

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Rodella DATE TYPED 1/29/04 HB 190

SHORT TITLE State Network Enterprise Security Program SB _____

ANALYST Paz

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$1,000.0			Non-recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Responses Received From

Office of the Chief Information Officer

SUMMARY

Synopsis of Bill

House Bill 190 appropriates \$1 million from the general fund to the Office of the Chief Information Officer to develop an enterprise information security program for the state network.

An assessment and strategic plan published by the Office of the Chief Information Officer in September 2003 recommended the state implement an enterprise information security program to include a single security architecture with common goals, methods, standards and policies.

Significant Issues

The state does not have a mechanism for coordinating agency information security requirements. Information security activities at various agencies lack oversight and guidance. Risks to the state include the loss of information, integrity of information and systems, which could ultimately result in many state agencies failure to continue operations for a significant period of time in the even of a breach in security.

According to the Office of the CIO, the state remains highly vulnerable to both external and internal intrusions, resulting in continued risk of denial of service and fraud, as well as growing operation costs while efficiency decreases.

PERFORMANCE IMPLICATIONS

According to the Office of the CIO, the information security program will enhance the performance of the state computer network and mitigate risks to the confidentiality, integrity and availability of information assets.

Performance metrics will be required to measure the success of this program in the following areas:

- Computer incident response
- Threat and vulnerability reduction
- Audits and assessments
- Information security awareness

ADMINISTRATIVE IMPLICATIONS

According to the Office of the CIO, this program will require a new security administration model, new security workflow and management.

An information security taskforce will need to be established through the Office of Homeland Security and coordinated with the Office of the CIO and the General Services Department.

FISCAL IMPLICATIONS

The appropriation of \$1 million contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2005 shall revert to the general fund.

Ongoing support of this program will require a recurring general fund appropriation of approximately \$500 to the base budget of either the Office of the Chief Information Officer or the General Services Department.

CONFLICTS, DUPLICATION

House Bill 2 includes a similar special information technology appropriation of \$1 million for this program.

TECHNICAL ISSUES

According to the Office of the CIO, this program requires development of enterprise security management processes, policies, enterprise security model, selection of both external experts, and best of breed technologies. This program should be integrated into enterprise architecture and include wireless, client/server and mainframe environments.

This program should make use of the expertise and capabilities of the New Mexico Institute of Mining and Technology, which has a nationally recognized program in Information Assurance.

EP/njw