

FIFTY-SEVENTH LEGISLATURE
FIRST SESSION

PROPOSED AMENDMENT DIRECTED TO A COMMITTEE

March 18, 2025

Mr. Chair:

I propose to the SENATE FINANCE COMMITTEE the following amendments to

HOUSE BILL 145, as amended

1. Strike House Transportation, Public Works and Capital Improvements Committee Amendment 3.

2. On page 1, line 13, before the period and after House Transportation, Public Works and Capital Improvements Committee Amendment 1, insert "; INCREASING THE WEIGHT DISTANCE TAX FOR MOTOR VEHICLES OTHER THAN BUSES; INCREASING REGISTRATION FEES FOR PASSENGER VEHICLES; REQUIRING ADDITIONAL REGISTRATION FEES FOR ELECTRIC AND PLUG-IN HYBRID ELECTRIC VEHICLES AND DISTRIBUTING THE ADDITIONAL FEES TO THE STATE ROAD FUND; ADJUSTING CERTAIN FORMULAIC DISTRIBUTIONS OF MOTOR VEHICLE FEES".

3. On page 1, between lines 15 and 16, insert:

"SECTION 1. Section 7-15A-6 NMSA 1978 (being Laws 1988, Chapter 73, Section 33, as amended) is amended to read:

"7-15A-6. TAX RATE FOR MOTOR VEHICLES OTHER THAN BUSES--
REDUCTION OF RATE FOR ONE-WAY HAULS.--

A. For on-highway operations of motor vehicles other than buses, the weight distance tax shall be computed in accordance with the following schedule:

Declared Gross Weight (Gross Vehicle Weight)	Tax Rate (Mills per Mile)
26,001 to 28,000	[11.01] <u>14.86</u>
28,001 to 30,000	[11.88] <u>16.04</u>
30,001 to 32,000	[12.77] <u>17.24</u>
32,001 to 34,000	[13.64] <u>18.41</u>
34,001 to 36,000	[14.52] <u>19.60</u>
36,001 to 38,000	[15.39] <u>20.78</u>
38,001 to 40,000	[16.73] <u>22.59</u>
40,001 to 42,000	[18.05] <u>24.37</u>
42,001 to 44,000	[19.36] <u>26.14</u>
44,001 to 46,000	[20.69] <u>27.93</u>
46,001 to 48,000	[22.01] <u>29.71</u>
48,001 to 50,000	[23.33] <u>31.50</u>
50,001 to 52,000	[24.65] <u>33.28</u>
52,001 to 54,000	[25.96] <u>35.05</u>
54,001 to 56,000	[27.29] <u>36.84</u>
56,001 to 58,000	[28.62] <u>38.64</u>
58,001 to 60,000	[29.93] <u>40.41</u>
60,001 to 62,000	[31.24] <u>42.17</u>
62,001 to 64,000	[32.58] <u>43.98</u>
64,001 to 66,000	[33.90] <u>45.77</u>
66,001 to 68,000	[35.21] <u>47.53</u>
68,001 to 70,000	[36.52] <u>49.30</u>
70,001 to 72,000	[37.86] <u>51.11</u>
72,001 to 74,000	[39.26] <u>53.00</u>
74,001 to 76,000	[40.71] <u>54.96</u>
76,001 to 78,000	[42.21] <u>56.98</u>
78,001 and over	[43.78] <u>59.10.</u>

B. All motor vehicles for which the tax is computed under Subsection A of this section shall pay a tax that is two-thirds of the tax computed under Subsection A of this section if:

(1) the motor vehicle is customarily used for one-way haul;

(2) forty-five percent or more of the mileage traveled by the motor vehicle for a registration year is mileage that is traveled empty of all load; and

(3) the registrant, owner or operator of the

vehicle attempting to qualify under this subsection has made a sworn application to the department to be classified under this subsection for a registration year and has given whatever information is required by the department to determine the eligibility of the vehicle to be classified under this subsection and the vehicle has been so classified."

SECTION 2. Section 66-6-2 NMSA 1978 (being Laws 1978, Chapter 35, Section 337, as amended) is amended to read:

"66-6-2. PASSENGER VEHICLES--REGISTRATION FEES.--For the registration of motor vehicles other than motorcycles, trucks, buses and tractors, the division shall collect the following fees for each twelve-month registration period:

A. for a vehicle whose gross factory shipping weight is not more than two thousand pounds, [~~twenty-seven dollars (\$27.00)~~] thirty-three dollars seventy-five cents (\$33.75); provided, however, that after five years of registration, calculated from the date when the vehicle was first registered in this or another state, the fee is [~~twenty-one dollars (\$21.00)~~] twenty-six dollars twenty-five cents (\$26.25);

B. for a vehicle whose gross factory shipping weight is more than two thousand but not more than three thousand pounds, [~~thirty-nine dollars (\$39.00)~~] forty-eight dollars seventy-five cents (\$48.75); provided, however, that after five years of registration, calculated from the date when the vehicle was first registered in this or another state, the fee is [~~thirty-one dollars (\$31.00)~~] thirty-eight dollars seventy-five cents (\$38.75);

C. for a vehicle whose gross factory shipping weight is more than three thousand pounds, [~~fifty-six dollars (\$56.00)~~] seventy dollars (\$70.00); provided, however, that after five years of registration, calculated from the date when the vehicle was first registered in this or another state, the fee is [~~forty-five dollars (\$45.00)~~] fifty-six dollars twenty-five cents (\$56.25); and

D. for a vehicle registered pursuant to the provisions of this section, a tire recycling fee of one dollar fifty cents (\$1.50)."

SECTION 3. A new section of the Motor Vehicle Code is enacted to read:

"[NEW MATERIAL] ADDITIONAL REGISTRATION FEE--ELECTRIC AND PLUG-IN HYBRID ELECTRIC VEHICLES.--

A. For registration of vehicles subject to the registration fees imposed by Section 66-6-2 NMSA 1978, there is imposed an additional annual fee in the following amounts for which an electric vehicle with a gross vehicle weight of twenty-six thousand pounds or less is registered:

(1) beginning January 1, 2026 and prior to January 1, 2027, eighty dollars (\$80.00);

(2) beginning January 1, 2027 and prior to January 1, 2028, one hundred dollars (\$100); and

(3) on and after January 1, 2028, one hundred twenty dollars (\$120).

B. For registration of vehicles subject to the registration fees imposed by Section 66-6-2 NMSA 1978, there is imposed an additional annual fee in the following amounts for which a plug-in hybrid electric vehicle with a gross vehicle weight of twenty-six thousand pounds or less is registered:

(1) beginning January 1, 2026 and prior to January 1, 2027, twenty dollars (\$20.00);

(2) beginning January 1, 2027 and prior to January 1, 2028, forty dollars (\$40.00); and

(3) on and after January 1, 2028, sixty dollars (\$60.00).

C. All fees collected pursuant to this section shall be paid to the state treasurer to the credit of the motor vehicle suspense fund with distribution in accordance with Section 66-6-23 NMSA 1978.

D. As used in this section:

(1) "electric vehicle" means a motor vehicle that derives all of the vehicle's power from electricity stored in a battery that:

(a) has a capacity of not less than six kilowatt-hours;

(b) is capable of powering the vehicle for a range of at least forty miles; and

(c) is capable of being recharged from an external source of electricity; and

(2) "plug-in hybrid electric vehicle" means a motor vehicle that derives part of the vehicle's power from electricity stored in a battery that:

(a) has a capacity of not less than six kilowatt-hours;

(b) is capable of powering the vehicle for a range of at least forty miles; and

(c) is capable of being recharged from an external source of electricity."

