

LFC Requester: _____

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: _____ *Check all that apply:*
Bill Number: HB202 Original Correction
 Amendment Substitute

Sponsor: R Dow, G Armstrong **Agency Name and Code** CYFD - 690
Short Title: Child Advocate Office Data Sharing **Number:** _____
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
	75.0		Nonrecurring	General

(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		367.0	809.0	1,985.0	Recurring	General

(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 requires the Administrative Office of the Courts, the Children Youth and Families Department (CYFD), the Department of Health (DOH), the Department of Public Safety (DPS), the Early Childhood Education and Care Department (ECECD), the Health Care Authority (HCA), and the Public Education Department (PED), with the assistance and collaboration of the Department of Information Technology (DoIT) and the Attorney General, to enter into an agreement in the form of a single multi-agency memorandum of understanding with the Office of Child Advocate for the purposes of sharing agency data and access to agency systems.

The bill further requires the above-identified agencies to convene a working group no later than June 15, 2026, to develop the memorandum of understanding, with a deadline for final execution of said memorandum of October 15, 2026, and copies of the memorandum to be distributed no later than November 1, 2026.

Finally, the bill lists nine items which must be addressed within the memorandum and appropriates \$75.0 from the state general fund to the office of child advocate for expenditure in FY2026 and FY2027 for technical services as necessary to develop the memorandum.

FISCAL IMPLICATIONS

The bill appropriates \$75.0 from the state general fund to the office of child advocate for expenditure in FY2026 and FY2027 with any remaining amount reverting.

There is no appropriation within this bill for CYFD. Fiscal implications for CYFD will include IT security review and configuration; identity and access management setup; audit logging and monitoring enhancements; legal and compliance review; staff time for working group participation; ongoing monitoring and reporting; and separate system costs, and may include the implementation of additional technical controls, including role-based access controls, system modifications, or contracted technical services.

CYFD will need four additional FTE (\$367.0) in FY2026, and two (2) additional FTE (\$197.0) and system costs (\$350.0) in FY2027. CYFD cannot absorb this fiscal implication with existing resources.

SIGNIFICANT ISSUES

Due to the requirement to remain properly responsive to federal and other statutory and regulatory requirements, it is not common practice to enshrine data-related memoranda of understanding within state statute. Doing so hampers the ability of agencies to react timely to changing statutory and regulation requirements.

This bill requires eleven agencies to produce a completed memorandum of understanding governing the sharing of confidential records and information within four months. This timeline is unrealistic.

This bill requires both data sharing and access to agency systems. Granting system access introduces greater cybersecurity, legal, and operational risk than controlled data exchange.

CYFD maintains highly sensitive child welfare information that is subject to HIPAA, FERPA, federal confidentiality statutes, and court-imposed restrictions. Any expansion of access must be carefully structured to ensure:

- Least-privilege access
- Strong authentication controls
- Comprehensive audit logging
- Clear breach response coordination

The bill does not define the level or type of system access (e.g., read-only, limited module access, or broader credential-based access). That distinction will significantly affect implementation complexity and risk exposure.

Additionally, while DoIT collaboration is required, the bill does not clearly define approval authority for technical architecture or security validation. All decisions concerning access (direct system access or structured data exchange), authentication requirements, data minimization standards, encryption standards, network segmentation expectations, which specific data shall be shared, and which specific systems shall be accessed, are being left to the workgroup. Negotiating these necessary details will require additional time beyond the four months allotted.

PERFORMANCE IMPLICATIONS

CYFD has no performance measures concerning this bill.

ADMINISTRATIVE IMPLICATIONS

See Fiscal Implications. Additionally, the memorandum will require additional internal risk and security reviews, new access provisioning and monitoring procedures, and new training for both internal and external users. CYFD cannot absorb these implications with existing resources.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None identified.

TECHNICAL ISSUES

The Office of Family Representation and Advocacy, who are responsible for representing respondents, children, and youth in abuse and neglect cases under the Children's Code, are not among the agencies who are required to participate in the bill's prescribed activities.

OTHER SUBSTANTIVE ISSUES

None identified.

ALTERNATIVES

Status quo.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None identified.

AMENDMENTS

CYFD requests the following amendments to support secure and effective implementation:

1. Clarify that system access shall be limited to the minimum level necessary to fulfill the

statutory duties of the Office of Child Advocate, and that structured data exchange should be used when feasible in lieu of direct system access.

2. Specify baseline security controls for access, including multi-factor authentication, role-based least-privilege access, encryption, and continuous audit logging.
3. Clarify that DoIT shall review and approve the technical architecture and security controls prior to implementation.
4. Consider providing implementation funding for participating agencies to address system configuration, monitoring, and compliance costs.
5. Clarify that access to criminal justice information subject to the CJIS Security Policy shall require DPS authorization and full compliance with CJIS security requirements, and that structured data exchange should be used when feasible in lieu of direct system access.