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FISCAL IMPACT REPORT

SPONSOR: Papen DATE TYPED: 02/28/03 HB _____

SHORT TITLE: Special Plates for Retired NM National Guard SB 622/aSPAC

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)

*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 (TRD)
Department of Military Affairs

SUMMARY

Synopsis of SPAC Amendment

The amendment makes a technical reference to Sub-section D of the bill in order to clarify that “a fee shall not be collected for issuance of a special registration plate pursuant to this section except as provided in Subsection D of this section” which states that a retired National Guard may obtain a NM National Guard special license plate by paying a nonrefundable application fee of \$10.

Synopsis of Original Bill

Senate Bill 622 amends Section 66-3-413 NMSA 1978 to allow the Taxation and Revenue Department (TRD) to issue current design specialty plates to individuals who are retired members of the NM National Guard. Such plates can be issued in two circumstances. First, a retired National Guard may retain a NM National Guard license plate if he/she already has one. The individual must provide satisfactory proof of eligibility as a retired New Mexico National Guard member to TRD. The yearly motor vehicle registration fee (“annual administrative fee”) is \$15.

Secondly, House Bill 602 allows retired members of the National Guard to obtain the standard NM National Guard license plate if desired by providing satisfactory proof of eligibility as a retired NM National Guard member to TRD and by paying a nonrefundable applicable fee of \$10 in addition to the yearly motor vehicle registration fee of \$15.

Significant Issues

1. SB 622 does not contain language for the creation and issuance of a separate new license plate for retired guards. It authorizes TRD to issue the current National Guard license plate to retirees.
2. The \$10 nonrefundable fee will be used by TRD/MVD to defray the cost of manufacturing and issuing the license plate. The remainder, \$15, will be deposited in the motor vehicle suspense fund for distribution according to the standard formula set forth in Section 66-6-23 NMSA 1978 (see Revenue table on page 1).

FISCAL IMPLICATIONS

The portion of the fee that MVD receives (\$10) may cover the production cost of the license plate in the out years, but the initial costs for production would need to be absorbed by the division.

In its analysis, the Department of Military Affairs did not provide any statistics regarding the number of National Guard members there are in New Mexico nor the number of retired guardsmen. Therefore, a realistic estimate could not be done. TRD believes that the revenue associated with the sale of this existing license plate to retired National Guard members in FY04 and subsequent years would most likely be insignificant (100 plates = \$2,500 total).

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

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/njw:yr