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FISCAL IMPACT REPORT

SPONSOR HCEDC ORIGINAL DATE 2/20/19
LAST UPDATED 2/22/19 HB 139/HCEDCS
SHORT TITLE Hotel Employee Panic Buttons SB _____
ANALYST Glenn

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY19 | FY20 | FY21 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|--------------|------|--------|-------|----------------------|------------------------------|------------------|
| Total | | \$20.0 | \$5.0 | \$30.0 | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Environment Department (NMED)

Tourism Department (NMTD)

SUMMARY

Synopsis of Bill

The House Commerce and Economic Development Committee Substitute for House Bill 139 amends the Occupational Health and Safety Act to add a new section requiring a hotel employer, as defined in the bill, to provide an employee working alone in a guest room with a panic button, as defined in the bill, free of charge. The employee may use the panic button if the employee reasonably believes there is an act of violence, sexual harassment or other emergency happening in the employee's presence.

The bill requires a hotel employer to report an incidence of violence or sexual harassment to the police if the employee consents and to post a notice on the back of each hotel guest room stating that panic buttons are provided to hotel employees for their protection.

An employee who informs a hotel employer of an act of violence or sexual harassment by a guest is entitled to paid time off to alert the police, provide a police statement, or initiate contact with a counselor or attorney.

The effective date of HB139 is January 1, 2020.

FISCAL IMPLICATIONS

NMED states that, if HB 139 is enacted, estimated budget cost within the initial year is approximately \$20 thousand for the development of policies, training, and outreach. Recurring cost after the initial year is estimated to be approximately \$5 thousand per year for inspections and training of new staff.

SIGNIFICANT ISSUES

NMED notes that all significant issues raised by NMED regarding the original HB139, including conflicts with federal law and concerns about potential civil litigation, have been resolved in the committee substitute.

NMTD states that by allowing for an emergency contact on a mobile device in lieu of a panic button, the committee substitute for HB139 alleviates the potentially burdensome expense, especially for rural and independent hotels, associated with purchasing and maintaining the panic button system required by the original bill.

ADMINISTRATIVE IMPLICATIONS

If enacted, the bill would be enforced by NMED’s Occupational Health and Safety Bureau in the same manner as other provisions of the Occupational Health and Safety Act.

NMED states that the bill would require NMED to write specific policies for enforcement, provide training for staff and the regulated public, and provide outreach to regulated establishments. Utilizing current staffing, these additional activities would draw from existing resources and reduce the number of inspections in high-hazard industries. NMED might also need to petition the New Mexico Environmental Improvement Board to promulgate regulations to adequately execute its duties pursuant to HB 139.

TECHNICAL ISSUES

NMTD notes that the title of Section 2 reads: “Hotel Employee Safety—Civil Penalty,” but the body of the section does not provide for or otherwise refer to civil penalties.

BG/gb/sb/al