

<b>LFC Requester:</b>	<b>Carlie Malone</b>
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**AGENCY BILL ANALYSIS - 2026 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}*

**Date Prepared:** 1/23/26 *Check all that apply:*  
**Bill Number:** HB126 Original  Correction   
 Amendment  Substitute

<b>Sponsor:</b>	<u>Reena Szczepanski, Dayan Hochman-Vigil</u>	<b>Agency Name and Code Number:</b>	<u>Dept. of Workforce Solutions-631</u>
<b>Short Title:</b>	<u>Prohibit Nondisclosure &amp; Nondisparagement</u>	<b>Person Writing</b>	<u>Evan Sanchez</u>
		<b>Phone:</b>	<u>505-263-3187</u> <b>Email</b> <u>Evan.Sanchez@dws.nm.gov</u>

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY27	FY28		
		No Impact/Agency Involvement	

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY27	FY28	FY29		
			No Impact/Agency Involvement	

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY27	FY28	FY29	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>					No Impact/Agency Involvement	

(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**

House Bill 126 amends Section 50-4-36 NMSA 1978 to prohibit private employers from requiring prospective, current, or former employees (and independent contractors) to sign nondisclosure or nondisparagement provisions in settlement agreements related to workplace sexual harassment, discrimination, or retaliation claims, and from preventing employees from disclosing such claims. The bill clarifies that these claims may occur in the workplace or at work-related events and may involve employer-employee or employee-to-employee conduct, whether on or off work premises. While it generally makes confidentiality provisions in these settlements void and unenforceable, it allows limited confidentiality regarding the settlement amount and, if requested by the employee or contractor, information that could identify them, and it preserves disclosures required by subpoena, court order, or other legal requirements.

#### **FISCAL IMPLICATIONS**

No Impact/Agency Involvement

#### **SIGNIFICANT ISSUES**

No Impact/Agency Involvement

#### **PERFORMANCE IMPLICATIONS**

No Impact/Agency Involvement

#### **ADMINISTRATIVE IMPLICATIONS**

No Impact/Agency Involvement

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

No Impact/Agency Involvement

#### **TECHNICAL ISSUES**

No Impact/Agency Involvement

#### **OTHER SUBSTANTIVE ISSUES**

No Impact/Agency Involvement

#### **ALTERNATIVES**

No Impact/Agency Involvement

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

No Impact/Agency Involvement

#### **AMENDMENTS**

No Impact/Agency Involvement