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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 1/31/16

**SPONSOR** Brown **LAST UPDATED** \_\_\_\_\_ **HB** 258

**SHORT TITLE** Offenses for Driver's License Revocation **SB** \_\_\_\_\_

**ANALYST** Malone

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

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	\$3.5	\$0.0	\$0.0	\$3.5	Nonrecurring	TRD-ITD Operating Budget

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Attorney General's Office (AGO)

Taxation and Revenue Department (TRD), on duplicate 2015 bill

NM Department of Transportation (NMDOT), on duplicate 2015 bill

### SUMMARY

#### Synopsis of Bill

House Bill 258 amends Section 66-5-29 NMSA 1978, regarding mandatory revocation of driver's licenses by the Motor Vehicle Division (MVD), to include a new provision for revocation for any offense under the federal Controlled Substance Act, the New Mexico Controlled Substances Act, or any other drug offense.

### FISCAL IMPLICATIONS

Regarding an almost duplicate 2015 bill (HB 458), TRD anticipated that implementation of this bill will have minimal impact. Listed below are the required changes. The agency estimated a total of 70 hours will be needed to make necessary changes, at a cost of \$3,500.

DOT noted, regarding HB 458 in 2015, that if at some point the state does not meet the federal requirements outlined in the significant issues section, the cost to the state could be up to \$36 million dollars annually resulting from lost federal-aid funding.

## SIGNIFICANT ISSUES

Section 159, Title 23 of the United States Code<sup>1</sup>—Revocation or suspension of drivers' licenses of individuals convicted of drug offenses—establishes penalties for noncompliance with the code. A state meets the requirements of the section in one of two ways:

1. The State has enacted and is enforcing a law that requires in all circumstances, or requires in the absence of compelling circumstances warranting an exception:
  - a. The revocation, or suspension for at least 6 months, of the driver's license of any individual who is convicted, after the enactment of such law, of
    - i. Any violation of the Federal Controlled Substances Act, or
    - ii. Any drug offense, and
  - b. A delay in the issuance or reinstatement of a driver's license to such an individual for at least 6 months after the individual otherwise would have been eligible to have a driver's license issued or reinstated if the individual does not have a driver's license, or the driver's license of the individual is suspended, at the time the individual is so convicted, **or**
2. The Governor of the State:
  - a. Submits to the Secretary no earlier than the adjournment sine die of the first regularly scheduled session of the State's legislature which begins after November 5, 1990, a written certification stating that he or she is opposed to the enactment or enforcement in the State of a law described in paragraph (c)(1) of this section relating to the revocation, suspension, issuance, or reinstatement of driver's licenses to convicted drug offenders; and
  - b. Submits to the Secretary a written certification that the legislature (including both Houses where applicable) has adopted a resolution expressing its opposition to a law described in paragraph (c)(1) of this section.

If a state fails to meet the requirements of the code outlined above, the following consequences exist:

1. Beginning in fiscal year 1996.-The Secretary shall withhold 10 percent of the amount required to be apportioned to any State under each of paragraphs (1), (3), and (5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) of section 104(b) on the first day of each fiscal year which begins after the fourth calendar year following the effective date of this section if the State does not meet the requirements of paragraph (3) on the first day of such fiscal year.
2. Fiscal year 2012 and thereafter.-The Secretary shall withhold an amount equal to 8 percent of the amount required to be apportioned to any State under each of paragraphs (1) and (2) of section 104(b) on the first day of each fiscal year beginning after September 30, 2011, if the State fails to meet the requirements of paragraph (3) on the first day of the fiscal year.

Since 1992, New Mexico has not complied with 23 U.S.C. § 159(a)(3)(B), above. In 1992, the Legislature passed House Joint Resolution 11, which opposed the federal law. Also, in each year since 1992, the Governor has signed a yearly certification opposing this law.

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<sup>1</sup> See attachment one.

**TECHNICAL ISSUES**

HB 258 does not provide a definition for “drug offense” or point to a definition for “drug offense”.

**OTHER SUBSTANTIVE ISSUES**

AGO notes that HB 258 deals with post-conviction license consequences and may result in an increase in mandatory license revocations. For example, an individual convicted of drug paraphernalia, possession of a controlled substance, or trafficking a controlled substance would have their license revoked under HB 258, regardless of whether there was a motor vehicle involved.

