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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 2/22/2025

SPONSOR Jaramillo

BILL
NUMBER Senate Bill 96

SHORT TITLE Off-Highway Vehicle Tires & Sizes

ANALYST Gaussoin

REVENUE* (dollars in thousands)

Type	FY25		FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
OHV Registrations and Permits		Indeterminate but minimal gain	Indeterminate but minimal gain	Indeterminate but minimal gain	Indeterminate but minimal gain	Recurring	Trail Safety Fund

Parentheses () indicate revenue decreases.

*Amounts reflect most recent analysis of this legislation.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
TRD	\$6.6				Nonrecurring	General Fund
NMDOT		No fiscal impact	No fiscal impact	No fiscal impact		
DGF		Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Recurring	Game Protection Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bills 371 and 372 and Senate Bills 462 and 472

Sources of Information

LFC Files

Agency Analysis Received From

Department of Game and Fish (DGF)

Taxation and Revenue Department (TRD)

Department of Transportation (NMDOT)

SUMMARY

Synopsis of Senate Bill 96

Senate Bill 96 (SB96) amends the Off-Highway Motor Vehicle Act (Sections 66-3-1001 through 66-3-1017 NMSA 1978) to change the definitions of two types of off-highway motor vehicle. In the definition of an all-terrain vehicle, the type of tires is changed from “low-pressure” to “non-highway.” The definition of a recreational off-highway vehicle is amended to raise the maximum weight from 1,750 pounds to 3,500 pounds and remove limits on the size of the engine.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

The Department of Game and Fish (DGF), which administers the off-highway vehicle (OHV) program, reports the changed definition would allow for the legal operation of more off-highway vehicles, increasing registrations and revenue for the trail safety fund. The department reports OHV registration fees are \$53 for the initial year and \$50 for biannual renewals. Assuming 100 new registrations, the additional activity would result in an additional \$5,300 a year in the first year and \$5,000 for subsequent years. Nonresidents pay \$48 for a two-year permit and \$18 for a 90-day permit, also resulting in additional revenue. The department reports it cannot estimate how many additional OHVs would be registered or permitted.

While heavier vehicles likely would increase wear and tear on OHV trails, DGF does not discuss the additional cost of maintaining trails.

The Department of Transportation (NMDOT) indicates the State Transportation Commission works with local governments to designate certain sections of the state highway system for off-highway motor vehicle use. SB96 would require NMDOT to review and reassess existing designated sections. The department reports the reviews would have little impact on its operations.

The Taxation and Revenue Department notes minimal costs of \$6,600 to update data systems for the change in motor vehicle weight and engine specifications.

SIGNIFICANT ISSUES

DGF says the proposed changes update outdated definitions that no longer reflect modern machines: “These machines currently exist on the market, and can be legally purchased, but owners cannot currently register them as OHVs due to the restriction definition.” The department does not discuss the impact of heavier machines on OHV trails.

ADMINISTRATIVE IMPLICATIONS

NMDOT works with local governments to designate segments of state highways as acceptable for OHV use. The department would have to reassess existing designations to ensure the use of vehicles falling under the broader definition is still appropriate.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB96 relates to HB371 and its duplicate Senate Bill 472, which would allow local governments to adopt ordinances allowing the use of all-terrain vehicles and recreational off-highway vehicles on roads within their political boundaries. It also relates to House Bill 372 and its duplicate Senate Bill 462, which make similar changes to the definitions and additional changes on nonresident permits and passengers with teen drivers.