HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR HOUSE BILL 29

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

AN ACT

RELATING TO MOTOR VEHICLES; ESTABLISHING PENALTY ASSESSMENTS

AND FEES FOR VIOLATION OF PROVISIONS OF THE MANDATORY FINANCIAL

RESPONSIBILITY ACT; CLARIFYING PROCEDURES FOLLOWING THE

ISSUANCE OF A CITATION FOR VIOLATION OF THE MANDATORY FINANCIAL

RESPONSIBILITY ACT; ALLOWING LAW ENFORCEMENT OFFICERS TO VERIFY

FINANCIAL RESPONSIBILITY BY CHECKING COMPUTER DATABASES; MAKING

AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 66-5-33.1 NMSA 1978 (being Laws 1985, Chapter 47, Section 1, as amended) is amended to read:

"66-5-33.1. REINSTATEMENT OF DRIVER'S LICENSE OR REGISTRATION--FEE.--

A. Whenever a driver's license or registration is suspended or revoked and an application has been made for its .176280.1

reinstatement, compliance with all appropriate provisions of the Motor Vehicle Code and the payment of a fee of twenty-five dollars (\$25.00) is a prerequisite to the reinstatement of any license or registration.

B. If a driver's license was suspended or revoked for driving while under the influence of intoxicating liquor or drugs, for aggravated driving while under the influence of intoxicating liquor or drugs or for a violation of the Implied Consent Act, an additional fee of seventy-five dollars (\$75.00) is required to be paid to reinstate the driver's license. Fees collected pursuant to this subsection are appropriated to the local governments road fund. The department shall maintain an accounting of the fees collected pursuant to this subsection and shall report that amount upon request to the legislature.

C. If the registration for a vehicle was suspended for failure to comply with the requirements of the Mandatory Financial Responsibility Act, an additional fee of seventy-five dollars (\$75.00) is required to be paid to reinstate the vehicle registration. The additional fee shall be waived upon submission of a sworn statement of indigency on a form provided by the department. The department shall adopt rules establishing a standard for indigency. Fees collected pursuant to this subsection are appropriated to the motor vehicle division of the department for the purpose of defraying the costs of the operation of the division. Any unexpended or .176280.1

unencumbered balance remaining at the end of any fiscal year shall not revert to the general fund. The department shall maintain an accounting of the fees collected pursuant to this subsection and shall report that amount upon request to the legislature."

Section 2. Section 66-5-205 NMSA 1978 (being Laws 1983, Chapter 318, Section 6, as amended) is amended to read:

"66-5-205. VEHICLE MUST BE INSURED OR OWNER MUST HAVE EVIDENCE OF FINANCIAL RESPONSIBILITY--PENALTIES.--

A. No owner shall permit the operation of an uninsured motor vehicle, or a motor vehicle for which evidence of financial responsibility as was affirmed to the department is not currently valid, upon the streets or highways of New Mexico unless the vehicle is specifically exempted from the provisions of the Mandatory Financial Responsibility Act.

- B. No person shall drive an uninsured motor vehicle, or a motor vehicle for which evidence of financial responsibility as was affirmed to the department is not currently valid, upon the streets or highways of New Mexico unless [he] the person is specifically exempted from the provisions of the Mandatory Financial Responsibility Act.
- C. For the purposes of the Mandatory Financial Responsibility Act, "uninsured motor vehicle" means a motor vehicle for which there is not in effect either:
- (1) a motor vehicle insurance policy meeting
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the requirements of the laws of New Mexico and of the secretary [is not in effect]; or

- (2) a surety bond or evidence of a sufficient cash deposit with the state treasurer.
- The provisions of the Mandatory Financial D. Responsibility Act requiring the deposit of evidence of financial responsibility as provided in Section 66-5-218 NMSA 1978, subject to certain exemptions, may apply with respect to persons who have been convicted of or forfeited bail for certain offenses under motor vehicle laws or who have failed to pay judgments or written settlement agreements upon causes of action arising out of ownership, maintenance or use of vehicles of a type subject to registration under the laws of New Mexico.
- Any person who violates the provisions of this section [is guilty of a misdemeanor and upon conviction shall be sentenced to a fine not to exceed three hundred dollars (\$300)] commits a penalty assessment misdemeanor for which the penalty assessment is provided in Section 66-8-116 NMSA 1978."

