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FISCAL IMPACT REPORT

SPONSOR Dixon LAST UPDATED _____
ORIGINAL DATE 2/26/25
BILL
SHORT TITLE Crime Reduction Grant Act Applications NUMBER House Bill 286
ANALYST Sanchez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
LOPD	No fiscal impact	Up to \$310.0	Up to \$310.0	Up to \$620.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to an appropriation in the General Appropriations Act.

Sources of Information

LFC Files

Agency Analysis Received From

Administrative Office of the District Attorneys (AODA)
Law Offices of the Public Defender (LOPD)
Sentencing Commission (NMSC)
Department of Public Safety (DPS)

Agency Analysis was Solicited but Not Received From

Municipal League (ML)
Council of Governments (COGs)
Department of Finance and Administration (DFA)

SUMMARY

Synopsis of House Bill 286

House Bill 286 (HB286) proposes an amendment to Section 31-28-4, NMSA 1978, which governs crime reduction grants under the Crime Reduction Grant Act. The bill removes language that currently allows grant funds to be used for the recruitment or retention of law enforcement officers, prosecutors, public defenders, corrections officers, and mental health workers. No other changes are made to the statute.

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

House Bill 286 does not contain a direct appropriation; however, the proposed change to the Crime Reduction Grant Act may affect how existing grant funds are allocated. The House Appropriations and Finance Committee Substitute for House Bill 2, the General Appropriations Act (the GAA), currently includes a \$2.5 million special appropriation to the New Mexico Sentencing Commission (NMSC) for crime reduction grants. If these funds are included in the final version of the GAA, the removal of recruitment and retention as an eligible grant use would shift the focus of grant awards to other crime reduction initiatives.

Since FY24, the Public Defender Department (LOPD) has received approximately \$600 thousand in crime reduction grant funding, with about \$310 thousand specifically allocated for recruitment and retention, particularly in rural areas where staffing challenges are more pronounced. The removal of this funding source may require LOPD to adjust its budget to address ongoing recruitment efforts. Estimates suggest that maintaining current recruitment levels could cost LOPD up to \$200 thousand in the Second Judicial District (Albuquerque) and \$80 thousand per rural district if alternative funding sources are used.

NMSC, which administers crime reduction grants, notes that recruitment and retention grants have historically been a small portion of overall awards. The commission also cites challenges in evaluating the direct impact of workforce recruitment and retention efforts on crime and recidivism rates. Other state programs, such as the law enforcement workforce capacity building fund and similar funds for prosecutors, public defenders, and corrections officers, were created in recent years to support hiring efforts.

The Department of Public Safety (DPS) does not anticipate a direct fiscal impact from the bill but notes that shifting crime reduction grant funding away from recruitment and retention may result in more funding directed toward community-based crime reduction initiatives, intervention programs, and rehabilitation efforts. DPS further states that law enforcement agencies have received substantial recruitment and retention funding in recent legislative sessions, which have been used for hiring incentives, training, and officer stipends.

The overall fiscal impact of HB286 will depend on how crime reduction grant funds are reallocated under the revised statutory framework and whether agencies adjust their budgets to maintain workforce recruitment efforts.

SIGNIFICANT ISSUES

HB286 amends the Crime Reduction Grant Act by removing the recruitment and retention of law enforcement officers, prosecutors, public defenders, corrections officers, and mental health workers as an eligible use of grant funds. This change narrows the program's scope to focus on other crime reduction strategies.

The Crime Reduction Grant Act was enacted in 2019 as part of a broader effort to support locally driven initiatives aimed at reducing crime and recidivism. Grants are awarded to members of Criminal Justice Coordinating Councils (CJCCs) in each judicial district, allowing for localized decision-making on crime prevention strategies. The removal of recruitment and retention as an eligible use of funds may alter the types of projects proposed by CJCCs and shift funding toward

alternatives such as intervention programs, community policing efforts, or technology-based crime prevention initiatives.

NMSC, which administers the grants, has reported that evaluating the direct impact of recruitment and retention on crime reduction has been challenging. The commission has also noted that other state programs have been established in recent years to address workforce shortages in law enforcement and public defense. By limiting grant eligibility to other crime reduction strategies, the bill could change how applicants structure their proposals and how grants are awarded.

The long-term impact of this change will likely depend on how CJCCs and other eligible applicants adapt their funding requests and whether alternative funding sources are utilized to support workforce recruitment and retention in affected agencies.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

See Fiscal Implications.

SS/hj/SL2