

<b>LFC Requester:</b>	<b>Austin Davidson</b>
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**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**AgencyAnalysis.nmlegis.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}*

*Check all that apply:*

Original  Amendment   
Correction  Substitute

**Date Prepared:** January 22, 2024  
**Bill No:** HB 72

**Sponsor**  
: Debra Sarinana

**Agency Name and Code Number:** Administrative Office of the Courts 21800

**Short Title:** Create Cybersecurity Fund

**Person Writing Analysis:** Cassandra Hayne  
**Phone:** 505-819-8259  
**Email:** chayne@nmcourts.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0	\$35M	Nonrecurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
0	0	0	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	0	0	0	0	N/A	N/A

(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**

Synopsis: This bill creates the non-reverting Cybersecurity Fund with a one-time General Fund appropriation of \$35M. This fund would be used by executive, legislative, and judicial branch agencies, political subdivisions, and tribal entities for cyber-attack response and recovery services. The fund would be administered by the state cybersecurity office.

The effective date is July 1, 2024.

**FISCAL IMPLICATIONS**

Initial General Fund appropriation of \$35M in FY25. This appropriation is non-reverting.

There is no additional operating budget impact to note.

**SIGNIFICANT ISSUES**

The proposed bill does not take advantage of the Statewide Cybersecurity Advisory Committee, established July 1, 2023 by Senate Bill 280.

The statewide Cybersecurity Advisory Committee has membership from the executive, judicial, and legislative branches, county, municipal and tribal governments. The Advisory Committee has a regular meeting schedule and required progress reporting. It would be appropriate for this statewide Advisory Committee to administer the proposed cybersecurity fund and to promulgate rules related to the administration of this fund.

This would help ensure the experience and needs of all entities covered by the proposed fund are fully represented.

**PERFORMANCE IMPLICATIONS**

There are no performance implications to note.

### **ADMINISTRATIVE IMPLICATIONS**

Disbursements from the proposed fund should be authorized by the administrative authority / director of the executive, legislative, judicial, or tribal entity receiving the funds to promote transparency and accountability. Authorization by the state cybersecurity officer does not ensure accountability by the receiving entity, if the entity is not an executive agency.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

There are no conflicts, duplications, companionships, relationships to note.

### **TECHNICAL ISSUES**

There are no technical issues to note.

### **OTHER SUBSTANTIVE ISSUES**

There are no other substantive issues to note.

### **ALTERNATIVES**

There are no alternatives to note.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

State and tribal entities and political subdivisions will have to fund any required cybersecurity response activities from their operating budget or seek emergency funding in the event of an attack.

### **AMENDMENTS**

Strike Section 1, Part C “the cybersecurity office” and replace it with “the cybersecurity advisory committee.”

Strike Section 1, Part D “signed by the state chief information security officer” and replace it with “signed by the administrative authority of the executive, legislative, or judicial branch, political subdivision, or tribal entity.”