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FISCAL IMPACT REPORT

LAST UPDATED _____

SPONSOR Reeb/Chavez, N. **ORIGINAL DATE** 2/5/25

BILL

SHORT TITLE Violent Felonies for Meritorious Deduction **NUMBER** House Bill 102

ANALYST Sanchez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
NMCD	No fiscal impact	At least \$28.2	At least \$28.2	At least \$56.4	Recurring	General Fund
Cost to Counties	No fiscal impact	At least \$19.2	At least \$19.2	At least \$38.4	Recurring	General Fund
Total	No fiscal impact	At least \$47.4	At least \$47.4	At least \$94.8	Recurring	General Fund

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

Sources of Information

LFC Files

Agency Analysis Received From

Administrative Office of the District Attorneys (AODA)
 Law Offices of the Public Defender (LOPD)
 Office of the Attorney General (NMAG)
 New Mexico Sentencing Commission (NMSC)
 Corrections Department (NMCD)
 Crime Victims Reparation Commission (CVRC)
 Department of Public Safety (DPS)

Agency Declined to Respond

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of House Bill 102

House Bill 102 (HB102) amends Section 33-2-34 NMSA 1978 to classify homicide by vehicle and great bodily harm by vehicle under Section 66-8-101 NMSA 1978 as serious violent offenses for the purposes of earned meritorious deductions from prison time. Under the current statute, prisoners convicted of serious violent offenses can earn a maximum of four days per month in meritorious deductions. In contrast, those convicted of nonviolent offenses can earn up to 30 days per month. By reclassifying these vehicular offenses, the bill significantly reduces the amount of time that incarcerated individuals convicted under these provisions can earn toward early release. Additionally, the bill ensures offenders serving parole terms remain subject to the same restrictions on earned deductions.

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

Increasing sentencing penalties will likely increase the population of New Mexico's prisons and long-term costs to the general fund. Increased sentence lengths decrease releases relative to the rate of admissions, pushing the overall prison population higher. HB102 will likely slow the rate of prison releases relative to admissions, leading to a growing incarcerated population over time. By classifying all degrees of homicide by vehicle and great bodily harm by vehicle as serious violent offenses under Section 33-2-34 NMSA 1978, the bill limits the ability of offenders to earn meritorious deductions, reducing the time they can shave off their sentences for good behavior. Currently, individuals convicted of nonviolent offenses can earn up to 30 days of meritorious deductions per month, while those convicted of serious violent offenses can earn only four days per month. By expanding the classification of serious violent offenses, HB102 ensures that more offenders serve a greater percentage of their sentences before becoming eligible for release.

As a result, the number of individuals released from prison each year will likely decline, while admissions will remain steady or potentially increase if prosecutors seek more convictions under the new classification. The Corrections Department (NMCD) reports the average cost to incarcerate a single inmate in FY24 was \$56.7 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.

Additionally, fewer early releases could place greater strain on correctional facilities, potentially leading to capacity challenges over time. Analysis from NMCD states, "Reclassification of these offenses could make managing the inmate population more complex and resource-intensive, while also affecting the department's ability rehabilitate and incentivize good behavior through the merit-based deduction system."

The Law Offices of the Public Defender (LOPD) has indicated that higher-penalty cases tend to require more resources for litigation and appeal, potentially necessitating additional staffing and funding. While the exact fiscal impact is difficult to quantify, the cumulative effect of longer sentences, increased trial costs, and higher prison populations could place additional strain on the state's budget.

SIGNIFICANT ISSUES

HB102 would remove the discretion granted to judges in classifying homicide by vehicle or great bodily harm by vehicle as a serious violent offense, which could lead to inconsistencies in sentencing outcomes across jurisdictions. The bill aims to address the disparity identified in *State v. Montano*, 2024-NMSC-019, where the New Mexico Supreme Court ruled that second-degree homicide by vehicle was not statutorily designated as a serious violent offense, creating a legal loophole in sentencing. However, reclassifying these offenses could impact plea bargaining practices, potentially leading to more trials, more significant court caseloads, and longer case resolution times.

Additionally, the bill's potential deterrent effect is uncertain, as legal and behavioral research suggests that increasing sentence severity does not necessarily reduce crime, particularly for offenses like vehicular homicide that often result from impaired or reckless driving rather than premeditated intent. Critics, including LOPD, argue that the reclassification could remove incentives for rehabilitation and good behavior in prison by significantly reducing earned meritorious deductions. Furthermore, the reclassification may align with broader discussions on criminal justice reform, with concerns that increasing sentence lengths may disproportionately impact marginalized communities without necessarily improving public safety. Lawmakers may want to carefully weigh these considerations against the bill's intended goals of accountability and deterrence.

SS/hj/hg/sgs