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FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/2008

SPONSOR Gonzalez LAST UPDATED 2/12/08 HB 215a/SJC/aSF#1

SHORT TITLE Eliminate Commercial Driver's License Waivers SB _____

ANALYST Moser/Cox

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY08	FY09	FY10		
	(\$10,475.0)	(\$20,950.0)	Recurring	State Road Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

NM Department of Transportation (NMDOT)
Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Senate Floor Amendment #1

Senate Floor amendment #1 removes the Senate Judiciary Amendments returning the Bill to its original state as submitted.

Synopsis of SJC Amendment

Senate Judiciary Committee Amendment to House Bill 215 adds the wording ‘The Department shall not issue a commercial driver’s license for at least one year.....’ The prior language stated that “the Department would disqualify a person who holds a commercial drivers’ license...” The intent of the Bill is basically the same, and the Amendment is viewed as ‘clean-up’ language.

Synopsis of Original Bill

House Bill 215 amends sections of the Motor Vehicle Code (MVC) to bring the Code into compliance with the commercial drivers license (CDL) provisions of the federal Motor Carrier Safety Act. In 2007, New Mexico amended the MVC to bring it into compliance with federal CDL regulations. After the Federal Highway Administration (FHWA) reviewed the legislation from the last session, they pointed out a few remaining provisions requiring revision. This bill corrects those problems.

TRD indicates that HB-215 eliminates the Motor Vehicle Division's (MVDs) authority to waive the commercial driver's license test even when the applicant complies with other provisions of the Commercial Driver's License Act. The bill expands the Department's authority to disqualify persons from driving a commercial motor vehicle if the individual is required to hold a commercial driver's license. The Department is also allowed to disqualify a person from driving a commercial motor vehicle for a period of not more than one year if the person is convicted of a first violation of an out-of-service order. This legislation also reconciles multiple amendments to Section 66-8-102 made in 2007.

The proposed bill:

1. Repeals paragraph G in Section 66-5-60, NMSA 1978, which currently allows the director of MVD to waive the requirement of any test for a CDL. This authority to waive a CDL test requirement is contrary to the federal CDL regulations.
2. Amends paragraph B of Section 66-5-68 to disqualify persons who drive commercial motor vehicles without a CDL from obtaining a valid CDL for a year.
3. Amends paragraph G of Section 66-5-68 to suspend CDL holders who violate an out of service order.
4. Repeals Section 66-8-102(T) (3), a definition of "conviction." Currently, there are two definitions of "conviction" in the Motor Vehicle Code. Repeal of this definition eliminates the possibility of conflicting definitions or interpretations.

FISCAL IMPLICATIONS

The fiscal impacts reflect the fact that if this measure is not passed, the State will fail to comply with Federal Motor Carrier Safety Administration requirements, which would result in the withholding of Federal Highway Funds. A failure to amend the Motor Vehicle Code CDL provisions as proposed in this bill may result in withholding \$15 to \$20 million per year in federal highway funds. The amounts shown were reported by the Department of Transportation during the 2007 Legislative Session, and represent 5% or 10% of certain specific categories of Federal Highway funds.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The federal government has notified New Mexico that its CDL program does not meet federal requirements. Failure to bring the CDL program into compliance with federal requirements may result in withholding approximately \$15 to \$20 million in federal highway funds per year until the state complies.

GM:PC/mt