

LFC Requester:	
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**AGENCY BILL ANALYSIS
2026 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.nmlegis.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}

Check all that apply:
Original **Amendment** _____
Correction _____ **Substitute** _____

Date Feb. 5, 2026
Bill No: HB 272-280

Sponsor: Nathan P. Small
Short Title: Crime of Deed Theft

Agency Name and Code 280 – LOPD
Number: _____
Person Writing MJ Edge
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None noted
Duplicates/Relates to Appropriation in the General Appropriation Act: None noted

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB 272 would create a new offense of deed theft, defined as “intentionally altering, falsifying, forging or misrepresenting property documents...with the intent to deceive, defraud or unlawfully transfer or encumber the ownership rights of a residential or commercial real property; 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 with the intent to defraud, taking, obtaining, stealing or transferring ownership of real property by fraud, forgery, larceny or any fraudulent or deceptive practice.”

The bill would create a penalty scheme based on the type and number of real properties that was the object of the crime: a third degree felony for one commercial property; a second degree felony for one residential or mixed-use property, or two or more commercial properties; and a first-degree felony for a residential property that is owned by an elderly, incompetent, or disabled person, or that is occupied. The bill also creates the offense of “aggravated deed theft,” a first degree felony for two or more residential properties.

FISCAL IMPLICATIONS

Predicting the number of these cases brought in any given year is difficult, but it stands to reason that LOPD would handle some significant proportion of cases brought under the statute. Barring some other way to reduce indigent defense workload, any increase in the number of felony prosecutions would bring a concomitant need for an increase in indigent defense funding in order to keep this problem from spreading. Of course accurate prediction of the fiscal impact would be impossible to speculate; assessment of the required resources would be necessary after the implementation of the proposed statutory scheme.

As a felony, these prosecutions could lead to an increase in incarceration rates, which would increase costs and population in Department of Corrections.

SIGNIFICANT ISSUES

The conduct subject to the bill is already illegal under several existing statutes. Indeed, the bill’s language tracks several existing anti-fraud statutes. NMSA 1978, Section 30-16-6 outlaws fraud, defined as “intentional misappropriation or taking anything of value that belongs to another by

means of fraudulent conduct, practices, or representations.” NMSA 1978, Section 30-16-8 outlaws embezzlement, defined as “embezzling or converting to the person’s own use anything of value, with which that person has been entrusted, with fraudulent intent to deprive the owner thereof.” NMSA 1978, Section 30-16-10 outlaws forgery, defined as “falsely making or altering any signature to, or any part of, any writing purporting to have legal efficacy with intent to injure or defraud.”

These statutes have similar penalty schemes based on the value of the property that was the object of the crime. Fraud and Embezzlement of \$250 or less is a petty misdemeanor; of \$500 or less, a misdemeanor; of \$2500 or less, a fourth degree felony; of \$20,000 or less, a third degree felony; and of more than \$20,000, a second degree felony. Forgery of real property documents is a third degree felony.

Analyst cannot identify a need for an additional statute criminalizing conduct already amply covered by existing law. Given the dollar amounts in the punishment schemes of the existing statutes, compared to the prevailing prices for real estate, the conduct covered by the bill is already a felony. Although the bill would enact more severe punishments for some types of fraudulent conduct, it would *lower* the potential punishments for others. For example, deed theft of a commercial property would only be a fourth degree felony, even though that conduct would be punishable as third degree felony under the forgery statute, or even as a higher-level felony under the fraud or embezzlement statutes if the value of the property were as little as \$2501.

Moreover, if prosecuted simultaneously, enacting the bill would likely result in litigation over whether convictions for deed theft and one or more of the existing antifraud statutes violate double jeopardy.

PERFORMANCE IMPLICATIONS

See Fiscal Implications, *supra*.

ADMINISTRATIVE IMPLICATIONS

None noted

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None noted

TECHNICAL ISSUES

Analyst is unaware whether this legislation is germane under Art. IV, Section 5. It is not a budget bill and analyst is unaware that it has been drawn pursuant to a special message of the Governor.

OTHER SUBSTANTIVE ISSUES

None noted

ALTERNATIVES

None noted

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo. The conduct covered by the bill will continue to be charged as felonies under the fraud, embezzlement or forgery statutes.

AMENDMENTS

None noted