

ums and is not properly compensated when the person is a victim of an uninsured driver.

4. Inability to pay insurance premiums is one reason given why some drivers do not have liability insurance even though they own an automobile.
5. In the past, the state and the Legislature have tried various methods to reduce the number of uninsured motorists on New Mexico's road with limited success.

RELATIONSHIP

HB 590 proposes reducing the amount of automobile liability coverage required for vehicle owners with incomes less than or equal to 150 percent of the federal poverty guidelines.

OTHER SUBSTANTIVE ISSUES

Until now, the state's Motor Vehicle Division has not had a systematic way of verifying whether a driver has obtained vehicle liability insurance. Beginning in December 2002, enforcement of MFRA laws became a reality. A contractor is providing New Mexico with access to a national insurance database that regularly identifies uninsured vehicles. Upon identification of a non-compliant vehicle owner, a notification is sent to the owner stating that proof of insurance must be submitted within 30 days. If liability insurance is not obtained, then MVD will suspend the owner's vehicle registration. Progressive sanctions are imposed with continuing noncompliance, eventually requiring the owner to return the license plate and vehicle registration back to MVD.

The insurance database provides officers with a stronger tool for verification and enforcement. By all accounts, law enforcement agencies seem pleased. In the meantime, a highly visible campaign has been launched to inform the public about stronger enforcement of MFRA and to urge drivers to obtain liability insurance as required.

In a few months, MVD will be able to assess the success (or failure) of this new method of enforcement, re-calculate the percent of noncompliant drivers and report on industry changes.

CMH/sb