

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

SPONSOR Szczepanski/Borrego LAST UPDATED _____
ORIGINAL DATE 01/26/23
BILL
SHORT TITLE Electronic Storage of State Records NUMBER House Bill 180
ANALYST Hitzman

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	No fiscal impact	No fiscal impact	No fiscal impact			
Total						

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent version of this legislation.

Sources of Information

LFC Files

Responses Received From

Commission of Public Records (CPR)

SUMMARY

Synopsis of House Bill 180

House Bill 180 (HB180) amends Section 14-1-5 NMSA 1978 to provide for the electronic storage of official records and to provide that records stored electronically shall be deemed to be an original record for all purposes.

This bill does not contain an effective date, and as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed.

FISCAL IMPLICATIONS

The bill does not contain an appropriation and is not expected to have a fiscal impact.

SIGNIFICANT ISSUES

The Commission of Public Records/State Records Center and Archives states the bill will not have a direct impact on the agency as written. However, if electronic records can now be considered original records and accessed electronically under the provisions of HB180, the agency could potentially see a decreased demand for its services. Notably, all storage facilities

overseen by the commission are at or nearing full capacity, so the agency is only accepting new records when stored records reach their retention period and are destroyed. As a result, agencies are storing records in basements, hallways, rented storage units, and warehouses or are pursuing electronic document management solutions using the computer systems enhancement fund to pursue record storage projects. The provisions of HB180 would apply additional flexibility in regard to record storage and could free up of space at the Records Center, reducing the strained capacity at the facility.

The bill does not specify requirements for maintaining records in a “trusted” system as do some provisions in other states, and it is unclear whether additional uniform statewide standards would need to be adopted for use in recording, storing, and reproducing permanent and nonpermanent document or records in electronic media. For example, in California, regulations for electronic document storage must meet minimum standards recommended by the American National Standards Institute (ANSI) or the Association for Information and Image Management (AIIM), and provide specific conditions that would meet the definition of a trusted system, as provided in Government Code section 12168.7.

PERFORMANCE IMPLICATIONS

To further increase the State Records Center and Archive’s storage capacity, the Legislature has recommended the agency re-examine current record retention policies regarding what records state agencies must keep and for how long and to identify records best suited for electronic storage—those that are non-historical and have long retention periods—and create a partnership with the corresponding agency to store them electronically to reprioritize space. The provisions of HB180 would likely allow additional flexibility on record storage options for state agencies and could have a direct impact on the capacity of the state records facility. However, the extent to which capacity would be affected is unknown.

JH/al/hg/mg