

LFC Requester:	
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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}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date Prepared: 2025-02-03
Bill No: SB220

Sponsor(s) Pat Woods
: Gabriel Ramos

Agency Name and Code CYFD 69000
Number:
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Short Title: PUBLICATION OF LEGAL SETTLEMENT TERMS

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

ESTIMATED ADDITIONAL OPERATION BUDGET (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

This bill adds a new provision requiring state agencies that enter into settlement agreements to resolve legal claims—without the involvement of the Risk Management Division (Division) of the General Services Department (GSD)—to post the terms of such agreements on the Sunshine Portal. The posting must occur within thirty (30) days of finalizing the agreement, ensuring that the terms are made available for public access in a downloadable format, at no cost. It also:

- Modifies the definitions of section 15-7-1 NMSA, further defining the meaning of "director" and "division" to make clear that the director is the director of the Risk Management Division of the General Services Department.
- Adds a new section establishing a loss prevention review team, defining its membership, duties and reporting requirements.
- Adds definition of "serious injury" and "substantial loss".
- Requires that state agencies notify the division immediately upon becoming aware of an individual's death of serious injury or other substantial loss, alleged or suspected to be caused in whole or in part or by the actions of the state agency.
- Requires the director to appoint a loss prevention review team within thirty days of the division becoming aware of the alleged death or serious injury to review the allegations or suspicions related to alleged death or serious injury.
- Defines the method and procedure of constituting the loss prevention review team and requires it be led by an attorney and additional persons appointed by

the loss prevention review team lead. It may include independent contractors, experts, state employees, etc. It may not include persons directly involved in the loss or risk of loss or a person with testimonial knowledge of the incident.

- The review team shall review the death, serious injury or substantial loss produce a report, after the final judgment or settlement agreement is in place including the review team's findings, analysis of the causes, contributing factors and future risk related to the incident.

- Authorizes the director to promulgate rules to implement the provisions of the review team section.

- Requires an annual report to be submitted to the legislature identifying the loss prevention reviews conducted in the past fiscal year.

FISCAL IMPLICATIONS

None.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

The bill would create an additional level of governmental investigative committees in the loss prevention review committee, but, at the same time, it would provide a structured method to gather information to develop and implement plans and procedures to avoid significant loss or liability. Administration of that additional level would be necessary, and that administration would create some (as yet unknown) additional administrative pressure on the existing administration. It could lead to the need for more people for administrative purposes, the necessity of more office space, or other administrative pressures.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

Bill does not define types of data, secure transmission of data, how long data should be held and who is the responsible party for authorization and approval of data. This results in concerns regarding the security of personally identifiable information (PII). The handling of this PII should be better defined.

OTHER SUBSTANTIVE ISSUES

- In section 1, the term "terms" to be published in the sunshine portal should be defined to clarify for any confusion as to what is included as a "term".

This would serve to avoid any editing issues.

- Section 3 D can be read to limit the resources available to the review team where it says, "The review team shall accomplish those tasks by reviewing relevant documents and interviewing persons with relevant knowledge." The inclusion of the directive, "shall", suggests that the review team may be limited to the enumerated elements of inquiry when, in fact, the review team may find it necessary to expand its scope of review. In that case, funding may be an issue if the expansion of review sources is challenged on financial grounds. It could be more useful to grant the review team the authority to explore all resources it deems necessary for a full and complete examination of the issues.

- Section 3 D requires the review team to make a report to the director and the head of the state agency involved in the loss or risk of loss and further provides for the head of the state agency to make a written response to the report, but it does not specify the times for submission of the report or the response by the head of the state agency. This would be beneficial in order to avoid delays that could render the report and recommendations less useful.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If this bill is not enacted, the state will not have the useful information, presented in an orderly format, to develop plans, procedures and policies

designed to reduce future claims related to the types of substantial loss or liability this bill is designed to address. The usefulness of those data and potential policies, changes in procedure and other factors that would help the state agencies avoid significant claims in the future is self-evident.

AMENDMENTS

- In section 1, the term "terms" to be published in the sunshine portal should be defined to clarify any confusion as to what it included as a "term". This would serve to avoid any editing issues. the terms that could be defined should include, at least, the amount for which the dispute is settled, how that amount is paid, any actions that are required under the settlement, any review periods that are contemplated by the settlement as well as any and rights, privileges or claims that are being waived by either party.

- Section 3 D can be read to limit the resources available to the review team where it says, "The review team shall accomplish those tasks by reviewing relevant documents and interviewing persons with relevant knowledge." The inclusion of the directive, "shall", suggests that the review team may be limited to the enumerated elements of inquiry when, in fact, the review team may find it necessary to expand its scope of review. In that case, funding may be an issue if the expansion of review sources is challenged on financial grounds. It could be more useful to grant the review committee the authority to explore ". . . all resources it deems necessary for a full and complete examination of the issues . . ."

- Section 3 D requires the review team to make a report to the director and the head of the state agency involved in the loss or risk of loss and further provides for the head of the state agency to make a written response to the report but it does not specify the times for submission of the report or the response by the head of the state agency. This would be beneficial in order to avoid delays that could render the report and recommendations less useful.