

LFC Requester:

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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.nmlegis.gov/AgencyAnalysis) and email to [billanalysis@dfa.nm.gov](mailto: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:** 1/30/25 Check all that apply:  
**Bill Number:** HB 192 Original  Correction   
 Amendment  Substitute

**Sponsor:** Rep. Hernandez, Cullen & Cates and Sen. Nava & Block **Agency Name and Code Number:** NM DoIT – 361  
**Person Writing Analysis:** Michael Rohrbacher  
**Short Title:** Digital Trunked Radio System Subscriber Fees **Phone:** 505-316-5040 **Email:** Michael.rohrbacher@doit.nm.gov

**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
0	\$2,800,000	Recurring	

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis ( ) indicate revenue decreases)

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

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	0	0	0	0	0	

(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: House Bill 192 (HB 192) would create a new provision in the Department of Information Technology Act, which would require DoIT “to submit a written report to the legislative finance committee on the subscriber fees and users for the next fiscal year for the digital trunked radio communications system by December 1 of each year,” beginning on December 1, 2026.

HB 192 would also appropriate \$2.8 million to DoIT to provide for subscriber fees to the Digital Trunked Radio System (DTRS) by participating municipal, county or tribal public safety agencies. Any unexpended or unencumbered balance remaining at the end of FY 2024 shall revert to the general fund.

#### **FISCAL IMPLICATIONS**

No direct fiscal impact to DoIT.

#### **SIGNIFICANT ISSUES**

The base appropriation of \$2,800,000 will likely not be enough to cover annual radio subscriptions for DTRS service beyond FY26. There is no language in the proposed bill to ensure that additional appropriation is received each year based on the projected usage as indicated in the required report on December 1<sup>st</sup> of each year.

Under the proposed language, DoIT’s federal agency subscribers would not be entitled to a subsidy. Also, non-law enforcement branches of local agencies (such as public works and transportation) may not be subsidized. That is a departure from past appropriations, under which all DoIT customers were entitled to a subsidy.

DoIT operates under a cost recovery model. DoIT’s charges for services are calculated to recover DoIT’s costs, without profit. This “no profit” cost recovery model ensures compliance with federal procurement regulations that have been construed to prohibit states from charging federal agencies more than actual cost. If federal and other state entities/agencies are excluded from subsidies, the rates that DoIT charges those agencies may exceed DoIT’s cost for the service. Because DoIT must treat/charge all external agencies the same, limiting the subsidies to only certain customers may be legally unsound.

#### **PERFORMANCE IMPLICATIONS**

**None**

#### **ADMINISTRATIVE IMPLICATIONS**

**None**

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

There are also requests for special and recurring funding in DoIT general appropriation to cover these fees for FY26.

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

Funds could be appropriated directly to the potential participating municipal, county, tribal and public safety entities to fund their DTRS subscriber fees.

Another possibility could be to make the appropriation to the Department of Finance and Administration Local Government Division for distribution to potential participating municipal, county, tribal and public safety entities to fund their DTRS subscriber fees.

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

Many subscriber agencies currently participate in the Digital Trunked Radio System based on the established non-recurring subsidy. If such subsidies are not continued, they may reconsider their participation in this service. If these agencies decide to withdraw from DTRS service, this could have a negative impact on first responder interoperability and communications in New Mexico.

## **AMENDMENTS**