



Stephanie Garcia Richard
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

December 30, 2021

Via Email

Raja Sambandam, Acting Cabinet Secretary and CIO (raja.sambandam@state.nm.us)
New Mexico Department of Information Technology

Re: Department of Information Technology's Proposed Repeal and Replacement of 1.12.9 NMAC

Dear Acting Secretary Sambandam:

The New Mexico State Land Office ("State Land Office") has reviewed the Department of Information Technology's ("DoIT") *Notice of Proposed Rulemaking – Repeal and Replacement of 1.12.9 NMAC* and the attached proposed rule changes. The State Land Office is an independent state agency under the leadership of the elected Commissioner of Public Lands, with the statutory mission to raise revenue for specific public beneficiaries including New Mexico public schools, universities, and hospitals. In furtherance of its mission, the State Land Office has generated more than \$1 billion in annual revenue for each of the past three years. All State Land Office expenses, including IT related projects, are paid through the revenue the agency generates – not General Funds. Although our agency is not under the direction of the Governor, the State Land Office generally follows DoIT's rules, policies, and procedures because it supports statewide oversight of information technology projects. This letter outlines the State Land Office's specific concerns about two aspects of the proposed rule.

First, the proposed rule sweeps too broadly. The proposed rule (19.12.9.8(B)(2), Responsibilities of the PCC) would require certification by the DoIT-constituted and DoIT-supported Project Certification Committee ("PCC") for any information technology-related project that "is a subsequent or interrelated project to a previously certified project." The phrase "subsequent or interrelated project" is excessively vague and could be interpreted to cover routine ongoing maintenance and support activities or even system changes implemented to accommodate business needs required by our oil and gas, renewable energy, or commercial/agricultural lease holders. Virtually everything the State Land Office does – with respect to information technology and our operations in general – is "related" to work the agency has performed in the past. Requiring PCC oversight for "subsequent or interrelated" projects would subject the State Land Office to the administrative burden of project certification process for routine system enhancements. Of even greater concern, the proposed rule change would compel the State Land

Office to contract for costly Independent Verification and Validation (“IV&V”) services for these routine system enhancements, which would significantly increase the cost of these straightforward endeavors. DoIT’s proposed change would expand the range of projects requiring PCC certification and in doing so would unnecessarily divert State Land Office resources from our core revenue-raising mission. Accordingly the State Land Office asks DoIT to remove “subsequent or interrelated projects” from the categories of projects requiring PCC certification.

Second, the proposed rule would create substantial and unnecessary administrative burdens for the State Land Office and other agencies by dramatically lowering the price threshold for projects requiring PCC certification from \$1 million to \$100,000. (Compare proposed rule, 19.12.9.8(B)(3) with existing rule, 19.12.8(A)(2) NMAC). Although as a matter of practice DoIT has, in the State Land Office’s experience, required certification of IT-related contracts well below the current \$1 million threshold, at least on paper the current rule provides an appropriate cutoff. By dropping the project cost threshold so significantly, DoIT will effectively be mandating PCC review for routine State Land Office projects such as ongoing system maintenance and enhancements. Under the proposed rule, the State Land Office would need PCC certification for basic system upgrades, and therefore would need to procure costly and unnecessary IV&V services.

In the State Land Office’s view, the current \$1 million threshold strikes a reasonable balance between limiting unnecessary administrative costs on state agencies on the one hand, and DoIT’s mandate to conduct reasonable project oversight for large technology projects for cabinet departments on the other hand. For that reason, in the State Land Office’s view, DoIT should replace the proposed rule’s version of 1.12.9.8(B) with the following:

B. Certify information technology projects that meet one or more of the following:

- (1) the project is funded through the C2 Computer System Enhancement Fund (CSEF); or*
- (2) the cost of the project is equal to or exceeds \$1,000,000.*

The State Land Office appreciates DoIT’s efforts to improve information technology management within state government including by reviewing and revising its administrative rules. Without modification, however, the proposed rule change will likely add significantly to the State Land Office’s administrative burden while providing little tangible benefit to the agency, our beneficiaries, or secure and thoughtful management of IT projects across state government. With the modifications suggested above, DoIT could enact the rule changes it believes are needed without compromising or slowing the State Land Office’s vital work on behalf of New Mexico public schools and other beneficiaries. Thank you for providing the State Land Office with the opportunity to comment and for your consideration of the issues we raise in this letter.

Sincerely,

/s/ Tony Hoffman

Director of Information Technology and CIO
New Mexico State Land Office

cc: DoIT EPMO (epmo@state.nm.us)