

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 02/08/2007

SPONSOR Sanchez, M. LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Statewide Speed Limit of 55 Miles Per Hour SB 824

ANALYST Moser

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
NFI	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		\$374.0	0	\$374.0	Non- Recurring	Road Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

NM Department of Transportation (NMDOT)

Department of Public Safety (DPS)

### SUMMARY

#### Synopsis of Bill

Senate Bill 824 establishes a statewide speed limit of fifty-five miles per hour.

### FISCAL IMPLICATIONS

The NMDOT advises that there will be fiscal implications associated with this bill because new signage will be required to replace signs where the current speed limit exceeds 55 MPH. NMDOT indicates that there are approximately 2000 miles of interstate (1000 miles for each direction of travel) and there are two signs for each direction of travel placed at approximately every 10 miles. This constitutes a total of 400 55 mph speed limit signs that would need to be

manufactured and installed just for the interstate. A breakdown of the cost to manufacture and install the signs on the interstates (assuming that existing posts can be utilized) is as follows:

Interstate Signs	\$180,000
Mobilization	\$7,000
Estimated Interstate total	\$187,000

In addition, there are numerous other roadways with speed limits greater than 55 mph on at least some portion of the roadway. The costs would likely be doubled to reduce all other roadways to 55 mph. NMDOT indicates that it will request funds be appropriated to cover this additional cost if SB 824 passes. Should the bill pass, NMDOT does not expect any effect on federal appropriations or other local, state and federal matching funds.

### **SIGNIFICANT ISSUES**

The bill proposes the following item that is a significant for consideration: The bill establishes fifty-five (55) miles per hour as the maximum allowable posted speed (presently the law establishes it at seventy-five (75) miles per hour).

DPS indicates that because New Mexico is the fifth largest state in the union, the geographical distances for travel will have significant impact in reference to time considerations for the motoring public. When the speed limit was previously 55 mph in this state and across the country, law enforcement generally raised its tolerance for this violation. Subsequently, when it changed to the current limit of 75 the tolerance went down and violators were issued citations closer to the limit.

### **PERFORMANCE IMPLICATIONS**

The NMDOT advises that it has adopted the nationally accepted practice of establishing posted speeds based on the 85<sup>th</sup> Percentile Speed. This method is the predominant engineering practice utilized by all of the DOT's in the United States. The 85<sup>th</sup> Percentile Speed is defined as the speed at or below which 85 percent of free-flowing vehicles travel. This measure is obtained through the conduct of an engineering speed study. In addition to the 85<sup>th</sup> Percentile Speed, the design of the roadway and any other safety factors are taken into account to establish a speed limit.

Studies have shown that neither raising nor lowering the speed limit has much effect on vehicle speeds, and, in fact, percent compliance with the posted speed limit decreases when speed limits are reduced but aren't supported by an engineering study. Strict enforcement is the only major constraint on speeds. Consequently, both DPS and NMDOT stresses that establishing the maximum speed limit at fifty-five (55) miles per hour on all facilities that have been designed for a higher safe speed limit will likely introduce a greater degree of non-compliance and disregard for regulatory signing particularly on the interstate system.

DPS indicates that while reduction in speed could result in reducing the severity of injury in a crash, the increased amount of time needed to travel across the state may result in more fatigued drivers and thus a possibility of an increase in accidents due to this element.

**ADMINISTRATIVE IMPLICATIONS**

The proposed bill would have an implication to the resources necessary (personnel and equipment) to NMDOT and other affected agencies (State and local police) to install signs and enforce speed limits.

**TECHNICAL ISSUES**

DPS indicates that if this bill is adopted adjustments in the Penalty Assessment Schedule and Application to Point System would need to be addressed.

GM/csd