SECTION 4. Section 66-6-23 NMSA 1978 (being Laws 1978, Chapter 35, Section 358, as amended) is amended to read:

"66-6-23. DISPOSITION OF FEES.--

A. After the necessary disbursements for refunds and other purposes have been made, the money remaining in the motor vehicle suspense fund, except for remittances received within the previous two months that are unidentified as to source or disposition, shall be distributed as follows:

(1) to each municipality, county or fee agent operating a motor vehicle field office:

(a) an amount equal to six dollars (\$6.00) per driver's license and five dollars (\$5.00) per identification

card or motor vehicle or motorboat registration or title transaction performed;

(b) for each such agent determined by the secretary pursuant to Section 66-2-16 NMSA 1978 to have performed ten thousand or more transactions in the preceding fiscal year, other than a class A county with a population exceeding three hundred thousand or a municipality with a population exceeding three hundred thousand that has been designated as an agent pursuant to Section 66-2-14.1 NMSA 1978, an amount equal to one dollar (\$1.00) in addition to the amount distributed pursuant to Subparagraph (a) of this paragraph for each driver's license, identification card, motor vehicle registration, motorboat registration or title transaction performed; and

(c) to each military installation designated as a fee agent pursuant to Section 66-2-14.1 NMSA 1978, an amount equal to one dollar fifty cents (\$1.50) in addition to the amount distributed pursuant to Subparagraph (a) of this paragraph for each administrative service fee remitted by the military installation to the department pursuant to Subsection A of Section 66-2-16 NMSA 1978;

(2) to each municipality or county, other than a class A county with a population exceeding three hundred thousand or a municipality with a population exceeding three hundred thousand that has been designated as an agent pursuant to Section 66-2-14.1 NMSA 1978, operating a motor vehicle field office, an amount equal to one dollar fifty cents (\$1.50) for each administrative service fee remitted by that county or municipality to the department pursuant to the provisions of Subsection A of Section 66-2-16 NMSA 1978;

(3) to the state road fund:

(a) an amount equal to the fees collected pursuant to Sections 66-7-413 and 66-7-413.4 NMSA 1978;

(b) an amount equal to the fee collected pursuant to Section 66-3-417 NMSA 1978;

(c) the remainder of each driver's license

fee collected by the department employees from an applicant to whom a license is granted after deducting from the driver's license fee the amount of the distribution authorized in Paragraph (1) of this subsection with respect to that collected driver's license fee; [~~and~~]

(d) an amount equal to fifty percent of the fees collected pursuant to Section 66-6-19 NMSA 1978; and

(e) an amount equal to the fees collected pursuant to Section 3 of this 2025 act;

(4) to the local governments road fund, the amount of the fees collected pursuant to Subsection B of Section 66-5-33.1 NMSA 1978 and the remainder of the fees collected pursuant to Subsection A of Section 66-5-408 NMSA 1978;

(5) to the department:

(a) any amounts reimbursed to the department pursuant to Subsection D of Section 66-2-14.1 NMSA 1978;

(b) an amount equal to two dollars (\$2.00) of each motorcycle registration fee collected pursuant to Section 66-6-1 NMSA 1978;

(c) an amount equal to the fees provided for in Subsection D of Section 66-2-7 NMSA 1978, Subsection E of Section 66-2-16 NMSA 1978, Subsections K and L of Section 66-3-6 NMSA 1978 other than the administrative fee, Subsection C of Section 66-5-44 NMSA 1978 and Subsection B of Section 66-5-408 NMSA 1978;

(d) the amounts due to the department for the manufacture and issuance of a special registration plate collected pursuant to the section of law authorizing the issuance of the specialty plate;

(e) an amount equal to the registration fees collected pursuant to Section 66-6-6.1 NMSA 1978 for the purposes of enforcing the provisions of the Mandatory Financial Responsibility Act and for creating and maintaining a multilanguage noncommercial driver's license testing program; and after those purposes are met,

the balance of the registration fees shall be distributed to the department to defray the costs of operating the division;

