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FISCAL IMPACT REPORT

LAST UPDATED _____

SPONSOR Sharer/Woods/Brantley/Thornton/Paul **ORIGINAL DATE** 3/18/25

BILL

SHORT TITLE Public Safety Changes **NUMBER** Senate Bill 510

ANALYST Sanchez

APPROPRIATION* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
	\$500.0	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.
*Amounts reflect most recent analysis of this legislation.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
DOH	No fiscal impact	See fiscal implications	See fiscal implications	Indeterminate but possibly substantial	Recurring	General Fund
LOPD	No fiscal impact	\$150.0 to \$160.0	\$150.0 to \$160.0	\$300.0 to \$320.0	Recurring	General Fund
District Attorneys	No fiscal impact	\$190.0 to \$210.0	\$190.0 to \$210.0	\$380.0 to \$410.0	Recurring	General Fund
Courts	No fiscal impact	\$270.0 to \$290.0	\$270.0 to \$290.0	\$540.0 to \$580.0	Recurring	General Fund
NMCD	No fiscal impact	At least \$59.3	At least \$59.3	At least \$118.6	Recurring	General Fund
Cost to Counties	No fiscal impact	At least \$28.2	At least \$28.2	At least \$56.4	Recurring	General Fund
Courts/DAs/LOPD (Policy Updates/Training)	No fiscal impact	\$100.0 to \$250.0	No fiscal impact	\$100.0 to \$250.0	Nonrecurring	General Fund
Total	No fiscal impact	At least \$797.5	At least \$697.5	At least \$1,495.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.
*Amounts reflect most recent analysis of this legislation.

Duplicates, fully or in part, House Bills 4, 86, 107 and 134 and Senate Bills 74, 95 and 326.
Conflicts with House Bill 8
Relates to House Bills 39 165, 381, House Joint Resolutions 9 and 14 and Senate Bill 196

Sources of Information

LFC Files

Agency Analysis Received From
Administrative Office of District Attorneys (AODA)
Office of the Attorney General (NMAG)
Department of Health (DOH)
Corrections Department (NMCD)
Department of Public Safety (DPS)

Agency Analysis was Solicited but Not Received From
Administrative Office of the Courts (AOC)
Law Offices of the Public Defender (LOPD)
Children, Youth and Families Department (CYFD)

SUMMARY

Synopsis of Senate Bill 510

Senate Bill 510 (SB510) proposes substantive amendments to several statutes addressing human trafficking, controlled substances, racketeering, and judicial procedures. Specifically, the bill seeks to amend Section 30-52-1 NMSA 1978 (the Human Trafficking Act) by expanding the definition of human trafficking to include not only acts involving force, fraud, or coercion but also the use of a person's services to compel repayment of a financial debt under conditions where the laborer has no reasonable means to terminate the labor arrangement. The bill also prohibits certain defenses in human trafficking prosecutions, such as the victim's consent, sexual history, or status as a peace officer posing as a minor, and defines "harm" broadly to include physical, financial, reputational, or psychological harm.

SB510 further amends Section 30-31-20 NMSA 1978 and Section 30-31-22 NMSA 1978 (the Controlled Substances Act), enhancing penalties for trafficking offenses involving Schedule I and II narcotics and controlled substance analogs, particularly when such trafficking results in death. Penalties are tiered based on offense history, with first offenses typically constituting second-degree felonies and subsequent offenses elevated to first-degree felonies. Additional penalties apply when offenses occur within drug-free school zones.

The bill also amends Section 30-42-3 NMSA 1978 (the Racketeering Act) by adding human trafficking and the newly defined crime of operating a stash house to the list of predicate offenses constituting racketeering. SB510 defines the crime of operating a stash house as knowingly using or allowing a property to be used for unlawfully storing controlled substances, firearms, or money in furtherance of a crime, or for human trafficking, establishing the offense as a third-degree felony.

Moreover, the bill introduces procedural changes concerning pretrial release. Courts are directed to consider multiple factors, including the nature and circumstances of the charged offense, the weight of evidence, potential danger posed to the community, and the defendant's history and characteristics. SB510 also amends competency evaluation procedures in criminal cases, requiring reports to include professional opinions regarding the defendant's competency to stand trial, and, if applicable, recommendations regarding involuntary commitment or assisted outpatient treatment.

