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FISCAL IMPACT REPORT

SPONSOR <u>Rep. Cates/Sen. Pope</u>	LAST UPDATED _____
	ORIGINAL DATE <u>1/28/2025</u>
SHORT TITLE <u>Motor Carrier Safety Act Changes</u>	BILL NUMBER <u>House Bill 30</u>
	ANALYST <u>Hanika-Ortiz</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
DPS	No fiscal impact	No fiscal impact	Indeterminate but minimal		Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts in the table above anticipate a cost to ensure compliance.

When DPS responds to a request for analysis of HB30, the amounts in the table above will be updated.

Sources of Information

LFC Files

Agency Analysis Received From

Department of Workforce Solutions (DWS)
 New Mexico Attorney General (NMAG)
 New Mexico Department of Transportation (NMDOT)
 New Mexico Tourism Department (NMTD)
 Department of Public Safety (DPS)

SUMMARY

Synopsis of House Bill 30

House Bill 30 (HB30) requires private for-hire companies of vehicles used to transport workers and gear in transit for railroad corporations to adhere to certain conditions as they apply to driver preparedness, insurance coverage, and vehicle safety. The bill adds two new definitions in the Motor Transportation Act for a “motor carrier of railroad employees,” and for “on-duty time.” The definition for a “motor carrier of railroad employees” means an operator of a motor vehicle of any vehicle weight that is used to transport employees of a railroad corporation in transit. The definition for “on-duty time” means not only time driving, but also time waiting to be dispatched, maintaining a vehicle, or working for another employer that is not in the business of transporting railroad employees.

Under the bill, carriers must maintain driver qualification files and drivers must follow certain safety protocols that include not using handheld devices while driving, ensuring working seat belts, and performing pre- and post-trip vehicle inspections. Violations, such as DWI convictions and multiple moving offenses result in temporary disqualification from operating a vehicle. The vehicles must also meet certain safety standards, such as having clear windows, emergency road kits, cell phones or two-way radios, and GPS devices. Vehicles must also be easily identifiable.

Lastly, the bill requires drivers to be limited to a maximum of 10 hours of driving since the driver's last eight hours off duty and must not exceed 15 consecutive hours of on-duty time, or drive or remain on duty for a combined total of more than 70 hours in any period of eight days. Emergency exceptions in the bill allow two additional hours to reach a place of safety for vehicle occupants.

The bill requires the Department of Public Safety (DPS) to inspect operators for compliance and complaint investigations.

The effective date of this bill is January 1, 2026.

FISCAL IMPLICATIONS

HB30 could have a significant fiscal impact for DPS depending upon how often DPS is called upon to inspect, to provide a safety review, to audit, or to conduct an accident investigation. However, DPS reported that HB30 would have no fiscal impact on their operations.

SIGNIFICANT ISSUES

The New Mexico Tourism Department suggested the bill could have financial impacts for tour operators in New Mexico if they have not factored in "on-duty time" for the duties outlined in HB30.

The New Mexico Department of Transportation (NMDOT) suggests HB30 pertains to the responsibilities of DPS and not to those of NMDOT.

ADMINISTRATIVE IMPLICATIONS

The bill authorizes DPS to enter a vehicle or facility of a motor carrier of railroad employees to inspect, to provide a safety review, to audit or to conduct an accident investigation.

TECHNICAL ISSUES

NMDOT notes a potential technical issue with the definition of "motor carrier of railroad employees" found in HB30 on lines 4 through 7 of page 5.

"Given that the definition applies to motor vehicles of any vehicle weight and does not specify commercial or for-hire activity; and given that neither Articles 1 nor 3 of Chapter 65 are written as specific to commercial or for-hire activity save with respect to specific types of carrier...the definition of "motor carrier of railroad employees" may apply more broadly than may be the intent of the bill."