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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

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{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date 2/12/2024
Bill No: HB 43 a-HJC

Sponsor: Rehm, Vincent, Romero **Agency Name and Code** Office of Superintendent of Insurance - 440
Short Title: Catalytic Converter Engraving Tools **Number:** _____
Person Writing Roberta Baca
Phone: 505-470-2537 **Email:** roberta.baca@osi.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
	400.0	Nonrecurring	General

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A			

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: None known at this time.
Duplicates/Relates to Appropriation in the General Appropriation Act- HB 43/a-HJC relates to an appropriation in General Appropriation Act.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

Synopsis of HJC Amendments to House Bill 43- The House Judiciary Committee amendments to House Bill 43 appropriates funding to the Office of Superintendent of Insurance’s New Mexico Automobile Theft Prevention Authority (NMATPA) to purchase catalytic converter engraving tools to loan these tools to law enforcement agencies or motor vehicle repair or service shops in exchange for the agencies and shops providing catalytic convertor etching services at no cost to New Mexico residents. The amendment also reduces the length of the equipment loan to six months from twenty-four months. Under NMSA,1978 §59A-16C-17, the NMATPA may award grants for auto theft prevention programs with priority given to law enforcement and multi-jurisdictional programs. This section also includes reporting requirements for grantees as well as for the authority to the Legislature.

Synopsis of Original House Bill 43- House Bill 43 appropriated \$400 thousand from the general fund to Department of Public Safety (DPS) to purchase and loan out catalytic converter engraving tools to engrave a vehicle identification number onto a vehicle’s catalytic converter in the event of theft. D PS would have also been required to loan out the equipment to law enforcement agencies and motor vehicle repair or service shops that agree to provide this service for New Mexico residents at no cost. This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, or May 15, 2024, if enacted.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

The appropriation of \$400 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance at the end of FY25 or any fiscal year shall not revert to the general fund. Once expended, the engraving equipment will still need to be maintained and renewed. The bill as written is silent as to how ongoing maintenance will be funded by the NMATPA.

This bill may impact NMATPA administrative costs such as administering the loan program and may have impact on authorized overtime for administration of the program statewide.

SIGNIFICANT ISSUES

HB43a HJC- creates a community outreach and experimental education program to prevent and reduce incidences of property crimes involving catalytic converters in New Mexico.

Catalytic converters are a target for thieves due to the current market value of a catalytic converter's precious metals, the ease of removal, and the inability to track stolen converters back to the vehicle of origin.

A substantial obstacle to enforcing laws prohibiting the theft of catalytic converters or enforcing penalties against secondhand metal dealers who purchase stolen catalytic converters, is that it is currently difficult to identify a catalytic converter as stolen, trace it back to the vehicle of origin or identify any law enforcement records of the catalytic converter theft.

HB43a-HJC also proposes that the equipment that will be loaned: 1) be for one tool at a time per motor vehicle repair or service shop; 2) be for a term of 6 months; and 3) requires that NMATPA retain ownership of the catalytic converter equipment. HB43a- HJC further specifies that the NMATPA may create other loan requirements or conditions, as necessary for successful implementation of the program.

PERFORMANCE IMPLICATIONS

NMATPA estimates that the catalytic converter engraving equipment varies from \$5 thousand to \$16 thousand per unit. The performance implications did not include budget or cost analysis to track and maintain the equipment throughout the state in the future. The NMATPA may seek additional funding for such administration.

ADMINISTRATIVE IMPLICATIONS

The law will go into effect 90 days after the Legislature adjourns, or May 15, 2024, if enacted it will be prior to the beginning of Fiscal Year 2025 when the funding is available to the NMATPA to begin implementation of the program.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP- None known at this time.

TECHNICAL ISSUES- All technical issues including performance implementation are listed above.

OTHER SUBSTANTIVE ISSUES- None known at this time.

ALTERNATIVES- N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL- Status quo.

AMENDMENTS- Analysis of current amendments are detailed above.