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104(b)(5), and 104(b)(6) of this title on the first day of the fiscal year succeeding the first fiscal year beginning after September 30, 1985, in which the purchase or public possession in such State of any alcoholic beverage by a person who is less than twenty-one years of age is lawful."

Subsec. (a)(2), (3). Pub. L. 105-178, §1103(l)(2)(A)(ii), (iv), redesignated par. (3) as (2) and substituted "paragraph (1)" for "paragraphs (1) and (2) of this subsection". Former par. (2) redesignated (1).

Subsec. (b). Pub. L. 105-178, §1103(l)(2)(B), added subsec. (b) and struck out heading and text of former subsec. (b) which related to period of availability for apportionment to State of funds withheld by the Secretary pending State enactment of federally-prescribed minimum drinking age.

1986—Subsec. (a). Pub. L. 99-272, §4104(d)(1), added subsection heading.

Subsec. (a)(1). Pub. L. 99-272, §4104(d)(2)-(4), added paragraph heading, aligned margins, and inserted "first" before "fiscal year beginning".

Subsec. (a)(2). Pub. L. 99-272, §4104(a), (d)(3), (5), added paragraph heading, realigned margins, and substituted "each fiscal year after" for "the fiscal year succeeding".

Subsec. (a)(3). Pub. L. 99-272, §4104(b), added par. (3).

Subsec. (b). Pub. L. 99-272, §4104(c), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: "The Secretary shall promptly apportion to a State any funds which have been withheld from apportionment under subsection (a) of this section in fiscal year if in any succeeding fiscal year such State makes unlawful the purchase or public possession of any alcoholic beverage by a person who is less than twenty-one years of age."

Subsec. (c). Pub. L. 99-272, §4104(d)(6), added subsection heading.

Subsec. (c)(1). Pub. L. 99-514 substituted "Internal Revenue Code of 1986" for "Internal Revenue Code of 1954".

### § 159. Revocation or suspension of drivers' licenses of individuals convicted of drug offenses

(a) WITHHOLDING OF APPORTIONMENTS FOR NON-COMPLIANCE.—

(1) BEGINNING IN FISCAL YEAR 1994.—For each fiscal year the Secretary shall withhold 5 percent of the amount required to be apportioned to any State under each of paragraphs (1), (3), and (5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) of section 104(b) on the first day of each fiscal year which begins after the second calendar year following the effective date of this section if the State does not meet the requirements of paragraph (3) on such date.

(2) BEGINNING IN FISCAL YEAR 1996.—The Secretary shall withhold 10 percent (including any amounts withheld under paragraph (1)) of the amount required to be apportioned to any State under each of paragraphs (1), (3), and (5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) of section 104(b) on the first day of each fiscal year which begins after the fourth calendar year following the effective date of this section if the State does not meet the requirements of paragraph (3) on the first day of such fiscal year.

(3) REQUIREMENTS.—A State meets the requirements of this paragraph if—

(A) the State has enacted and is enforcing a law that requires in all circumstances, or

requires in the absence of compelling circumstances warranting an exception—

(i) the revocation, or suspension for at least 6 months, of the driver's license of any individual who is convicted, after the enactment of such law, of—

(I) any violation of the Controlled Substances Act, or

(II) any drug offense; and

(ii) a delay in the issuance or reinstatement of a driver's license to such an individual for at least 6 months after the individual applies for the issuance or reinstatement of a driver's license if the individual does not have a driver's license, or the driver's license of the individual is suspended, at the time the individual is so convicted; or

(B) the Governor of the State—

(i) submits to the Secretary no earlier than the adjournment sine die of the first regularly scheduled session of the State's legislature which begins after the effective date of this section a written certification stating that the Governor is opposed to the enactment or enforcement in the State of a law described in subparagraph (A), relating to the revocation, suspension, issuance, or reinstatement of drivers' licenses to convicted drug offenders; and

(ii) submits to the Secretary a written certification that the legislature (including both Houses where applicable) has adopted a resolution expressing its opposition to a law described in clause (i).

