

HOUSE BILL 126

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

Reena Szczepanski and Dayan Hochman-Vigil

AN ACT

RELATING TO EMPLOYMENT; PROHIBITING NONDISCLOSURE AND
NONDISPARAGEMENT AGREEMENTS; AMENDING A SECTION OF THE NMSA
1978.

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

SECTION 1. Section 50-4-36 NMSA 1978 (being Laws 2020, Chapter 16, Section 1) is amended to read:

"50-4-36. WORKPLACE SEXUAL HARASSMENT, DISCRIMINATION AND RETALIATION CLAIMS--NONDISCLOSURE AND NONDISPARAGEMENT AGREEMENTS [AND]--CERTAIN ACTIONS PROHIBITED.--

A. A private employer shall not: [as a term of employment]

(1) require [an] a prospective, current or former employee or an independent contractor to sign a nondisclosure or nondisparagement provision of a settlement

•232802•2

underscored material = new
[bracketed material] = delete

agreement relating to a claim of sexual harassment, discrimination or retaliation in the workplace brought by the employee; or

(2) prevent the employee from disclosing a claim of sexual harassment, discrimination or retaliation [occurring].

B. A claim of sexual harassment, discrimination or retaliation may have occurred:

(1) in the workplace or at a work-related event coordinated by or through the employer; or

(2) between employees or between an employer and an employee, whether occurring on or off the employment premises.

[B.] C. This section does not prohibit a settlement agreement between ~~[an employee or former employee]~~ a prospective, current or former employee or an independent contractor and a private employer alleging sexual harassment, discrimination or retaliation from containing confidentiality provisions. A confidentiality provision is only permitted [when] to pertain to:

(1) [it relates to] the monetary amount of a settlement; or

(2) at the prospective, current or former employee's or independent contractor's request, ~~[it prohibits]~~ the disclosure of facts that could lead to the identification

1 of the employee or independent contractor.

2 [C. At the sole request of the employee, a
3 settlement agreement subject to this section may contain a
4 confidentiality provision that prevents the disclosure of
5 factual information related to the underlying sexual
6 harassment, discrimination or retaliation claim.]

7 D. The provisions of this [subsection] section
8 shall not be construed to prevent disclosure of information
9 that is the subject of the confidentiality provision if
10 disclosure is required to be made in a judicial, administrative
11 or other governmental proceeding pursuant to a valid subpoena
12 or other applicable order as otherwise required by law.

13 [D.] E. Except as provided in Subsections [B and] C
14 and D of this section, a confidentiality provision in a
15 settlement agreement subject to this section is void and
16 unenforceable as a matter of law."

17 - 3 -
18
19
20
21
22
23
24
25