

1 AN ACT
2 RELATING TO RISK MANAGEMENT; REQUIRING THE PUBLICATION OF
3 TERMS OF LEGAL SETTLEMENT AGREEMENTS; PROVIDING FOR LOSS
4 PREVENTION REVIEW TEAMS; REQUIRING REPORTS.

5
6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

7 SECTION 1. A new section of the Sunshine Portal
8 Transparency Act is enacted to read:

9 "PUBLICATION OF LEGAL SETTLEMENT AGREEMENTS.--State
10 agencies or public schools that enter into an agreement to
11 settle a potential legal or other claim against that state
12 agency or public school with or without the assistance of the
13 risk management division of the general services department
14 or the public school insurance authority shall, within thirty
15 days of entering into a settlement agreement, provide the
16 terms of the settlement agreements for publication on the
17 sunshine portal, in a downloadable format, for free public
18 access."

19 SECTION 2. Section 15-7-1 NMSA 1978 (being Laws 1977,
20 Chapter 385, Section 4, as amended) is amended to read:

21 "15-7-1. DEFINITIONS.--As used in Chapter 15, Article 7
22 NMSA 1978:

23 A. "board" means the risk management advisory
24 board;

25 B. "director" means the director of the division;

1 C. "division" means the risk management division
2 of the general services department;

3 D. "local public body" means all political
4 subdivisions of the state and their agencies,
5 instrumentalities and institutions;

6 E. "public employee" means any officer, employee
7 or servant of a governmental entity, including elected or
8 appointed officials, law enforcement officers and persons
9 acting on behalf or in service of a governmental entity in
10 any official capacity, whether with or without compensation,
11 but the term does not include an independent contractor; and

12 F. "state" or "state agency" means the state of
13 New Mexico or any of its branches, agencies, departments,
14 boards, instrumentalities or institutions, including regional
15 housing authorities."

16 SECTION 3. A new section of Chapter 15, Article 7
17 NMSA 1978 is enacted to read:

18 "LOSS PREVENTION REVIEW TEAMS--MEMBERSHIP--DUTIES--
19 REPORTING.--

20 A. State agencies shall notify the division
21 immediately upon becoming aware of an individual's death or
22 serious injury or other substantial loss that is alleged or
23 suspected to be caused at least in part by the actions of a
24 state agency.

25 B. The director shall appoint a loss prevention

1 review team when the occurrence of an individual's death or
2 serious injury or other substantial loss is alleged or
3 suspected to be caused at least in part by the actions of a
4 state agency. The review team shall be appointed in
5 conjunction with the defense counsel of the division within
6 thirty days of the division becoming aware of such an
7 occurrence.

8 C. A loss prevention review team shall be led by
9 an attorney appointed by the director and additional persons
10 identified by the loss prevention review team lead, who may
11 include independent consultants, contractors, experts or
12 state employees, but shall not include a person directly
13 involved in the loss or risk of loss giving rise to a loss
14 prevention review or a person with testimonial knowledge of
15 the incident to be reviewed.

16 D. The loss prevention review team shall review
17 the death, serious injury or substantial loss and the
18 circumstances surrounding it, evaluate its causes and
19 recommend steps to reduce the risk of such incidents
20 occurring in the future. The review team shall accomplish
21 those tasks by reviewing relevant documents and interviewing
22 persons with relevant knowledge. After the final judgment
23 resolving any claims related to the loss and rights to appeal
24 have been exhausted or any settlement agreements have been
25 signed by the state and parties related to the loss, the

1 review team shall submit a report in writing to the director
2 and the head of the state agency involved in the loss or risk
3 of loss. The report shall include the team's findings, an
4 analysis of the causes, contributing factors and future risk
5 and an exploration of methods that the state agency may use
6 to address and mitigate the risks identified, including
7 changes to policies or procedures, any legislative
8 recommendation necessary to address and carry out the risk
9 treatment strategies identified in the report and the manner
10 in which the agency will measure the effectiveness of its
11 changes. The report shall include a written response to the
12 findings, conclusions and recommendations from the head of
13 the state agency involved in the loss.

14 E. A state agency shall provide loss prevention
15 review teams ready access to relevant documents in the
16 agency's possession and ready access to the agency's
17 employees. Any interviews, transcripts, reports,
18 recommendations, communications or other documents adduced or
19 created in connection with a loss review investigation shall
20 remain confidential until after final disposition of any
21 related claims pursuant to Section 15-7-9 NMSA 1978.

22 F. The director may promulgate rules to implement
23 the provisions of this section.

24 G. On or before October 1 of each year, the
25 director shall submit a report to the legislature identifying

1 the loss prevention reviews conducted in the past fiscal
2 year, providing appropriate metrics on effectiveness and
3 efficiency of loss prevention review team programs and
4 summarizing any determinations of trends in incidents,
5 including reductions or increases in the frequency or
6 magnitude of losses and innovative approaches to mitigating
7 the risks identified.

8 H. As used in this section:

9 (1) "serious injury" means an injury that
10 involves a substantial risk of death, protracted and obvious
11 disfigurement or protracted loss or impairment of the
12 function of a bodily member, organ or mental faculty; and

13 (2) "substantial loss" means a loss in a
14 possible amount greater than two hundred fifty thousand
15 dollars (\$250,000) or a lesser amount as determined by the
16 director."

17 SECTION 4. EFFECTIVE DATE.--The effective date of the
18 provisions of this act is July 1, 2025. _____

SB 220
Page 5