# AGENCY BILL ANALYSIS - 2025 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:** *13FEB25*      *Check all that apply:*
**Bill Number:** *HB401*      Original ___   **X** Correction __
      Amendment __   Substitute __

**Agency Name and Code Number:** 790 – Department of Public Safety

**Sponsor:** Rep. Linda Serrato

**Short Title:** A.I Synthetic Content Accountability Act

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## SECTION II: FISCAL IMPACT

### APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---|---|---|---|
| **FY25** | **FY26** | | |
| NFI | NFI | N/A | N/A |
| | | | |

(Parenthesis ( ) indicate expenditure decreases)

### REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|---|---|---|---|---|
| **FY25** | **FY26** | **FY27** | | |
| NFI | NFI | NFI | N/A | N/A |
| | | | | |

(Parenthesis ( ) indicate revenue decreases)

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

| | **FY25** | **FY26** | **FY27** | **3 Year Total Cost** | **Recurring or Nonrecurring** | **Fund Affected** |
|---|---|---|---|---|---|---|
| **Total** | NFI | NFI | NFI | NFI | 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**
Creates new regulations and new civil and criminal penalties related to the use and dissemination of AI-generated content — establishing liability, labeling and enforcement mechanisms related to creating digital fakes of a person's likeness without their consent and other digitally-manipulated content.

**FISCAL IMPLICATIONS**
No fiscal implications to DPS.

**SIGNIFICANT ISSUES**
No significant issues to DPS.

**PERFORMANCE IMPLICATIONS**
No performance implications to DPS.

With the rise of synthetic content created by AI, this bill provides clear definitions of liability, ensuring individuals who harm others by spreading synthetic content are held accountable.  The bill provides specific circumstances under which dissemination is improper, helping law enforcement and the judiciary recognize when actions cross a legal line.

This bill provides allowances for freedom of expression and legitimate uses of synthetic content, such as in legal, medical, educational, or artistic contexts.  Section 3 acknowledges that not all dissemination is harmful, providing exceptions for lawful and non-malicious purposes.  This ensures that legitimate content creators or organizations are not unnecessarily hindered by overly broad regulations.

By creating both civil and criminal liabilities for the improper dissemination of synthetic content, the law serves as a deterrent to would-be offenders.  Penalties for such conduct help curb malicious uses of synthetic media, contributing to the broader goal of reducing cybercrimes and ensuring digital safety.

**ADMINISTRATIVE IMPLICATIONS**
No administrative implications to DPS.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**
No conflict, duplication, companionship or relationship to DPS.

**TECHNICAL ISSUES**
No technical issues to DPS.

**OTHER SUBSTANTIVE ISSUES**
No other substantive issues to DPS.

**ALTERNATIVES**
Not applicable as no impact to DPS.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**
Status quo will remain.

**AMENDMENTS**
None at this time.