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## FISCAL IMPACT REPORT

**SPONSOR** Neville **ORIGINAL DATE** 1/25/17  
**LAST UPDATED** 2/14/17 **HB** \_\_\_\_\_

**SHORT TITLE** Off-Road Vehicle Licenses & Plates **SB** 51/a SFC/a SF#1

**ANALYST** Romero

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

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	\$0.2	\$0.2	\$0.2	\$0.6	Recurring	TRD-MVD Operating
	\$11.2	\$0.0	\$0.0	\$11.2	Nonrecurring	TRD – ITD Operating
<b>Total</b>	\$11.4	\$0.2	\$0.2	\$11.8		TRD Operating

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Energy, Minerals, Natural Resources Department (EMNRD)  
 Department of Game and Fish (DGF)  
 Taxation and Revenue Department (TRD)  
 Department of Transportation (DOT)  
 Department of Public Safety (DPS)  
 Department of Health (DOH)

### SUMMARY

#### Synopsis of Senate Floor Amendment

Senate Floor Amendment #1 to Senate Bill 51 includes a new section outlining inappropriate operation of an off-highway motor vehicle including:

- careless driving;
- driving under the influence;
- hunting lawfully protected species;
- harassment of livestock;
- driving in excess of ten miles per hour within proximity of a business or other public areas;
- unless in possession of the person’s registration certificate or nonresident permit;

- unless the vehicle is equipped with a spark arrester (snowmobiles being exempt);
- when conditions such as darkness limit visibility to five hundred feet or less, unless equipped with:
  - one or more headlights of sufficient candlepower to light objects at a distance of one hundred fifty feet; and
  - at least on taillight of sufficient intensity to exhibit a red or amber light at a distance of two hundred feet under normal atmospheric conditions;
- producing noise that exceeds ninety-six decibels when measured using test procedures established by the society of automotive engineers pursuant to standard J-1287; or
- off-highway motor vehicle traffic is prohibited under local, state or federal rules or regulations.

This amendment also identifies provisions for the operation of off-highway vehicles by minors. Finally the amendment does not allow the sale of an OHV that produces noise exceeding ninety-six decibels.

#### Synopsis of Senate Finance Committee Amendment

Senate Finance Committee amendment for Senate Bill 51 makes grammatical changes and clears up ambiguity relating to referencing the Motor Vehicle Code.

#### Synopsis of Bill

Senate Bill 51 amends sections of the Off-Highway Motor Vehicle Act, providing for a special paved road use vehicle plate for off-highway motor vehicles. This Bill specifies age-appropriate operating licenses, permits and safety gear for paved road use. Makes an appropriation.

### **FISCAL IMPLICATIONS**

The charge for this plate will be \$7, which is to be appropriated to the Department to cover the cost of manufacturing and issuing this plate.

Implementation of this bill will have a moderate impact on the Information Technology Division (ITD). Total time to complete, test and implement changes is 4 weeks.

- Development – 3 weeks
  - The new plate type and inventory would need to be set up and added into the registration process, with the new fees and new distributions.
  - The new plate image will need to be added into the system, as well as information on the vehicle types it is allowed on.
- Testing of above changes – 1 week

Implementation of this bill will cost \$11,200.

### **SIGNIFICANT ISSUES**

The Motor Vehicle Division (MVD) will need to issue either a plate or sticker. Sticker would be preferable but needs to be differentiated from a regular off-highway vehicle (OHV), which may be confusing for the public and law enforcement, as the new sticker would be purchased only by

individuals wishing to use the off-highway vehicle on paved streets or highways. Not all OHV owners would require the new plate or sticker, only those opting for the new sticker or plate would be required to pay the additional fee. The Off-Highway Motor Vehicle Act, NMSA 1978 Section 66-3-1011(F), states in part, that a person shall not operate an off-highway motor vehicle on land owned, controlled or administered by the State Parks Division of the Energy, Minerals, and Natural Resources Department unless permitted by a rule adopted by the Secretary of EMNRD.

The use of off-highway vehicles on paved roads may be applicable in areas where local ordinances allow for off-highway motor vehicles that are registered with special paved road use vehicle plates. These local areas will be outside of land owned, controlled or administered by the State Parks Division.

SB51 removes the requirement that a helmet be used by adults driving or riding OHV's on paved roads. According to the National Highway Traffic Safety Administration (NHTSA) Fatality Analysis Reporting System (FARS), 74% of ATV deaths on public roads from 2007 to 2011 were on paved roads. The Consumer Federation of America documented 504 OHV fatalities in 2015, and 272, or almost 54%, took place on roads.

### **TECHNICAL ISSUES**

The Taxation and Revenue Department suggests the following change in wording to Section 3.C. (6): “the operator of the vehicle, if under eighteen years of age, is wearing a safety helmet that complies with the Off-Highway Motor Vehicle Act.”

Senate Bill 51 language does not address what penalties would be assessed for not being in compliance under sections 66-3-1011 (C). Current penalties under section 66-3-1020 “Penalties” section of the Off-highway Motor Vehicle Act are specific to violations of sections of the Off-Highway Motor Vehicle Act, this bill language does not address what level fine would be imposed of violations under section 66-3-1011 (C) when operation of off-highway vehicles are used on paved roads or highways.

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