

<b>LFC Requester:</b>	<b>Felix Chavez</b>
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)**

*(Analysis must be uploaded as a PDF)*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

**Date Prepared:** 2/17/2025 *Check all that apply:*  
**Bill Number:** SB 407 Original  Correction   
 Amendment  Substitute

**Sponsor:** Sens. Linda M. Lopez & Antoinette Sedillo Lopez **Agency Name and Code** General Services Department – 350  
**Short Title:** Wrongful Conviction Compensation and Services **Number:** \_\_\_\_\_  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	\$9,000.0	Nonrecurring	“Wrongful Conviction Compensation Fund”

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
N/A	N/A	N/A	N/A	N/A

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	\$0	Unknown	Unknown	Unknown	Recurring	Public Liability Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis: SB 407 would create a “wrongful conviction compensation fund” to be administered by the New Mexico Department of Justice (“NMDoJ”). SB 407 would standardize the compensation to be paid out of the fund based on the type of sentence served by the wrongfully convicted (i.e., \$50k per year spent on probation or parole in connection with a wrongful conviction; \$75k per year of incarceration, generally; \$100k per year of incarceration pending a death sentence).

The bill creates the Wrongful Conviction Compensation Fund and appropriates \$9 million dollars to the fund to be administered by the State Department of Justice.

The effective date of this bill is July 1, 2025.

#### **FISCAL IMPLICATIONS**

SB 407 presents a number of fiscal and operational concerns to the State, a number of which would impact RMD directly, and the Public Liability Fund in particular.

(1) Codifying the above amounts will raise the perceived value of claims brought against the Department of Corrections (NMCD). This will increase the frequency of litigation, and it will likely increase the cost of settling meritorious claims; and

(2) SB 407 could create state liability where none previously existed. SB 407 would require coordination between NMCD and the New Mexico Healthcare Authority (HCA) to provide certain health-released benefits to released exonerees beginning July 1, 2025. If NMCD and HCA are unable to make the necessary administrative and operational changes in time, they will be subject to claims for money damages.

#### **SIGNIFICANT ISSUES**

- The compensation rates in SB 407 would increase the frequency and severity of NMCD-related claims; and
- July 1, 2025, effective date does not give affected agencies sufficient time to create procedures to comply with this bill as proposed.

#### **PERFORMANCE IMPLICATIONS**

#### **ADMINISTRATIVE IMPLICATIONS**

#### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

#### **TECHNICAL ISSUES**

#### **OTHER SUBSTANTIVE ISSUES**

**ALTERNATIVES**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

**AMENDMENTS**