

BILL ANALYSIS AND FISCAL IMPACT REPORT
Taxation and Revenue Department

February 15, 2025

Bill: SB-225

Sponsor: Senator George K. Muñoz

Short Title: Increase Various Penalties

Description: This bill increases the fine for littering to \$250, the mandatory community service for unauthorized graffiti to 150 hours for a petty misdemeanor and 200 hours for a fourth degree felony, and adds an additional penalty related to illegal dumping. As related to the Taxation and Revenue Department, the bill amends Section 66-8-116 NMSA 1978 to increase the penalty for improper use of a travel lane from \$250 to \$500.

Effective Date: Not specified; 90 days following adjournment (June 20, 2025).

Taxation and Revenue Department Analyst: Htet Gonzales and Sean Bulian – Motor Vehicle Division

Estimated Revenue Impact*					R or NR**	Fund(s) Affected
FY2025	FY2026	FY2027	FY2028	FY2029		
					R	General Fund
Unknown positive						

* In thousands of dollars. Parentheses () indicate a revenue loss. ** Recurring (R) or Non-Recurring (NR).

Methodology for Estimated Revenue Impact: The Motor Vehicle Division (MVD) cannot estimate what percentage of penalty assessments for improper use of a travel lane will be ultimately collected. If 100 percent of the 2024 penalty assessments issued for this violation were collected, the total would increase from about \$260 thousand to \$520 thousand. The increase in penalty fees may be a deterrent causing fewer assessments to be issued in the future. Fees collected will be remitted to the state treasurer for credit to the general fund.

Policy Issues: Penalty assessments have not been adjusted for inflation since 2018. By increasing the penalty for the improper use of a travel lane, this bill may help reduce motor vehicle code violations and lead to safer roads in New Mexico.

Technical Issues: None

Administrative & Compliance Impact: Implementation of this bill will have a low impact on Tax & Revenue’s Information Technology Division (ITD). The estimated time to develop, test and implement the changes is approximately 120 hours or 3 weeks for an estimated \$6,660 of staff workload cost. This bill requires application and configuration changes in the Tapestry system to increase the penalty for improper use of a travel lane to from \$250 to \$500.

Estimated Additional Operating Budget Impact*				R or NR**	Fund(s) or Agency Affected
FY2025	FY2026	FY2027	3 Year Total Cost		
	\$6.7			NR	MVD – Staff Workload Cost

* In thousands of dollars. Parentheses () indicate a cost saving. ** Recurring (R) or Non-Recurring (NR).