

LFC Requester:	Sanchez, Scott
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AGENCY BILL ANALYSIS - 2026 REGULAR 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, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/5/26 *Check all that apply:*
Bill Number: HB 272 Original Correction
 Amendment Substitute

Sponsor: Rep. Nathan P. Small **Agency Name and Code** AOC
Short Crime of Deed Theft **Number:** 218
Title: _____ **Person Writing** Kathleen Sabo
Phone: 505-470-3214 **Email** aoccaj@nmcourts.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
None	None	Rec.	General

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
Unknown	Unknown	Unknown	Rec.	General

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Unknown	Unknown	Unknown	Unknown	Rec.	General

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None.

Duplicates/Relates to Appropriation in the General Appropriation Act: None.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB 272 creates the felony crime of Deed theft, consisting of:

(1) intentionally altering, falsifying, forging or misrepresenting property documents, such as residential or commercial deeds or titles, with the intent to deceive, defraud or unlawfully transfer or encumber the ownership rights of a residential or commercial real property;

(2) providing, with the intent to defraud, misrepresentations as to the ownership or the authorized representative of residential or commercial real property to induce others to rely on the false information in order for the person providing the misrepresentations to obtain ownership or possession of the real property; or

(3) with the intent to defraud, taking, obtaining, stealing or transferring ownership of real property by fraud, forgery, larceny or any fraudulent or deceptive practice.

HB 272 provides the following penalties for the crime of deed theft:

- Third degree felony: when the person commits deed theft of one commercial real property.
- Second degree felony: when the person commits deed theft of one residential real property, one mixed-use property with at least one residential unit, or two or more commercial real properties.
- First degree felony: when the person commits deed theft of a residential real property that is occupied as a home by at least one person or involves a home that is owned or occupied by a person sixty years of age or older, an incompetent person, an incapacitated person or a person with a physical disability.

HB 272 provides that a person is guilty of first degree aggravated deed theft when the person commits deed theft of two or more residential real properties.

HB 272 defines “commercial real property”, “incapacitated person”, “incompetent”, “mixed-use property” and “residential real property”.

FISCAL IMPLICATIONS

There will be a minimal administrative cost for statewide update, distribution and documentation of statutory changes. Any additional fiscal impact on the judiciary would be proportional to the enforcement of this law and commenced prosecutions and appeals from convictions. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

Increased penalties are likely to result in more defendants invoking their right to trials, as well as to jury trials. More trials and more jury trials will require additional judge time, courtroom staff time, courtroom availability and jury fees. Indigent offenders are entitled to public defender services.

SIGNIFICANT ISSUES

1) Section 30-16-6 NMSA 1978 governs the crime of fraud, consisting of the intentional

misappropriation or taking of anything of value that belongs to another by means of fraudulent conduct, practices or representations. Whoever commits fraud when the value of the property misappropriated or taken exceeds \$20,000 is guilty of a second degree felony.

HB 272, in creating the crime of deed theft, provides some first degree felony penalties, particularly, when a residential property is occupied as a home by at least one person, or involves a home that is owned by a person sixty years of age or older, an incompetent person, an incapacitated person or a person with a physical disability. This penalty is greater than the second degree penalty for fraud when the value of the misappropriated or taken exceeds \$20,000. Increased penalties are likely to result in more defendants invoking their right to trials, as well as to jury trials. More trials and more jury trials will require additional judge time, courtroom staff time, courtroom availability and jury fees. Indigent offenders are entitled to public defender services.

2) According to the National Conference of State Legislatures (NCSL), in 2025, nine states, including Oklahoma, Texas, Utah and Virginia, enacted laws regarding deed and title theft, “where forged documents are filed with county recorders to illegally transfer property ownership. Deed and title theft also includes fraudsters impersonating or falsely representing a property owner trying to list and sell a property.” See [New Approaches in the Fight Against Consumer Fraudsters](#), NCSL, November 11, 2025.

Kiplinger reports that, according to the [FBI’s IC3 Report](#), there were 9,359 real estate fraud complaints in the U.S., with reported losses totaling \$13.6 million. Of those complaints, 1,765 were filed by individuals aged 60 or older, whose losses amounted to \$76.3 million. The organization also reports that while seniors represented about 19% of the real estate fraud complaints, they bore nearly 44% of the total financial losses.

Once a thief gains control of your title, they can wreak havoc. In the worst-case scenario, they might sell your home or take out loans against it, effectively stealing your hard-earned equity.

If they default on those loans, you could face foreclosure or discover you can’t sell, refinance or even pass the property on to your heirs.

Criminals can make money from a forged deed in several ways:

- Illegally renting out the property.
- Opening a [home equity](#) line of credit (HELOC).
- [Refinancing the mortgage](#) to cash out the equity.
- Sell the home to a legitimate buyer and pocket the profit. This is a common approach for unoccupied vacation homes or rental properties.

See [How to Protect Your Home From Deed Fraud](#), Kiplinger Newsletter, December 16, 2025.

PERFORMANCE IMPLICATIONS

The courts are participating in performance-based budgeting. This bill may have an impact on the measures of the district courts in the following areas:

- Cases disposed of as a percent of cases filed
- Percent change in case filings by case type

ADMINISTRATIVE IMPLICATIONS

See “Fiscal Implications,” above.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS