

LFC Requester:	Eric Chenier
-----------------------	---------------------

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: 2/20/25 *Check all that apply:*
Bill Number: HB430 Original Correction
 Amendment Substitute

Sponsor: Debra M. Sariñana
 Marianna Anaya
 Elizabeth "Liz" Thomson
 Joanne J. Ferrary
Short Title: Health Data Privacy Act

Agency Name and Code Number: New Mexico Public Schools
 Insurance Authority 34200
Person Writing: Kaylynn Roybal
Phone: 505-476-1672 **Email:** kaylynn.roybal@psia.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(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						

(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

Establishes comprehensive guidelines for the processing of regulated health information by entities other than licensed health care providers.

Definitions:

- **De-identified Data:** Data that cannot be linked to an individual, provided the entity takes measures to prevent re-identification, commits publicly to maintaining de-identification, and ensures recipients uphold these standards.
- **Processing:** Any operation performed on regulated health information, including collection, use, sharing, analysis, storage, or deletion.
- **Regulated Entity:** An entity, excluding licensed health care providers, that controls the processing of regulated health information of New Mexico residents or individuals present in New Mexico.
- **Regulated Health Information:** Information reasonably linkable to an individual or device, collected in connection with an individual's physical or mental health, including related location or payment information.
- **Service Provider:** An entity processing regulated health information on behalf of a regulated entity.
- **Third Party:** An entity involved in processing regulated health information, other than the individual, regulated entity, or service provider.

Regulated entities are required to:

1. **Privacy Notice:** Provide a clear and easily understandable public notice detailing their privacy practices.
2. **Consent:** Obtain affirmative consent from individuals before processing their regulated health information, except as otherwise provided in the Act.
3. **Data Security:** Implement reasonable administrative, technical, and physical safeguards to protect the confidentiality, integrity, and accessibility of regulated health information.
4. **Data Minimization:** Limit the collection and processing of regulated health information to what is necessary to fulfill the purposes for which consent was obtained.
5. **Individual Rights:** Provide mechanisms for individuals to access, correct, or delete their regulated health information.

Service Providers:

Service providers must process regulated health information only as directed by the regulated entity and are prohibited from using such information for any other purposes.

Enforcement and Penalties:

The New Mexico Attorney General is authorized to enforce the provisions of the Health Data Privacy Act and may seek civil penalties for violations. Individuals also have the right to pursue private legal action if their health data privacy rights are violated.

Regulations:

The Act mandates the development and implementation of regulations to ensure compliance and to address emerging privacy concerns related to health data.

Effective July 1, 2026.

FISCAL IMPLICATIONS

HB430 introduces modifications that reinforce existing health data protection. While these changes may require administrative adjustments to ensure full compliance, the overall impact on NMPSIA is expected to be minimal in nature with no substantial increase in expenditure or fees anticipated. Furthermore, NMPSIA already operates under HIPAA regulations which remains as the primary framework for patient privacy.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

NMPSIA notes existing policies and procedures may need revisions to align with system updates and the management of private information. The agency currently adheres to strict guidelines under HIPAA, and we will need to ensure proper training and maintenance of new policies added to our protocols. This may have administrative impact due to the need for additional resources for staff education, compliance monitoring, and potential adjustments to internal workflows to uphold data privacy and security standards.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS