

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

FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 2/18/2025

SPONSOR Muñoz

BILL
NUMBER Senate Bill 226

SHORT TITLE Truck Tractor Max Speed Limit

ANALYST Montano

REVENUE* (dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
	No fiscal impact	About \$52.6	About \$52.6	About \$52.6	About \$52.6	Recurring	General 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
DOT	No fiscal impact	\$560.0	No fiscal impact	\$560.0	Nonrecurring	DOT Road Fund
TRD	No fiscal impact	\$21.3	No fiscal impact	\$21.3	Nonrecurring	MVD Suspense Fund
Total	No fiscal impact	\$581.3	No fiscal impact	\$581.3	Nonrecurring	

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files
Los Alamos Daily Post
National Highway Traffic Safety Administration
Federal Motor Carrier Safety Administration

Agency Analysis Received From
Taxation and Revenue Department (TRD)
Department of Public Safety (DPS)
Department of Transportation (DOT)
New Mexico Attorney General (AG)

SUMMARY

Synopsis of Senate Bill 226

Senate Bill 226 (SB226) establishes a maximum speed limit of 65 miles per hour for truck tractors on New Mexico highways. This amendment modifies the Motor Vehicle Code (Section

66-7-301 NMSA 1978), adding specific speed regulations for large commercial trucks. The bill also updates penalty assessment misdemeanors in Section 66-8-116 NMSA 1978, introducing a \$250 fine for truck tractors exceeding the new speed limit.

The primary intent of SB226 is to improve road safety by reducing speed differentials between passenger vehicles and large commercial trucks, minimizing accidents and enhancing traffic flow efficiency. The bill takes effect on July 1, 2025.

FISCAL IMPLICATIONS

With the enactment of SB226, the Department of Transportation (DOT) will be expected to add approximately 700 new signs displaying the new speed limit. Each sign costs around \$800, which would be \$560 thousand in total. DOT expects to source this \$490 thousand from the DOT road fund. DOT would also create a new safety outreach program to help educate truck tractor drivers about the safety benefits of the new speed limit. DOT projects the startup costs of this program to be minimal and ultimately could be absorbed by the department's operating budget.

The Taxation and Revenue Department (TRD) is expecting a \$21.3 thousand nonrecurring cost to develop, test, and implement appropriate changes to the Motor Vehicle Department's system of record, Tapestry. TRD anticipates that SB226 will generate general fund revenue from truck tractors speeding violations.

Though TRD cannot accurately predict how many speeding tickets will be issued if SB226 is enacted, the total number of traffic violations committed in New Mexico allows for a rough revenue projection. In 2024, The New Mexico State Police (NMSP) issued 14,235 traffic citations. These traffic citations are not disaggregated by type of violation, but speeding is the most common traffic citation on city streets and highways. In July 2024, NMSP conducted 930 traffic stops in Cibola and McKinley counties and issued 1,203 citations. Out of the 1,203 citations, 357 were for speeding, or about 30 percent of the issued citations. This would be around 4,224 speeding violations if this percentage was consistent for the total number of traffic violations for the entire state in 2024. However, this would be the total number of speeding citations which include violations committed on city streets and highways, whereas SB226 would only be applicable to highways. The National Highway Traffic Safety Administration states that about 50 percent of total speeding citations are issued on the highway. Based on these assumptions, approximately 2,112 speeding violations are issued to vehicles on New Mexico's highway each year. According to data from the Federal Motor Carrier Safety Administration, truck tractors on the highway account for 10 percent of all total vehicles. Applying this average to the projected number of speeding violations issued on the highway, then about 211 truck tractors will be issued a speeding ticket on the highway. This would equate to a projection of \$52.6 thousand general fund revenue generated from SB226.

SIGNIFICANT ISSUES

Analysis from DOT indicates:

Whether reducing the speed of truck tractors provides any definite safety benefit is an open question. Proponents of reducing the speed of truck tractors contend that doing so may potentially reduce the number and severity of crashes involving truck tractors.

Between 2022 and 2023 heavy trucks were involved in 3,235 (7.9 percent) motor vehicle crashes in New Mexico. Furthermore, crashes involving heavy trucks account for 17.8 percent of the traffic fatalities in 2022. Reduced speeds provide better driver control of the vehicle, as well as less kinetic energy should a crash occur, decreasing the severity of the crash.

However, contrary to the perception that reduced speeds for truck tractors will reduce crashes, the Crash Modification Factor Clearinghouse maintained by FHWA shows no Crash Reduction Factor for maximum speed limits. Further, a literature search for safety effects of maximum speed limits for truck tractors did not reveal any documented safety improvements. Another factor is the well-known concept that differential speeds can cause crashes. This legislation could potentially result in at least a 10-mph speed differential between truck tractors and other vehicles on interstates, leading potentially to speed differential related crashes as well as additional congestion.

PERFORMANCE IMPLICATIONS

With the implementation of SB226, DPS or DOT could track the total number of speeding violations on highways to measure if increased restrictions on speed limits produce improved safety outcomes for drivers on the road.

ADMINISTRATIVE IMPLICATIONS

SB226 requires TRD to add a new violation code in the Motor Vehicle Department's system of record, Tapestry.

OTHER SUBSTANTIVE ISSUES

Per DPS:

DPS believes this bill would be an excellent opportunity to overhaul all the penalty assessments in the traffic code. All those penalties were reduced on July 1, 2024, when a previous bill went into effect doing away with the court costs portion of all citations. New Mexico penalty assessments were already some of the lowest in the country before the change and they now are a fraction of their previous cost. Many of the current traffic penalties are on par with fine amounts approximately 40 years ago (e.g. in 2002 a Speeding citation for 1-10 over the limit was \$59, today it is \$25). This does not provide a realistic deterrent to dangerous driving behaviors and DPS believes these amounts should be increased. DPS recommends an increase of at least \$75 per citation for regular motor vehicles and at least \$200 per citation for offenses specifically related to commercial motor vehicles. DPS does not consider these increases excessive, as they will still be less than many states in the region; however, we do believe the increased amounts will help serve as a deterrent to dangerous driving behaviors.