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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 39

SHORT TITLE: Crime of Ticket Scalping

SPONSOR: Cates

LAST ORIGINAL
UPDATE: _____ **DATE:** 2/15/26 **ANALYST:** Gygi

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
AOC	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Recurring	General Fund
LOPD	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Administrative Office of the Courts

Law Offices of the Public Defender

Regulation and Licensing Department

SUMMARY

Synopsis of House Bill 39

House Bill 39 (HB39) amends statute regarding criminal offenses (NMSA 1978, Section 30-46-1(A)) to prohibit ticket scalping for events by the state, a political subdivision of the state, and 501(c)(3) nonprofit corporations. As currently written, Section 30-46-1(A) only prohibits ticket scalping for college athletic events.

Existing statute defines ticket scalping as selling or offering tickets for more than the original price charged or printed, with each unlawful sale treated as a separate offense, while allowing authorized service fees under contract. A violation remains a misdemeanor punishable by up to a \$500 fine, less than one year of imprisonment, or both.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

The Administrative Office of the Courts (AOC) states:

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. [However], very few cases have been prosecuted under Section 30-46-1 in the last five years.

The Law Offices of the Public Defender (LOPD) also notes its current “workload crisis” and anticipates potential costs associated with an increase in caseloads, particularly if the new categories of crime require indigent defense.

The Department of Public Safety (DPS) and the Regulation and Licensing Department (RLD) report no fiscal impact.

SIGNIFICANT ISSUES

According to AOC, ticket scalping is a widespread issue in the arts industry, including in New Mexico. Citing a recent article, AOC gives the example of tickets at Popejoy Hall, which are scalped for over five times their retail price.¹ In addition to reselling tickets for much higher than retail price, scalpers often tack on hidden fees that further inflate the price.

Neither the bill nor the agency analyses explain who would be responsible for identifying and charging scalpers at the new venues added to statute. Presumably most of the scalpers operate online.

PERFORMANCE IMPLICATIONS

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

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

ADMINISTRATIVE IMPLICATIONS

LOPD comments:

HB39 essentially adds three new ways to commit the misdemeanor crime of ticket scalping. If aggressively enforced, this could result in an increase in caseloads, which would impact LOPD. However, it is difficult to predict the impact on LOPD due to the creation of a new crime insofar as no statistics exist to suggest how much the behavior presently occurs, how much would continue, and how much would be prosecuted. It is important to remember that indigent criminal defense is a constitutionally mandated right, and that LOPD does not control the decision to charge or the number of resultant cases assigned to the agency.

KG/hg/sgs

¹ See <https://www.krqe.com/news/larry-barker/stealing-the-show-how-online-ticket-scalpers-target-new-mexicans/>.