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FISCAL IMPACT REPORT

ORIGINAL DATE 2/7/2007

SPONSOR Miera LAST UPDATED _____ HB 456

SHORT TITLE Motorcycle College and Patriot License Plates SB _____

ANALYST Schuss

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY07	FY08	FY09		
	\$0.1*	\$0.1*	Recurring	Motor Vehicle Suspense Fund
	\$0.1*	\$0.1*	Recurring	Armed Forces Veterans Li- cense Fund
	\$0.1*	\$0.1*	Recurring	Motor Vehicle Division
	\$0.1*	\$0.1*	Recurring	Various Univer- sities

Parenthesis () Indicate Revenue Decreases) *Minimal Impact

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (HED)

Taxation and Revenue Department (TRD)

Department of Veterans Services (DVS)

SUMMARY

Synopsis of Bill

House Bill 456 would require the Motor Vehicle Division to issue collegiate and patriot motorcycle registration plates. The collegiate plate will cost \$20 annually and will be collected by the division. \$5 dollars will be retained by the division the first year to defray costs, following the first year it will be credited to the motor vehicle suspense fund. \$15 will be distributed to the university for which the plate is issued.

The patriot plate will have a one time fee of \$20 and will be collected by the division. \$10 is ap-

propriated to the division for the manufacture and issuance of the registration plates. \$5 will be credited to the motor vehicle suspense fund and \$5 will be credited to the armed forces veterans license fund.

FISCAL IMPLICATIONS

TRD notes that they cannot precisely estimate the number of collegiate and patriot motorcycle registration plates that may be requested. Approximately 25,000 special plates are currently issued under 22 different kinds. The most common are the veterans of various armed services (9,269 total) and collegiate plates (8,957 total), but several of the special plates have been issued in much smaller quantities. In FY06 New Mexico colleges received a total of \$217,000 from the proceeds of collegiate plates. Approximately 2/3 of it was distributed to UNM and the remaining 1/3 to NMSU.

Distributions from the special plates are listed in the synopsis of the bill.

ADMINISTRATIVE IMPLICATIONS

TRD states that since the implementation of several special registration plates over the past few years, the revenue accounting system of the Motor Vehicle Division has run out of revenue codes to implement additional special registration plates. All new special registration plates are assigned a revenue code and financial programming so the plate can be programmed into the system and the associated funds distributed appropriately. Without any revenue codes available, no additional special registration plates can be implemented into the existing system. In order to accommodate new special registration plates, a re-write of the revenue accounting system will need to occur. Without the necessary funding to accomplish a re-write, the department recommends a July 1, 2008, effective date for this and any other special registration plate proposals in order to complete the necessary system changes.

BS/yr