

LFC Requester:	Simon
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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 January 24, 2024
Bill No: HB 184

Sponsor: Chasey
Debra Sariñana, Linda Serrato,
Christine Chandler and Gail
Short Title: USE OF ARTIFICIAL
INTELLIGENCE TRANSPARENCY

Agency Name and Code Number: General Services Department
(35000)
Person Writing Dorothy Mendonca
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
	\$500,000	Unknown	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(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: Relating to artificial intelligence; enacting the Government Use of artificial intelligence transparency act; requiring inventories and assessments of artificial intelligence system use; requiring reports; amending the procurement code; requiring vendor transparency for purchases of artificial intelligence products and services; providing definitions; Making an appropriation.

FISCAL IMPLICATIONS

HB184 would require agencies to report inventory of intelligence systems to the legislative finance committee and the governor through the General Services Department. The appropriation of \$500,000 from general fund for fiscal year 2025 for staff and other costs to implement the Government Use of Artificial Intelligence Transparency Act. Funds for staff for oversight and implementation would need recurring funding.

SIGNIFICANT ISSUES

Currently there is no tracking or reporting of artificial intelligence systems utilized by agencies. HB184 would allow for staff within in the General Services Department to track purchases and reporting of systems.

PERFORMANCE IMPLICATIONS

Use of proper procurement methods for contracting with a third party to operate and purchase an artificial intelligence system should be used according the Procurement Code.

ADMINISTRATIVE IMPLICATIONS

Appropriation to the State General Services Department would need to be recurring funding for staff for monitoring, reporting and procuring Artificial Intelligence software, hardware or utility tool.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Unknown

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Entities that enter into a contract of a physical or software technology product or service subject to inventory or assessment to the Government Use of Artificial Intelligence Transparency Act could lead to entities not being transparent of contractual services or purchase of software technology products.

AMENDMENTS