

LFC Requester:**Julissa Rodriguez****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: 2-27-2025 *Check all that apply:*
Bill Number: HB 97 Original Correction
 Amendment Substitute

Sponsor: Janelle Anyanonu **Agency Name and Code Number:** Office of Superintendent of Insurance - 440
Short Title: INSURANCE AGAINST UNINSURED MOTORISTS **Person Writing:** Christian Myers
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0	\$0		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$0			

(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	TBD	TBD				

(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: This bill makes purchase of Uninsured and Underinsured Motorist (UM/UIM) coverage mandatory to meet “evidence of financial responsibility” as used in the Mandatory Financial Responsibility Act. This bill removes the requirement of policyholders to reject UM/UIM coverage.

FISCAL IMPLICATIONS

Operating Budget Impact: Additional form and rate filings required with mandatory UM/UIM coverage would require additional OSI staff. Estimated that one additional P&C Bureau analyst and 0.25 Actuarial Analyst would be required for additional required filing reviews.

SIGNIFICANT ISSUES

UM/UIM coverage is expensive. Based on recent rate filing data, the OSI estimates the additional of UM/UIM coverage would result in a 16% rate increase for a full coverage policyholder and a 43% rate increase for policyholders with only state minimum required coverages. Insurance affordability is a driving factor in high uninsured motorist population and introduction of this bill would exacerbate the problem. A higher uninsured motorist population in the state would ultimately lead to higher UM/UIM rates for the insured population.

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