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FISCAL IMPACT REPORT



SPONSOR: Saavedra DATE TYPED: 01/28/01 HB 206

SHORT TITLE: Litter Control & Beautification Fund SB _____

ANALYST: Gilbert

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY02	FY03			
*\$0.1	*\$0.1	*\$0.1	Recurring	Litter Control and Beautification Fund

(Parenthesis () Indicate Revenue Decreases)

* See Narrative

Duplicates: SB225 Relates to: HB216 & HB217

SOURCES OF INFORMATION

LFC Files

Response Received From

State Highway and Transportation Department (SHTD)

No Response Received

Taxation and Revenue Department (TRD)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 206 proposes a technical reorganization of the statute relating to the \$0.50 beautification fee and the litter control and beautification fund, and specifies that the \$0.50 fee be imposed on each motor vehicle registration “for each year covered by the registration”. A technical correction is also made to the distribution of motor vehicle revenue under Section 66-6-23 NMSA 1978 to remedy a shortcoming in Laws 2001, Chapter 20.

FISCAL IMPLICATIONS

The SHTD has no reliable information regarding the number of 2-year vehicle registration option transactions on which a “doubled” beautification fee would be applied. However, the beautification fee revenue for FY00 was approximately \$1.2 million, but dropped to \$829.0 in FY01. The majority of that revenue loss was likely related to the loss of fees imposed in connection with the heavy vehicle annual filing fee (cab card fee). Some amount, however, is probably attributable to vehicles registered under the 2-year option during FY00.

The SHTD reports that no substantial revenue gain is expected to result from this bill.

This bill contains an emergency clause, thus a small revenue gain may be realized in FY02 as a result.

TECHNICAL ISSUES

With implementation of the 2-year vehicle registration option, the statute is currently unclear as to whether the beautification fee should be \$0.50 or \$1.00 for a 2-year vehicle registration. This bill seeks to address that issue.

The SHTD notes the following technical concerns:

Section 4, Subsection A, Paragraph (3)(a) adds a specification to Section 66-6-23 NMSA 1978 that “... *the fees collected pursuant to Section 66-7-413.4 NMSA 1978*” be distributed to the state road fund. The SHTD requests a reference to Section 66-7-413 be added here: “... *the fees collected pursuant to **Section 66-7-413 and** Section 66-7-413.4 NMSA 1978*”.

Section 66-7-413.4 NMSA 1978 allows an excessive weight permit for liquid hauling tank vehicles, and that 2001 legislation also repealed Section 66-7-413.3. However, Section 66-7-413.3 (repealed) used to contain a vague provision that “*Any fees collected pursuant to special permits authorizing over-size or over-weight transportation ... be transferred to the state road fund.*” It is unclear whether there now exists any specific statutory distribution of the fees collected under Section 66-7-413 NMSA 1978 (over-size and over-weight permits), and this should be made clear.

RLG/njw