

LFC Requester:	F. 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: 2/5/25 *Check all that apply:*
Bill Number: SB282 Original Correction
 Amendment Substitute

Sponsor: J. Cervantes **Agency Name and Code:** OSA - 308
Short Title: STRUCTURED SETTLEMENT GUARDIAN **Number:** _____
Person Writing: David Craig
Phone: 505-469-9911 **Email:** David.Craig@osa.nm.

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

Synopsis:

Senate Bill 282 (SB282) amends the Structured Settlement Protection Act (Act) to require any court action transferring payment rights under a structured settlement requires the court to appoint a guardian ad litem for the payee. The guardian ad litem is to make an independent assessment and advise the court on whether the proposed transfer is in the payee's best interests. SB 282 does not contain an appropriation.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

A "structured settlement" is a settlement or judgment that resolves certain court actions by arranging for periodic payment of damages to the injured party.

Under the provisions of SB 282, the court appointed guardian ad litem shall advise the court the following when reviewing structured settlements: the payee's reasonable preference given age, mental capacity, maturity level, understanding of the agreement terms and stated purpose of the transfer; if the periodic payments are intended to cover future income, losses or future medical expenses; and whether the payee has other means of support to meet these obligations; whether the payee can meet the financial needs of dependents if the transfer occurs, including child support and spousal maintenance; whether the payee completed previous similar transactions, and the timing, amount, purpose and actual use of the proceeds; the impact of the transfer on current or future eligibility of the payee or dependents for public benefits; and any other factor considered relevant by the court or the guardian ad litem.

SB 282 allows the guardian ad litem to consult with a certified public accountant, actuary or other licensed professional. All costs and reasonable fees shall be borne by the transferee as determined by the court. The measure requires filing of an interim report, written responses, and a final report prior to the scheduled hearing.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

OSA is not involved with guardians at litem. OSA's involvement with the financial affairs of protected or incapacitated persons is solely described in 45-5-409(H) of the Probate Code, which requires that conservators file annual and periodic reports with the court which are then forwarded by the court to OSA for its review and decision as to whether a full audit is necessary.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS