Oversight in the News

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- State Treasurer and Auditor warn local governments and banks against risky practice (KUNM, 5/15/2023)
  - The state treasurer and auditor of New Mexico have warned that some local governments in the state are involved in a banking practice that violates state and federal laws, posing a risk to taxpayer money. The practice involves bypassing the requirement for collateral insurance on bank accounts with balances above $250,000 by having unauthorized individuals sign for the accounts. They have issued an alert to ensure that banks cease this practice, as it jeopardizes public funds and may involve conflicts of interest.
- Man sentenced to 3 years for unfair bidding practices with Dora Consolidated School District (KFDA, 7/3/2024)
  - Steven Butler, a Dora man, was sentenced to three years in prison and five years of supervised probation for engaging in unfair bidding practices with the Dora Consolidated School District, where he worked as the head of maintenance and used his position to secure contracts for his own company, costing taxpayers. An audit by the New Mexico Office of the State Auditor,

followed by an investigation by the Ninth Judicial District Attorney’s Office and the New Mexico Justice Department, led to the discovery of his illegal activities.

- Lawmakers express frustration over unspent public safety funding (Albuquerque Journal, 8/12/2024)
    - Lawmakers in New Mexico expressed frustration over the state government’s failure to spend millions of dollars allocated for public safety initiatives. Despite significant funds being available, bureaucratic delays and inefficiencies have prevented these resources from being used to address pressing issues like crime and law enforcement shortages. The situation has sparked concerns about the state's ability to effectively manage and deploy crucial public safety funding.

- CYFD leader pushes back on lawmakers suggesting more state oversight of agency (Santa Fe New Mexican, 9/18/2024)
    - Lawmakers on the Legislative Finance Committee expressed frustration with the Children, Youth and Families Department (CYFD) over ongoing workforce issues and inadequate child placement efforts. Some suggested external oversight for CYFD, an idea that failed in past legislative sessions, but CYFD Secretary Teresa Casados resisted, citing existing federal and state oversight. Despite millions of dollars in appropriations for workforce development, the department continues to struggle with high turnover and vacancies, while also facing difficulties in recruiting foster families and accessing federal funds for prevention programs.

- Feeling the water pressure: New Mexico's approach to aging water systems can lead to leaks, shortages (Albuquerque Journal, 9/28/2024)
    - Truth or Consequences, New Mexico, is struggling with water infrastructure issues, losing approximately 25% of its water to leaks in aging pipes. Despite recent efforts to fix over 200 leaks and upgrade the water system, the city still faces numerous ongoing problems. A recent report by the Legislative Finance Committee highlights similar infrastructure challenges across New Mexico, identifying $5.7 billion in future water and wastewater repair needs and pointing to inefficiencies in state funding processes that often delay project completion.

- Legislative report finds state's sagging crime clearance rate holds back public safety initiatives (Albuquerque Journal, 11/20/2024)

- A legislative report in New Mexico highlights that the state’s violent crime clearance rate has dropped over the last decade, with only 1 in 7 cases currently being solved compared to 1 in 4 previously. Lawmakers attribute this trend to factors such as low conviction rates, evidence collection challenges, and staffing shortages, despite significant funding increases for law enforcement and judicial systems. The report recommends improving data sharing, boosting support for released inmates, and expanding mental health and drug treatment programs, while legislators express frustration over the lack of results from increased spending on public safety initiatives.

- Despite spending increases, report finds NM health care access not improving (Albuquerque News, 9/23/2025)
  - A Legislative Finance Committee report found that New Mexico residents face significant barriers to accessing healthcare, with a "secret shopper" study showing that patients often need to make multiple calls to schedule appointments—up to 14 for behavioral health providers. Despite $10.6 billion in annual Medicaid spending and recent rate increases, the report noted that provider shortages persist, with a loss of 1,500 behavioral health providers between 2022 and 2024, and limited follow-up care after emergency visits. Lawmakers expressed concern over the lack of improvement and are considering new approaches, such as interstate medical compacts and regional behavioral health funding plans.

- Legislative report shines light on juvenile justice issues (KOB4, 11/19/2025)
  - A legislative report in New Mexico highlighted longstanding issues within the state's juvenile justice system, including staffing shortages, inadequate mental health services, and a lack of oversight. The Legislative Finance Committee found that these challenges have contributed to unsafe conditions and poor rehabilitation outcomes. Lawmakers are expected to consider the report's recommendations in upcoming oversight hearings.

- New Mexico state auditor: Child welfare agency misused millions (Searchlight New Mexico, 3/9/2026)
  - According to a report from the New Mexico State Auditor, the state’s child welfare agency was found to have misused millions of dollars, including expenditures that did not comply with procurement rules or contractual requirements. The audit identified weaknesses in financial oversight and internal controls, raising concerns about how funds were allocated and

monitored. Officials indicated that corrective actions and further review could be pursued in response to the findings.

- Legislative report finds 32,000 young New Mexicans not working, attending school (Source NM, 4/28/2026)
  - About 32,000 New Mexicans ages 16–24 are neither working nor in school, a Legislative Finance Committee report found, costing the state an estimated $623 million annually in lost tax revenue and public costs. The report links this disconnection to barriers such as housing instability, lack of training, health issues, low wages, and family caregiving, and notes that these young people face worse long-term earnings, employment, and health outcomes. Lawmakers were given recommendations, including stronger school referral systems, targeted workforce goals, improved outcome tracking, and a cross-agency body to coordinate statewide efforts to reconnect youth.

- Legislative Finance Committee report states homelessness has gone up in New Mexico (KRQE, 5/26/2026)
  - According to a recent Legislative Finance Committee (LFC) report, New Mexico invested more than $500 million in housing initiatives over the last three years, yet homelessness increased by 48% statewide from 2022 to 2023 and by 83% in Albuquerque. Albuquerque and Bernalillo County officials told lawmakers that programs such as the Gateway system and homelessness prevention efforts have helped thousands of individuals and hundreds of families maintain or obtain housing, and they highlighted local affordable housing projects. Lawmakers questioned the effectiveness of the spending and the level of local financial contribution, and indicated that further discussions on the data and housing outcomes are planned.

- New Mexico lawmakers eye ‘really robust’ Children’s Cabinet under next governor (SourceNM, 6/16/2026)
  - According to a recent Legislative Finance Committee report discussed during an interim Legislative Health and Human Services Committee meeting, about 32,000 New Mexicans ages 16 to 24 are disconnected from both school and work, with evaluators saying state agencies lack a coordinated mandate to reconnect those youth. Lawmakers discussed whether the next governor could strengthen the state's Children’s Cabinet to better coordinate services for disconnected youth, noting that the cabinet currently focuses on early childhood, K–12

education and family stability rather than young adults ages 16 to 24. Committee members from both chambers encouraged efforts to revitalize the cabinet regardless of the outcome of the upcoming gubernatorial election.

- Healthcare costs, not enrollment, driving New Mexico's rising Medicaid price tag (Albuquerque Journal, 7/22/2026)
  - According to a Legislative Finance Committee report and testimony before interim legislative committees, New Mexico’s Medicaid spending has more than doubled over the past decade to nearly $12 billion, driven largely by rising per-member costs despite declining enrollment. State health officials attributed the increase to inflation, greater use of services, and expanded Medicaid benefits, while legislative analysts and some lawmakers questioned whether higher spending has improved outcomes and noted concerns about managed care incentives and persistent healthcare access challenges. Officials also said the state is preparing for upcoming federal Medicaid policy changes, including work requirements and eligibility checks, while reporting growth in Medicaid providers and patient visits following recent provider rate increases.