Section 3. Section 66-5-205.1 NMSA 1978 (being Laws 1989, Chapter 214, Section 1, as amended) is amended to read:

"66-5-205.1. UNINSURED MOTORIST CITATION--REQUIREMENTS TO BE FOLLOWED AT TIME OF [ACCIDENT] CITATION -- SUBSEQUENT PROCEDURES -- INSURER NOTIFICATION REQUIREMENTS -- SUSPENSION PROCEDURES . --

When a law enforcement officer issues to a .176280.1

driver [who is involved in an accident] a citation for failure to comply with the provisions of the Mandatory Financial Responsibility Act, the law enforcement officer [shall] may at the same time:

- (1) issue to the driver cited a temporary operation sticker that indicates the motor vehicle is in violation of the Mandatory Financial Responsibility Act, valid for thirty days after the date the sticker is issued, and forward by mail or delivery to the department a duplicate of the issued sticker; and
- (2) remove the license plate from the vehicle and send it with the duplicate of the sticker to the department or, if it cannot be removed, permanently deface the plate.
- B. The issuance of a temporary operation sticker to a driver by a law enforcement officer pursuant to Paragraph (1) of Subsection A of this section shall not create any liability on the part of the officer, the officer's department or the state for damages arising from the future operation of the vehicle.
- [B.] C. The department shall return or replace, in its discretion, a license plate removed under the provisions of Paragraph (2) of Subsection A of this section or replace a license plate defaced under that paragraph when the person cited for failure to comply with the provisions of the .176280.1

Mandatory Financial Responsibility Act furnishes proof of compliance to the department and pays to the division a reinstatement fee of [twenty-five dollars (\$25.00)] one hundred dollars (\$100). If a person to whom the temporary operation sticker is issued furnishes to the department, within fifteen days after the issuance of the sticker, evidence of financial responsibility in compliance with the Mandatory Financial Responsibility Act and in effect on the date and at the time of the issuance of the sticker, the department shall replace or return the license plate and waive the [twenty-five-dollar (\$25.00)] reinstatement fee.

- [G.] D. The secretary shall adopt and promulgate rules prescribing the form and use of the sticker required to be issued under Subsection A of this section.
- $[rac{ extsf{D-1}}{ extsf{E.}}]$ The secretary shall adopt and promulgate rules requiring insurance carriers to report canceled, terminated and newly issued motor vehicle insurance policies each month to the department. Information pertaining to each motor vehicle shall be made a part of that vehicle file for one year.
- [E.] F. Within ten days of notification by the insurance carrier of a termination or cancellation of a motor vehicle insurance policy, the department shall demand satisfactory evidence from the owner of the motor vehicle that [he] the owner meets the requirements of the Mandatory .176280.1

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Financial Responsibility Act. Failure to provide evidence of financial responsibility within twenty days after the department has mailed its demand for proof:

- (1) constitutes reasonable grounds to believe that a person is operating a motor vehicle in violation of the provisions of Section 66-5-205 NMSA 1978; and
- requires the department to suspend the (2) person's registration as provided in Section 66-5-236 NMSA 1978.
- $[F_{\bullet}]$ G. The department shall notify the superintendent of insurance if an insurance carrier fails to provide monthly reports to the department regarding motor vehicle insurance policy information as required by Subsection $[\frac{1}{2}]$ \underline{E} of this section."

