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FISCAL IMPACT REPORT

ORIGINAL DATE
LAST UPDATED 01/27/15 **HB** 107

SPONSOR Gallegos, DM

SHORT TITLE NM Junior College License Plate **SB** _____

ANALYST Sanogo

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY15	FY16	FY17		
	\$1.0	\$2.0	Recurring	MVD Operating Budget
	\$2.5	\$5.0	Recurring	HED Operating Budget

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

No Responses Received From

Taxation and Revenue Department (TRD)

Community College Associations

Motor Vehicle Division (MVD)

SUMMARY

The proposed legislation amends Section 66, Article 3 NMSA 1978, authorizing the MVD to issue a special registration plate with a logo pursuant to Subsection C of Section 66-3-424 NMSA 1978 commemorating New Mexico Junior College. The annual fee for the plate would be \$35.00 in addition to the regular motor vehicle registration fees. Revenue from the additional fee would be distributed as follows:

- 1) \$10.00 would be retained by the Motor Vehicle Division to defray the cost of making and issuing the special plate; and
- 2) \$25.00 would be distributed and appropriated to the higher education to support education and instruction programs at New Mexico junior colleges.

FISCAL IMPLICATIONS

In 2013, the Taxation and Revenue Department (TRD) estimated that, based on past experience with similar special plates, that approximately 100 new plates would be issued in the first few years, with about 100 renewals increasing to 200 annual renewals in subsequent years.

The calculations assume 100 new plates in each year; 100 renewals in FY17; and 200 renewals in each year after FY17. Multiplying these totals by the \$35 fee and then accounting for the distribution provides the estimates above.

ADMINISTRATIVE IMPLICATIONS

In their 2013 analysis, MVD anticipated that there would be minimal administrative impact for them. The implementation of this bill will have a low impact for the Information Technology section. A total of 190 hours of the MVD time would be involved in the development of this plate spread across the following sections:

- MVD 2.0 (60 hours)
- Point of Sale (30 hours)
- MVD Mainframe Batch (40 hours)
- MVD Mainframe MVRO (20 hours)
- Testing (40 hours)

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