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FISCAL IMPACT REPORT

SPONSOR Herndon ORIGINAL DATE 2/2/2022
LAST UPDATED _____ HB HM 35
SHORT TITLE Law Enforcement Recommendation Task Force SB _____
ANALYST Rabin

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI					

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bill 86
Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From
Department of Public Safety (DPS)

SUMMARY

Synopsis of Bill

House Memorial 35 requests the Department of Public Safety (DPS) convene a task force to assess and make recommendations to provide incentives to retain law enforcement officers for 25 years or for New Mexico law enforcement agencies to laterally hire law enforcement officers from out-of-state agencies. The task force shall be composed of representatives from the Albuquerque Police Department, a small police department from a rural area, the New Mexico State Police, the New Mexico Sheriffs' Association, the Senate, the House of Representatives, and the New Mexico State Police Association, along with three representatives from statewide community organizations.

DPS and its partners are requested to report their findings to the interim Courts, Corrections and Justice Committee by November 1, 2022.

FISCAL IMPLICATIONS

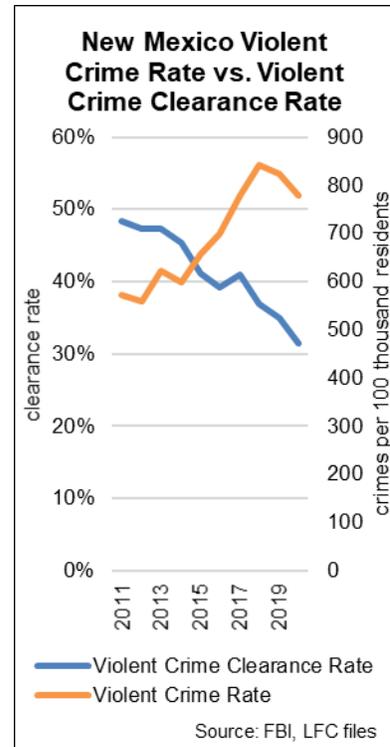
DPS reports this memorial will have no fiscal impact on the agency.

The House Appropriations and Finance Committee substitute for House Bill 2 includes nonrecurring general fund appropriations of \$8 million to support law enforcement agencies providing recruitment bonuses and \$5 million to support retention differential payments for law enforcement officers at five-year intervals (contingent on enactment of House Bill 86 or similar legislation). HB2 also includes \$1 million in recurring general fund appropriations for longevity pay for state police officers and \$2 million to expand state police recruit and lateral schools.

SIGNIFICANT ISSUES

Research shows the certainty of punishment is a significantly more effective deterrent to criminal behavior than the severity of punishment, with severity of punishment having no impact on crime reduction beyond the certainty of being caught. In New Mexico, however, punishment has grown less certain as crime has increased, with fewer violent crimes solved and more violent felony cases dismissed. Improving policing and increasing cooperation and coordination among criminal justice partners could help increase the certainty of punishment for the most violent offenses and provide a stronger deterrent to serious crime.

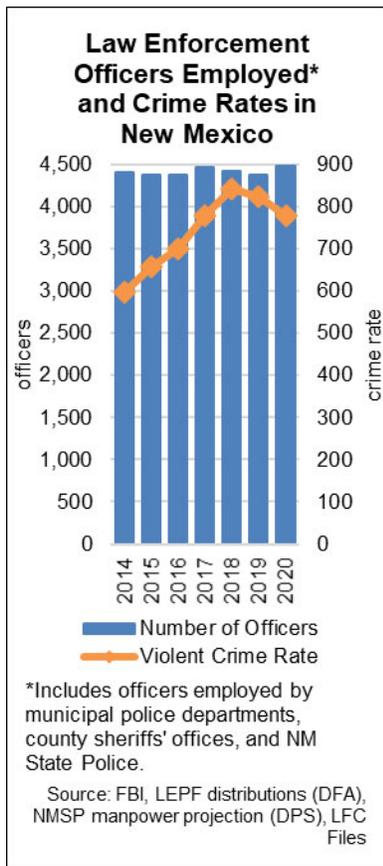
Certainty of apprehension is a particularly powerful deterrent to crime, but falling violent crime case clearance rates—the rate at which crimes are closed, generally by arrest—at New Mexico’s law enforcement agencies suggest the state is failing to create such a deterrent. Between 2014 and 2020, the state’s violent crime rate rose 30 percent, while the number of cases cleared fell 13 percent. Between 2014 and 2020, the Albuquerque Police Department reported a 167 percent rise in homicides and a 42 percent reduction in cases cleared.



Research suggests increasing the number of law enforcement officers and allocating officers in a manner that heightens the perceived risk of apprehension helps deter crime, but New Mexico has struggled to grow its law enforcement workforce over the past 10 years. Between FY12 and FY21, the number of certified law enforcement officers employed by municipal police departments, county sheriffs’ offices, and state police grew just 1.8 percent, and the during the crime increase between 2014 and 2018, number of law enforcement officers remained relatively stagnant (increasing just 0.4 percent). In 2020, law enforcement agencies nationwide employed an average of 2.4 officers per 1,000 residents, while New Mexico employed 2.2 officers per 1,000 residents at the beginning of 2021. To reach the national rate, the state would need to add 408 more officers, more than it has employed at any point in recent history.

Incremental increases in law enforcement officer pay do not appear to significantly improve recruitment and retention. Despite millions of dollars of general fund investment in officer pay, NMSP has been unable to significantly grow its force and projects workforce reductions over the current year. Between FY16 and FY21, the state invested \$12.4 million in salary increases, growing the average state officer’s annual salary by 19 percent. NMSP’s force strength increased just 0.5 percent over the same period. Notably, the consumer price index increased 13 percent

over this period, substantially reducing the practical impact of the compensation increases.



State police averaged a force of 668 officers in FY21, an 8.7 percent overall vacancy rate and a 7.1 percent vacancy rate among positions supported by the general fund. DPS's most recent state police force strength projection anticipates an average of 636 commissioned officers will be employed in FY22.

Investing in recruitment and retention of high-quality law enforcement officers is an important component of protecting and improving public safety. The GAA includes \$4.7 million for targeted state police officer compensation increases in addition to a 7 percent compensation package for all state employees. The recommendation further adds \$520.2 thousand in other revenues for law enforcement retention differentials from the law enforcement retention fund contingent on the creation of the fund.

Diversifying the officer workforce may reduce victimization among underrepresented groups and reduce uses of force. Recent studies have shown that increasing Black and female representation among officers led to increased reporting and reduced victimization among those groups. Female officers are also significantly less likely to use force than their male counterparts.

Creating a larger, more diverse workforce requires careful and deliberate investment. Expenditures aimed at improving officer compensation should be significant enough among lower ranks to increase recruitment and should include retention incentives and incentives for agencies to expand recruitment efforts among underrepresented communities. If state funding is provided to local law enforcement agencies to support such efforts, agencies should be required to report on impacts of that funding.

RELATIONSHIP

House Memorial 35 relates to House Bill 86, which creates the law enforcement retention fund to provide one-time retention differential payments to law enforcement officers equivalent to 5 percent of their annual salary on five-year intervals (at five, 10, 15, and 20 years of service).

ER/acv