Section 4. Section 66-5-229 NMSA 1978 (being Laws 1978, Chapter 35, Section 318, as amended) is amended to read:

"66-5-229. DURATION OF EVIDENCE--WHEN FILING OF EVIDENCE MAY BE WAIVED--PENALTY.--

The department shall, upon request, consent to the immediate cancellation of any bond or the department shall direct and the state treasurer shall return to the person entitled thereto any money deposited pursuant to the Mandatory Financial Responsibility Act as evidence of financial responsibility or the department shall waive the requirement of filing evidence of financial responsibility in any of the .176280.1

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following events:

- after one year of providing satisfactory (1) evidence as specified in Section 66-5-218 NMSA 1978;
- the death of the person on whose behalf (2) evidence was filed or the permanent incapacity of the person to operate a motor vehicle; or
- the person who has filed evidence surrenders [his] the person's license and registration to the department.
- [Provided, however, that] The department shall not consent to the cancellation of any bond or the return of any money or waive the requirement of filing evidence of financial responsibility in the event any action for damages upon a liability covered by the evidence is then pending or any judgment upon any such liability is then unsatisfied or in the event the person who has filed the bond or deposited the money has, within one year immediately preceding the request, been involved as a driver or owner in any motor vehicle accident resulting in injury or damage to the person or property of others. An affidavit of the applicant as to the nonexistence of such facts or that [he] the applicant has been released from all of [his] the applicant's liability or has been finally adjudicated not to be liable for such injury or damage shall be sufficient evidence thereof in the absence of evidence to the contrary in the records of the department.
- Every owner or operator of a vehicle subject to .176280.1

the requirements of the Mandatory Financial Responsibility Act
shall carry evidence of financial responsibility as defined by
that act in the vehicle at all times while the vehicle is in
operation on the highways of this state. The failure to comply
with this subsection shall be a <u>penalty assessment</u> misdemeanor
and shall be punishable [by the penalty set forth in Section
66-8-7] as provided in Section 66-8-116 NMSA 1978; provided
that a law enforcement officer shall not charge a person with a
violation of this section if the officer can verify the
person's compliance with the Mandatory Financial Responsibility
Act by checking a computer database of motor vehicle
information immediately available to the officer; and provided
<u>further</u> that no person charged with violating this section
shall be convicted if [he] the person produces in court
evidence of financial responsibility valid at the time of
issuance of the citation."

Section 5. Section 66-6-23 NMSA 1978 (being Laws 1978, Chapter 35, Section 358, as amended) is amended to read:

"66-6-23. DISPOSITION OF FEES.--

A. After the necessary disbursements for refunds and other purposes have been made, the money remaining in the motor vehicle suspense fund, except for remittances received within the previous two months that are unidentified as to source or disposition, shall be distributed as follows:

(1) to each municipality, county or fee agent .176280.1

operating a motor vehicle field office:

(a) an amount equal to six dollars (\$6.00) per driver's license and five dollars (\$5.00) per identification card or motor vehicle or motorboat registration or title transaction performed; and

(b) for each such agent determined by the secretary pursuant to Section 66-2-16 NMSA 1978 to have performed ten thousand or more transactions in the preceding fiscal year, other than a class A county with a population exceeding three hundred thousand or a municipality with a population exceeding three hundred thousand that has been designated as an agent pursuant to Section 66-2-14.1 NMSA 1978, an amount equal to one dollar (\$1.00) in addition to the amount distributed pursuant to Subparagraph (a) of this paragraph for each driver's license, identification card, motor vehicle registration, motorboat registration or title transaction performed;

class A county with a population exceeding three hundred thousand or a municipality with a population exceeding three hundred thousand that has been designated as an agent pursuant to Section 66-2-14.1 NMSA 1978, operating a motor vehicle field office, an amount equal to one dollar fifty cents (\$1.50) for each administrative service fee remitted by that county or municipality to the department pursuant to the provisions of .176280.1

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Subsection A of Section 66-2-16 NMSA 1978;

- (3) to the state road fund:
- (a) an amount equal to the fees collected pursuant to Sections 66-7-413 and 66-7-413.4 NMSA 1978;
- (b) an amount equal to the fee collected pursuant to Section 66-3-417 NMSA 1978;
- (c) the remainder of each driver's license fee collected by the department employees from an applicant to whom a license is granted after deducting from the driver's license fee the amount of the distribution authorized in Paragraph (1) of this subsection with respect to that collected driver's license fee; and
- (d) an amount equal to fifty percent of the fees collected pursuant to Section 66-6-19 NMSA 1978;
- (4) to the local governments road fund, the amount of the fees collected pursuant to Subsection B of Section 66-5-33.1 NMSA 1978 and the remainder of the fees collected pursuant to Subsection A of Section 66-5-408 NMSA 1978;
 - (5) to the department:
- (a) any amounts reimbursed to the department pursuant to Subsection C of Section 66-2-14.1 NMSA 1978;
- (b) an amount equal to two dollars (\$2.00) of each motorcycle registration fee collected pursuant to Section 66-6-1 NMSA 1978;

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(c) an amount equal to the fees provided for
in Subsection D of Section 66-2-7 NMSA 1978, Subsection E of
Section 66-2-16 NMSA 1978, Subsections [$\frac{J}{and}$] K $\frac{and}{L}$ of
Section 66-3-6 NMSA 1978 other than the administrative fee,
Subsection C of Section 66-5-44 NMSA 1978 and Subsection B of
Section 66-5-408 NMSA 1978:

- the amounts due to the department for the manufacture and issuance of a special registration plate collected pursuant to the section of law authorizing the issuance of the specialty plate;
- (e) an amount equal to the registration fees collected pursuant to Section 66-6-6.1 NMSA 1978 for the purposes of enforcing the provisions of the Mandatory Financial Responsibility Act and for creating and maintaining a multilanguage noncommercial driver's license testing program; and after those purposes are met, the balance of the registration fees shall be distributed to the department to defray the costs of operating the motor vehicle division;
- an amount equal to fifty cents (\$.50) for each administrative fee remitted to the department by a county or municipality operating a motor vehicle field office pursuant to Subsection A of Section 66-2-16 NMSA 1978;
- an amount equal to one dollar twenty-(g) five cents (\$1.25) for each administrative fee collected by the department or any of its agents other than a county or .176280.1

municipality operating a motor vehicle field office pursuant to Subsection A of Section 66-2-16 NMSA 1978; [and]

(h) an amount equal to the royalties or other consideration paid by commercial users of databases of motor vehicle-related records of the department pursuant to Subsection C of Section 14-3-15.1 NMSA 1978 for the purpose of defraying the costs of maintaining databases of motor vehicle-related records of the department; and after that purpose is met, the balance of the royalties and other consideration shall be distributed to the department to defray the costs of operating the motor vehicle division; and

(i) an amount equal to the additional vehicle registration reinstatement fee collected pursuant to

Subsection C of Section 66-5-33.1 NMSA 1978 to defray the costs of the operation of the motor vehicle division;

- (6) to each New Mexico institution of higher education, an amount equal to that part of the fees distributed pursuant to Paragraph (2) of Subsection D of Section 66-3-416 NMSA 1978 proportionate to the number of special registration plates issued in the name of the institution to all such special registration plates issued in the name of all institutions;
- (7) to the armed forces veterans license fund, the amount to be distributed pursuant to Paragraph (2) of Subsection E of Section 66-3-419 NMSA 1978;

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		(8)	to	the	children's	trus	st	fund,	the	amount	to
be	distribute	d pui	csuai	nt t	o Paragrapl	ı (2)	of	Subs	ecti	on D of	: :
Se	ction 66-3-	420 i	IMSA	197	8:						

