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## FISCAL IMPACT REPORT

**BILL NUMBER:** CS/House Bill 151/HJCS

**SHORT TITLE:** Childhood Sexual Abuse Statute of Limitations

**SPONSOR:** House Judiciary Committee

**LAST ORIGINAL**  
**UPDATE:** 2/15/2026      **DATE:** 01/29/2026      **ANALYST:** Sanchez

### APPROPRIATION\* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
	\$25,000.0	Nonrecurring	General Fund

\*Amounts reflect most recent analysis of this legislation.

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

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Courts	No fiscal impact	\$100.0 to \$900.0	\$100.0 to \$900.0	\$200.0 to \$1,800.0	Recurring	General Fund
School Districts	See "Fiscal Implications"	See "Fiscal Implications"	See "Fiscal Implications"	See "Fiscal Implications"	Recurring	General Fund
<b>Total</b>	<b>No fiscal impact</b>	<b>\$100.0 to \$900.0</b>	<b>\$100.0 to \$900.0</b>	<b>\$200.0 to \$1,800.0</b>	<b>Recurring</b>	<b>General Fund</b>

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

#### Agency or Agencies Providing Analysis

Administrative Office of the Courts  
 Public Schools Insurance Authority  
 Office of the Attorney General  
 General Services Department (Risk Management Division)  
 Children, Youth and Families Department

## SUMMARY

### Synopsis of HJC Substitute for House Bill 151

The House Judiciary Committee (HJC) substitute for House Bill 151 (HB151/HJCS) proposes amendments to Section 37-1-30 NMSA 1978, which governs the statute of limitations for civil actions to recover damages for injuries resulting from childhood sexual abuse. The bill seeks to

extend the time period during which such actions may be initiated by modifying Subsection A to allow a person to file a claim for personal injury resulting from childhood sexual abuse up to the latest of the first instant of their 58th birthday or within three years of disclosing the abuse to a licensed medical or mental health provider in the context of receiving care. This expands the current statutory timeframe, which limits such actions to the claimant's 24th birthday or within three years of disclosure to a healthcare provider, whichever is later.

The bill enacts a new Subsection C to designate the limitation period provided in Subsection A as the sole statutory time or procedural limitation applicable to these claims, regardless of whether the action is against the state, a political subdivision of the state, or a person. This language supersedes any other time limitations, including those found in Section 37-1-8 NMSA 1978, which applies more broadly to tort claims and official bond actions, ensuring that such statutes do not bar claims for childhood sexual abuse.

Additionally, HB151/HJCS introduces a new Subsection D that retroactively revives any claims previously barred by a statute of limitations or procedural rule as of July 1, 2026. Under the substitute, revival applies only to actions against a person, including a public employee in that employee's individual capacity; actions against the state or a political subdivision are not revived. These revived claims may be filed until June 30, 2029, establishing a three-year statutory window for litigation of otherwise time-barred cases.

In lieu of reviving civil actions against the state or a political subdivision, the bill creates the survivors' justice and compensation fund and the Survivors' Justice and Compensation Commission to provide an administrative process for certain time-barred claims involving public employees or public bodies. The fund is created as a nonreverting fund in the state treasury, and the bill appropriates \$25 million from the general fund to the fund for expenditure beginning in fiscal year 2027. The commission is authorized to review claims, conduct hearings, and award compensation up to \$700 thousand per claimant, subject to statutory eligibility requirements and procedures. Acceptance of compensation from the fund constitutes a waiver of civil claims against public bodies arising from the same conduct.

The effective date of this bill is July 1, 2026.

## **FISCAL IMPLICATIONS**

The fiscal implications of HB151/HJCS are primarily associated with the potential increase in civil litigation related to childhood sexual abuse, particularly due to the bill's extension of the limitations period and the retroactive revival of previously time-barred claims. The Administrative Office of the Courts (AOC) indicates, while administrative costs to implement the statutory update are expected to be minimal, any increase in the volume and complexity of civil actions filed under Section 37-1-30 NMSA 1978 could result in additional resource demands on the judiciary. These demands may include judge and courtroom staff time, jury fees, and increased case processing workloads, particularly when cases involve evidentiary challenges or protracted proceedings due to the age of the underlying events. The AOC notes that reviving previously barred claims could also result in longer trials and more involved pretrial motions and appeals, requiring greater fiscal and administrative commitment from the courts over multiple fiscal years.

