

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 32

SHORT TITLE: Prosecution of Human Trafficking

SPONSOR: Sens. Berghmans & Trujillo/Rep. Matthews

LAST ORIGINAL
UPDATE: 2/1/26 **DATE:** 1/31/26 **ANALYST:** Jacobs

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
LOPD	No fiscal impact	At least \$292.0	At least \$292.0	At least \$594.0	Recurring	General Fund
NMCD	No fiscal impact	At least \$27.2	At least \$27.2	At least \$54.4	Recurring	General Fund
Total	No fiscal impact	At least \$319.2	At least \$319.2	At least \$638.4	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
Administrative Office of the District Attorneys
Children, Youth and Families Department
Department of Public Safety
New Mexico Attorney General
New Mexico Sentencing Commission
Law Offices of the Public Defender

SUMMARY

Synopsis of Senate Bill 32

Senate Bill 32 (SB32) proposes several significant amendments to New Mexico’s criminal statutes concerning human trafficking and the sexual exploitation of children. The bill extends the statute of limitations for prosecuting second degree human trafficking offenses to six years from when the crime was reported to law enforcement. SB32 also raises the age threshold for the crime of sexual exploitation of children by prostitution from 16 to 18 years under Section 30-6A-4 NMSA 1978. It specifies that it is not a defense if the victim was a law enforcement officer posing as a minor. SB32 expands the scope of human trafficking under Section 30-52-1 NMSA 1978 by including harboring, maintaining, patronizing, and providing individuals for labor, services, or commercial sexual activity. The bill amends culpability for human trafficking violations, replacing the requirement that a trafficker have direct knowledge with a “knew or should have known” standard.

SB32 subjects convicted traffickers to asset forfeiture under the Forfeiture Act, expands the definition of coercion to include physical restraint, and defines "harm" broadly to include physical, psychological, and financial harm. Furthermore, it bars human trafficking victims from being charged with prostitution and prohibits descriptions of the victim's sexual conduct as defense against prosecution. SB32 also amends the Victims of Crime Act in Section 31-26-3 NMSA 1978 to include victims of human trafficking and sexual exploitation of children. It classifies human trafficking as a serious violent offense under Section 33-2-34 NMSA 1978, thereby limiting earned meritorious deductions (commonly known as "good time credit") for offenders.

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

Incarceration drives costs in the criminal justice system, so the primary fiscal implications examined in this analysis relate to changes in the number of individuals in prison and the length of time served in prison that might result from this bill. The creation of any new crime, increase of felony degree, or increase of sentencing penalties will likely increase the population of New Mexico's prisons and long-term costs to the general fund. In addition to the potential of new crimes to send more individuals to prison, increased sentence lengths decrease releases relative to the rate of admissions, pushing the overall prison population higher. The Corrections Department reports the average cost to incarcerate a single inmate in FY25 was \$64.7 thousand; however, due to the high fixed costs of the state's prison facilities and administrative overhead, LFC estimates a marginal cost (the cost per each additional inmate) of \$27.2 thousand per year across all facilities. SB32 is anticipated to increase the number of incarcerated individuals and increase the time they spend incarcerated.

The Law Offices of the Public Defender (LOPD) anticipate an increased caseload due to the expanded scope of human trafficking crimes and heightened penalties. LOPD estimates that hiring experienced attorneys to handle these complex cases costs approximately \$292 thousand per year in the Albuquerque and Santa Fe areas and \$300.6 thousand per year in outlying areas. Given New Mexico's existing shortage of public defenders, an increase in serious felony cases requiring legal representation could exacerbate existing workload challenges.

Additionally, the judiciary anticipates increased trial rates because higher penalties often discourage plea deals. More jury trials will result in additional costs for judges, courtroom staff, and jury fees. However, a precise estimate of the total increased judicial costs remains undetermined.

The Department of Public Safety (DPS) supports the bill, noting it will provide additional legal tools to combat human trafficking. However, enforcement of new forfeiture provisions under the Forfeiture Act could impose administrative costs on state agencies involved in asset seizure and processing. These costs are not explicitly quantified but should be considered.

SIGNIFICANT ISSUES

SB32 expands the definition of human trafficking under Section 30-52-1 NMSA 1978, explicitly

targeting “harboring, maintaining, patronizing, and providing” individuals for labor, services, or commercial sexual activity. It also lowers the burden of proof by replacing the requirement for actual knowledge of coercion with a “knew or should have known” standard, which could increase the number of prosecutions but may raise due process concerns for individuals who are only indirectly involved. The bill increases the statute of limitations for prosecuting second degree human trafficking offenses to six years from when the crime was reported to law enforcement compared to the current five years from when the crime was committed. Increased penalties could also have broader implications because the bill raises trafficking of minors under 18 to a first-degree felony with a mandatory sentence of 18 years and trafficking of adults to a second-degree felony, potentially contributing to longer prison stays and raising concerns about proportionality in sentencing.

SB32 would prohibit victims of trafficking from being charged with prostitution, strengthening victim protections. Responding agencies note the increase in the legal age for prostitution victims from 16 to 18 could create inconsistencies with New Mexico’s existing consent laws.

LOPD notes that defining “harboring, maintaining, patronizing, providing” as facilitating human trafficking could allow the prosecution of landowners if their property were used for trafficking and those who solicit victims’ services. The agency reports it could even allow for the prosecution of an entity that subcontracts with a company accused of exploiting its laborers.

On the issue of meritorious deductions, the LOPD provides:

Section 5 of the bill would add human trafficking to the list of discretionary “serious violent offenses” under Section 33-22-34 so that the sentencing judge may cap the ability to accrue earned meritorious deductions in prison to only four days per month based on “the nature of the offense and the resulting harm” in a particular case; otherwise, day-for-day deductions would be available.

DPS provides:

DPS would support the bill through coordinated, victim-centered responses and interagency collaboration. By including victims of human trafficking and sexual exploitation in the Victims of Crime Act, SB32 strengthens DPS’s role in linking victims to services, compensation, and protections during investigations. DPS would also advance policy goals by working with prosecutors, the Attorney General’s Office, and community partners to enhance reporting, intelligence sharing, and enforcement efforts, while acknowledging the bill’s accountability measures—such as stricter penalties and limits on earned meritorious deductions—as tools that bolster deterrence and public safety across the state.

The Children, Youth and Families Department adds:

This bill also strengthens human trafficking laws by ensuring that traffickers cannot evade justice through common defenses like questioning the victim’s consent or prior sexual history and by expanding the definition of harm to fully capture the types of abuse that victims endure as well as targeting traffickers’ financial gains through asset forfeiture thus making it more difficult for them to profit from their crimes. This bill improves existing law to create a more comprehensive legal framework to combat human trafficking, support victims, and hold perpetrators accountable.