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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 2/28/2025

SPONSOR Gallegos/Block

BILL
NUMBER Senate Bill 500

SHORT TITLE Detransitioner Protection Act

ANALYST Chilton

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

| Agency/Program | FY25 | FY26 | FY27 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|----------------|------------------|---------|---------|-------------------|---------------------------|---------------|
| NMAG | No fiscal impact | \$150.0 | \$150.0 | \$300.0 | | General Fund |

Parentheses () indicate expenditure decreases.
*Amounts reflect most recent analysis of this legislation.

Relates to House Bill 185/Senate Bill 459, House Bill 466, House Bill 543, Senate Bill 258, Senate Bill 356, and Senate Bill 501.

Sources of Information

LFC Files

Agency Analysis Received From
New Mexico Attorney General (NMAG)
University of New Mexico (UNM)

Agency Analysis was Solicited but Not Received From
Health Care Authority (HCA)
Department of Health (DOH)

SUMMARY

Synopsis of Senate Bill 500

Senate Bill 500 (SB500) would enact a Detransitioner Protection Act, defining detransitioner as one who began a gender transition procedure but later stopped or sought to reverse that procedure. The bill deals with gender transition as well as detransition, forbidding its use in minors.

Section 2 of the bill provides definitions, including the following:

- “Female” is defined as someone who has or had a reproductive system that produces eggs.
- “Gender” means the psychological, behavioral, social and cultural aspects of being male or female.
- “Gender dysphoria” means distress or impaired function due to the perception of difference between one’s gender identity and the sex assigned at birth.

- “Male” means one who has or has had a reproductive system that produces sperm.
- “Minor” means a child less than 18 years of age.
- “Parent” includes biological, legal or adoptive person or legal guardian.
- “Sex” means the assigned sex at birth

Section 3 prohibits gender transition procedures or provision of gender transition information to a minor and requires a healthcare provider or any public body who is asked by a minor for information on gender transition to report that act to a parent by written notice, including prescribed information disputing the effectiveness of gender transition treatments and raising concern about the effect of hormone treatments on the brain. Practitioners who do not comply with these requirements would risk license action. Healthcare providers would have to allow parents to see all of their child’s medical records except when abuse, neglect, or domestic violence about a parent may be contained in those records, or if the provider believes release of the records would not be in the minor’s best interests. If denied access to records, a parent can sue for access and recover costs.

Section 4 states that public bodies and providers must permit mental health therapy to address gender dysphoria, with or without the parent’s consent.

Section 5 requires gender clinics to report statistics regarding transition treatments administered in that clinic and on interactions with minors and parents regarding gender transition procedures. The Department of Health (DOH) would be tasked with developing a form as prescribed in this section to be used for these reports and with reporting on statistics to the Legislative Finance Committee and the Legislative Health and Human Services Committee and be available to the public. If a gender clinic or practitioner did not comply with these provisions, The clinic or practitioner could be disciplined by a licensing body, fined as much as \$350 thousand, or both. The Office of Attorney General (NMAG) or district attorney would be empowered to investigate and prosecute a violation.

Section 6 requires public bodies or gender clinics providing gender transition services to pay for detransition. Insurance companies paying for transition must also pay for detransition and provide statistics to DOH regarding the detransition procedures. DOH would also report on the statistics gathered to the same interim committees.

Section 7 requires DOH to make name changes and document updating easy for detransitioners.

Section 8 requires providers or public bodies that perform gender transition procedures on a minor to pay for detransition procedures if requested within 25 years of the original procedure. Detransitioners could sue if this provision were not met for up to 25 years after the original procedure. Waivers of these provisions would not be allowed or honored.

Section 9 is a severability clause providing that if any section of the bill is found to be invalid, the remainder shall not be affected.

The effective date of this bill is July 1, 2025.

FISCAL IMPLICATIONS

NMAG points to possible costs:

The [NMAG] administratively prosecutes licensee violations for various medical boards that would be implicated by SB500, including the Pharmacy Board and Psychology Board. As written, if enforceable, SB500 would likely increase the prosecutorial burden on [NMAG]. Additionally, the enforcement schemes presented in SB500 would require further prosecutorial resource expenditures by [NMAG]. Further, if enacted, SB500 would face challenge in court almost immediately, and [NMAG] would certainly be a party to that proceeding.

