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## FISCAL IMPACT REPORT

**SPONSOR** Rue/Larranaga **ORIGINAL DATE** 02/10/11  
**LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_  
**SHORT TITLE** Use of Speed Limit Violation Convictions **SB** 115/aSCORC  
**ANALYST** Lucero

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		NFI	NFI	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Public Safety (DPS)

Taxation and Revenue Department (TRD)

### SUMMARY

#### Synopsis of Senate Corporations and Transportation Committee Amendment

Senate Corporations and Transportation Committee (SCORC) amendment of Senate Bill 115 changes the word order of the statute to allow the bill to fit in a more grammatically correct fashion. The amendment does not change the original intent of the bill.

#### Synopsis of Original Bill

Senate Bill 115 proposes to amend Section 66-7-301 NMSA 1978, to update the statute with the proper name for the Department of Transportation instead of the Highway Department. The bill also clarifies that vehicles driven on the highway shall not exceed the posted speed limit, but in no event shall be driven at a speed greater than 75 miles per hour.

The bill adds a provision for license suspension for persons exceeding the posted speed limit by more than 5 miles per hour (mph). It also proposes a change for insurance companies to not use a speed limit violation for purposes of establishing rates of insurance or canceling or refusing to renew an insurance policy, unless the person was exceeding the posted speed limit by more than five miles per hour.

The effective date of the bill is July 1, 2011.

## **FISCAL IMPLICATIONS**

The Taxation and Revenue Department (TRD) reports the bill has no significant impact to state revenues.

## **SIGNIFICANT ISSUES**

According to TRD, the bill closes a loophole in Sections 66-7-301 and 66-7-302 and would allow MVD to consistently impose points for speeding more than 5 mph over the posted speed limit. Current statute prohibits the award of points for speeding in areas other than school zones or business and residence districts unless the driver exceeds 75 mph. Similarly, insurance companies would be allowed to use such speeding violations to establish vehicle insurance premium rates or to cancel or refuse to renew vehicle insurance policies. MVD would still be unable to use certain speeding tickets – those issued on a rural highway - pursuant to Section 66-7-302.

The proposal could have the effect of increasing insurance rates for persons convicted of speeding. It could possibly impact a person's ability to keep and obtain employment if the person drives a work vehicle. If the driver's license is suspended, the person can obtain a limited work license under Section 66-5-35 NMSA 1978.

## **ADMINISTRATIVE IMPLICATIONS**

The TRD may need to revise the current rule (18.19.5.52 NMAC) regarding points for speeding, to make the rule consistent with the revised statute.

DL/bym:mew