Lastly, SB510 includes related provisions amending sections of the Delinquency Act, specifically adjusting definitions of "serious youthful offender" and "youthful offender," addressing detention procedures for juveniles turning eighteen while detained and expanding judicial discretion for electronic detention hearings. SB510 includes a repeal of Section 32A-2-32.1 NMSA 1978, which was initially enacted as Laws 2007, Chapter 96, Section 1. This section pertains to the sealing of juvenile records and the conditions under which such records may be accessed or unsealed. SB510 repeals this specific provision, effectively removing statutory language related to the sealing and handling of certain juvenile records.

The repeal aligns with the other amendments within SB510 modifying provisions of the Delinquency Act and juvenile justice statutes. Specifically, the bill revises various aspects of juvenile detention, youthful offender classification, and the handling of juvenile records elsewhere in the legislation. Removing Section 32A-2-32.1 consolidates these changes and eliminates potential conflicts with the updated language introduced in other parts of the bill.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

Passage of SB510 would likely result in multiple fiscal impacts across state agencies and the judicial system. The bill expands the definition of human trafficking, increases penalties for drug trafficking offenses resulting in death, creates the new crime of operating a stash house, and modifies procedures related to competency evaluations and juvenile justice. These changes are anticipated to increase caseloads for district attorneys, public defenders, courts, and correctional facilities.

Incarceration drives costs in the criminal justice system, so any changes in the number of individuals in prison and jail and the length of time served in prison and jail that might result from this bill could have significant fiscal impacts. The creation of any new crime, increase of felony degree, or increase of sentencing penalties will likely increase the population of New Mexico's prisons and jails, consequently increasing long-term costs to state and county general funds. In addition to the potential for new crimes to send more individuals to prison and jail, longer sentences could result in fewer releases relative to admission, driving up overall populations. The Corrections Department (NMCD) reports the average cost to incarcerate a single inmate in FY24 was \$59.3 thousand; however, due to the high fixed costs of the state's prison facilities and administrative overhead, LFC estimates a marginal cost (the cost per each additional inmate) of \$28.2 thousand per year across all facilities. LFC estimates a marginal cost (the cost per additional inmate) of \$28.2 thousand per county jail inmate per year, based on incarceration costs at the Metropolitan Detention Center. SB 510 is anticipated to increase the number of incarcerated individuals and increase the time they spend being incarcerated. The heightened penalties for controlled substance trafficking, particularly when such offenses result in death, and the prohibition of earned meritorious deductions for human trafficking convictions may lead to longer incarceration periods, contributing significantly to increased costs for NMCD.

SB510 also mandates additional evaluations and procedural steps for competency determinations, which may require expanded staffing and resources within the Department of Health (DOH). The department anticipates a potential increase in referrals to the Behavioral Health Institute and other licensed psychiatric facilities. Still, DOH was unable to estimate the magnitude of the fiscal impact due to the lack of current data on individuals who would newly meet the criteria under the bill.

The bill appropriates \$500 thousand from the general fund to the Administrative Office of the Courts in fiscal year 2026 to support pretrial services, including costs associated with global positioning system (GPS) monitoring and other conditions of release. This appropriation reflects anticipated administrative impacts resulting from the bill's revisions to pretrial release considerations.

Additionally, SB510 modifies the Delinquency Act to expand the definitions of youthful and serious youthful offenders and grants courts discretion to extend supervision of certain juveniles until age twenty-five. These changes could lead to longer periods of juvenile detention, supervision, or commitment, with corresponding costs for both juvenile and adult correctional facilities.

Although several agencies, including the Department of Public Safety and Office of the Attorney General (NMAG), indicate they can initially manage certain impacts within existing resources, the cumulative effect of increased prosecutions, extended sentences, and expanded evaluations may require additional appropriations in future fiscal years to sustain service levels and meet constitutional mandates. The overall fiscal impact will depend on prosecution patterns, court caseloads, offender behavior, and agency implementation practices.

SB510 is also expected to result in recurring costs to the judiciary, district attorneys, and the Law Offices of the Public Defender (LOPD) due to the expansion of criminal offenses, enhanced penalties, and procedural changes related to human trafficking, controlled substances, and juvenile justice. While some agency analyses submitted for this bill did not include quantified cost estimates, and not all affected agencies submitted analyses, LFC staff conducted an independent assessment based on historical case costs and projected increases in case volume and complexity.

LFC staff estimate the bill may result in approximately \$600 thousand to \$660 thousand in additional recurring costs statewide for the judiciary, public defender, and district attorneys. Specifically, the LOPD may incur recurring costs of \$150 thousand to \$160 thousand per year due to an increase in felony case complexity and volume stemming from new offenses and expanded penalties. District attorneys may face similar recurring costs in the range of \$190 thousand to \$210 thousand annually, reflecting additional prosecutorial workload associated with the expanded definitions of racketeering, trafficking offenses, and new pretrial procedures. The courts are anticipated to experience increased case processing and adjudication costs, estimated at \$270 thousand to \$290 thousand per year, because of longer trials, expanded pretrial release hearings, and modifications to juvenile justice proceedings.

In addition to recurring operational costs, SB510 may require one-time administrative expenditures to update policies, staff training, and interagency coordination protocols. LFC staff estimate potential nonrecurring costs ranging from \$100 thousand to \$250 thousand in the first year of implementation to address these administrative adjustments.

These cost estimates are provided by LFC staff and are not included in agency submissions. Actual costs may vary based on the number of cases filed under the bill's expanded provisions, agency staffing levels, and case complexity. These estimates are intended to provide a general indication of the potential fiscal impact on key justice system agencies in the absence of agency-provided data.

SIGNIFICANT ISSUES

SB510 raises several significant legal, procedural, and administrative considerations across multiple areas of New Mexico's criminal justice system. The bill consolidates and codifies provisions from numerous pieces of legislation introduced this session, making broad changes to statutes concerning human trafficking, controlled substances, racketeering, juvenile justice, and

competency proceedings.

One significant issue arises from the bill's elimination of the statute of limitations for prosecuting human trafficking offenses. This change aligns human trafficking prosecutions with those for capital felonies and certain violent crimes, potentially impacting long-term case management and evidentiary practices in such cases. The expanded definition of human trafficking includes additional elements, such as harboring or maintaining a victim and the enforcement of debt-based labor. It prohibits specific defenses related to a victim's consent or status. These definitional changes may influence the evidentiary burden in prosecuting trafficking cases and may require additional training for law enforcement and prosecutors to ensure proper application.

The creation of the new crime of operating a stash house, defined as knowingly using or allowing property to be used for specified illegal activities, overlaps with existing accomplice liability, conspiracy, and possession statutes. While this new offense may provide prosecutors with an additional charge, its relationship to already established criminal provisions may result in duplicative charging practices, which courts and prosecutors will need to manage.

SB510 codifies pretrial release factors drawn from existing Supreme Court rules, standardizing judicial discretion by emphasizing public safety considerations and the defendant's history. While these factors reflect current practice, formalizing them in statute may lead to additional litigation regarding their interpretation and application.

Changes to the competency evaluation process are intended to clarify procedures and establish additional requirements for professional opinions concerning a defendant's competency and potential need for involuntary treatment. However, these revisions intersect with recently enacted legislation. They may create areas of overlap or redundancy, particularly regarding the timeline and content of evaluation reports and the authority of courts to order outpatient or inpatient treatment.

In the juvenile justice context, the bill expands the definitions of serious youthful offenders and youthful offenders and allows transfer to adult facilities at age eighteen. It also permits courts to extend supervision of juveniles until age twenty-five. These provisions represent a shift toward longer-term court oversight and adult correctional placement, which may impact rehabilitation models and require coordination between juvenile and adult systems.

Finally, SB510 amends the Racketeering Act by adding human trafficking and stash house offenses to the list of predicate crimes. This change broadens the applicability of racketeering charges and may have implications for multi-agency investigations and interjurisdictional coordination, especially as it relates to organized crime activities involving trafficking. Collectively, these statutory changes may necessitate updates to agency policies, training programs, and interagency collaboration frameworks.

PERFORMANCE IMPLICATIONS

The provisions of SB510 may have notable impacts on the performance and capacity of several justice system agencies. The expansion of offenses and penalties, particularly related to human trafficking, drug trafficking resulting in death, and juvenile justice procedures, could affect key performance indicators such as case processing times, clearance rates, and recidivism metrics.

