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FISCAL IMPACT REPORT

LAST UPDATED _____

SPONSOR Herndon **ORIGINAL DATE** 2/12/2025

BILL

SHORT TITLE Victim Recovery for Incarcerated **NUMBER** House Bill 406

ANALYST Valdez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
CVRC	Indeterminate but minimal	At least \$1.4	At least \$1.4	At least \$2.8	Recurring	General Fund

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

Sources of Information

LFC Files

Agency Analysis Received From

New Mexico Corrections Department (NMCD)
 Crime Victims Reparation Commission (CVRC)

Agency Analysis was Solicited but Not Received From

Department of Finance and Administration (DFA)

Agency Declined to Respond

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of House Bill 406

House Bill 406 (HB406) would amend Section 31-22-11 NMSA 1978 to allow victims of crimes who were incarcerated at the time they were victimized to apply for compensation through the Crime Victims Reparation Act upon their release. This reverses the meaning of this section of law, which currently prohibits incarcerated victims from receiving any award under the provision of the Crime Victims Reparation Act.

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

HB406 will increase the potential number of victims receiving awards under the Crime Victims Reparation Act. However, the Crime Victims Reparation Commission (CVRC) cites similar legislation in Iowa that resulted in no significant financial burden for any service provider. Minimal impact is anticipated due to a relatively small number of claims that will be made possible by HB406. This legislation targets a relatively small population, with only a fraction of those being released in any year, severely limiting the number of people who could benefit from the Crime Victims Reparation Act. The state released 2.5 thousand offenders from correctional facilities in FY22 and 2.2 thousand in FY23. A meta-study shared by CVRC estimates that 18 percent of offenders experience physical violence during incarceration, and 12 percent experience sexual violence. This subset of those released would be eligible to apply for benefits under HB406. Without any further data on how many of those released in New Mexico would apply and receive benefits under this legislation, this analysis assumes at least one victim per year will be paid by CVRC.

SIGNIFICANT ISSUES

CVRC highlights the percentage of incarcerated individuals who are themselves victimized while in custody. They note that this population experiences higher rates of substance abuse and other criminal behavior upon release in response to the trauma of becoming victims themselves. CVRC notes that the reparations proposed by this legislation could pay for “carceral counseling,” which would help moderate these consequences and benefit not only the victim but also the communities in which they live.

JV/SL2