

LFC Requester:	
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## AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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}*

Check all that apply:

Original            Amendment   
Correction        Substitute

Date Prepared: 2025-02-26  
Bill No: SB220

Sponsor(s) Pat Woods  
: Gabriel Ramos

Agency Name    CYFD 69000  
and Code  
Number:  
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Short    PUBLICATION OF LEGAL  
Title:    SETTLEMENT TERMS

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### SECTION II: FISCAL IMPACT

#### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

#### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

**ESTIMATED ADDITIONAL OPERATION BUDGET (dollars in thousands)**

	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

**SECTION III: NARRATIVE**

**BILL SUMMARY**

- \* This bill relates to risk management
- \* It requires the publication of terms of legal settlement agreements
- \* It creates a new section of the Sunshine Portal
- \* Requires the publication of the terms of settlements on the Sunshine Portal, free to the public in a downloadable format
- \* Creates a loss prevention review team to review the potential loss and evaluate its causes and recommend steps to reduce the risk in the future
- \* Requires annual reports to the legislature that include the loss prevention reviews conducted and metrics on the effectiveness of the loss prevention review team and summarizing trends in incidents or frequency or magnitude of losses and innovative approaches to mitigating the risks identified.

**FISCAL IMPLICATIONS**

- \* None for CYFD

**SIGNIFICANT ISSUES**

- \* The appointment of a loss prevention review team is limited to those matters that are pending before a court of competent jurisdiction.
- \* Limiting the examination of loss prevention factors to those case that are in court omits from consideration and analysis those cases that, while they are not in court, may pose a significant exposure to the agency or the state.
- \* By implication, the loss prevention review team will not be created until the matter is in court and that may be after the time certain bits of evidence or witnesses may become unavailable, thereby reducing the

usefulness of the loss prevention review team investigation.

\* It could be more beneficial to create the loss prevention review team earlier in the process and, if it later becomes apparent that it is unnecessary, the team can be disbanded.

## **PERFORMANCE IMPLICATIONS**

\* None for CYFD

## **ADMINISTRATIVE IMPLICATIONS**

\* The creation of a loss prevention review team may, in some cases, take CYFD employees from their regular assignments to serve on the team.

\* Since CYFD must provide ready access to its of its records and employees to the loss prevention review team, the issue of confidentiality must be considered regarding the documents as well as the conversations between the members of the loss prevention review team and CYFD employees.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None.

## **TECHNICAL ISSUES**

None.

## **OTHER SUBSTANTIVE ISSUES**

\* This is taken from administrative implications, above.

\* The creation of a loss prevention review team may, in some cases, take CYFD employees from their regular assignments to serve on the team.

\* Since CYFD must provide ready access to its of its records and employees to the loss prevention review team, the issue of confidentiality must be considered regarding the documents as well as the conversations between the members of the loss prevention review team and CYFD employees.

## **ALTERNATIVES**

None.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

- \* If the bill is not enacted, the loss prevention review team will not be created and that could lead to perpetuation of elements in the operation in CYFD that could lead to repetitive significant liability. The benefits derived from enacting this bill seem to be only positive.
- \* Without this bill, there is no formal creation of historical records that could be used to help CYFD avoid error in the future leading to potential significant liability.

### **AMENDMENTS**

- \* Minor syntactic amendments in SECTION 1.
- \* SECTION 3. B. The amendment limits the director's appointing a loss prevention review team to those matters where the claim is pending before a court of competent jurisdiction
- \* The amount used to define substantial loss has been raised from \$250,000.00 to one million dollars.