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FISCAL IMPACT REPORT

SPONSOR: HTC DATE TYPED: 03/14/03 HB HTCS/HB602 & SB622

SHORT TITLE: Special Plates for Retired NM National Guard SB _____

ANALYST: Hayes

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
	\$0.1	\$0.1	Recurring	Motor Vehicle Division, GF: \$10 per plate
	\$0.1	\$0.1	Recurring	State Road Fund: \$9.98 per plate
	\$0.1	\$0.1	Recurring	*Local Govts: \$5.02 per plate

(Parenthesis () Indicate Revenue Decreases)

\$0.1 = Revenue amount unknown

*Local Government funds include distributions to various county general funds and roads funds, municipal road uses, and county and municipal general funds.

Relates to various House and Senate bills requesting special license plates.

SOURCES OF INFORMATION

Responses Received From
Taxation and Revenue Department

SUMMARY

Synopsis of Bill

1. **Section 1.** The House Transportation Committee Substitute for House Bill 602 and Senate Bill 622 creates a new section of the Motor Vehicle Code, Section 66-3-424 NMSA 1978 which outlines provisions for enacting a description of and requirements for a standardized special registration license plate.
2. **Section 2.** The bill also provides for a standardized special registration plate with a logo for retired members of the New Mexico National Guard. The TRD secretary will approve the final logo design for the special registration plate for retired members of the

National Guard.

3. **Section 3.** Except for Section 1 of this legislation, the effective date of the provisions of this act is January 1, 2004. The effective date of the provisions of Section 1 of this act is July 1, 2003.

Significant Issues

During the 2003 session, approximately 20 license plate bills have been introduced, all requesting MVD to produce a specialty plate for their group or organization. While all such requests are worthy of consideration, the Motor Vehicle Division has neither the staff nor the funding to manufacture all of these specialty license plates. Recognizing this problem, the House Transportation Committee inserts a new section of the Motor Vehicle Code:

66-3-424. [NEW MATERIAL] **STANDARDIZED SPECIAL REGISTRATION PLATES WITH LOGOS.--**

- A. *Standardized special registration plates with logos may be authorized by statute to show state support for worthy public purposes. The authorizing statute shall provide for collection of fees that, at a minimum, will cover the costs to the division of development, manufacture and issuance of the special registration plates and logos.*
- B. *Standardized special registration plates, on the standardized areas, shall:*
- (1) display the colors of the state flag, red lettering on a yellow background;*
 - (2) display the phrases "New Mexico USA" and "Land of Enchantment";*
 - (3) provide a space for applying the special registration logo, centered at the left edge of the plate, between the attachment holes, beginning one-fourth inch in from the edge of the plate and having the following dimension: four and one-eighth inches in height and three and one-eighth inches in width; and*
 - (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 logo area.*
- C. *Special registration logos, except for the standard dimension specified in Paragraph (3) of Subsection B of this section, shall be left to the design discretion of the division, in consultation with the public purpose interest group that requests the special registration plate.*
- D. *Standardized special registration plates with logos, when authorized by statute for a particular public purpose interest group, shall meet the requirements specified in this subsection prior to plate issuance by the division. The public purpose interest group, no later than the effective date of the authorizing statute:*
- (1) shall provide evidence acceptable to the division that it will generate a minimum number of prepaid applications as determined by the division for the special registration plate with logo;*
 - (2) shall provide a prepayment to the division in an amount sufficient to cover the*

- plate and logo cost of the initial order;*
- (3) *shall provide a sample of the requested artwork design in a format specified by the plate manufacturer for the specialized logo; and*
- (4) *in cases where the authorizing statute includes revenue-sharing with distribution directed to a particular group or fund, shall show that the recipient is a governmental entity of a fund authorized for the use of a governmental entity.*

E. The division may promulgate rules for implementation of the provisions of this section.

66-3-424.1. [NEW MATERIAL] STANDARDIZED SPECIAL REGISTRATION PLATE FOR RETIRED MEMBERS OF THE NEW MEXICO NATIONAL GUARD.--

- Retired members of the New Mexico National Guard must submit proof satisfactory to MVD that they are retired members of the National Guard before purchasing a standardized license plate with a National Guard logo.
- Anyone who misrepresents himself as a retired guardsman is guilty of a misdemeanor and shall be sentenced pursuant to Section 31-19-1 NMSA 1978.

In summary, one standard license plate will be designed pursuant to the provisions highlighted above, and will have a 3 x 4 inch rectangular space in the middle onto which a National Guard logo or any other specialized logo can be placed. The group wanting the specialty logo must prepay and guarantee a minimum order. The result will be that more specialty logos can be ordered and produced without adversely affecting MVD's budget.

FISCAL IMPLICATIONS

The fee for the logo is \$25, which will be in addition to the regular motor vehicle registration fee. Of that amount, \$10 will be retained by MVD to defray the cost of producing and issuing special registration plate with logo. The remaining \$25 shall be deposited to the motor vehicle suspense fund for distribution pursuant to Section 66-6-23 NMSA 1978.

RELATIONSHIP

Other special "prestige" license plates have been proposed during the 2003 session:

- HB 75, Armed Forces Retirees Special License
- HB 201, Special Plates for Retired Firefighters (duplicate of SB 496)
- HB 378, Special Plates for Retired NM Letter Carriers
- HB 379, Special Plates for Letter Carriers
- HB 520, Special Plates for National Guard Members
- HB 566, Special Plates for Supporting Spayed Pets
- HB 602, Special Plates for Retired NM National Guard (duplicate of SB 622)
- HB 635, Special Plates for NM Fraternal Order of Police
- HB 656, Special Plates for Wildlife Artwork

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HB 704, License Plates for Civil Air Patrol, New Mexico Wing
HB 760, Special Commemorative Route 66 License Plate (duplicate of SB 770)
SB 197, License Plate for Active Duty Servicemen
SB 210, License Plates for Retired State Police
SB 211, License Plates for NM Mail Carriers
SB 493, Special Plates for NM HS Rodeo Association
SB 496, Special Plates for Retired Firefighters (duplicate of HB 201)
SB 549, Special Plates for Search and Rescue Members
SB 622, Special Plates for Retired NM National Guard (duplicate of HB 602)
SB 693, License Plates for Disabled Veterans
SB 770, Special Commemorative Route 66 License Plate (duplicate of HB 760)

CMH/yr