

AN ACT

RELATING TO TORT CLAIMS; INCREASING THE MAXIMUM LIABILITY AMOUNTS FOR CERTAIN CLAIMS AGAINST A GOVERNMENTAL ENTITY OR PUBLIC EMPLOYEE PURSUANT TO THE TORT CLAIMS ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 41-4-19 NMSA 1978 (being Laws 1976, Chapter 58, Section 17, as amended) is amended to read:

"41-4-19. MAXIMUM LIABILITY.--

A. Unless limited by Subsection B of this section, in any action for damages against a governmental entity or a public employee while acting within the scope of the employee's duties as provided in the Tort Claims Act, the liability shall not exceed:

(1) the sum of two hundred thousand dollars (\$200,000) for each legally described real property for damage to or destruction of that legally described real property arising out of a single occurrence;

(2) the sum of three hundred thousand dollars (\$300,000) for all past and future medical and medically related expenses arising out of a single occurrence; and

(3) the sum of four hundred thousand dollars (\$400,000) to any person for any number of claims arising out of a single occurrence for all damages other than real

property damage and medical and medically related expenses as permitted under the Tort Claims Act.

B. The total liability for all claims pursuant to Paragraphs (1) and (3) of Subsection A of this section that arise out of a single occurrence shall not exceed seven hundred fifty thousand dollars (\$750,000).

C. Interest shall be allowed on judgments against a governmental entity or public employee for a tort for which immunity has been waived under the Tort Claims Act at a rate equal to two percentage points above the prime rate as published in the *Wall Street Journal* on the date of the entry of the judgment. Interest shall be computed daily from the date of the entry of the judgment until the date of payment.

D. No judgment against a governmental entity or public employee for any tort for which immunity has been waived under the Tort Claims Act shall include an award for exemplary or punitive damages or for interest prior to judgment."

Section 2. APPLICABILITY.--The provisions of this act apply only to claims for damages resulting from torts committed on or after July 1, 2008.

Section 3. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2008. \_\_\_\_\_