

LFC Requester:

JOSEPH SIMON

**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.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}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date 19JAN2024

Bill No: SB 115

Sponsor: BILL G. TALLMAN
Short Title: Risk Management Insurance Coverage Limits

Agency Name and Code 790 Department of Public Safety
Number: _____
Person Writing KELLY MILLER
Phone: 505 365-3261 **Email** kelly.miller@dps.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
NFI	NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	N/A	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

Establishes a limit to insurance coverage offered by the Risk Management Division (RLD) of the General Services Department; requires approval for settlement of certain claims; calls for notification of settlements to the Legislative Finance Committee.

COVERAGE. Imposes limits on RLD on contracts, insurance coverage reinsurance coverage or employee benefits coverage, declaring that they shall not exceed:

- \$500,000 for property damage.
- \$1,050,000 for general liability.
- Limits established by Sec. 41-4A-6 for civil rights liability (\$2 million per claimant with annual COLA, plus interest).

APPROVAL OF SETTLEMENTS AND NOTIFICATION REQUIREMENT. All compromises, adjustments, settlements and payment of claims in excess of the following amounts are subject to prior approval by the Secretary of Finance and Administration:

- payment from the Public Property Reserve Fund above \$250,000
- payment from the Public Liability Fund above \$500,000.

Within 30 days of receipt of approval for payment of a settlement as described above, notice must be given by the Director of the Risk Management Division to the Legislative Finance Committee of the settlement approval.

FISCAL IMPLICATIONS

No fiscal implications to DPS.

SIGNIFICANT ISSUES

No significant issues to DPS.

PERFORMANCE IMPLICATIONS

No performance implications to DPS.

ADMINISTRATIVE IMPLICATIONS

No administrative implications to DPS.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

No conflict, duplication, companionship or relationship to DPS.

TECHNICAL ISSUES

No technical issues to DPS.

OTHER SUBSTANTIVE ISSUES

No other substantive issues to DPS.

ALTERNATIVES

Not applicable as no impact to DPS.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

None at this time.