Although NMAG does not specify a cost, one might assume that another attorney, at a cost of approximately \$150 thousand per year, might be required.

SIGNIFICANT ISSUES

According to an [article](#)¹ in *Journal of Clinical Endocrinology and Metabolism*, the U.S. Gender Transgender Survey determined in 2015 that 8 percent of those who had undergone transition procedures had subsequently undergone detransition—11 percent of transgender females and 4 percent of transgender males:

The most common reasons cited were pressure from a parent (36 percent), transitioning was too hard (33 percent), too much harassment or discrimination (31 percent), and trouble getting a job (29 percent). ... The participants in this study had high rates of mental health comorbidities, including depressive disorder (70 percent), anxiety (63 percent), post-traumatic stress disorder (33 percent), attention deficit disorder (24 percent), autism spectrum condition (20 percent), eating disorder (19 percent), and personality disorder (17 percent). Most respondents described their detransition as a very isolating experience in which they did not receive adequate psychological or medical support.

Both the University of New Mexico (UNM) and NMAG comment on numerous ways in which the provisions of SB500 conflict with federal and state law, including the following:

- SB500 facially conflicts with the Reproductive and Gender-Affirming Health Care Freedom Act (NMSA 1978, §§ 24-34-1 to -5), which generally prohibits discrimination against a person based on that person’s use of gender-affirming health care services. As SB500 prohibits or makes pursuing gender-affirming health care services impossible, nearly impossible, or subjects such providers to enormous liability, SB500 conflicts with this act.
- The bill seeks to create barriers to gender-affirming care by mandating that providers and public entities violate state and federal laws, requiring “disclosures” that contain unsubstantiated information, imposing onerous reporting requirements, greatly increasing exposure civil liability.
- The bill may violate the free speech clause of both the New Mexico Constitution., Article II, Section 17, and the First Amendment to the U.S. Constitution. SB500 directs physicians to provide notice to “a minor or a minor’s parent who requests information about or access to a gender transition procedure for a minor.” The statute would require written notice with specific language.

¹ <https://pmc.ncbi.nlm.nih.gov/articles/PMC9516050/>

- The Supreme Court has held that discrimination against transgender individuals may violate prohibitions against sex-based discrimination.
- The Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule (45 CFR Part 160 & 164) protects individually identifiable health information and limits how it can be used or disclosed. This bill would conflict with HIPAA by requiring patient-identified material to be submitted to DOH and it mandates parents' access to minors' medical records.
- The statute may run afoul of the prohibition against sex-based discrimination under the Equal Protection Clause of the U.S. Constitution, though no federal court has yet held that discrimination against transgender individuals is unconstitutional on this basis.
- To survive a challenge to the constitutionality of this law, the state would have to show that there is a compelling justification for restricting provision of healthcare within the medical standard of care in a way that is not restricted for other types of medical care for minors.
- SB500 facially conflicts with the Uniform Licensing Act's prohibition for licensees to provide conversion therapy to minors. See NMSA 1978, § 61-1-3.3. SB500 mandates providing care that is in direct conflict with this provision.
- The bill establishes professional liability and private causes of action against healthcare providers for up to 25 years after a procedure is completed or longer, which is likely to discourage healthcare providers from coming to or staying in New Mexico. This is particularly problematic when New Mexico already struggles with keeping healthcare practitioners in the state.

UNM also indicates that certain statements made in the language prescribed for the required written notice “include statements that have no evidence base, such as ‘the use of puberty blockers and cross-sex hormones for this purpose increases the risk of a child or an adolescent being sterilized, meaning that the child will never be able to have children,’ as well as ‘the use of puberty blockers and cross-sex hormones for this purpose carries numerous other risks of physical harm, including severely decreased bone density, heart disease, stroke and cancer.’”

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Related to the following bills, all relating to LGBTQ+ people:

- House Bill 185/Senate Bill 459, identical bills entitled Protection of Women's Sports Act
- House Bill 466, Hormone Therapy and Puberty Blocker Protection
- Senate Bill 258, Human Sexuality Education
- Senate Bill 543, Parental Consent for Minor's Health Care
- Senate Bill 356, State Diversity Act, and
- Senate Bill 501, School Reporting of Gender Incongruence.