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FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/14

SPONSOR Griego **LAST UPDATED** _____ **HB** _____

SHORT TITLE Commercial Driver's License Disqualification **SB** 239

ANALYST Boerner

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY14	FY15	FY16*		
		(\$10,000.0)	Recurring	Road Fund

(Parenthesis () Indicate Revenue Decreases)

* Federal Motor Carrier Safety Administration (FMCSA) regulations require states to take a lifetime disqualification action against someone who uses any motor vehicle to commit a felony involving controlled substances. If FMCSA chooses to enforce this regulation, the state is at risk of losing of 5% federal road funds (\$10 million) in the first year of noncompliance and 10% (\$20 million) in subsequent years.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		None Noted	None Noted			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Transportation (DOT)

Attorney General's Office (AGO)

Taxation and Revenue Department (TRD)

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of Bill

Section 66-5-68(E) provides that a person shall be disqualified from driving a commercial motor vehicle for life if that person uses a commercial motor vehicle in the commission of a felony

involving a controlled substance. SB 239 amends that section to provide that the person shall be disqualified from driving a commercial vehicle for life if that person is convicted of using any motor vehicle in the commission of a felony involving a controlled substance.

Section 66-5-68(H) provides that a person shall be disqualified from driving a commercial vehicle for sixty days if that person is convicted of two serious traffic violations in a three-year period and the second conviction results in revocation, cancellation or suspension of the persons' license or driving privileges for sixty days. SB 239 adds the qualification that the two serious traffic violations must occur in a vehicle other than a commercial vehicle.

Section 66-5-68(I) provides that a person shall be disqualified from driving a commercial vehicle for one hundred twenty days in addition to any other period of disqualification if that person is convicted of more than two serious traffic violations in a three-year period and the third or subsequent conviction results in revocation, cancellation or suspension of the persons' license or driving privileges. SB 239 adds the qualification that the serious traffic violations must occur in a vehicle other than a commercial vehicle.

FISCAL IMPLICATIONS

TRD notes the amendments to Section 66-5-68 are designed to put New Mexico in compliance with federal mandates. Because commercial drivers' licenses (CDLs) involve interstate commerce, the federal law and regulations preempt the states with regard to how and to whom the states issue CDLs. Federal Motor Carrier Safety Administration (FMCSA) regulations (Title 49, § 383.51) require that New Mexico, as provided in this bill, take a lifetime disqualification action against anyone who uses a motor vehicle to commit a felony involving controlled substances. This is an outstanding audit finding from the 2008 FMCSA audit. So long as New Mexico remains non-compliant, the state is at risk for withholding by the FMCSA of 5 percent federal road funds (\$10 million) initially, increasing in subsequent years to 10 percent (\$20 million) with continued non-compliance.

“(a) Following the first year of noncompliance. An amount up to 5 percent of the Federal-aid highway funds required to be apportioned to any State under each of sections 104(b)(1), (b)(3), and (b)(4) of title 23 U.S.C. shall be withheld from a State on the first day of the fiscal year following such State's first year of noncompliance under this part.

(b) Following second and subsequent year(s) of noncompliance. An amount up to 10 percent of the Federal-aid highway funds required to be apportioned to any State under each of sections 104(b)(1), (b)(3), and (b)(4) of title 23 U.S.C. shall be withheld from a State on the first day of the fiscal year following such State's second or subsequent year(s) of noncompliance under this part.”

SIGNIFICANT ISSUES

Any reduction in Federal-aid Highway funds would impair and delay current and future construction projects.

PERFORMANCE IMPLICATIONS

Federal-aid Highway funding is an important part of the NMDOT yearly budget. Any reductions in this funding would have a negative impact on NMDOT's performance measures.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SB 239 is not passed, NMDOT could lose millions of dollars in federal for highways and operations.

CB/ds