

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*(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: February 4, 2025

Check all that apply:

Bill Number: SB220

Original Correction Amendment Substitute Sponsor: Pat Woods and Gabriel Ramos
Legal Settlement Agreement
PublicationAgency Name
and CodeOffice of Broadband Access and
Expansion - 36100

Number:

Person Writing

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Short

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: [nnect.nm.gov](http://connect.nm.gov)**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0	\$0		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$0			

(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	Unknown	Unknown	unknown			

(Parenthesis () Indicate Expenditure Decreases)

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

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: This bill creates two new sections to the Sunshine Portal Transparency Act.

- 1) Mandating that the terms of any legal settlements entered into without the assistance of RMD be published on the Sunshine Portal within 30 days; and
- 2) Creating Loss Prevention Review Teams at the RMD which will:
 - a. Be appointed within 20 days of a death, serious injury, or substantial loss (defined as greater than \$250,000) that is suspected to be caused at least in part by the agency's actions;
 - b. Be led by an attorney and other persons who were not directly involved in the incident;
 - c. Report to the RMD director and head of the agency involved as to the circumstances surrounding the incident, the causes, and how to reduce future risk.

FISCAL IMPLICATIONS

This is an unfunded mandate.

SIGNIFICANT ISSUES

Cybersecurity incidents are on the rise, and increasingly costly for state agencies. When such an incident occurs, the impacted agency must, on an emergency basis, engage expert contractors and consultants to investigate and remediate the incident. Depending on the nature of the incident, such remediation may include reporting requirements to multiple state and federal entities.

This bill would trigger the creation of a Loss Prevention Review Team for any cybersecurity incident impacting a state agency, as the high cost of cybersecurity incidents ensures they would qualify as a "substantial loss." This would lead to the procuring of a secondary team of expert contractors and consultants to conduct an investigation, create a report, and make recommendations – all in parallel to those made by the contractors hired by the impacted agency.

At best, the State will expend significant funds to duplicate investigations and reports. In a more complex cybersecurity incident, there may not be sufficient experts available to create independent teams.

PERFORMANCE IMPLICATIONS

Unknown.

ADMINISTRATIVE IMPLICATIONS

Unknown.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

It is unclear if the Loss Preventing Review Team's final report, and agency response, would be exempt from disclosure under IPRA.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

N/A.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS