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## FISCAL IMPACT REPORT

SPONSOR Stefanics ORIGINAL DATE 2/3/2018  
LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_  
SHORT TITLE Data Breach Notification Act Compliance SM 12  
ANALYST Torres

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

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	NFI	NFI	NFI	NFI		

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Office of the Attorney General (NMAG)

### SUMMARY

#### Synopsis of Bill

Senate Memorial 12 is in response to the Equifax data breach of 2017 which exposed personal identifying information of approximately half of the population of the United States to identity theft and unauthorized use of their information. SM 12 requests that the state Attorney General review and evaluate compliance with those subject to the Data Breach Notification Act, NMSA 1978, Section 57-12C-1 et seq. (2017), the effectiveness of the current requirements of the act, survey the methods that other states use to ensure that consumers can ‘lock’ their credit reports for free (and the costs and benefits of those methods) and that the Attorney General create a report with the conclusions of his review and make proposals to strengthen consumer data security and breach notification.

### FISCAL IMPLICATIONS

The NMAG did not identify any fiscal implications from SM12.

### PERFORMANCE IMPLICATIONS

SM12 requires the NMAG to review, evaluate and create a report including the conclusions of his review and recommendations to strengthen consumer data security and breach notification.

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The legal analysis may require the diversion of staff time from other duties required of the NMAG. This diversion may result in a minimal impact on the NMAG's performance of other duties.

### **OTHER SUBSTANTIVE ISSUES**

The bill uses the term 'lock' as synonymous with 'freeze' with regard to credit reports. Many data collection entities differentiate these terms.

The NMAG recommends "that on page 2, line 21, 'lock' not be described as equating to a freeze and instead be replaced with a definition which would encompass locks, freezes and any other similar type of product which data collection agencies may devise."

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