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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 2/28/25

SPONSOR Dixon

BILL

SHORT TITLE Second Degree Homicide by Vehicle NUMBER House Bill 525

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

Corrections Department (NMCD)

Parole Board (APB)

Administrative Office of District Attorneys (AODA)

Sentencing Commission (NMSC)

Agency Analysis was Solicited but Not Received From

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of House Bill 525

House Bill 525 (HB525) proposes an amendment to Section 33-2-34 NMSA 1978 to modify the classification of offenses eligible for earned meritorious deductions in correctional facilities. Specifically, the bill allows sentencing judges to classify second-degree homicide by vehicle as a discretionary serious violent offense. Under existing law, individuals convicted of serious violent offenses may earn a maximum of four days per month in meritorious deductions, whereas those convicted of nonviolent offenses may earn up to thirty days per month.

By adding second-degree homicide by vehicle to the list of offenses eligible for discretionary classification as a serious violent offense, the bill affects the calculation of time served for individuals convicted under this statute. It also makes conforming amendments to related statutory provisions governing parole revocation and earned deductions to maintain consistency in sentencing administration.

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

Incarceration costs drive expenditures in the criminal justice system, and any changes affecting the number of incarcerated individuals or the length of time they serve could have fiscal impacts. HB525 could result in longer periods of incarceration for affected individuals due to reduced eligibility for earned meritorious deductions.

The New Mexico Corrections Department (NMCD) reports that the average cost to incarcerate an inmate in FY24 was \$59.3 thousand annually. However, because of the high fixed costs associated with correctional facilities, LFC estimates the marginal cost—the cost per additional inmate—at \$28.2 thousand per year across all state facilities. For county jails, LFC estimates a marginal cost of \$19.2 thousand per year per inmate, based on incarceration costs at the Metropolitan Detention Center.

If sentencing judges designate a significant number of second-degree homicide by vehicle convictions as serious violent offenses, the reduction in earned meritorious deductions could extend incarceration periods, increasing costs to the corrections system. The precise fiscal impact would depend on judicial discretion and the number of cases affected.

Additionally, HB525 may impact the judicial system. Defendants facing longer potential sentences may be more likely to proceed to trial rather than accept plea agreements, which could increase workloads for public defenders, prosecutors, and courts. The Law Offices of the Public Defender (LOPD) anticipates an increase in trials and appeals could require additional attorney resources, particularly for cases requiring more experienced trial counsel. The extent of these impacts is uncertain and would depend on case volume and judicial discretion in applying the serious violent offense designation.

Because HB525 modifies eligibility for earned meritorious deductions rather than creating a new offense, its impact on incarceration rates is expected to occur gradually as new cases enter the system. The long-term fiscal effects on NMCD and other agencies would require continued evaluation based on sentencing patterns and judicial application of the discretionary classification.

SIGNIFICANT ISSUES

HB525 modifies eligibility for earned meritorious deductions by allowing sentencing judges to classify second-degree homicide by vehicle as a discretionary serious violent offense. Currently, individuals convicted of this offense may earn up to 30 days per month in meritorious deductions. If designated as a serious violent offense, that eligibility would be reduced to a maximum of four days per month. This change affects how time served is calculated but does not alter the underlying sentencing structure for the offense.

New Mexico law distinguishes between offenses that are automatically classified as serious violent offenses and those where judicial discretion applies. HB525 does not mandate the classification of second-degree homicide by vehicle as a serious violent offense but provides courts with discretion to do so based on case-specific circumstances. This approach is consistent with other offenses listed under the discretionary category in Section 33-2-34, NMSA 1978.

The bill aligns the treatment of second-degree homicide by vehicle with legislative changes made in 2016, when the offense was reclassified from a third-degree felony to a second-degree felony with an increased basic sentence. At that time, the statute governing earned meritorious deductions was not updated, resulting in different earned deduction eligibility for second-degree and third-degree homicide by vehicle. HB525 seeks to address this inconsistency by granting courts the authority to apply a more restrictive earned deduction rate for the higher-degree offense.

Earned meritorious deductions serve multiple functions in the correctional system, including incentivizing participation in rehabilitation programs and promoting institutional compliance. Reducing eligibility for earned deductions may affect these incentives. However, discretionary classification allows judges to determine, on a case-by-case basis, whether an offense warrants a more restrictive deduction rate. The overall impact of this change would depend on judicial determinations and the number of cases in which the discretionary classification is applied.

SS/hj/SL2