

LFC Requester:	
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**AGENCY BILL ANALYSIS - 2026 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:** 2/05/2026 *Check all that apply:*  
**Bill Number:** SB 17 Original  Correction   
 Amendment  Substitute

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<b>Short Title:</b>	<u>STOP ILLEGAL GUN TRADE ACT</u>	<b>Person Writing</b>	<u>Troy J. Davis</u>
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis ( ) indicate revenue decreases)

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

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(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: Senate Bill 17 is a comprehensive regulation for firearm dealers, including security mandates, employment standards, record-keeping requirements, and prohibitions on specific types of weapons firearm dealers can sell.

**Senate Bill 17 as amended adds a severability section to the bill.**

### **FISCAL IMPLICATIONS**

There is no funding in the bill for public safety and the attorney general office to implement the programs put forth in the bill.

### **SIGNIFICANT ISSUES**

Senate Bill 17 main issue is prohibiting the sale of extremely dangerous weapons section. The United States Supreme Court has not addressed the issue of regulation of firearm dealers and have suggested it is within State's right to do so. There is a split with the federal circuit courts on the issues raised in this section. The 10<sup>th</sup> circuit recent ruling in Ortega v. Grisham tends to show the 10<sup>th</sup> circuit would be more pro Second Amendment rights. There would be federal litigation to the section of the bill.

The extremely dangerous weapon section if violated would be a criminal offense of misdemeanor. The Attorney General's office should have exclusive jurisdiction to prosecute the misdemeanor and civil action State wide to avoid inconsistent out comes in compliance with the section.

**The severability section will help in future litigation of the statute. The court could strike one section of the statute and other sections may survive depending on the courts ruling.**

### **PERFORMANCE IMPLICATIONS**

### **ADMINISTRATIVE IMPLICATIONS**

None

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

None

### **TECHNICAL ISSUES**

The definition of "dealer" and "manufacturer" are the same. An ordinary definition of a manufacturer should be used to avoid confusion. The bill is directed at dealers the definition of manufacturer in should be eliminated.

### **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

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