

LFC Requester:	Henry Jacobs
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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.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}

Date Prepared: 1/27/26 *Check all that apply:*
Bill Number: HB 141 Original Correction
 Amendment Substitute

Sponsor: Rep. Linda Serrato **Agency Name and Code** AOC 218
Short Title: Artificial Intelligence Accountability Act **Number:** _____
Person Writing Cassandra Hayne
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
None	None	N/A	N/A

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
None	None	None	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act – N/A

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 141 requires consumer-facing online services, applications, and websites which allow users to generate or substantially modify content including images and audio with a generative artificial intelligence (AI) to conspicuously label such AI generated content, defined as synthetic content. AI generated content must also include latent disclosures which include identifying details of the AI system and a unique identifier of the content. Online providers must make a tool available to the public which allows users to read this system data.

House Bill 141 requires manufacturers of cameras and other video and audio recording devices, including mobile phones, to embed latent disclosures by default, for devices first produced for sale on or after January 1, 2028.

The bill requires large online platforms to detect and provide AI provenance data for synthetic content, and allow users to inspect this data. Platforms must allow users to request that deceptive synthetic content be removed, and must respond to such requests within 72 hours.

House Bill 141 grants civil enforcement of probable violations by providers, device manufacturers, or online providers to the state attorney general. The attorney general can initiate a civil investigative demand, which remains confidential unless ordered by the court. House Bill 141 outlines the requirements for drafting, serving, and enforcing a civil investigative demand. The bill creates a penalty of \$15,000 per violation, collected by the AG on behalf of the state.

HB 141 establishes that a person can be held civilly liable for dissemination of deceptive synthetic content when it is reasonably likely to harass, defame, or cause financial or reputational harm to the depicted person. Damages are defined as the greater of \$1,000 per view or instance of interaction with the deceptive synthetic content, or actual damages.

House Bill 141 amends Section 31-18 NMSA 1978 to add a new section to increase the basic sentence of imprisonment by one year when a generative AI system was used to assist in the commission of a noncapital felony, and the sentence would be the first year served and cannot be suspended or deferred.

House Bill 141 does not contain an effective date and would be effective on May 20, 2026, 90 days following adjournment of the Legislature, if signed into law.

FISCAL IMPLICATIONS

The judiciary is likely to have cost associated with developing standard procedures and staff training for docketing violations, should this bill be signed into law.

Courts can expect additional caseload, although the frequency is difficult to predict. Any

additional fiscal impact on the judiciary would be proportional to the enforcement of this law and commenced prosecutions. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

SIGNIFICANT ISSUES

Aside from the increased workload related to the courts' role in adjudicating violations resulting from the provisions of this bill, there are no significant compliance activities or other issues for the judiciary.

PERFORMANCE IMPLICATIONS

The courts are participating in performance-based budgeting. This bill may have an impact on the measures of the courts in the following areas:

- Cases disposed of as a percent of cases filed
- Percent change in case filings by case type

ADMINISTRATIVE IMPLICATIONS

See Fiscal Implications above.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS