LFC Requester: Micaela Fischer

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**: 2/3/2025 *Check all that apply:* **Bill Number:** SB 220 Original X Correction Amendment Substitute **Agency Name** and Code State Ethics Commission 410 Senator Ramos and Senator Number: **Sponsor:** Woods Publication of Legal Settlement **Person Writing** Short Rebecca Branch Agreements Title: Phone: 505-362-7407 Email rebecca.branch@sec.n

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring	Fund	
FY25	FY26	or Nonrecurring	Affected	

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring	Fund
FY25	FY26	FY27	or Nonrecurring	Affected

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	Recurring or Nonrecurring	Fund Affected
Total					

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: SB 220 creates a new section of the Sunshine Portal Transparency Act (NMSA 1978 Sections 10-16D-1 to -6 (2011 as amended) relating specifically to legal settlement agreements. It directs state agencies that enter into a settlement agreement without the assistance of the risk management division of the general services department to provide the terms of the settlement agreements for publication on the sunshine portal in a downloadable format within 30 days of entering into the agreement.

Section 2 amends the definitions sections to add a definition for "division" and deletes "risk management" and "of the general services department" form the definition of "director" but does not make any substantive changes.

Section 3 creates a new section that forms "Loss Prevention Review Teams." (A) Requires state agencies to notify RMD of GSD immediately upon becoming aware of a death, serious injury or other substantial loss that is alleged to be caused, at least in part, by the actions of a state agency. (B) The director of RMD must appoint a loss prevention review team. The review team shall be appointed in conjunction with the defense counsel of RMD within 30 days of RMD becoming aware of the occurrence. (C) Sets forth the composition of the review team which must be led by an attorney appointed by the director of RMD. However, it does exclude any person directly involved in the loss or risk of loss giving rise to the loss prevention review or with testimonial knowledge of the incident to be reviewed. (D) Sets forth the duties of the loss prevention review team, including the scope of information the final report they produce must include. (E) requires the state agency to provide the loss prevention review team ready access to all documents and the agency's employees. It also provides that any interviews, transcripts, reports, recommendations, communications, or other document adduced or created in connection with a loss review investigation are confidential until after final disposition of any related claims under section NMSA 1978 15-7-9 (2020, as amended). (F) provides RMD ability to promulgate rules to implement this section. (G) requires the director to submit a report by Oct. 1 of each year to the legislature identifying the loss prevention reviews conducted in the past FY, providing metrics on effectiveness and efficiency of loss prevention review team programs and summarizing any determination of trend in incidents. (H) provides definitions for "serious injury" and "substantial loss" under this section.

Effective date is July 1, 2025.

FISCAL IMPLICATIONS

Does not likely create any additional fiscal responsibilities for the SEC.

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

Section 3(A) requires notification of RMD by the state agency, but Section 3(B) triggers "within 30 days of RMD becoming aware of such occurrence." This could create complications as "becoming aware of occurrence" is not defined. Would this be triggered if the director of RMD read something or heard something but was not "notified by the state agency?" I would suggest that the language in Sections 3(A) and 3(B) mirror each other and trigger when RMD is "notified by the state agency."

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS