

LFC Requester:

Julissa Rodriguez

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: 2-5-2026

Check all that apply:

Bill Number: SB224Original Correction Amendment Substitute Sponsor: Ramos/Jones/Terrazas
INSURANCE FAIR PLAN
ACT CHANGESAgency Name
and CodeOffice of the Superintendent of
Insurance-440

Number:

Person Writing

Melissa RobertsonShort
Title: _____Phone: 505-670-2704 :Email Melissa.Robertson@o
si.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
\$0.00	\$0.00	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
\$0.00	\$0.00	\$0.00	N/A	N/A

(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	\$0.00	\$0.00	\$0.00	\$0.00	N/A	N/A

(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:

This bill creates a new section of the Fair Plan Act (NMSA 1978, 59A-29-1 et seq.) establishing a uniform \$750,000 *maximum* insurable limit, irrespective of a structure's public protection class.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

This bill mandates a maximum coverage limit of \$750,000 for dwellings. Because this bill sets a maximum limit, any additional increase in coverage limits, including inflationary adjustments, would have to be made by statutory amendment.

NMSA 1978 59A-29-4 places the underwriting and rate and responsibilities for the New Mexico FAIR Plan on the Governing Committee. Current limits are set by the Governing Committee after an actuarial study and recommendation.

The statutory limits in the bill have not been reviewed by the Governing Committee or an actuary. This could place the NMPIP in an unstable position, which could trigger an assessment or may require an increase in premium rates for all members.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS