

SB 7

**nmSAFE**

Making New Mexico safe for all children & families

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## Bill Analysis 2021 Regular Session

**SPONSOR:** Senator Peter Wirth

**SHORT TITLE:** Driver's License Suspension Reform

### SYNOPSIS OF BILL:

Driving on a suspended license in our state is a penalty assessment misdemeanor that comes with the risk of 90 days in jail and up to a \$300 fine. SB7 amends the traffic code to end driver's license suspension for missed court hearings and overdue fines and fees payments owed in traffic and criminal cases. It also allows reinstatement for those with driver's license suspensions for failure to appear "FTA" and failure to pay "FTP" without a \$27 fee.

**STRENGTHS:** SB 7 will not eliminate suspensions and revocations based on dangerous driving or relating to overdue child support nor will it limit the court's discretion to impose sanctions in criminal and traffic cases.

New Mexico suspended over 215,000 driver's licenses between 2016 to 2018 alone. **88% of all driver's license suspensions** were for unpaid court debt or missed hearings, *not* dangerous driving. Yet countless hours of law enforcement, court staff, MVD staff, and public defender hours are spent processing those cases, including law enforcement serving as prosecutors. SB 7 refocuses the resources of the Judiciary, Law Enforcement, and Public Defender to public safety matters, while reducing MVD resources dedicated to processing these suspensions.

Debt-based license suspensions force people to make an impossible choice: stop driving and lose access to work & basic necessities— or keep driving, and risk more fines and fees, arrest and even incarceration. When people lose their license, over 40% also lose their job, and those who are able to find jobs take significant pay cuts.<sup>1</sup> Removing FTP and FTA as grounds for suspending one's driver's license is therefore critical to avoid unintended consequences for the poor.<sup>2</sup> Debt-based suspensions also disproportionately harm rural communities for whom traveling by car is especially important for self-sufficiency.

**WEAKNESSES:** Because so many drivers who have had their license suspended have already lost their jobs, they often do not apply for license reinstatement because of the anticipated fee that they cannot afford. Although SB 7 allows for driver's license reinstatement for FTA and FTP suspensions without a \$27 fee, most drivers will be unaware of this fee waiver. SB 7 requires individuals to fill out an application in order to reinstate their license. Automatic reinstatement, initiated by the MVD would streamline this process.

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<sup>1</sup> <https://www.nj.gov/transportation/business/research/reports/FHWA-NJ-2007-020-V1.pdf>

<sup>2</sup> See Sophie Quinton, After Ferguson, States Struggle To Crack Down On Court Debt, Pew Charitable Trusts: Stateline (Aug. 26, 2015) (discussing downstream consequences of fines and fees as applied to the poor), available at <http://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2015/08/26/after-ferguson-states-struggle-to-crack-down-on-court-debt>.

<u>Safer</u>	<u>Apolitical</u>	<u>Fiscally-Responsible</u>	<u>Evidence Based</u>	<u>Grade</u>
<p>The vast majority of driving on a suspended license cases <b>are not public safety related</b>, but nevertheless carry the possibility of incarceration, fines and fees, wasting both human and fiscal resources within the criminal legal system. SB 7 will reallocate these resources to making our communities safer.</p>	<p><b>Bi-partisan support:</b> Both red and blue states have implemented driver’s license reform, including: TX, MS, ME, ID, MT, CA, MD, OR, VA, WV, HI, NY, MI and DC.</p> <p>Federally, Senators Chris Coons (D-DE) and Roger Wicker (R-MS) are currently cosponsoring The Driving for Opportunity Act that provides grants to states that do not suspend, revoke, or refuse to renew a driver’s license for FTP.</p>	<p>Reinstating Driver’s Licenses for FTA and FTP stimulates the economy by ensuring New Mexican’s can drive to work and thus keep their jobs. Studies show that restoring licenses can increase a state’s GDP.<sup>3</sup></p> <p>SB 7 will reduce caseloads on the front end, resulting in savings to multiple government agencies including our courts, the public defender, law enforcement, and the MVD.</p>	<p>Phoenix launched a program that helped drivers repay their debts using payment schedules appropriate to their budgets. More than half of participants had lost their jobs post-license suspension, causing a \$36,800 loss in median income. After regaining their licenses, more than 40% reported an increase in income, the median increase being \$24,000. Phoenix raised \$149.6 million in revenue during the nine- month study—just by letting people drive.<sup>3</sup></p>	<p><b>A-</b></p>

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<sup>3</sup> See *The City of Phoenix Municipal court’s Compliance Assistance Program, 2016, An Economic Assessment*. ASU W.P. Carey School of Business William Seidan Research Institute, (June 2, 2017.) <https://finesandfeesjusticecenter.org/content/uploads/2018/11/Phoenix-license-restoration-pilot-THE-CITY-OF-PHOENIX-MUNICIPAL-COURT’S-COMPLIANCE-ASSISTANCE-PROGRAM.pdf>