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SENATE BILL 220

**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

INTRODUCED BY

Pat Woods and Gabriel Ramos

FOR THE LEGISLATIVE FINANCE COMMITTEE

AN ACT

RELATING TO RISK MANAGEMENT; REQUIRING THE PUBLICATION OF TERMS OF LEGAL SETTLEMENT AGREEMENTS; PROVIDING FOR LOSS PREVENTION REVIEW TEAMS; REQUIRING REPORTS.

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

SECTION 1. A new section of the Sunshine Portal Transparency Act is enacted to read:

"[NEW MATERIAL] PUBLICATION OF LEGAL SETTLEMENT AGREEMENTS.--State agencies that enter into an agreement to settle a potential legal or other claim against a state agency without the assistance of the risk management division of the general services department shall, within thirty days of entering into a settlement agreement, provide the terms of the settlement agreements for publication on the sunshine portal, in a downloadable format, for free public access."

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1           SECTION 2. Section 15-7-1 NMSA 1978 (being Laws 1977,  
2 Chapter 385, Section 4, as amended) is amended to read:

3           "15-7-1. DEFINITIONS.--As used in Chapter 15, Article 7  
4 NMSA 1978:

5           A. "board" means the risk management advisory  
6 board;

7           B. "director" means the director of the [~~risk~~  
8 management] division [~~of the general services department~~];

9           C. "division" means the risk management division of  
10 the general services department;

11           [~~E.~~] D. "local public body" means all political  
12 subdivisions of the state and their agencies, instrumentalities  
13 and institutions;

14           [~~D.~~] E. "public employee" means any officer,  
15 employee or servant of a governmental entity, including elected  
16 or appointed officials, law enforcement officers and persons  
17 acting on behalf or in service of a governmental entity in any  
18 official capacity, whether with or without compensation, but  
19 the term does not include an independent contractor; and

20           [~~E.~~] F. "state" or "state agency" means the state  
21 of New Mexico or any of its branches, agencies, departments,  
22 boards, instrumentalities or institutions, including regional  
23 housing authorities."

24           SECTION 3. A new section of Chapter 15, Article 7 NMSA  
25 1978 is enacted to read:

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1           "[NEW MATERIAL] LOSS PREVENTION REVIEW TEAMS--MEMBERSHIP--  
2 DUTIES--REPORTING.--

3           A. State agencies shall notify the division  
4 immediately upon becoming aware of an individual's death or  
5 serious injury or other substantial loss that is alleged or  
6 suspected to be caused at least in part by the actions of a  
7 state agency.

8           B. The director shall appoint a loss prevention  
9 review team when the occurrence of an individual's death or  
10 serious injury or other substantial loss is alleged or  
11 suspected to be caused at least in part by the actions of a  
12 state agency. The review team shall be appointed in  
13 conjunction with the defense counsel of the division within  
14 thirty days of the division becoming aware of such an  
15 occurrence.

16           C. A loss prevention review team shall be led by an  
17 attorney appointed by the director and additional persons  
18 identified by the loss prevention review team lead, who may  
19 include independent consultants, contractors, experts or state  
20 employees, but shall not include a person directly involved in  
21 the loss or risk of loss giving rise to a loss prevention  
22 review or a person with testimonial knowledge of the incident  
23 to be reviewed.

24           D. The loss prevention review team shall review the  
25 death, serious injury or substantial loss and the circumstances

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1 surrounding it, evaluate its causes and recommend steps to  
2 reduce the risk of such incidents occurring in the future. The  
3 review team shall accomplish those tasks by reviewing relevant  
4 documents and interviewing persons with relevant knowledge.  
5 After the final judgment resolving any claims related to the  
6 loss and rights to appeal have been exhausted or any settlement  
7 agreements have been signed by the state and parties related to  
8 the loss, the review team shall submit a report in writing to  
9 the director and the head of the state agency involved in the  
10 loss or risk of loss. The report shall include the team's  
11 findings, an analysis of the causes, contributing factors and  
12 future risk and an exploration of methods that the state agency  
13 may use to address and mitigate the risks identified, including  
14 changes to policies or procedures, any legislative  
15 recommendation necessary to address and carry out the risk  
16 treatment strategies identified in the report and the manner in  
17 which the agency will measure the effectiveness of its changes.  
18 The report shall include a written response to the findings,  
19 conclusions and recommendations from the head of the state  
20 agency involved in the loss.

21 E. A state agency shall provide loss prevention  
22 review teams ready access to relevant documents in the agency's  
23 possession and ready access to the agency's employees. Any  
24 interviews, transcripts, reports, recommendations,  
25 communications or other documents adduced or created in

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1 connection with a loss review investigation shall remain  
2 confidential until after final disposition of any related  
3 claims pursuant to Section 15-7-9 NMSA 1978.

4 F. The director may promulgate rules to implement  
5 the provisions of this section.

6 G. On or before October 1 of each year, the  
7 director shall submit a report to the legislature identifying  
8 the loss prevention reviews conducted in the past fiscal year,  
9 providing appropriate metrics on effectiveness and efficiency  
10 of loss prevention review team programs and summarizing any  
11 determinations of trends in incidents, including reductions or  
12 increases in the frequency or magnitude of losses and  
13 innovative approaches to mitigating the risks identified.

14 H. As used in this section:

15 (1) "serious injury" means an injury that  
16 involves a substantial risk of death, protracted and obvious  
17 disfigurement or protracted loss or impairment of the function  
18 of a bodily member, organ or mental faculty; and

19 (2) "substantial loss" means a loss in a  
20 possible amount greater than two hundred fifty thousand dollars  
21 (\$250,000) or a lesser amount as determined by the director."

22 SECTION 4. EFFECTIVE DATE.--The effective date of the  
23 provisions of this act is July 1, 2025.

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