Under the HJC substitute, retroactive revival applies only to actions against a person, including a

public employee in that employee's individual capacity; actions against the state or a political subdivision are not revived. As a result, fiscal exposure for public entities differs from that contemplated in agency analyses of the original bill, which assumed revival of claims against both private and public defendants. While the number of such cases that may be filed under the bill cannot be reliably projected, there is potential for both one-time and ongoing costs associated with increased caseloads, depending on claimant responses. Although direct revival of claims against public entities is eliminated in the substitute, public bodies may still incur defense and indemnification costs under the Tort Claims Act if individual public employees are sued for actions alleged to have occurred within the scope of duty.

Only the Public Schools Insurance Authority (NMPSIA) submitted an analysis of the committee substitute. NMPSIA reports that extending the statute of limitations to age 58 may materially alter the risk profile for public school districts and could affect reinsurance availability and member premiums. NMPSIA projects potential premium increases of 30 to 40 percent under current market conditions, though actual impacts would depend on future claims experience and market response. For example, Las Cruces Public Schools paid \$1.8 million for general liability coverage in FY26, this would jump to \$2.6 million in FY27. Similarly, Hobbs Municipal Schools would see its premium jump from \$776 thousand to \$1.1 million. NMPSIA states:

School insurance premiums are paid directly from school district operating funds, the same funds used to cover teacher salaries, classroom instruction, student services, and day-to-day operations. As premiums increase, districts have no separate revenue source to absorb those costs, meaning higher insurance expenses necessarily divert limited operating dollars away from educational programs and personnel.

Other agencies that analyzed the original bill did not account for the substitute's revised structure.

Although AOC did not provide specific cost estimates, LFC staff estimate that recurring costs to the judiciary could range from approximately \$100 thousand to \$900 thousand per year during the three-year revival period established by HB151/HJCS. This estimate is based on AOC-reported costs for processing complex civil cases in New Mexico, which typically range from \$1,000 to \$3,000 per case, and assumes between 100 and 300 new filings annually. These projections also draw on data from other states that have enacted similar revival statutes, including California and New York, where a surge in case filings was observed after comparable laws were passed. Actual costs would depend on filing volume, case complexity, and the extent to which claims involve current or former public employees.

## **SIGNIFICANT ISSUES**

HB151/HJCS raises several legal and procedural considerations for both public and private entities that may be subject to civil claims. By making Section 37-1-30 NMSA 1978 the exclusive statute governing time and procedural limitations for actions related to childhood sexual abuse, the bill supersedes other statutory limitation frameworks that might otherwise apply, including those contained in the New Mexico Tort Claims Act and related provisions. Under the committee substitute, however, retroactive revival applies only to actions against a person, including a public employee in that employee's individual capacity, and does not revive claims directly against the state or a political subdivision. Even so, questions may arise regarding how the revised statute interacts with existing immunity, notice, and indemnification provisions, particularly where individual public employees are sued for conduct alleged to have occurred

within the scope of duty.

The bill also changes the point at which a claim becomes timely. Under current law, a person has until their 24th birthday, or three years after disclosing the abuse to a licensed healthcare provider, to file a civil claim. HB151/HJCS extends that timeline to the person's 58th birthday or three years after disclosure, whichever is later. This substantially lengthens the period during which claims may be filed and may affect how courts assess accrual, delayed disclosure, and the availability of evidence many years after the alleged conduct occurred. Agencies have noted that defending older claims may present evidentiary challenges due to record retention policies, witness availability, and the passage of time.

In addition, the bill creates a three-year window during which certain previously time-barred claims may be brought against individuals. Because the substitute does not revive claims against public entities but preserves actions against individuals, public employers may still face indirect exposure through defense and indemnification obligations under Section 41-4-4 NMSA 1978. The substitute also establishes a Survivors' Justice and Compensation Fund and Commission to review certain claims involving public employees or public bodies through an administrative process. Agencies have raised questions regarding how this new administrative framework will operate in relation to existing tort law, standards of proof, and appellate review procedures. These issues may require clarification through rulemaking or judicial interpretation if enacted.

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