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## FISCAL IMPACT REPORT

SPONSOR Vaughn DATE TYPED 1/28/04 HB 151

SHORT TITLE License Plates for Boy Scouts of America SB

ANALYST Reynolds-Forte

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	\$10.0		Recurring	Motor Vehicle Division \$10 per plate
	\$15.0		Recurring	Boy Scouts of America

(Parenthesis ( ) Indicate Revenue Decreases)

Relates to HB28, HB152

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Transportation

Taxation and Revenue Department

### SUMMARY

#### Synopsis of Bill

HB 151 proposes a new special vehicle registration plate for the Boy Scouts of America. For an annual fee of \$25, in addition to the regular motor vehicle registration fee, any person could be issued a Boy Scouts of America plate. The additional \$25 fee would be required annually in order to retain the plate in subsequent years. Fifteen dollars(\$15) from the fee would be appropriated to the Boys Scouts of America Councils in New Mexico, and \$10 of the fee would go to the Department of Taxation and Revenue, Motor Vehicle Division to defer manufacturing and transaction costs.

### FISCAL IMPLICATIONS

The Taxation and Revenue Department is not able to forecast, with reasonable accuracy, the number of initial fees that will be paid as people purchase these plates or the percentage of plates

for which renewal fees will be paid. The Department estimates that in New Mexico, there are roughly 32-36 thousand youths in Boy Scouts and another 8-9 thousand adult volunteers. In the event that 1000 plates were sold and renewed annually, MVD would receive \$10 thousand and the Boy Scouts of America Councils in New Mexico would receive \$15 thousand each year.

The cost to the Department to produce a license plate is approximately \$3.20 or \$3,200 for each 1000 plates produced.

### **RELATIONSHIP**

HB 151 relates to HB152 (license plates for Girl Scouts of America) and HB 28 (special plates for scenic byways).

### **TECHNICAL ISSUES**

Should the bill have a July 1, 2004 effective date?

Both the Taxation and Revenue Department and the Department of Transportation bring up the issue that distribution of funds to the Boy Scouts of America Councils of New Mexico may violate the anti-donation clause of the New Mexico Constitution. The Boy Scouts of America Councils of New Mexico does not constitute a public entity. Therefore, under Article IX, Section 14 of the NM Constitution (anti-donation clause), it is probably inappropriate to distribute state-collected fees to that organization.

PRF/yr