(b) PERIOD OF AVAILABILITY; EFFECT OF COMPLIANCE AND NONCOMPLIANCE.—

(1) PERIOD OF AVAILABILITY OF WITHHELD FUNDS.—

(A) FUNDS WITHHELD ON OR BEFORE SEPTEMBER 30, 1995.—Any funds withheld under subsection (a) from apportionment to any State on or before September 30, 1995, shall remain available for apportionment to such State as follows:

(i) If such funds would have been apportioned under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) but for this section, such funds shall remain available until the end of the fiscal year for which such funds are authorized to be appropriated.

(ii) If such funds would have been apportioned under section 104(b)(5)(B) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) but for this section, such funds shall remain available until the end of the second fiscal year following the fiscal year for which such funds are authorized to be appropriated.

(iii) If such funds would have been apportioned under paragraph (1), (3), or (5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) of section 104(b) but for this section, such funds shall remain available until the end of the third fiscal year following the fiscal year for which such funds are authorized to be appropriated.

(B) FUNDS WITHHELD AFTER SEPTEMBER 30, 1995.—No funds withheld under this section from apportionment to any State after September 30, 1995, shall be available for apportionment to such State.

(2) APPORTIONMENT OF WITHHELD FUNDS AFTER COMPLIANCE.—If, before the last day of the period for which funds withheld under subsection (a) from apportionment are to remain available for apportionment to a State under paragraph (1), the State meets the requirements of subsection (a)(3), the Secretary shall, on the first day on which the State meets the requirements of subsection (a)(3), apportion to the State the funds withheld under subsection (a) that remain available for apportionment to the State.

(3) PERIOD OF AVAILABILITY OF SUBSEQUENTLY APPORTIONED FUNDS.—Any funds apportioned pursuant to paragraph (2) shall remain available for expenditure as follows:

(A) Funds which would have been originally apportioned under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) shall remain available until the end of the fiscal year succeeding the fiscal year in which such funds are apportioned under paragraph (2).

(B) Funds which would have been originally apportioned under paragraph (1), (3), or (5)(B) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) of section 104(b) shall remain available until the end of the third fiscal year succeeding the fiscal year in which such funds are so apportioned.

Sums not obligated at the end of such period shall lapse or, in the case of funds apportioned under section 104(b)(5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century), shall lapse and be made available by the Secretary for projects in accordance with section 118(b).

(4) EFFECT OF NONCOMPLIANCE.—If, at the end of the period for which funds withheld under subsection (a) from apportionment are available for apportionment to a State under paragraph (1), the State does not meet the requirements of subsection (a)(3), such funds shall lapse or, in the case of funds withheld from apportionment under section 104(b)(5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century), such funds shall lapse and be made available by the Secretary for projects in accordance with section 118(b).

(c) DEFINITIONS.—For purposes of this section—

(1) DRIVER'S LICENSE.—The term “driver's license” means a license issued by a State to any individual that authorizes the individual to operate a motor vehicle on highways.

(2) DRUG OFFENSE.—The term “drug offense” means any criminal offense which proscribes—

(A) the possession, distribution, manufacture, cultivation, sale, transfer, or the attempt or conspiracy to possess, distribute, manufacture, cultivate, sell, or transfer any substance the possession of which is prohibited under the Controlled Substances Act; or

(B) the operation of a motor vehicle under the influence of such a substance.

(3) CONVICTED.—The term “convicted” includes adjudicated under juvenile proceedings.

(Added Pub. L. 102-143, title III, §333(a), Oct. 28, 1991, 105 Stat. 944; amended Pub. L. 102-388, title III, §327(a), Oct. 6, 1992, 106 Stat. 1547; Pub. L. 105-178, title I, §1103(l)(3)(E), June 9, 1998, 112 Stat. 126.)

#### REFERENCES IN TEXT

The date of enactment of the Transportation Equity Act for the 21st Century, referred to in subssecs. (a)(1), (2) and (b)(1)(A), (3), (4), is the date of enactment of Pub. L. 105-178, which was approved June 9, 1998.

The effective date of this section, referred to in subsec. (a)(1), (2), (3)(B)(i), is Nov. 5, 1990. See section 333(e) of Pub. L. 102-143, set out as a note below.

