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FISCAL IMPACT REPORT

ORIGINAL DATE 1/29/2019

SPONSOR Sapien/Pirtle LAST UPDATED _____ HB _____

SHORT TITLE Worthy Public Purpose License Plates SB 269

ANALYST Fischer

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
\$0.5	\$0.7	\$0.9	Recurring	TRD-MVD

(Parenthesis () Indicate Revenue Decreases)

Relates to House Bill 306

SOURCES OF INFORMATION

LFC Files

No Responses Received

Taxation and Revenue Department (TRD)
 New Mexico Association of Counties (NMAC)
 New Mexico Municipal League (NMML)

SUMMARY

Synopsis of Bill

Senate Bill 269 creates three new sections in the Motor Vehicle Code: (1) creating a standardized registration plate for worthy public purposes, (2) waiving additional registration renewal fees for standardized plates issued a renewal validating sticker, and (3) providing for special registration decals for worthy public purposes.

FISCAL IMPLICATIONS

For an initial fee of \$10, in addition to regular registration fees, TRD will issue a standardized registration plate with space for a special registration decal that may be authorized by a statute. The \$10 fee shall not be recurring, so long as plate registration is renewed with a validating sticker, rather than an entirely new plate and special registration decal. The collected fee for each registration plate will be kept by the TRD for manufacturing and issuance costs.

Revenue impact assumes 50 new registration plates issued in FY19, and 20 additional plates in each subsequent fiscal year. SB269 does not authorize any specific special registration decals nor specify the amount of fee to be charged for the special registration decals.

SIGNIFICANT ISSUES

The license plate issued to display decals of a worthy public purpose shall:

1. Display the colors of the state flag, with red lettering on a yellow background;
2. Display the phrases “New Mexico USA” and “Land of Enchantment”;
3. Provide a space for applying a special registration decal, centered at the left edge of the plate;
4. Provide a vehicle registration number, to be assigned by the division that consists of five alphanumeric characters displayed to the right of the special decal area.

The design of the special registration decals shall be left to the discretion of the Motor Vehicle Division (MVD) in consultation with the specific worthy public purpose. The worthy public purpose entity, before the effective date of the authorizing statute, shall:

1. Provide evidence to MVD that it will generate a minimum number of prepaid applications as determined by the division for the decal;
2. Provide prepayment to the division in an amount sufficient to cover the initial order for the special registration decal;
3. Provide a sample of the requested artwork design in the format specified by the manufacturer for the decal;
4. When the authorizing statute includes revenue-sharing with distribution directed to a group or fund, show that the recipient is a governmental entity or a fund authorized for the use of a governmental entity.

In response to a related bill, the Department of Transportation noted past stakeholder frustration with the proliferation of special plate designs and the decreased number of standardized recognizable New Mexico plates. SB269 appears to attempt to address this question by combining some special plate aspects with a standardized yellow plate. SB269 does not contain any language restricting the use of previously authorized specialty plates.

COMPANIONSHIP, RELATIONSHIP

Similar to HB306, Relates to HB167, HB131, HB245, HB274, HB358, SB104, SB206, SB225, SB236, and SB273 which all are special license plates

MF/gb