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FISCAL IMPACT REPORT

ORIGINAL DATE 02/07/14

SPONSOR Clahchischilliage **LAST UPDATED** _____ **HB** 292

SHORT TITLE Armed Forces Driver's License Designation **SB** _____

ANALYST Boerner

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$20.0	\$0.0	\$0.0	\$20.0	Nonrecurring	TRD Information Technology Division Budget
	\$40.0	\$0.0	\$0.0	\$40.0	Nonrecurring	TRD Motor Vehicle Division Budget

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department, Motor Vehicle Division (TRD)

SUMMARY

Synopsis of Bill

House Bill 292 adds a new section to the Motor Vehicle Code that would require a space be provided on driver's license and identification cards to show if an applicant is a person who is on active duty in the armed forces of the United States or is a veteran.

FISCAL IMPLICATIONS

The card vendor would charge approximately \$40 thousand dollars to add the active duty designation to driver's licenses and identification cards.

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The MVD currently provides for a veteran designation to be displayed on the front of the card. If a separate “Active Duty” designation is to be added, then the following applications will have to be modified:

MVD 2.0 – 180 hrs

Centralized License Jobs – 160 hrs

Testing – 60 hrs

Total Hours – 400 @ \$50/hour = \$20,000

SIGNIFICANT ISSUES

The TRD notes that it currently provides a veteran designation on the licenses of qualifying veterans. However, there is no checkbox on driver’s license or identification card applications; MVD staff are required to ask if the applicant is a veteran and, if so, whether the individual wishes to have the designation. If the veteran wants the designation, he or she must prove they were honorably discharged. This option became available in November 2012.

Active duty service members have a U.S. Armed Forces ID that shows their active duty status.

TECHNICAL ISSUES

Because licenses and identification cards are issued in multiple year increments, it could be difficult for drivers to accurately represent their active duty status for the validity period of the license or identity card. TRD states the bill would need language requiring the driver to return within a specified period of time to update MVD on any change in their status and receive a new driver’s license or identification card changing their status.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Only veteran designations will be available on New Mexico driver’s licenses and identification cards.

CB/ds