The Controlled Substances Act, referred to in subssecs. (a)(3)(A)(i)(I) and (c)(2)(A), is title II of Pub. L. 91-513, Oct. 27, 1970, 84 Stat. 1242, as amended, which is classified principally to subchapter I (§801 et seq.) of chapter 13 of Title 21, Food and Drugs. For complete classification of this Act to the Code, see Short Title note set out under section 801 of Title 21 and Tables.

#### AMENDMENTS

1998—Subsec. (a)(1), (2). Pub. L. 105-178, §1103(l)(3)(E)(i), substituted “(5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) of” for “(5) of” before “section 104(b)”.

Subsec. (b)(1)(A)(i). Pub. L. 105-178, §1103(l)(3)(E)(ii)(I), substituted “section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century)” for “section 104(b)(5)(A)”.

Subsec. (b)(1)(A)(ii). Pub. L. 105-178, §1103(l)(3)(E)(ii)(II), substituted “section 104(b)(5)(B) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century)” for “section 104(b)(5)(B)”.

Subsec. (b)(1)(A)(iii). Pub. L. 105-178, §1103(l)(3)(E)(i), substituted “(5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century) of” for “(5) of” before “section 104(b)”.

Subsec. (b)(3). Pub. L. 105-178, §1103(l)(3)(E)(ii)(IV), substituted “section 104(b)(5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century)” for “section 104(b)(5)” in concluding provisions.

Subsec. (b)(3)(A). Pub. L. 105-178, §1103(l)(3)(E)(ii)(I), substituted “section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century)” for “section 104(b)(5)(A)”.

Subsec. (b)(3)(B). Pub. L. 105-178, §1103(l)(3)(E)(ii)(III), substituted “(5)(B) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century)” for “(5)(B)”.

Subsec. (b)(4). Pub. L. 105-178, §1103(l)(3)(E)(ii)(IV), substituted “section 104(b)(5) (as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century)” for “section 104(b)(5)”.

1992—Pub. L. 102-388 amended section generally, substituting “Beginning in fiscal year 1994” for “After second calendar year” as subsec. (a)(1) heading, “paragraphs (1), (3), and (5)” for “paragraphs (1), (2), (5), and (6)” in subsec. (a)(1) and (2), “Beginning in fiscal year 1996” for “After fourth calendar year” as subsec. (a)(2) heading, “paragraph (1), (3), or (5)” for “paragraph (1), (2), or (6)” in subsec. (b)(1)(A)(iii), and “paragraph (1), (3), or (5)(B)” for “paragraph (1), (2), (5)(B), or (6)” in subsec. (b)(3)(B).

#### EFFECTIVE DATE OF 1992 AMENDMENT

Section 327(b) of Pub. L. 102-388 provided that: “The amendments made by subsection (a) of this section

[amending this section] shall take effect November 5, 1990.”

EFFECTIVE DATE

Section 333(e) of Pub. L. 102-143 provided that: “The amendments made by subsection (a) of this section [enacting this section] shall take effect November 5, 1990.”

STUDY ON STATE COMPLIANCE WITH REQUIREMENTS FOR REVOCATION AND SUSPENSION OF DRIVERS’ LICENSES

Pub. L. 102-240, title I, §1094, Dec. 18, 1991, 105 Stat. 2025, provided that:

“(a) STUDY.—The Secretary shall conduct a study of State efforts to comply with the provisions of section 333 of the Department of Transportation and Related Agencies Appropriations Acts, 1991 and 1992 [section 333 of Pub. L. 102-143 (1992 Act) enacted this section and provisions set out as a note above and repealed section 333 of Pub. L. 101-516 (1991 Act) which amended section 104 of this title and enacted provisions set out as a note thereunder], relating to revocation and suspension of drivers’ licenses.

“(b) REPORT.—Not later than December 31, 1992, the Secretary shall transmit to Congress a report on the results of the study conducted under this section.”

§ 160. Reimbursement for segments of the Interstate System constructed without Federal assistance

(a) GENERAL AUTHORITY.—The Secretary shall allocate to the States in each of fiscal years 1996 and 1997 amounts determined under subsection (b) for reimbursement of their original contributions to construction of segments of the Interstate System which were constructed without Federal financial assistance.

