AI policy recommendations should not be made in isolation to the education field. Consideration or information from state and federal rules and perspectives would need to have better representation.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

DWS has been working on data quality initiatives and understanding the role of AI for years. A new unfunded and siloed working group may come up with recommendations or policies that require DWS to change course, resulting in waste of resources already invested and the need for new resources. In addition, DWS receives 89% of its funding from the federal government. A

state-level group would either need to take the possibilities of evolving federal guidance into account, which would require the additional involvement of legal expertise not reflected in the fiscal impact above to balance what are likely to be different policies in the different federal agencies involved. In addition, federal policy could supersede state policy, resulting in wasted efforts.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

The time period allotted is entirely inadequate given the scope of the working group, the mandate to also meet in subcommittees, the involvement of 20 people across the state at a minimum (assuming one representative from each category/organization, and the need to do additional work between meetings. If the time were extended, the fiscal impact would grow accordingly.

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

A fully funded, year-long effort to collaborate on the quality of educational data and the role of AI would be more effective.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Agencies would continue to collaborate on the development of NMRISE and would continue to address issues of data quality and AI in the context of funded programs and their own regulatory schemes.

AMENDMENTS