AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

<u>AgencyAnalysis.nmlegis.gov</u> and email to <u>billanalysis@dfa.nm.gov</u> (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:	2/26/2025	Check all that apply:		
Bill Number:	SB 220	Original	Correction	
		Amendment X	Substitute	

Sponsor:	Sen. Pat Woods, Sen. Gabriel Ramos, Sen. Nicole Tobiassen	Agency Nameand CodeState EthNumber:	te Ethics Commission 410	
Short	Publication of Legal Settlement	Person Writing Am	elia Bierle	
Title:	Terms	Phone: 505-554-7706 En	nail Amelia.Bierle@sec.nm.gov	

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	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

<u>Amendment Synopsis:</u> SB 220, as amended on the Senate floor, expands the scope of the Sunshine Portal Transparency Act (NMSA 1978, Sections 10-16D-1 to -6) by requiring public schools, in addition to state agencies, to disclose legal settlement agreements.

Section 1 – Expanded Settlement Disclosure Requirements

The Senate floor amendments to SB220 extend the requirement to disclose legal settlement agreements to include public schools alongside state agencies. Specifically, the revised language states:

"State agencies or public schools that enter into an agreement to settle a potential legal or other claim against a state agency or public school with or without the assistance of the risk management division of the general services department or the public school insurance authority 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."

The rest of the language proposed in the original SB220 remains the same.

<u>Original Synopsis:</u> 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.

SIGNIFICANT ISSUES

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