For example, increased prosecutorial complexity due to broader definitions and newly added offenses may require additional coordination among law enforcement, prosecutors, and courts, potentially influencing time-to-disposition rates.

Additionally, SB510's revisions to competency evaluation procedures, including expanded requirements for evaluation content and timelines, may place additional demands on behavioral health and forensic services. These changes could affect the timeliness of evaluations and competency restoration services, potentially impacting statutory timelines for pretrial proceedings.

The extension of juvenile court jurisdiction and transfer provisions for youthful offenders may influence longitudinal outcomes related to juvenile recidivism, treatment completion rates, and successful reintegration into the community. Over time, agencies may need to adjust performance benchmarks and data collection systems to capture the effects of these policy changes on system efficiency, public safety outcomes, and rehabilitation goals.

ADMINISTRATIVE IMPLICATIONS

The provisions of SB510 may require multiple agencies to implement administrative changes to align policies, procedures, and systems with the expanded statutory requirements. Law enforcement agencies, district attorneys, public defenders, and courts may need to revise internal protocols to incorporate the new statutory definitions and offenses, including human trafficking, operating a stash house, and the enhanced penalties for trafficking resulting in death. These revisions may include updates to charging guidelines, training materials, case management software, and data reporting processes.

Additionally, the inclusion of human trafficking and stash house offenses in the list of predicate crimes for racketeering will necessitate updates to investigative procedures, particularly for multi-agency and organized crime task forces. Agencies may need to develop new protocols for interagency information sharing and coordination to support the expanded scope of racketeering cases.

For DOH, administrative adjustments may include revising competency evaluation workflows, documentation standards, and coordination procedures with the courts to ensure timely submission of reports and recommendations on involuntary treatment eligibility. Similarly, juvenile justice agencies and the Children, Youth and Families Department may be required to modify case tracking systems and procedures related to the transfer of youthful offenders to adult facilities, extended court jurisdiction, and revised supervision standards.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Duplicates or Incorporates

HB4 (Criminal Competency and Treatment): SB510 incorporates provisions of HB4 regarding competency evaluations, criminal commitment, and involuntary treatment procedures.

SB74 and HB86 (Human Trafficking and Exploitation Crimes): SB510 includes identical provisions to these bills, particularly regarding amendments to human trafficking statutes and adding human trafficking as a predicate offense for racketeering.

HB107 and SB95 (Drug Trafficking Resulting in Death): SB510 incorporates provisions expanding penalties for drug trafficking offenses, specifically creating enhanced penalties when trafficking results in death.

HB134 and SB326 (Delinquency Act Changes): SB510 duplicates these bills' provisions related to the juvenile justice system, including changes to definitions of serious youthful offenders, detention rules, court jurisdiction, and the transfer of juveniles to adult facilities.

Conflicts or Possible Overlap

HB8 (Criminal Competency Procedures): Several agencies, particularly the Department of Health and the Law Offices of the Public Defender, note that SB510's provisions on competency, evaluations, and restoration overlap with HB8, which has already passed. There is a potential for redundancy or conflicting frameworks regarding competency procedures.

Relates to

HB165, HB381, HJR9, HJR14, and SB196 (Pretrial Detention Expansion): SB510 addresses pretrial detention procedures by codifying certain factors courts must consider, taking a different approach from these bills but addressing related subject matter.

HB39 (Juvenile Record Use in Firearm Background Checks): SB510's modifications to juvenile justice procedures, especially regarding record-keeping and disclosure, relate to the subject matter of HB39.

TECHNICAL ISSUES

NMAG notes that the term "resulting in the death of a human being," as used in Sections 3 and 18 of SB510 concerning enhanced penalties for trafficking controlled substances, is not explicitly defined. The absence of a clear definition could leave the statute open to legal challenges regarding vagueness.

Additionally, NMAG identifies a potential limitation in Section 7, which expands the definition of human trafficking to include labor secured through debt obligations. The department observes that the provision may not address situations where the debt was incurred outside of New Mexico, potentially limiting the applicability of this section if the individual pays the laborer in accordance with state or local law, regardless of the underlying debt amount.

The LOPD analysis notes that the new offense of operating a stash house, created in Section 8, overlaps with existing statutes related to accomplice liability, conspiracy, and possession offenses. Unless further clarified, this may lead to redundant charges or duplicative prosecutions.

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