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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 132/aHLVMC

SHORT TITLE: Police Officer Workers Comp Conditions

SPONSOR: Borrego/Matthews/Chavez, N/Reeb/Terrazas

LAST ORIGINAL
UPDATE: 2/15/2026 **DATE:** 2/4/2026 **ANALYST:** Simon

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Department of Public Safety – Workers Comp Premium	No fiscal impact	No fiscal impact	See “Fiscal Implications”		Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bill 128

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Workers Compensation Administration

Department of Public Safety

Livestock Board

Regulation and Licensing Department

Agency or Agencies That Were Asked for Analysis but did not Respond

General Services Department

Other Respondents

New Mexico Counties

SUMMARY

Synopsis of HLVMC Amendment to House Bill 132

The House Labor, Veterans and Military Affairs Committee amendment to House Bill 132 (HB132/aHLVMC) strikes the presumption for back pain due to wearing a duty belt that would have been created by the initial bill and narrows the heart conditions that would qualify for the presumption to a heart injury or stroke suffered within 24 hours of responding to or returning from a call, while engaged in supervised physical training, or while responding to or performing in an emergency.

The amendment also includes a new condition that would qualify for the presumption: noise-induced hearing loss that results in physical impairment. The amendment defines this term to involve permanent hearing impairment and could include damage to the inner ear caused by a one-time blast or gradually harm over time. The definition included tinnitus, a condition where a person perceives sound that does not have an external source, commonly presenting as a ringing in the ears.

The amendment also includes a provision that states if a police officer is not entitled to a presumption, he or she may still establish a causal connection by a preponderance of the evidence.

Synopsis of House Bill 132

House Bill 132 (HB132) creates a presumption in the New Mexico Occupational Disease Disablement Law that certain medical conditions are proximately cause by a police officer's employment when adjudicating workers' compensation claims. The medical conditions are posttraumatic stress disorder, back pain due to wearing a duty belt, and "heart issues." For police officers hired on or before June 30, 2013, the presumption would apply after 20 years of service. For police officers hired after July 1, 2013, the presumption would apply after 25 years.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

HB132 could increase workers compensation and disability costs of public entities that employ police officers, including the Department of Public Safety (DPS), the Livestock Board, the Cannabis Control Division of the Regulation and Licensing Department, and local governments that maintain a sheriff's department or police department. Analysis of the original bill from the Workers' Compensation Administration (WCA) notes, under current law, police officers are already able to file a workers' compensation claim even if there is no presumption the medical condition was caused by the police officer's service. As a result, WCA anticipates the additional workload would be minimal.

However, additional costs could fall on entities that employ police officers. Analysis from the General Services Department (GSD), which manages the state's workers' compensation fund, is not available. However, that department's analysis of a similar bill making adjustment to presumptions certain cancers are caused by a firefighter's employment (HB128) notes that bill would likely lead to additional workers' compensation costs through additional claims. The analysis notes possible additional costs from that bill are unknown but could be substantial. Given the similarity between the bills, it is likely HB132 would involve similar additional costs.

Analysis of the original bill from DPS indicates the department expects additional workers' compensation costs from the bill. DPS estimates workers' compensation premiums could rise by 10 percent, which the department estimates could cost about \$300 thousand per year. DPS further notes the bill could impact staffing levels for certain assignments, which could lead to additional costs. New Mexico Counties does not project a potential impact from passage of the bill but notes the bill could result in significant additional costs for the workers' compensation insurance pool managed by the organization for New Mexico's 30 counties. The Livestock

Board notes the agency would expect an increase in workers' compensation costs but indicates the dollar amount would be determined by GSD.

SIGNIFICANT ISSUES

The New Mexico Occupational Disease Disablement Law currently provides firefighters with a presumption that certain medical conditions are proximately caused by the employment after a given period of service, due to the likelihood of exposure to factors that have been linked to the development of those conditions. This effectively shifts the burden of proof away from the claimant in a workers' compensation claim. HB132/aHLVMC would create a similar presumption for police officers related to noise-induced hearing loss that results in physical impairment, posttraumatic stress disorder, or heart injuries or stroke under certain circumstances. HB132/aHLVMC notes an employer may rebut the presumption by a preponderance of the evidence showing the condition is due to conduct or activity outside of employment.

Two of the conditions included in the bill—posttraumatic stress disorder and heart injuries or stroke—have comparable provisions for firefighters in Section 52-3-32.1 NMSA 1978. The provisions in HB132/aHLVMC largely mirror the provisions currently in law for firefighters. Posttraumatic stress disorder must be diagnosed by a physician or psychologist and must result in physical impairment, primary or secondary mental impairment, or death. For heart injuries or stroke, the condition must occur within 24 hours of responding to or returning from a call, while engaged in supervised physical training, or while responding to or performing in an emergency.

The third condition—noise-induced hearing loss would be specific to police officers. According to the federal Centers for Disease Control and Prevention (CDC), hearing loss is a common chronic physical health condition in the United States, with more people suffering from hearing loss than any conditions other than high blood pressure and arthritis. CDC notes 1-in-8 workers in the United States have hearing difficulty and about a quarter of hearing loss is caused by occupational exposure. According to the National Institute on Deafness and Other Communication Disorders, a division of the National Institutes of Health, tinnitus is a common condition, with an estimated 10 to 25 percent of adults reporting tinnitus in surveys. The institute notes there is no cure for tinnitus, but medications and therapy can be used to reduce symptoms.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 128 addresses an existing presumption provided to firefighters for cancer, lowering the amount of time a firefighter must serve to qualify for the presumption and adding new forms of cancer to the presumption.

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