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FISCAL IMPACT REPORT

SPONSOR	<u>Senate Judiciary Committee</u>	LAST UPDATED	<u>03/15/2023</u>
		ORIGINAL DATE	<u>03/02/2023</u>
SHORT TITLE	<u>Electric-Assisted Bicycle Definitions</u>	BILL NUMBER	<u>CS/Senate Bill 69/SJCS/aHTPWC</u>
		ANALYST	<u>Chilton</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	No fiscal impact	No fiscal impact	No fiscal impact			

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Responses Received From

Department of Public Safety (DPS)

No Response Received

Department of Transportation (NMDOT)
Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of HTPWC Amendment to the SJC Substitute to Senate Bill 69

The Transportation, Public Works and Capital Improvements Committee amendment makes the change that Class 2 eBikes could be used on bicycle or pedestrian trails but preserves the locality's role in determining whether there is to be further relaxation or restriction of the use of eBikes on any given trail within their jurisdictions.

Synopsis of SJC Substitute for Senate Bill 69

The Senate Judiciary Committee substitute for Senate Bill 59 defines three classes of electric bicycles (eBikes) and where they can be used and by whom, subject to local decisions to the contrary.

Section 1 of the bill amends child helmet safety provisions in the Children's Code (Section 32A-24-2 NMSA 1978) and redefines various terms to effectively require safety helmet use for minors using eBikes, including defining "eBike."

Section 2 amends the definition section of the Motor Vehicle Code (Chapter 66 NMSA 1978) to define classes of eBikes, all of which require a limit of 750 watts of power:

- Class 1 eBikes provide assistance only when the rider is pedaling but cease to provide assistance when the rider reaches 20 miles per hour;
- Class 2 eBikes are equipped with a throttle and provide assistance whether or not the rider is pedaling but cease to provide assistance when the rider reaches 20 mph;
- Class 3 eBikes provide assistance only when a rider is pedaling but cease to provide assistance when the rider reaches 28 mph.

This section also defines an “electric mobility device as a two- or three-wheeled motorized vehicle, not meeting the definition of the electric-assisted bicycle, which can travel faster than twenty miles per hour solely with electric power.” Other definitions in the section remain the same.

Sections 3, 4, and 5 amend the Motor Vehicle Code to exclude eBikes from the definitions of “motorcycle” and “motor vehicle,” and “off-highway motor vehicle” and to include eBikes among the list of motorized vehicles not subject to registration.

Section 6 would add a new Section 66-3-708 to the Motor Vehicle Code devoted to eBikes:

- Each eBike would be required to be labeled with its classification, energy use, and maximum speed, and any person modifying the speed or electrical power used would be required to also modify the label.
- All eBikes would be required to comply with the manufacturing and equipment requirements of the U.S. Consumer Product Safety Commission.
- All eBikes must be equipped with motors that must disengage when the eBike is braked, and Class 1 and Class 3 bikes must have motors that disengage when the cyclist is not pedaling.
- Class 3 eBikes must have a speedometer.

Section 7 establishes statewide regulation as to where eBikes may be used:

- Class 1 eBikes can be used on any trail where bob-motorized bicycles may travel, unless the local government decides otherwise with respect to a given trail.
- Class 2 and 3 eBikes cannot be used on bicycle trails unless they are part of a street or highway, or the local government decides that they may be used on specified bicycle trails.
- Persons under age 16 may not use a class 3 eBike on a road, trail, or path.
- Unsurfaced trails (i.e., solely composed of native soil) are not covered by provisions of this Section 7.

Section 8 establishes the effective date of this bill to be July 1, 2023.

FISCAL IMPLICATIONS

There is no appropriation in Senate Bill 69. There is no apparent fiscal impact.

SIGNIFICANT ISSUES

According to the market research firm NPD Group, sales of eBikes boomed along with sale of

traditional bikes during the pandemic years of 2019 and 2020, growing by more than 145 percent and at twice the rate of traditional bikes. Some sources estimate Americans bought a half million e-Bikes in 2020, and Deloitte projected 130 million would be sold between 2020 and 2023.

Each state seems to regulate the growing phenomenon of eBikes differently. Arizona, Utah, Texas, and Colorado all have slightly different regulations, but each of these surrounding states has the same definitions of class 1, 2, and 3 eBikes contained in SB69. The regulations of all 50 states, including the current New Mexico law that does not contain definitions of classes of eBike, are available at <https://www.peopleforbikes.org/electric-bikes/state-laws>.

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