- (9) to the department of transportation, an amount equal to the fees collected pursuant to Section 66-5-35 NMSA 1978;
- to the state equalization guarantee distribution made annually pursuant to the general appropriation act, an amount equal to one hundred percent of the driver safety fee collected pursuant to Subsection D of Section 66-5-44 NMSA 1978;
- (11) to the motorcycle training fund, two dollars (\$2.00) of each motorcycle registration fee collected pursuant to Section 66-6-1 NMSA 1978;
 - (12) to the recycling and illegal dumping fund:
- fifty cents (\$.50) of the tire recycling fee collected pursuant to the provisions of Section 66-6-1 NMSA 1978;
- fifty cents (\$.50) of each of the tire (b) recycling fees collected pursuant to the provisions of Sections 66-6-2 and 66-6-4 NMSA 1978; and
- (c) twenty-five cents (\$.25) of each of the tire recycling fees collected pursuant to Sections 66-6-5 and 66-6-8 NMSA 1978;
- (13) to the highway infrastructure fund: .176280.1

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- fifty cents (\$.50) of the tire recycling fee collected pursuant to the provisions of Section 66-6-1 NMSA 1978;
- (b) one dollar (\$1.00) of each of the tire recycling fees collected pursuant to the provisions of Sections 66-6-2 and 66-6-4 NMSA 1978; and
- twenty-five cents (\$.25) of each of the tire recycling fees collected pursuant to Sections 66-6-5 and 66-6-8 NMSA 1978;
- to each county, an amount equal to fifty percent of the fees collected pursuant to Section 66-6-19 NMSA 1978 multiplied by a fraction, the numerator of which is the total mileage of public roads maintained by the county and the denominator of which is the total mileage of public roads maintained by all counties in the state;
- (15) to the litter control and beautification fund, an amount equal to the fees collected pursuant to Section 66-6-6.2 NMSA 1978;
- (16) to the local government division of the department of finance and administration, an amount equal to the fees collected pursuant to Section 66-3-424.3 NMSA 1978 for distribution to each county to support animal control spaying and neutering programs in an amount proportionate to the number of residents of that county who have purchased pet care special registration plates pursuant to Section 66-3-424.3 NMSA 1978; .176280.1

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- (17) to the Cumbres and Toltec scenic railroad commission, twenty-five dollars (\$25.00) collected pursuant to the Cumbres and Toltec scenic railroad special registration plate.
- В. The balance, exclusive of unidentified remittances, shall be distributed in accordance with Section 66-6-23.1 NMSA 1978.
- If any of the paragraphs, subsections or sections referred to in Subsection A of this section are recompiled or otherwise redesignated without a corresponding change to Subsection A of this section, the reference in Subsection A of this section shall be construed to be the recompiled or redesignated paragraph, subsection or section."
- Section 6. Section 66-8-116 NMSA 1978 (being Laws 1978, Chapter 35, Section 524, as amended) is amended to read:
- "66-8-116. PENALTY ASSESSMENT MISDEMEANORS--DEFINITION--SCHEDULE OF ASSESSMENTS.--
- A. As used in the Motor Vehicle Code, "penalty assessment misdemeanor" means violation of any of the following listed sections of the NMSA 1978 for which, except as provided in Subsections D and E of this section, the listed penalty assessment is established:

