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FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 91

SHORT TITLE: Traffic Violation Penalties

SPONSOR: Berghmans

LAST UPDATE: 1/28/2026 **ORIGINAL DATE:** 1/28/2026 **ANALYST:** Francis

REVENUE* (dollars in thousands)

Type	FY26	FY27	FY28	FY29	FY30	Recurring or Nonrecurring	Fund Affected
Traffic Violations		(\$4,985.5)	(\$5,242.2)	(\$5,511.6)	(\$5,794.9)	Recurring	General fund
Traffic Violations		\$4,985.5	\$5,242.2	\$5,511.6	\$5,794.9	Recurring	Local Government

Parentheses indicate revenue decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

NM Department of Justice
Administrative Office of the Courts

Agency or Agencies That Were Asked for Analysis but did not Respond

Department of Finance and Administration

SUMMARY

Synopsis of Senate Bill 91

Senate Bill 91 (SB91) changes the distribution of municipal-administered traffic violation fines. Under current law, the distribution of receipts net of collection and administration costs of the fines associated with failure to obey a traffic sign or signal or speeding are distributed equally between the municipality and the general fund. Under SB91, the municipality retains all of the proceeds.

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

FISCAL IMPLICATIONS

According to the NM Department of Finance and Administration (DFA) State General Fund

Audits, the average distribution to the general fund for code 461502-Traffic Violations averages about \$4 million annually.

<u>State General Fund Audit New Mexico Department of Finance and Administration</u>						
		2021	2022	2023	2024	2025
461502	Traffic Violation Fees	3,690,912	3,600,181	3,669,338	3,902,644	4,510,303

Average growth over the period is 5.1 percent which is used to project the 2025 amount forward. These amounts will no longer be transferred to the general fund from the municipalities.

SIGNIFICANT ISSUES

The Administrative Office of the Courts provides context for the fiscal impact, noting Albuquerque alone provides much of revenue, generating “\$4–6 million in red light/speeding fines yearly, with half (\$2–3 million) currently remitted to the state.”

PERFORMANCE IMPLICATIONS

As a result of SB91, the state will no longer receive audit reports on the amounts generated by traffic violations, a requirement to ensure the appropriate amount of fines were distributed to the general fund.

NM Department of Justice raises concerns that “the amended statute would no longer contain any external verification mechanism to ensure the retained revenues are used only for traffic safety programs, as required by Section 3-18-17(A)(3)(b), (A)(4)(b), or reasonable administrative costs (same).”

NF/cf/rl