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FISCAL IMPACT REPORT

| SPONSOR | Nev | ille | ORIGINAL DATE LAST UPDATED | 2/9/16 | HB | |
|-------------------------|-----|------|-------------------------------|--------|----|-----|
| SHORT TITLE Off-Highway | | | cles on Paved Roads | | SB | 270 |

ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY16 | FY17 | FY18 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|-------|------|------|------|----------------------|------------------------------|------------------|
| Total | | NFI | | | | |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Department of Health (DOH) Department of Transportation (NMDOT)

SUMMARY

Synopsis of Bill

Senate Bill 270 adds provisions to the Off-Highway Motor Vehicle Act allowing use of offhighway vehicles (OHVs) on streets, roads and highways at speeds up to 55 mph unless prohibited by local ordinance or resolution. SB 270 states that a local authority may establish separate speed limits and operating restrictions for OHVs.

FISCAL IMPLICATIONS

There are no fiscal implications associated with enactment of SB 270.

SIGNIFICANT ISSUES

DOH notes:

OHVs include off-highway motorcycles and all-terrain vehicles (ATVs). An ATV is a vehicle that travels on low pressure tires, along with handlebars for steering control, and which is designed exclusively for off road use. The Special Vehicle Institute of America (SVIA), the principal safety organization for the off-highway vehicle industry, makes the following policy statement specific to the issue:

"Since ATVs are not intended to be used on-road, they are not designed, equipped or tested to meet federal motor vehicle safety standards. Many ATVs are equipped with a solid rear axle that turns both rear wheels at the same speed. Consequently, turning an ATV on high traction surfaces, such as paved streets, can be difficult when compared to turning in the off-road environment, even if the off-road tires could be replaced by a street legal tire. Permitting street use of ATVs, including modified vehicles, would be in conflict with manufacturers' intentions on their proper use, and would be contrary to federal safety requirements.

"U.S. Consumer Product Safety Commission (CPSC) statistics show that between 1997 and 2002, 40 percent of ATV fatalities involved operation on paved roads, despite the fact that vehicle labels and owner's manuals clearly warn against such use. Riding on public roads introduces the possibility of the ATV colliding with a car or truck, an obviously dangerous situation."

SVIA states that ATVs are not designed, manufactured, or in any way intended for use on public streets, roads or highways.

CJ/al