

LFC Requester:

Scott Sanchez

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

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: SB 221

Original X Correction
Amendment Substitute

Sponsor: Senators Antonio Maestas and James Townsend

Agency Name and Code Number: 305 – New Mexico Department of Justice

Person Writing

Short Title: Crime of Misappropriation of Oil & Gas Equip.

Analysis: Sean Sullivan

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

(Parenthesis () indicate expenditure decreases)

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
Total						

(Parenthesis () Indicate Expenditure Decreases)

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

SECTION III: NARRATIVE

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator’s request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis: SB0221 creates the crime of misappropriating petroleum products or oil and gas equipment, establishes penalties based on value, and adds this offense to the definition of racketeering under New Mexico law.

Section 1 establishes the crime of “misappropriation of a petroleum product or oil and gas equipment.” There are four separate ways outlined that an offender could commit this offense, including:

- Taking/acquiring/exercising control over petroleum products or oil and gas equipment without consent and with the intent to deprive the owner by: a) possessing, removing, receiving, purchasing, selling, disposing, concealing, delivering or transporting the petroleum or oil and gas equipment; or b) connecting to, tapping, or drilling into pipes, pipelines, or tanks.
- Transporting petroleum to a waste facility without identifying the owner.
- Purchasing petroleum from unauthorized sellers.
- Using unauthorized methods for storage, delivery, or trade.

Section 1 outlines penalties based on the value of the petroleum product or oil and gas equipment misappropriated. For charging purposes, multiple misappropriations within a six-month period may be aggregated together. Section 1 also clarifies that these criminal penalties are separate and distinct from the penalties authorized under the Oil and Gas Act.

Section 2 amends definitions of the racketeering act to include the misappropriation of petroleum products or oil and gas equipment as a predicate racketeering offense.

FISCAL IMPLICATIONS

None for the NMDOJ.

SIGNIFICANT ISSUES

N/A

PERFORMANCE IMPLICATIONS

The NMDOJ may investigate (or assist in investigating) these crimes, along with federal, state, and local law enforcement partners. The NMDOJ may also prosecute (or assist in prosecuting) these crimes upon appropriate declinations by local district attorneys.

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

N/A