

SENATE BILL 220

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

INTRODUCED BY

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This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

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

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AGREEMENTS.--State agencies that enter into an agreement to settle a potential legal or other claim against SJC→~~a~~←SJC SJC→that←SJC state agency SJC→with or←SJC 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."

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

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

- A. "board" means the risk management advisory board;
- B. "director" means the director of the [risk management] division [~~of the general services department~~];
- C. "division" means the risk management division of the general services department;
- ~~[D.]~~ D. "local public body" means all political subdivisions of the state and their agencies, instrumentalities and institutions;
- ~~[E.]~~ E. "public employee" means any officer, employee or servant of a governmental entity, including elected or appointed officials, law enforcement officers and persons acting on behalf or in service of a governmental entity in any

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official capacity, whether with or without compensation, but the term does not include an independent contractor; and

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

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

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

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

B. The director shall appoint a loss prevention review team when the occurrence of an individual's death or serious injury or other substantial loss is alleged or suspected to be caused at least in part by the actions of a state agency SFC→only in matters where the claim is pending before a court of competent jurisdiction←SFC . The review team shall be appointed in conjunction with the defense counsel of the division within thirty days of the division becoming aware of such an occurrence.

C. A loss prevention review team shall be led by an

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attorney appointed by the director and additional persons identified by the loss prevention review team lead, who may include independent consultants, contractors, experts or state employees, but shall not include a person directly involved in the loss or risk of loss giving rise to a loss prevention review or a person with testimonial knowledge of the incident to be reviewed.

D. The loss prevention review team shall review the death, serious injury or substantial loss and the circumstances surrounding it, evaluate its causes and recommend steps to reduce the risk of such incidents occurring in the future. The review team shall accomplish those tasks by reviewing relevant documents and interviewing persons with relevant knowledge. After the final judgment resolving any claims related to the loss and rights to appeal have been exhausted or any settlement agreements have been signed by the state and parties related to the loss, the review team shall submit a report in writing to the director and the head of the state agency involved in the loss or risk of loss. The report shall include the team's findings, an analysis of the causes, contributing factors and future risk and an exploration of methods that the state agency may use to address and mitigate the risks identified, including changes to policies or procedures, any legislative recommendation necessary to address and carry out the risk treatment strategies identified in the report and the manner in

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which the agency will measure the effectiveness of its changes. The report shall include a written response to the findings, conclusions and recommendations from the head of the state agency involved in the loss.

E. A state agency shall provide loss prevention review teams ready access to relevant documents in the agency's possession and ready access to the agency's employees. Any interviews, transcripts, reports, recommendations, communications or other documents adduced or created in connection with a loss review investigation shall remain confidential until after final disposition of any related claims pursuant to Section 15-7-9 NMSA 1978.

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

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

H. As used in this section:

(1) "serious injury" means an injury that involves a substantial risk of death, protracted and obvious

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disfigurement or protracted loss or impairment of the function of a bodily member, organ or mental faculty; and

(2) "substantial loss" means a loss in a possible amount greater than SFC→~~two hundred fifty thousand dollars (\$250,000)~~←SFC SFC→one million dollars (\$1,000,000)←SFC or a lesser amount as determined by the director."

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

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