

# JLBC Fiscal Note

**BILL #** SB 1519

**TITLE:** off-highway vehicles; weight

**SPONSOR:** Dunn

**PREPARED BY:** Trevor Malzewski

**STATUS:** As Amended by Senate NR

## Description

SB 1519 would increase, from 2,500 to 3,500 pounds, the maximum weight of an all-terrain vehicle (ATV) or an off-highway vehicle (OHV) that receives an OHV decal and reduces, by 50%, the vehicle license tax (VLT) paid by an ATV or an OHV between 2,500 and 3,500 pounds.

## Estimated Impact

We estimate that the bill will have a minimal impact. We are unable to estimate the specific revenue impact due to insufficient data on the number of OHVs and ATVs in the weight range of 2,500 and 3,500 pounds.

We have asked the Arizona Department of Transportation (ADOT) for their estimated impact of the bill and are awaiting a response.

## Analysis

Our estimate assumes the following:

- 1) Based off a search of available online inventory, there are a limited number of ATV and OHV vehicles in excess of 2,500 pounds. In addition, existing ATVs/OHVs may cross the 2,500 pound threshold by adding new equipment. As such, we are unable to determine the number of ATVs and OHVs between 2,500 and 3,500 pounds, but we estimate number of these vehicles to be minimal.
- 2) The average cost of an ATV or OHV between 2,500 and 3,500 pounds is \$30,000. This is based on current prices for vehicles weighing greater than 2,500 pounds.
- 3) OHVs, upon registration, must designate the vehicle for use primarily off-highways or use primarily on improved roads and highways. OHVs registered for on-highway use pay the full VLT, while a vehicle registered primarily for off-highway use pays a VLT of \$3. The VLT is distributed as follows: 45% to the Highway User Revenue Fund (HURF), 24.6% to county general funds, 5.8% to counties for transportation purposes, and 24.6% to cities and towns.
- 4) An OHV decal costs \$25 annually, of which 70% is deposited into the Off-Highway Vehicle Recreation Fund and 30% is deposited into HURF.
- 5) The vehicle registration fee for ATVs and OHVs is \$8. Revenues from motor vehicle registration fees are deposited into HURF.
- 6) Local governments receive 49.5% of all HURF revenues. Reductions in HURF collections will reduce the share of monies collected for local transportation projects.

2/24/26