(f) an amount equal to fifty cents (\$.50) for each administrative fee remitted to the department by a county or municipality operating a motor vehicle field office pursuant to Subsection A of Section 66-2-16 NMSA 1978;

(g) an amount equal to one dollar twenty-five cents (\$1.25) for each administrative fee collected by the department or any of its agents other than a county or municipality operating a motor vehicle field office pursuant to Subsection A of Section 66-2-16 NMSA 1978; and

(h) an amount equal to the royalties or other consideration paid by commercial users of databases of motor vehicle-related records of the department pursuant to Subsection C of Section 14-3-15.1 NMSA 1978 for the purpose of defraying the costs of maintaining databases of motor vehicle-related records of the department; and after that purpose is met, the balance of the royalties and other consideration shall be distributed to the department to defray the costs of operating the division or for use pursuant to Subsection F of Section 66-6-13 NMSA 1978;

(6) to each New Mexico institution of higher education, an amount equal to that part of the fees distributed pursuant to Paragraph (2) of Subsection D of Section 66-3-416 NMSA 1978 proportionate to the number of special registration plates issued in the name of the institution to all such special registration plates issued in the name of all institutions;

(7) to the armed forces veterans license fund, the amount to be distributed pursuant to Paragraph (2) of Subsection E of Section 66-3-419 NMSA 1978;

(8) to the children's trust fund, the amount to be distributed pursuant to Paragraph (2) of Subsection D of Section 66-3-420 NMSA 1978;

(9) to the department of transportation, an amount equal to the fees collected pursuant to Section 66-5-35 NMSA 1978;

(10) to the state equalization guarantee distribution made annually pursuant to the general appropriation act, an amount equal to one hundred percent of the driver safety fee collected pursuant to Subsection D of Section 66-5-44 NMSA 1978;

(11) to the motorcycle training fund, seven dollars (\$7.00) of each motorcycle registration fee collected pursuant to Section 66-6-1 NMSA 1978;

(12) to the recycling and illegal dumping fund:

(a) fifty cents (\$.50) of the tire recycling fee collected pursuant to the provisions of Section 66-6-1 NMSA 1978;

(b) fifty cents (\$.50) of each of the tire recycling fees collected pursuant to the provisions of Sections 66-6-2 and 66-6-4 NMSA 1978; and

(c) twenty-five cents (\$.25) of each of the tire recycling fees collected pursuant to Sections 66-6-5 and 66-6-8 NMSA 1978;

(13) to the highway infrastructure fund:

(a) fifty cents (\$.50) of the tire recycling fee collected pursuant to the provisions of Section 66-6-1 NMSA 1978;

(b) one dollar (\$1.00) of each of the tire recycling fees collected pursuant to the provisions of Sections 66-6-2 and 66-6-4 NMSA 1978; and

(c) twenty-five cents (\$.25) of each of the tire recycling fees collected pursuant to Sections 66-6-5 and 66-6-8 NMSA 1978;

(14) to each county, an amount equal to fifty percent of the fees collected pursuant to Section 66-6-19 NMSA 1978 multiplied by a fraction, the numerator of which is the total mileage of public roads maintained by the county and the denominator of which is the total mileage of public roads maintained by all

counties in the state;

(15) to the litter control and beautification fund, an amount equal to the fees collected pursuant to Section 66-6-6.2 NMSA 1978;

(16) to the local government division of the department of finance and administration, an amount equal to the fees collected pursuant to Section 66-3-424.3 NMSA 1978 for distribution to each county to support animal control spaying and neutering programs in an amount proportionate to the number of residents of that county who have purchased pet care special registration plates pursuant to Section 66-3-424.3 NMSA 1978; and

(17) to the Cumbres and Toltec scenic railroad commission, twenty-five dollars (\$25.00) collected pursuant to the Cumbres and Toltec scenic railroad special registration plate.

B. The balance, exclusive of unidentified remittances, shall be distributed in accordance with Section 66-6-23.1 NMSA 1978.

