

LFC Requester:

RubyAnn Esquibel

AGENCY BILL ANALYSIS - 2026 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: January 31, 2026 *Check all that apply:*
Bill Number: SB 175 Original Correction
 Amendment Substitute

Sponsor: Sens. Brandt and Tobiassen **Agency Name and Code Number:** University of New Mexico-952
Short Title: Medical Malpractice Punitive Damages **Person Writing:** Kelly O'Donnell
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(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

Synopsis:

SB 175 amends New Mexico's Medical Malpractice Act to eliminate punitive (exemplary) damages in all medical malpractice cases. The bill repeals existing statutory language that allowed punitive damages against health care providers and replaces it with a new provision that expressly prohibits any award of punitive or exemplary damages in malpractice claims, regardless of the source of payment. Compensatory damages for medical care and related benefits remain unchanged and are still governed by existing liability and fund provisions.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

The UNM Health System—including UNM Hospital, the medical faculty of the UNM School of Medicine, and other public employees—is not covered under the New Mexico Medical Malpractice Act, NMSA 1978, Section 41-5-1 et seq. Instead, the UNM Health System and its public employees are subject to medical professional liability coverage exclusively under the New Mexico Tort Claims Act, NMSA 1978, Section 41-4-1 et seq., including the immunities and limitations on liability provided therein.

As the state's primary academic health system, the UNM Health System trains medical residents and fellows, medical students, pharmacy students, and nursing students. The system supports policies that promote a stable health care environment and expand access to care for New Mexicans, including measures that help reduce workforce shortages across health professions.

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