

LFC Requester:	Felix Chavez
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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: 1/15/2025 *Check all that apply:*
Bill Number: HB60 Original Correction
 Amendment Substitute

Sponsor: Rep. Christine Chandler **Agency Name and Code** 790 – Department of Public Safety
Short Title: **Number:** _____
Person Writing Kent Augustine
Phone: 505-709-5264 **Email** kent.augustine@dps.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
NFI	NFI	NFI	NFI

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
NFI	NFI	NFI	NFI	NFI

(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	NFI	NFI

(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 the Artificial Intelligence Act, which requires a developer or deployer (user) of an artificial intelligence (AI) system to take detailed affirmative steps to protect New Mexico residents from the known or foreseeable risks of algorithmic discrimination arising from the use of high-risk AI systems. The measure is directed any condition where use of an AI system results in unlawful differential treatment or impact that disfavors a person based on actual or perceived age, color, disability, ethnicity, gender, genetic information, proficiency in the English language, national origin, race, religion, reproductive health, veteran status or other status protected by state or federal law. AG has rulemaking and enforcement authority over the act.

FISCAL IMPLICATIONS

Due to the definition of “consequential decision,” HB60 has no fiscal impact on DPS.

SIGNIFICANT ISSUES

No significant impact on DPS, but some issues listed could affect DPS.

The Bill provides many protections for consumers of artificial intelligence systems. However, some compliance requirements for artificial intelligence developers and deployers appear challenging to comply with, given the current state of technology in understanding what happens within the artificial intelligence systems once they process training data. However, the Act does not go into effect until July 1, 2026, with the state department to promulgate rules to implement the Act on or before July 1, 2027. Given the rapid speed of artificial intelligence systems, compliance by developers and deployers may not be a problem. The limitations of the Bill focused on high-risk artificial intelligence systems appear to make it easier for developers and deployers to comply with the disclosure and reporting requirements of the Bill.

The Bill provides adequate due process protections for consumers of artificial intelligence systems with appellate rights of adverse decisions where a high-risk artificial intelligence system is used to make or is a substantial factor in making a consequential decision concerning a consumer. Importantly, Section 8 (C) states, “If technically feasible, an appeal of an adverse decision pursuant to this section shall allow for human review.” The Bill also provides in Section 13 (a)(2) that “a consumer may bring a civil action in district court against a developer or deployer for declaratory relief or injunctive relief and attorney fees for a violation of that act.”

In Section 9 (D), the Bill provides for an IPRA Exception to disclosure but only for a “risk management policy, impact assessment or record submitted to the state department of justice,” not other state agencies like DPS. It would be better to extend this to other state agencies like DPS.

PERFORMANCE IMPLICATIONS

No impact to DPS.

ADMINISTRATIVE IMPLICATIONS

No impact to DPS.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

No impact to DPS.

TECHNICAL ISSUES

No impact to DPS.

There is a typographic error in Section 3, B. (2)(c) that reads, "known or reasonable foreseeable limitations of the system," that should read, "known or reasonably foreseeable limitations of the system,"

OTHER SUBSTANTIVE ISSUES

No impact to DPS.

ALTERNATIVES

No impact to DPS.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

No impact to DPS.

AMENDMENTS

No impact to DPS.