

LFC Requester:

Scott Sanchez

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: 5 February 2026 *Check all that apply:*
Bill Number: SB 221 Original Correction
 Amendment Substitute

Sponsor: Townsend **Agency Name and Code Number:** New Mexico Sentencing Commission (354)
Short Title: Crime of Misappropriation of Oil & Gas Equipment **Person Writing:** Douglas Carver
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
	\$451	Nonrecurring	

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

BILL SUMMARY

Synopsis:

SB 221 creates the crime of misappropriation of a petroleum product or oil and gas equipment. This crime consists of a person: 1) taking, acquiring or exercising control over a petroleum product or oil and gas equipment without the owner's consent and with the intent to deprive the owner of the petroleum product or oil and gas equipment; 2) transporting to a waste facility a petroleum product for which the person cannot identify the petroleum product's owner; 3) purchasing a petroleum product from a person not authorized by the Oil Conservation Division of EMNRD to sell the petroleum product; or 4) storing, delivering, purchasing or trading a petroleum product for financial benefit by using a method not authorized by the oil conservation division.

The penalties for this crime are tiered, as follows:

- If the product misappropriated is \$500 or less, a fourth degree felony
- If the product misappropriated is greater than \$500 up to \$2,500, a third degree felony
- If the product misappropriated is greater than \$2,500, a second degree felony

SB 221 has the following provisions regarding prosecuting this crime: When an individual has engaged in misappropriation of a petroleum product or oil and gas equipment more than once within a six-month period, whether from one or multiple properties in one or multiple counties, the prosecution may charge the individual under this section either: (1) in separate counts based on the value of petroleum products or oil and gas equipment misappropriated in each occurrence from a single property; or (2) in a single count based on the aggregated value of all petroleum products and oil and gas equipment misappropriated during that six-month period. If the misappropriations occurred in different counties, venue shall be proper in any county in which the petroleum products or oil and gas equipment were misappropriated.

Additionally, this crime has been added to the list of crimes that constitute racketeering under the Racketeering Act.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

This new crime in SB 221 has a harsher penalty structure than the existing larceny statutes, Section 30-16-1 NMSA 1978. There also exists a statute against receiving stolen property, Section 30-16-11, which has a lower penalties than those proposed in SB 221.

The NMSC published a Select Crimes Issue Paper on Racketeering Offenses in January 2026. This

paper gives a general overview of racketeering charges for Fy24. The Select Crimes Issue Paper is available here: <https://nmsc.unm.edu/reports/2026/select-crimes-issue-paper-racketeering-offenses-fy2024.pdf>.

It is difficult to determine what the effect of passing SB 221 would be on the state's prison population. The average per day cost to incarcerate someone in the state's prison system is \$153.08/day; this average includes private and public facilities.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS