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FISCAL IMPACT REPORT

ORIGINAL DATE 2/13/19

SPONSOR SPAC LAST UPDATED _____ HB _____

SHORT TITLE Driver's License Changes SB 278/SPACS

ANALYST Chabot

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
	(\$167.5)	(\$167.5)	Recurring	Other State Funds

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
		\$147.2		\$147.2	Nonrecurring	General Funds

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received from

New Mexico Attorney General (NMAG)

Department of Public Safety (DPS)

Homeland Security and Emergency Management Department (HSEMD)

Taxation and Revenue Department (TRD)(on original bill)

SUMMARY

Synopsis of Senate Public Affairs Committee substitute for Senate Bill 278

SB278 seeks to amend the Motor Vehicle Code to mandate only two types of driver's licenses—REAL ID-complaint and a standard driver's licenses—distinguishing each by their use or non-use for official federal purposes and by federal agencies. TRD will ensure the REAL-ID compliant and standard driver's licenses that are distinguishable in color or design but only to the extent that a standard driver's license shall bear the statement: "NOT INTENDED FOR FEDERAL PURPOSES" and a REAL ID-compliant driver's license shall include a gold star. It

sets requirements for each type of license. Expiration of licenses are either four or eight years from the effective date of the license instead of being linked to the applicant's birthday. The bill changes language throughout statute to REAL ID-compliant driver's license and standard driver's license instead of non-REAL ID driver's license. Identification cards will also be REAL ID-compliant or a standard identification card with requirements for each. For a standard driver's license, a valid license or ID card shall satisfy the department's identity, age and New Mexico residency requirements. The bill also repeals Section 66.5.15.2 NMSA 1978 requiring photographs and fingerprints of individuals applying for a driver's license or identification card. The substitute also adds the licensee's organ donor status to the information required on any driver's license.

This bill adds a new section that makes it unlawful for a public accommodation to refuse to accept a standard driver's license identification card if federal identification is not required.

This bill also amends Section 66-8-111.1 NMSA 1978 requiring a law enforcement officer to serve immediate written notice of revocation and of right to a hearing to a person who refuses to permit chemical testing and whose chemical test results indicate a blood alcohol concentration in the person's blood or breath that exceed statutory limits. The bill also eliminates language that requires a law enforcement officer to take and send to the department a person's driver's license upon serving the written notice of revocation and right to a hearing.

The bill includes a temporary provision that current driver's authorization cards are valid until expiration.

The effective date of the provisions of the bill is October 1, 2019.

FISCAL IMPLICATIONS

This bill will result in TRD IT Division costs for implementation and reduction in DPS fingerprint revenues.

SIGNIFICANT ISSUES

SPAC substitute for Senate Bill 278 makes significant changes to obtaining a standard driver's license and identification card. The current system of REAL ID and non-REAL ID goes back to House Bill 99, 2016 Legislative session (Laws 2016, Chapter 79) which generated considerable debate and discussion on structuring driver's licenses to meet federal requirements and our state situation. The necessity for changing the system was driven by the federal government "threat" that they would no longer accept New Mexico's driver's license as proof of identity to board aircraft or enter federal buildings or for a range of other federal purposes. The two tiers of licenses and ID cards was a result of that process and added through a SPAC amendment. Requirements for photographs and fingerprinting were added to the legislation at the last minute through the an SFC amendment. This bill does not change the REAL ID federal requirement but only addresses our state requirements for licenses and ID cards that meet our state requirements.

DPS provides law enforcement agencies would no longer be required to retain the driver's license of a person charged with DWI/DUID and issue a temporary license as a replacement. Instead, it appears the individual would keep their license, and it would be treated as a temporary license until the time of revocation hearing, if requested, after the driver is provided a written

notice of license revocation including a notice of right to a hearing. If a hearing is not requested, the temporary license would expire on the 20th day after receipt of the notice. Additionally, those wishing to obtain a non-REAL ID or identification card would no longer be required to be fingerprinted.

NMAG considers the description of standard driver's licenses/ID card shall differ from REAL ID-compliant licenses/ID cards confusing. It states the two types of licenses/ID cards shall be distinguishable in color or design, but that the difference shall be a disclaimer on a standard license/ID card. These two terms are in tension, in that a disclaimer may not be considered a difference in color or design.

PERFORMANCE IMPLICATIONS

DPS and law enforcement officers would need to be retrained on the new license and DWI/DUID requirements. TRD will need to rewrite manuals and IT programs to implement the changes.

ADMINISTRATIVE IMPLICATIONS

(On the original bill) TRD states the implementation of this bill will have a moderate impact on the Information Technology Division. The total time to complete, test and implement changes is approximately 560 hours with a cost of \$147,200 (soft cost of \$29,200) for internal resources and \$108,000 for FAST contractual resources.) These costs would remain the same.

DPS policy and procedures related to DWI/DUI would have to be revised to reflect that drivers charged with DWI/DUID must be allowed to retain their licenses when officers issue a notice of revocation/right to hearing to them.

RELATIONSHIP

HB99, Fingerprints to Renew License Not Required
HB166, Repeal Fingerprint Requirements for TRD
HB323, Single Document Proof of Residency

TECHNICAL ISSUES

NMAG assesses Section 14 addresses the validity of driving with Non-REAL ID driver's license and ID cards by stating they will be valid until they expire. However, there is no mention in this section about renewing the cards.

Section 17 of the bill repeals Section 66-5-15,2 NMSA 1978 but does renumber the sections.

GAC/sb