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FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 214

SHORT TITLE: Muñoz

SPONSOR: Penalty for Certain Misdemeanors

LAST ORIGINAL
UPDATE: _____ **DATE:** 02/11/2026 **ANALYST:** Sanchez

REVENUE* (dollars in thousands)

Type	FY26	FY27	FY28	FY29	FY30	Recurring or Nonrecurring	Fund Affected
TRD (MVD)	\$6,100.0 to \$15,600.0	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	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
TRD (MVD)	No fiscal impact	\$33.2	No fiscal impact	\$33.2	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Administrative Office of the Courts
 Taxation and Revenue Department
 New Mexico Sentencing Commission
 Department of Public Safety

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

Department of Finance and Administration
 Office of the Attorney General

Agency or Agencies That Declined to Respond

Energy, Minerals and Natural Resources Department

SUMMARY

Synopsis of Senate Bill 214

Senate Bill 214 (SB214) increases monetary penalties for a wide range of misdemeanor traffic and boating offenses under the Motor Vehicle Code and the Boat Act.

The bill amends Section 66-8-7 NMSA 1978 to raise the general misdemeanor fine for Motor Vehicle Code violations that do not carry a specified penalty, increasing the fine range to between \$100 and \$500.

It amends Section 66-8-113 NMSA 1978 (Reckless Driving) to substantially increase fines for reckless driving. For a first conviction, the fine range increases to \$500 to \$750. For a second or subsequent conviction, the fine range increases to \$750 to \$1,000, while existing jail terms remain available.

The bill amends Section 66-8-114 NMSA 1978 (Careless Driving) to increase fines for careless driving. A first conviction carries a fine of \$250 to \$500, and a second or subsequent conviction carries a fine of \$500 to \$750, with jail terms still authorized.

SB214 also bill amends Section 66-8-116 NMSA 1978 to increase the scheduled “penalty assessment” amounts for dozens of traffic offenses, including registration violations, licensing violations, equipment violations, speeding at all levels, failure to obey traffic control devices, seat belt and child restraint violations, open container violations, texting while driving, commercial handheld device use, oversize and overweight vehicle violations, and other common moving violations. In many instances, the bill increases assessments from \$25 to \$100 or more and raises higher-tier penalties proportionally.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

SB214 would likely have both revenue and workload implications across the courts, local detention facilities, and executive agencies that process and distribute penalty assessments. By increasing the minimum and maximum fines for misdemeanor violations of the Motor Vehicle Code and substantially raising scheduled penalty assessments under Section 66-8-116 NMSA 1978, the bill is expected to increase potential fine revenue to the general fund, although the amount is indeterminate. The Taxation and Revenue Department reports that if 100 percent of penalty assessments issued in calendar year 2025 were collected at the new rates, total collections could increase from approximately \$6.1 million to \$15.6 million annually; however, the actual impact is unknown because collection rates vary and higher penalties may influence citation rates, adjudication patterns, and payment compliance. Penalties collected are remitted to the general fund, making the revenue effect recurring but dependent on enforcement levels and payment behavior.

The bill also has potential operational impacts on the Administrative Office of the Courts. The AOC notes that increasing penalties may lead to more defendants contesting citations, resulting in more requests for hearings and jury trials, particularly when jail time is authorized, such as for reckless or careless driving. According to the New Mexico Sentencing Commission (NMSC), in FY24, there were 677 reckless driving cases and 2,088 careless driving cases filed statewide. Although conviction rates were 9 percent and 17.6 percent, respectively, higher financial exposure could affect case processing time and court workload. Additional hearings and jury

trials would increase the amount of time judges require for these cases, courtroom staff time, juror costs, and overall court utilization, though these costs are not currently quantifiable. Because the bill increases potential jail time for second or subsequent careless driving convictions, it may also result in additional jail days in county detention facilities, though it is unlikely to affect state prison populations, since no felonies are created.

From an administrative perspective, the Motor Vehicle Division and the Financial Distribution Bureau would need to update the Tapestry system to reflect the new penalty amounts. The Taxation and Revenue Department estimates approximately 480 hours of information technology work, with a nonrecurring staff workload cost of \$33.2 thousand, to implement, test, and verify system changes.

As a result of SB214, higher fines may affect payment behavior and collection activity. As penalty assessments increase, the financial obligations associated with single traffic stops, which often involve multiple citations, may compound, potentially affecting nonpayment rates and the issuance of failure-to-pay warrants, which could generate additional administrative activity in the courts.

SB214 is expected to increase potential fine revenue to the general fund, create modest one-time implementation costs for tax administration systems, and may increase court workload and local detention utilization depending on charging, adjudication, and payment patterns.

SIGNIFICANT ISSUES

SB214 represents a broad increase in monetary penalties across more than 100 traffic and boating offenses, raising policy questions about the overall balance between financial sanctions and other enforcement tools, such as driver demerit points and license suspensions. Because many of the affected offenses are common, lower-level violations, the bill would significantly increase the financial exposure associated with routine traffic stops.

The bill also increases fines for both reckless and careless driving. Given the distinction between the willful standard required for reckless driving and the negligence-based standard for careless driving, the higher penalties may influence charging decisions and plea negotiations in cases where facts could support either offense.

TECHNICAL ISSUES

NMSC noted that at least one penalty assessment misdemeanor in the Motor Vehicle Code—Section 66-8-126 NMSA 1978 (failure to obey a notice to appear)—is not included in the amended penalty schedule in Section 66-8-116 NMSA 1978. In addition, certain offenses listed in Section 66-8-116 are classified as misdemeanors under their own statutes, which may create internal structural inconsistencies within Chapter 66.

NMSC also flagged a potential geographic reference inconsistency in the amendment to Section 66-7-413 NMSA 1978 regarding the transport of reducible loads. The bill references conduct occurring “more than six miles from a port-of-entry facility,” while the underlying statute applies “within six miles of the port of entry at the border,” which could create ambiguity unless clarified.

SS/dw/ct