(b) DETERMINATION OF REIMBURSEMENT AMOUNT.—The amount to be reimbursed to a State in each of fiscal years 1996 and 1997 under this section shall be determined by multiplying the amount made available for carrying out this section for such fiscal year by the reimbursement percentage set forth in the table contained in subsection (c).

(c) REIMBURSEMENT TABLE.—For purposes of carrying out this section, the reimbursement percentage, the original cost for constructing the Interstate System, and the total reimbursable amount for each State is set forth in the following table:

States	Original cost in millions	Reimbursement percentage	Reimbursable amount in millions
Alabama .....	\$9	0.50	\$147
Alaska .....		0.50	147
Arizona .....	20	0.50	147
Arkansas .....	6	0.50	147
California .....	298	5.42	1,591
Colorado .....	23	0.50	147
Connecticut .....	314	5.71	1,676
Delaware .....	39	0.71	209
Florida .....	31	0.56	164
Georgia .....	46	0.84	246
Hawaii .....		0.50	147
Idaho .....	5	0.50	147
Illinois .....	475	8.62	2,533
Indiana .....	167	3.03	892
Iowa .....	5	0.50	147
Kansas .....	101	1.84	540
Kentucky .....	32	0.57	169
Louisiana .....	22	0.50	147
Maine .....	38	0.69	204
Maryland .....	154	2.79	820
Massachusetts .....	283	5.14	1,511

States	Original cost in millions	Reimbursement percentage	Reimbursable amount in millions
Michigan .....	228	4.14	1,218
Minnesota .....	16	0.50	147
Mississippi .....	6	0.50	147
Missouri .....	74	1.35	396
Montana .....	5	0.50	147
Nebraska .....	1	0.50	147
Nevada .....	2	0.50	147
New Hampshire .....	8	0.50	147
New Jersey .....	353	6.41	1,882
New Mexico .....	8	0.50	147
New York .....	929	16.88	4,960
North Carolina .....	36	0.65	191
North Dakota .....	3	0.50	147
Ohio .....	257	4.68	1,374
Oklahoma .....	91	1.66	486
Oregon .....	78	1.42	417
Pennsylvania .....	354	6.43	1,888
Rhode Island .....	12	0.50	147
South Carolina .....	4	0.50	147
South Dakota .....	5	0.50	147
Tennessee .....	7	0.50	147
Texas .....	200	3.64	1,069
Utah .....	6	0.50	147
Vermont .....	1	0.50	147
Virginia .....	111	2.01	591
Washington .....	73	1.32	389
West Virginia .....	5	0.50	147
Wisconsin .....	8	0.50	147
Wyoming .....	9	0.50	147
D.C. ....	9	0.50	147
TOTALS .....	\$4,967	100.00	\$29,384

(d) TRANSFER OF REIMBURSABLE AMOUNTS TO STP APPORTIONMENT.—Subject to subsection (e) of this section, the Secretary shall transfer amounts allocated to a State pursuant to this section to the apportionment of such State under section 104(b)(3) for the surface transportation program.

(e) LIMITATION ON APPLICABILITY OF CERTAIN REQUIREMENTS OF STP PROGRAM.—The following provisions of section 133 of this title shall not apply to ½ of the amounts transferred under subsection (d) to the apportionment of the State for the surface transportation program:

- (1) Subsection (d)(1).<sup>1</sup>
- (2) Subsection (d)(2).
- (3) Subsection (d)(3).

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, out of the Highway Trust Fund (other than the Mass Transit Account), \$2,000,000,000 per fiscal year for each of fiscal years 1996 and 1997 to carryout this section.

(Added Pub. L. 102-240, title I, §1014(a), Dec. 18, 1991, 105 Stat. 1941.)

REFERENCES IN TEXT

Subsection (d)(1) of section 133 of this title, referred to in subsec. (e)(1), was repealed by Pub. L. 109-59, title I, §1113(b)(1), Aug. 10, 2005, 119 Stat. 1172.

EFFECTIVE DATE

Section effective Dec. 18, 1991, and applicable to funds authorized to be appropriated or made available after Sept. 30, 1991, and, with certain exceptions, not applicable to funds appropriated or made available on or before Sept. 30, 1991, see section 1100 of Pub. L. 102-240, set

<sup>1</sup> See References in Text note below.