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FISCAL IMPACT REPORT

ORIGINAL DATE 02/03/12

SPONSOR Rehm LAST UPDATED _____ HB 219

SHORT TITLE Military Installations As Fee Agents SB _____

ANALYST Boerner

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY12	FY13	FY14	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General’s Office (AGO)
 Department of Military Affairs (DMA)
 Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

This bill amends Section 66-2-14.1 NMSA 1978 to allow the department to designate a military installation in New Mexico as a fee agent. Section 66-6-23 NMSA 1978 is also amended to provide for disposition of one dollar and fifty cents to military fee agents, in addition to other amounts already listed, for each administrative service fee remitted by that fee agent to the department.

The effective date for this bill is July 1, 2012

FISCAL IMPLICATIONS

No fiscal impacts identified.

SIGNIFICANT ISSUES

The AGO notes that current law allows only class A counties or municipalities to become “fee agents” when that entity has adopted a vehicle emission inspection and maintenance program. Also, current law allows the TRD secretary to appoint “agents” to provide such services (see §

66-2-14 NMSA). Therefore, allowing military installations to provide registration services is probably already possible under the Motor Vehicle Code and is not much of an expansion of current law.

ADMINISTRATIVE IMPLICATIONS

The TRD notes that Implementation of this bill will have a low impact for IT.

The programs that will need modifications are:

- MVRO (Mainframe Financial) (16 hrs)
- User Acceptance Testing (8 hrs)

Total Hours: 24

TECHNICAL ISSUES

The TRD finds that there are no technical issues with this bill. It clarifies the law to allow a military installation to be treated as a fee agent, which is consistent with the contracts MVD currently has with those entities.

CEB/svb