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FISCAL IMPACT REPORT

SPONSOR <u>Senate Judiciary Committee</u>	LAST UPDATED <u>3/2/25</u>	ORIGINAL DATE <u>2/23/25</u>
SHORT TITLE <u>Firearm Licenses & Transfers</u>	BILL NUMBER <u>CS/Senate Bill 507/SJCS</u>	ANALYST <u>Sanchez</u>

REVENUE* (dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
Concealed Carry Licensing Fees		Indeterminate but minimal gain	Indeterminate but minimal gain	Indeterminate but minimal gain	Indeterminate but minimal gain	Recurring	Concealed Handgun Carry Fund

Parentheses () indicate revenue 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
DPS	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Recurring	General Fund

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

Sources of Information

LFC Files

Agency Analysis Received From
Office of the Attorney General (NMAG)
Department of Public Safety (DPS)
Administrative Office of the Courts (AOC)

Agency Declined to Respond
Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of SJC Substitute for Senate Bill 507

The Senate Judiciary Committee substitute for Senate Bill 507 (SB507) amends and enacts sections of the Concealed Handgun Carry Act, establishing qualifications, licensing procedures, and renewal requirements for concealed handgun licenses. The substitute clarifies eligibility criteria, including citizenship and residency requirements, and retains the minimum age for licensure at 21. The bill removes previous caliber restrictions, allowing license holders to carry any legally possessed handgun, and modifies training requirements by reducing the minimum

length of an approved firearms training course from 15 to six hours.

The bill also revises the process for license renewal and transfer of out-of-state licenses. Licensees may renew within a 120-day window before or after expiration without a refresher training course, and new residents holding an out-of-state license must transfer to a New Mexico license within 90 days. Applicants transferring a license must meet New Mexico's licensing requirements or complete supplemental training if the prior state's standards do not align.

The bill provides for discretionary state recognition of out-of-state concealed handgun licenses, requiring that issuing states maintain standards substantially similar to those in New Mexico, including background checks, training requirements, and revocation procedures. It also establishes conditions under which a licensee must notify the Department of Public Safety of changes in eligibility, such as an indictment for a felony or issuance of a protective order.

Additionally, the bill amends provisions governing where concealed handguns may be carried, maintaining prohibitions on concealed carry in preschools, post-secondary institutions, and establishments licensed to dispense alcohol. Finally, the bill enhances penalties by clarifying that unlawful carrying of a deadly weapon remains a misdemeanor offense.

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

The bill proposes several changes to the Concealed Handgun Carry Act, including lowering the minimum licensing age, modifying license renewal requirements, and establishing new reciprocity provisions for out-of-state licenses. These changes could lead to an increase in the number of concealed handgun license applications and renewals, which may generate additional revenue through licensing fees. Additional processing of applications and renewals would add to the Department of Public Safety (DPS) workload.

Analysis from DPS indicates that it does not anticipate a direct fiscal impact from SB507 because the agency does not expect new expenditures or revenues resulting from the bill. However, DPS acknowledges that the lower age requirement and reduced training hours may lead to a higher volume of new applications, which could increase processing times and administrative workload. At the same time, eliminating the four-hour training requirement for renewals and removing the two-year refresher training requirement would reduce the need for staff to review and verify compliance with these provisions. DPS expects these changes to lighten its workload slightly by eliminating the need to cross-reference after action reports (AARs) from firearms instructors, potentially offsetting some of the increased demand from new applicants.

The bill's provisions enhancing penalties and expanding revocation criteria may result in increased enforcement activity, which could affect law enforcement agencies and the judicial system. Potential costs could arise from additional administrative hearings, legal challenges to license denials or revocations, and law enforcement efforts related to compliance monitoring. Additionally, the clarification of locations where concealed firearms remain prohibited may require local law enforcement agencies to adjust enforcement practices, though the extent of these costs is unknown.

SIGNIFICANT ISSUES

SB507 proposes multiple changes to the Concealed Handgun Carry Act that may have implications for public safety policy, regulatory oversight, and intergovernmental coordination. By lowering the minimum age requirement for a concealed handgun license from 21 to 19, the bill would expand eligibility to a younger population, aligning New Mexico's concealed carry age with certain other jurisdictions but differing from federal age restrictions for handgun purchases from licensed dealers. The removal of specific caliber limitations also broadens the range of firearms that license holders may carry, potentially affecting training and enforcement standards.

DPS has raised concerns regarding firearm competency and public safety under the revised training requirements. The bill reduces the initial training requirement for applicants from 15 hours to six while still requiring instructors to cover the same material. DPS notes this reduction in training time may create challenges for instructors and could impact the depth and effectiveness of firearm safety instruction. Additionally, eliminating refresher training requirements for renewal applicants removes a periodic checkpoint for ensuring that license holders maintain firearm proficiency and knowledge of legal updates over time.

DPS also highlights potential enforcement inconsistencies under the revised reciprocity provisions. The bill allows recognition of all out-of-state concealed carry licenses, potentially permitting individuals to carry firearms in New Mexico without meeting equivalent training or background check requirements. This change could create challenges for law enforcement officers tasked with verifying compliance with the state's concealed carry laws.

The removal of caliber restrictions allows license holders to qualify for a concealed carry permit using a minimum .32 caliber firearm but then carry any caliber of weapon after licensure. DPS notes that this provision may increase the likelihood that license holders carry firearms they have not trained with, which could impact shooting accuracy and public safety.

SB507 maintains and clarifies restrictions on carrying concealed handguns in specific locations, including schools and establishments licensed to serve alcohol. These provisions could require coordination between state agencies, local governments, and private entities to ensure proper implementation and compliance. The extent to which these regulatory changes align with existing public safety policies and law enforcement practices may warrant further review.

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