

LFC Requester:	Scott Sanchez
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AGENCY BILL ANALYSIS – 2026 SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

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

Date Prepared: 29 JAN 2026 *Check all that apply:*
Bill Number: HB 197 Original X Correction
 Amendment Substitute

Sponsor: A. Reeb **Agency Name and Code:** 790 – Department of Public Safety
Short Title: Increase Penalty for Larceny of a Firearm **Person Writing:** Major Emmanuel T. Gutierrez
Phone: 505-917-2952 **Email:** Emmanuel.gutierrez@dps.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
NFI	NFI	N/A	N/A
NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
NFI	NFI	NFI	N/A	N/A
NFI	NFI	NFI	N/A	N/A

(Parentheses () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Companion to HB 196
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

House Bill 197 (HB 197) (2026) updates New Mexico's larceny law to increase the penalty for stealing a firearm. Currently, larceny of a firearm valued under \$2,500 is a fourth-degree felony, but this bill raises that offense to a third-degree felony. The bill keeps the current penalty structure for other stolen property based on value, while imposing stiffer penalties for firearm theft due to the greater public safety risks involved with stolen guns.

FISCAL IMPLICATIONS

No fiscal implications to DPS

SIGNIFICANT ISSUES

No significant issue to DPS. HB 197 addresses a gap in New Mexico's penalty structure by recognizing that firearm theft poses unique public safety risks. Under current Section 30-16-1(H) NMSA 1978, larceny of a firearm valued under \$2,500 is a fourth-degree felony (18 months maximum). This bill elevates the offense to a third-degree felony (3 years maximum) under Section 31-18-15(A)(8) NMSA 1978. The Legislature has already recognized firearms warrant special treatment in larceny law, as Subsection G treats livestock theft as a third-degree felony regardless of value. HB 197 extends similar recognition to firearms given their potential for lethal harm when diverted to criminal markets.

PERFORMANCE IMPLICATIONS

The New Mexico Department of Public Safety strongly supports House Bill 197 because it takes a crucial step toward reducing firearm-related crime by increasing the penalties for larceny of a firearm. Stolen firearms are a significant source of violent crime, often ending up with individuals who are banned from owning weapons or who plan to use them in assaults, robberies, and shootings. By raising the offense from a fourth-degree felony to a third-degree felony when the stolen property is a firearm valued under \$2,500, HB197 acknowledges that stealing a firearm has much more serious consequences than other types of property theft. This change enhances deterrence and emphasizes the seriousness of stealing weapons that could be used to harm New Mexicans and law enforcement officers.

HB-197 also supports New Mexico State Police (NMSP) efforts to curb the circulation of stolen guns that fuel illegal trafficking and community violence. Individuals who steal firearms directly contribute to the black-market supply of weapons, raising the risk of gun crimes statewide. Stronger penalties give prosecutors and law enforcement better tools to hold offenders accountable and send a clear message that firearm theft will not be tolerated. Department of Public Safety (DPS) believes HB-197 will enhance public safety, protect communities, and prevent stolen firearms from being used in future crimes. For these reasons, DPS urges the passage of HB-197.

ADMINISTRATIVE IMPLICATIONS

No administrative implications for DPS.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 196 (increasing the penalty for receiving a stolen firearm), which is a companion bill addressing the related offense of knowingly receiving stolen firearms under Section 30-16-11 NMSA 1978.

TECHNICAL ISSUES

No technical issues to DPS

OTHER SUBSTANTIVE ISSUES

No substantive issues to DPS. ATF data indicates that between 2017 and 2021, nearly 89 percent of crime guns recovered in New Mexico were found in the possession of someone other than the original purchaser. Firearm theft is a primary contributor to the illegal gun supply. Enhanced penalties for firearm larceny complement existing federal law under 18 U.S.C. § 922(j), which prohibits possession of stolen firearms, by strengthening state-level deterrence.

ALTERNATIVES

No alternative to DPS

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo will remain. Without the enactment of HB 197, larceny of a firearm valued under \$2,500 will remain a fourth-degree felony with a maximum 18-month sentence, providing limited deterrent effect against theft of weapons that may subsequently be used in violent crimes or trafficked to prohibited persons.

AMENDMENTS

No amendments at this time.