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## FISCAL IMPACT REPORT

SPONSOR: Vigil DATE TYPED: 03/17/03 HB 400/aSFC

SHORT TITLE: Administrative Fee for Trip Tax Permits SB \_\_\_\_\_

ANALYST: Gilbert

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
	\$150.0	\$150.0 until 7/1/2006	Recurring	Road Fund
	\$150.0	\$150.0 until 7/1/2006	Recurring	Motor Transportation Division

(Parenthesis ( ) Indicate Revenue Decreases)

Relates to HB 399

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Public Safety (DPS)

State Highway and Transportation Department (SHTD)

### SUMMARY

#### Synopsis of SFC Amendment

Senate Finance Committee amendment to House Bill 400 adds a sunset date of July 1, 2006, for the one-dollar administrative fee that would be collected for commercial carrier permits, automobile transportation permits, and permits for excessive size and weight automobiles and manufactured housing moves.

#### Synopsis of Original Bill

House Bill 400 amends the trip tax, NMSA 1978, § 7-15-3.1, by adding an administrative fee of one dollar for each commercial carrier permit issued. Half of the fee would be used for the commercial vehicle information system and network. The other half would be deposited in the state road fund. This fee system is also added to NMSA 1978, § 66-3-

302, automobile transportation permits, and NMSA 1978, § 66-7-413, permits for excessive size and weight automobiles and manufactured housing moves.

This bill also amends NMSA 1978, § Section 66-3-302 to not allow transportation of automobiles through the state without a valid New Mexico registration, a dealer's license, or a permit.

### **FISCAL IMPLICATIONS**

Motor Transportation Division (MTD) reports for FY 2002 show that approximately 330,000 transactions would be subject to the \$1 administrative fee. Transaction counts declined from 385,000 in FY 2001 to 330,000 in FY 2002. If HB 400 is adopted, MTD estimates that revenue would increase by a total of \$300.0 for FY 2004 and subsequent years.

### **TECHNICAL ISSUES**

The State Highway and Transportation Department (SHTD) listed the following concerns:

Section 1, Subsection F (on page 4, line 24), Section 2, Subsection E (on page 7, line 19), and Section 3, Subsection O (on page 15, line 18) all provide that one-half of the fee "shall be deposited in the state road fund". These fees would probably be channeled through the Taxation and Revenue Department and distributed to the state road fund. Since two of the new administrative fees are to be compiled within the Motor Vehicle Code and presumably would be credited to the Motor Vehicle Suspense Fund pursuant to Section 66-6-22.1 NMSA 1978, a distribution provision should probably be included within Section 66-6-23 NMSA 1978.

Since one of the new administrative fees is to be compiled within the Tax Administration Act, a deposit and distribution provision should probably be included that is similar to the provisions of Section 7-15-5 NMSA 1978, or alternatively, a reference in Section 7-15-5 NMSA 1978 could be made to "... and one half of the administrative fee imposed by Section 7-15-3.1, Subsection E NMSA 1978 ...".

### **RELATIONSHIP**

HB 399 implements a similar trip tax permit fee.

RLG/prr:njw