C. If any of the paragraphs, subsections or sections referred to in Subsection A of this section are recompiled or otherwise redesignated without a corresponding change to Subsection A of this section, the reference in Subsection A of this section shall be construed to be the recompiled or redesignated paragraph, subsection or section."

SECTION 5. Section 66-6-23.1 NMSA 1978 (being Laws 1999, Chapter 49, Section 8, as amended) is amended to read:

"66-6-23.1. FORMULAIC DISTRIBUTION.--

A. The balance from Section 66-6-23 NMSA 1978 shall be transferred or distributed by the state treasurer on or before the last day of the month next after its receipt, as follows:

(1) [~~seventy-four and sixty-five~~] seventy-nine and seventy-two hundredths percent shall be distributed to the state road fund;

(2) [~~seven and six-tenths~~] six and eight-

hundredths percent shall be transferred to each county in the proportion, determined by the department in accordance with Subsection B of this section, that the registration fees for vehicles in that county are to the total registration fees for vehicles in all counties;

(3) [~~seven and six-tenths~~] six and eight-hundredths percent shall be transferred to the counties, with each county receiving an amount equal to the proportion, determined by the secretary of transportation in accordance with Subsection D of this section, that the mileage of public roads maintained by the county is to the total mileage of public roads maintained by all counties of the state. Amounts distributed to each county in accordance with this paragraph shall be credited to the respective county road fund and be used for the improvement and maintenance of the public roads in the county and to pay for the acquisition of rights of way and material pits. For this purpose, the board of county commissioners of each of the respective counties shall certify by April 1 of each year to the secretary of transportation the total mileage as of April 1 of that year; provided that in their report, the boards of county commissioners shall identify each of the public roads maintained by them by name, route and location. By agreement and in cooperation with the department of transportation, the boards of county commissioners of the various counties may use or designate any of the funds provided in this paragraph for a federal aid program;

(4) [~~four and six-hundredths~~] three and twenty-five hundredths percent shall be allocated among the counties in the proportion, determined by the department in accordance with Subsection B of this section, that the registration fees for vehicles in that county are to the total registration fees for vehicles in all counties. The amount allocated to each county shall be transferred to the incorporated municipalities within the county in the proportion, determined by the department of finance and administration in accordance with Subsection C of this section, that the sum of net taxable value, as that term is defined in the Property Tax Code, plus the assessed value, as that term is used in the Oil and Gas Ad Valorem Production Tax Act and in the Oil and Gas Production Equipment Ad Valorem Tax Act, determined for the incorporated municipality is to the sum of net taxable value plus assessed value determined for all incorporated municipalities within

the county. Amounts transferred to incorporated municipalities pursuant to the provisions of this paragraph shall be used for the construction, maintenance and repair of streets within the municipality and for payment of paving assessments against property owned by federal, county or municipal governments. In a county in which there are no incorporated municipalities, the amount allocated pursuant to this paragraph shall be transferred to the county government road fund and used in accordance with the provisions of Paragraph (3) of this subsection; and

(5) [~~six and nine hundredths~~] four and eighty-seven hundredths percent shall be allocated among the counties in the proportion, determined by the department of finance and administration in accordance with Subsection C of this section, that the registration fees for vehicles in that county are to the total registration fees for vehicles in all counties. The amount allocated to each county shall be transferred to the county and incorporated municipalities within the county in the proportion, determined by the department of finance and administration in accordance with Subsection B of this section, that the computed taxes due for the county and each incorporated municipality within the county bear to the total computed taxes due for the county and incorporated municipalities within the county. For the purposes of this paragraph, the term "computed taxes due" for a jurisdiction means the sum of the net taxable value, as that term is defined in the Property Tax Code, plus the assessed value, as that term is used in the Oil and Gas Ad Valorem Production Tax Act and in the Oil and Gas Production Equipment Ad Valorem Tax Act, for that jurisdiction multiplied by an average of the rates for residential and nonresidential property imposed for that jurisdiction pursuant to Subsection B of Section 7-37-7 NMSA 1978.

