Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

			LAS	ST UPDATED	
SPONSOR _	Sen. Padilla/	Rep. Dixon	ORIO	GINAL DATE	2/26/25
_			_	BILL	
SHORT TIT	L E <u>Unlay</u>	vful Transfer Of Firearm To A	Minor	NUMBER	Senate Bill 244
				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.

Relates to HB38, HB83, SB32, SB253 and SB255. Conflicts with HB86, SB70, SB74 and SB255.

Sources of Information

LFC Files

Agency Analysis Received From

Administrative Office of the Courts (AOC)

Administrative Office of the District Attorneys (AODA)

Law Offices of the Public Defender (LOPD)

New Mexico Sentencing Commission (NMSC)

Department of Health (DOH)

Children, Youth and Families Department (CYFD)

Corrections Department (NMCD)

Department of Public Safety (DPS)

SUMMARY

Synopsis of Senate Bill 244

Senate Bill 244 (SB244) proposes to enact Section 30-7-2.5, NMSA 1978, creating the crime of unlawful transfer of a firearm to a minor. The bill makes it a second-degree felony for any person to knowingly transfer a firearm to an individual under the age of 19, except in specific circumstances outlined in the legislation. The bill further amends Section 30-42-3, NMSA 1978, adding the unlawful transfer of a firearm to a minor to the statutory definition of "racketeering activity" under the New Mexico Racketeering Act. This amendment expands the scope of conduct that may be subject to enhanced penalties under the state's racketeering laws.

^{*}Amounts reflect most recent analysis of this legislation.

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SB244 includes several exceptions that allow minors to receive or possess firearms under defined conditions lawfully. The bill permits firearm possession by minors who are participating in a hunter's safety course, a handgun safety course, or an organized shooting competition. It also allows for possession at an established shooting range, during a performance or practice for a nonprofit organization, or while engaged in legal hunting or trapping activities. Additionally, minors may lawfully possess firearms while on property controlled by a parent, grandparent, or legal guardian, provided they are under direct supervision. Transfers from a parent, grandparent, or legal guardian are also exempt from the bill's prohibitions.

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 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 admissions, 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 \$19.2 per county jail inmate per year based on incarceration costs at the Metropolitan Detention Center. SB244 is anticipated to increase the number of incarcerated individuals and increase the time they spend being incarcerated.

In addition to incarceration costs, SB244 may generate fiscal impacts for agencies involved in law enforcement, prosecution, and public defense. As a new second-degree felony offense, SB244 could lead to increased arrests, case filings, and court proceedings, affecting workloads for the Administrative Office of the Courts, district attorneys, and the Law Offices of the Public Defender (LOPD). The extent of these costs will depend on enforcement patterns and the volume of cases prosecuted under the bill. The bill's provision adding unlawful transfer of a firearm to a minor to the definition of "racketeering activity" under the New Mexico Racketeering Act may also introduce additional complexities in case adjudication, requiring more extensive investigations and legal proceedings.

If SB244 results in additional felony convictions, costs could extend beyond incarceration to include probation and parole supervision. NMCD manages both prison populations and post-release supervision, and an increase in felony offenders could affect the demand for probation and parole services. The fiscal impact on these programs would depend on sentencing patterns and the number of individuals placed under supervision rather than incarceration.

Law enforcement agencies may also incur costs related to training and public education efforts to ensure compliance with the new law. Officers and prosecutors may require additional resources to investigate and prosecute cases involving unlawful firearm transfers. Also, agencies may need to conduct outreach efforts to inform firearm sellers, parents, and guardians about the bill's

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provisions. While these costs are difficult to quantify, they could influence agency operations and resource allocation over time.

SIGNIFICANT ISSUES

SB244 introduces a new firearm-related offense by establishing the crime of unlawfully transferring a firearm to a minor. Under existing law, certain provisions govern firearm possession by minors, including prohibitions on carrying firearms in specific public places and restrictions on handgun possession for individuals under 19. SB244 expands these regulations by directly criminalizing the act of transferring a firearm to a minor outside of the specified exceptions.

The bill applies strict liability to the offense, meaning that a defendant's belief about the minor's age is not a defense. This differs from other criminal statutes where intent or knowledge of a recipient's age may be a factor in determining culpability. Additionally, the inclusion of unlawful transfer of a firearm to a minor in the definition of "racketeering activity" under the New Mexico Racketeering Act may subject certain violations to enhanced penalties and prosecutorial tools typically reserved for organized criminal activity.

SB244 provides several exceptions allowing minors to possess firearms under defined circumstances, such as hunting, target shooting, and supervised possession on private property. However, enforcement may require distinguishing between lawful and unlawful transfers, particularly in cases where firearm possession by a minor occurs outside of formal instructional or recreational settings. The bill does not amend existing statutes related to background checks, firearm storage, or recordkeeping requirements for private firearm transfers.

Comparable laws in other states vary in scope, with some jurisdictions imposing similar restrictions on firearm transfers to minors and others, including additional provisions related to parental consent, background checks, or safe storage requirements. New Mexico's approach, as proposed in SB244, aligns with efforts in other states to address the issue of firearm access by minors through direct criminal penalties for unlawful transfers.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB244 relates to several proposed bills addressing firearm regulations and criminal penalties:

House Bill 38: Establishes a third-degree felony for unlawful possession or transportation of a weapon conversion device.

House Bill 83: Legalizes permitless carrying of firearms by adults, allowing individuals aged 18 and older to openly or concealed carry loaded firearms, provided they are not prohibited by law.

Senate Bill 32: Creates a fourth-degree felony for possessing or knowingly transporting a stolen firearm, with each firearm constituting a separate offense.

Senate Bill 253: Increases the penalty for felons found in possession of a firearm from a third-degree to a second-degree felony.

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Senate Bill 255: Mandates that firearm sellers who fail to perform background checks are guilty of a third-degree felony.

SB244 conflicts with House Bill 86 (HB86), Senate Bill 70 (SB70), Senate Bill 74 (SB74), and Senate Bill 255 (SB255), as these bills also propose amendments to Section 30-42-3, NMSA 1978, potentially leading to statutory inconsistencies.

SS/rl/SR