

1 SENATE BILL 605

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

4 Joseph Cervantes

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10 AN ACT

11 RELATING TO SETTLEMENTS; PROVIDING NOTICE TO LEGISLATIVE AND
12 EXECUTIVE LEADERSHIP OF MEDIATIONS THAT MIGHT RESULT IN COSTING
13 THE STATE MORE THAN ONE MILLION DOLLARS (\$1,000,000); CREATING
14 A SETTLEMENT MANAGEMENT COMMITTEE TO GIVE RECOMMENDATIONS ON
15 SETTLEMENTS.

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17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

18 SECTION 1. [NEW MATERIAL] MEDIATION--SETTLEMENT--NOTICE
19 TO LEGISLATURE AND EXECUTIVE.--At least fourteen days before a
20 mediation that is scheduled to pursue settlement of a lawsuit
21 that might result in a settlement agreement requiring an
22 expenditure from the state's budget in an amount of one million
23 dollars (\$1,000,000) or more, the attorney general shall give
24 notice to the president pro tempore of the senate, the speaker
25 of the house of representatives, the governor and the secretary

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1 of finance and administration of the impending mediation.

2 SECTION 2. [NEW MATERIAL] SETTLEMENT MANAGEMENT

3 COMMITTEE--RECOMMENDATIONS.--

4 A. There is created a "settlement management
5 committee" composed of:

6 (1) the president pro tempore of the senate or
7 the president's designee;

8 (2) the speaker of the house of
9 representatives or the speaker's designee;

10 (3) the chair and vice chair of the
11 legislative finance committee;

12 (4) the governor or the governor's designee;
13 and

14 (5) the secretary of finance and
15 administration.

16 B. The attorney general shall not enter into any
17 agreement in connection with a lawsuit to which the state is a
18 party that contains any provision that requires an expenditure
19 from the state's budget in an amount of one million dollars
20 (\$1,000,000) or more over the term of the agreement before
21 presenting the terms of the settlement agreement to the
22 settlement management committee for its review and
23 recommendations.

24 C. The settlement management committee shall meet
25 to review the proposed settlement agreement and shall make a

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1 recommendation on whether the settlement agreement shall be
2 executed or rejected.

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