COMMON NAME OF OFFENSE SECTION VIOLATED PENALTY

ASSESSMENT

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1	Permitting unlicensed		
2	minor to drive	66-5-40	\$ 10.00
3	Failure to obey sign	66-7-104	10.00
4	Failure to obey signal	66-7-105	10.00
5	Speeding	66-7-301	
6	(1) up to and including		
7	ten miles an hour		
8	over the speed limi	t	15.00
9	(2) from eleven up to		
10	and including fifte	en	
11	miles an hour		
12	over the speed limi	t	30.00
13	(3) from sixteen up to		
14	and including twent	у	
15	miles an hour over	the	
16	speed limit		65.00
17	(4) from twenty-one up	to	
18	and including twent	y-five	
19	miles an hour		
20	over the speed limi	t	100.00
21	(5) from twenty-six up	to	
22	and including thirt	у	
23	miles an hour over	the	
24	speed limit		125.00
25	(6) from thirty-one up	to	
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1	and including th	nirty-five				
2	miles an hour over the					
3	speed limit					
4	(7) more than thirty	-five				
5	miles an hour ov	ver the				
6	speed limit		200.00			
7	Unfastened safety belt	66-7-372	25.00			
8	Child not in restraint	: device				
9	or seat belt	66-7-369	25.00			
10	Minimum speed	66-7-305	10.00			
11	Speeding	66-7-306	15.00			
12	Improper starting	66-7-324	10.00			
13	Improper backing	66-7-354	10.00			
14	Improper lane	66-7-308	10.00			
15	Improper lane	66-7-313	10.00			
16	Improper lane	66-7-316	10.00			
17	Improper lane	66-7-317	10.00			
18	Improper lane	66-7-319	10.00			
19	Improper passing	66-7-309 through 66-7-312	10.00			
20	Improper passing	66-7-315	10.00			
21	Controlled access					
22	violation	66-7-320	10.00			
23	Controlled access					
24	violation	66-7-321	10.00			
25	Improper turning	66-7-322	10.00			
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1	Improper turning	66-7-323	10.00
2	Improper turning	66-7-325	10.00
3	Following too closely	66-7-318	10.00
4	Failure to yield	66-7-328 through 66-7-331	10.00
5	Failure to yield	66-7-332	50.00
6	Failure to yield	66-7-332.1	25.00
7	Pedestrian violation	66-7-333	10.00
8	Pedestrian violation	66-7-340	10.00
9	Failure to stop	66-7-342 and 66-7-344	
10		through 66-7-346	10.00
11	Railroad-highway grade		
12	crossing violation	66-7-341 and 66-7-343	10.00
13	Passing school bus	66-7-347	100.00
14	Failure to signal	66-7-325 through 66-7-327	10.00
15	Failure to secure load	66-7-407	100.00
16	Operation without over	size-	
17	overweight permit	66-7-413	50.00
18	Improper equipment	66-3-801	10.00
19	Improper equipment	66-3-901	20.00
20	Improper emergency		
21	signal	66-3-853 through 66-3-857	10.00
22	Operation interference	66-7-357	5.00
23	Littering	66-7-364	300.00
24	Improper parking	66-7-349 through 66-7-352	
25		and 66-7-353	5.00
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Improper parking	66-3-852	5.00
Failure to dim lights	66-3-831	10.00
Riding in or towing		
occupied house trailer	66-7-366	5.00
Improper opening of doors	66-7-367	5.00
No slow-moving vehicle		
emblem or flashing		
amber light	66-3-887	5.00
Open container - first		
violation	66-8-138	25.00
Uninsured motor vehicle	66-5-205	<u>75.00</u>
No Evidence of financial		
<u>responsibility</u>	66-5-229	<u>75.00</u> .

- The term "penalty assessment misdemeanor" does not В. include a violation that has caused or contributed to the cause of an accident resulting in injury or death to a person.
- C. When an alleged violator of a penalty assessment misdemeanor elects to accept a notice to appear in lieu of a notice of penalty assessment, a fine imposed upon later conviction shall not exceed the penalty assessment established for the particular penalty assessment misdemeanor and probation imposed upon a suspended or deferred sentence shall not exceed ninety days; provided that a fine imposed upon later conviction for a violation of Section 66-5-205 or 66-5-229 NMSA 1978 shall not be less than the penalty assessment established in .176280.1

<u>Subsection A of this section for that violation, nor shall the</u>

<u>fine be suspended, deferred or taken under advisement.</u>

D. The penalty assessment for speeding in violation of Paragraph (4) of Subsection A of Section 66-7-301 NMSA 1978 is twice the penalty assessment established in Subsection A of this section for the equivalent miles per hour over the speed limit.

E. Upon a second conviction for operation without a permit for excessive size or weight pursuant to Section 66-7-413 NMSA 1978, the penalty assessment shall be two hundred fifty dollars (\$250). Upon a third or subsequent conviction, the penalty assessment shall be five hundred dollars (\$500)."

Section 7. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2009.

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