B. To carry out the provisions of this section, during the month of June of each year:

(1) the department shall determine and certify to the department of finance and administration the proportions that the department is required to determine pursuant to Subsection A of this section using information for the preceding calendar year on the number of vehicles registered in each county based on the address of the owner or place where the vehicle is principally located, the registration fees for the vehicles registered in each

county, the total number of vehicles registered in the state and the total registration fees for all vehicles registered in the state; and

(2) the department of finance and administration shall determine the proportions that the department of finance and administration is required to determine pursuant to this subsection based upon the net taxable value, as that term is defined in the Property Tax Code, and the assessed value, as that term is used in the Oil and Gas Ad Valorem Production Tax Act and the Oil and Gas Production Equipment Ad Valorem Tax Act, for the preceding tax year and the tax rates imposed pursuant to Subsection B of Section 7-37-7 NMSA 1978 in the preceding September.

C. By June 30 of each year, the department of finance and administration shall determine the appropriate percentage of money to be transferred to each county and municipality for each purpose in accordance with Subsection A of this section based upon the proportions determined by or certified to the department of finance and administration. The percentages determined shall be used to compute the amounts to be transferred to the counties and municipalities during the succeeding fiscal year.

D. The board of county commissioners of each of the respective counties shall, by April 1 of every year, certify reports to the secretary of transportation of the total mileage of public roads maintained by each county as of April 1 of every year; provided that in their reports, the boards of county commissioners shall identify each of the public roads maintained by them by name, route and location. By July 1 of every year, the secretary of transportation shall verify the reports of the counties and revise, if necessary, the total mileage of public roads maintained by each county. The mileage verified by the secretary of transportation shall be the official mileage of public roads maintained by each county. Distribution of amounts to a county for road purposes shall be made in accordance with this section.

E. If a county has not made the required mileage certification pursuant to Section 67-3-28.3 NMSA 1978 by April 1 of any year, the secretary of transportation shall estimate the mileage maintained by those counties for the purpose of making distribution to all counties, and the amount calculated to be distributed each

month to those counties not certifying mileage shall be reduced by one-third each month for that fiscal year, and that amount not distributed to those counties shall be distributed equally to all counties that have certified mileages."".

4. Renumber the succeeding section accordingly.

5. On page 4, line 16, strike "bonds" and insert in lieu thereof "total bond proceeds".

6. On page 4, line 23, after the period, insert:

"The commission shall not issue bonds pursuant to this subsection if the average issuance in every fiscal year for which the bonds may be issued exceeds two hundred ninety million dollars (\$290,000,000), including a fiscal year in which no bonds are issued; provided that the commission may issue bonds in an amount up to two hundred ninety million dollars (\$290,000,000) for fiscal year 2026.".

7. On page 8, strike the closing quotation mark and between lines 6 and 7, insert:

"P. In the budget form submitted pursuant to Section 6-3-18 NMSA 1978, the department shall include a report on highway projects to be financed pursuant to this section. The report shall include:

(1) justification for the selection and priority ranking of each project, including:

(a) traffic counts, accident rates and the expected improvements to traffic flow and health and safety;

(b) the ranking of the pavement and substructure conditions;

(c) an assessment of economic development impacts; and

(d) other information deemed significant by the department;

(2) the expected life of the proposed project;

(3) the amount of revenue required to pay the principal and interest of outstanding and proposed bonds based on a five- and twenty-year forecast of the state road fund; and

(4) the effect of the bond program on the department's construction and maintenance program."

SECTION 7. EFFECTIVE DATE.--

A. The effective date of the provisions of Sections 1, 2 and 5 of this act is July 1, 2025.

B. The effective date of the provisions of Section 4 of this act is January 1, 2026."

Respectfully submitted,
