LFC Requester:	Mercer-Garcia
Lrc Requester:	Mercer-Garcia

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:February 10, 2025Check all that apply:Bill Number:SB 324Original x_{-} CorrectionAmendmentSubstitute

Agency Name and Code

Sponsor: Sen. Katy M. Duhigg **Number**: General Services Department - 350

Short PROHIBIT CERTAIN Person Writing Sarah Wintermute

Title: EMPLOYMENT AGREEMENTS Phone: 505-637-1285 Email sarah.wintermute@gsd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropr	iation	Recurring	Fund Affected	
FY25	FY26	or Nonrecurring		
NA	NA	NA	NA	

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

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

(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	NA	NA	NA	NA	NA	NA

(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: SB324 would prohibit private employers from requiring prospective, current or former employees or independent contractors to sign nondisclosure or non-disparagement provisions in settlement agreements related to sexual assault, sexual harassment, sexual discrimination or sexual retaliation.

The bill also allows plaintiffs in civil cases involving these matters to present evidence that the employer against whom the action was filed included a nondisclosure or non-disparagement clause and can be used in support of punitive damages.

Lastly, this bill limits the enforceability of any nondisclosure or non-disparagement clause agreed to before the dispute arises and limits the enforceability of any pre-dispute arbitration agreement or pre-dispute joint-action waiver relating to a sexual assault, sexual harassment, sexual discrimination or sexual retaliation dispute.

This bill only applies to private employers and prospective, current, or former employees or independent contractors.

FISCAL IMPLICATIONS

This bill would not have a fiscal, performance or administrative impact on the General Services Department's (GSD) Risk Management Division (RMD) because RMD does not provide coverage to private employers or employees. Covered parties under RMD's Certificate of Coverage generally only include governmental entities and employees of governmental entities.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS