

NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR: Garcia, M. DATE TYPED: 3/17/03 HB 75/aHTC/aHFL#1

SHORT TITLE: Armed Forces Retirees Special License SB _____

ANALYST: Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$0.1			Recurring	OSF

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
	\$0.1		Recurring	OSF

(Parenthesis () Indicate Revenue Decreases)

Relates to various specialty license plates proposed by the House and Senate.

SOURCES OF INFORMATION

Responses Received From
 State Highway and Transportation Department (SHTD)
 Taxation and Revenue Department (TRD)
 Veteran's Service Commission (VSC)

SUMMARY

Synopsis of HFl Amendment

The House Floor Amendment adds the requirement that a person must submit proof satisfactory to the Taxation & Revenue Department of retirement from the armed forces in order to have a standardized special registration plate.

Synopsis of HTC Amendment

The House Transportation Committee amendment creates standardized special registration plates

with logos to show state support for worthy public purposes. The amendment states the authorizing statute shall provide for collection of fees that, at a minimum, will cover the costs to the Motor Vehicle Division (MVD) of development, manufacture and issuance of the special registration plates and logos.

Standardized special registration plates, on the standardized areas, shall:

- Display the colors of the state flag, red lettering on a yellow background and the phrases "New Mexico USA" and "Land of Enchantment";
- Provide a space for applying the special registration logo, centered at the left edge of the plate, between the attachment holes, beginning one-fourth inch in from the edge of the plate and having the following dimensions: four and one-eighth inches in height and three and one-eighth inches in width;
- Provide a vehicle registration number, to be assigned by the MVD consisting of five alphanumeric characters displayed to the right of the special logo area.

The HTC amendment states MVD will design the balance of the plate in consultation with the public purpose interest group requesting the special registration plate. This group shall provide evidence acceptable to MVD that it will generate a minimum number of prepaid applications as determined by the MVD for the special registration plate with logo and give a prepayment to the MVD in an amount sufficient to cover the plate and logo cost of the initial order. Furthermore, the interest group shall provide a sample of the requested artwork design in a format specified by the plate manufacturer for the specialized logo.

The standardized provisions of the amendment are effective July 1, 2003. The balance of the bill is effective on January 1, 2004.

Synopsis of Original Bill

Senate Bill 75 requires the Taxation and Revenue Department to issue special registration license plates to any person who is a retiree of the armed services of the United States. No two owners shall be issued identically lettered or numbered plates.

Significant Issues

The Legislature may wish to grant retired members of the armed forces of the United States the privilege of having a special license plate.

FISCAL IMPLICATIONS

TRD is authorized to charge a fee of \$15.00 in addition to the regular motor vehicle registration fee for the special registration plate for retirees from the armed forces of the United States. The fees shall be retained by TRD and is appropriated to TRD to defray the cost of making and issuing special registration plates.

The Motor Vehicle Division is appropriated \$7.00 of the fee collected to defray the cost of making and issuing special registration plates for actively employed letter carriers. MVD will need to

provide the initial cost for the production of the plate.

The remaining \$8.00 shall be deposited in the motor vehicle suspense fund for distribution to the state road fund, the county general funds, the county road funds, the municipal road uses and municipal general funds in accordance with current distribution laws.

The \$15.00 fee shall be waived for each registration period in which a validating sticker is issued in lieu of the issuance of a special armed forces retiree plate.

The Veterans Service Commission reports that as of January 2003 there were approximately 35,000 Armed Force retirees in New Mexico. Since virtually all of these retirees are eligible for, and may have already purchased the Armed Forces Veteran, Purple Heart, Medal of Honor, or other military veteran special plate, it is difficult to estimate the demand for a new Armed Forces Retiree plate.

The fiscal impact in the first couple of years may involve a substantial number of plates if resident retirees switch from other veteran plates to the new armed forces retiree plate. The recurring fiscal impact, beyond the first couple of years, will probably be small.

ADMINISTRATIVE IMPLICATIONS

TRD will require some staff resources to design and issue the license plates.

RELATIONSHIP

HB 201, Special Plates for Retired Firefighters (duplicate of SB 496)
HB 378, Special Plates for Retired NM Letter Carriers
HB 379, Special Plates for Letter Carriers
HB 520, Special Plates for National Guard Members
HB 566, Special Plates for Supporting Spayed Pets
HB 602, Special Plates for Retired NM National Guard (duplicate of SB 622)
HB 635, Special Plates for NM Fraternal Order of Police
HB 656, Special Plates for Wildlife Artwork
HB 704, License Plates for Civil Air Patrol, New Mexico Wing
HB 760, Special Commemorative Route 66 License Plate (duplicate of SB 770)
SB 197, License Plate for Active Duty Servicemen
SB 210, License Plates for Retired State Police

TECHNICAL ISSUES

- HB 75 should require submission of proof that the individual requesting the plate is in fact a retired member of the armed forces of the United States.
- There is no "Section D" in the new material (page 2, line 9).
- In Section 2, Subsection A, Paragraph (5), Subparagraph (d), (on page 5, line 8) the reference to Paragraph (2) should be changed to be "Paragraph [(2)] (1) of Subsection E ...".

DW/njw