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FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/10

SPONSOR Sanchez LAST UPDATED _____ HB _____

SHORT TITLE Air Medal License Plates SB 149

ANALYST Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	\$0.1	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY10	FY11	FY12		
	\$0.25	\$0.25	Recurring	Motor Vehicle Suspense Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY10	FY11	FY12	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Minimal		Minimal	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

Veteran's Services Department (VSD)

New Mexico Department of Transportation (NMDOT)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

Senate Bill 149 provides that special registration plates may be issued to United States Armed Forces Air Medal recipients. An individual who falsely claims to be an Air Medal recipient is guilty of a petty misdemeanor.

There is a \$25 fee for the special registration plate, in addition to the regular motor vehicle registration fee. Ten dollars (\$10.00) of the \$25 fee shall be appropriated to the department to defray the cost of making and issuing special registration plates for air medal recipients; the remaining \$15.00 is to be deposited in the motor vehicle suspense fund.

The bill allows the secretary to approve the final logo design.

FISCAL IMPLICATIONS

Senate Bill 149 provides an appropriation of an unspecified amount resulting from a \$10 fee collected as result of the bill's provisions and a distribution of \$15 per license plate to be deposited in the motor vehicle suspense fund for distribution pursuant to Section 66-6-23 NMSA 1978 that is in addition to regular motor vehicle registration fees.

This bill provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory, as earmarking reduces the ability of the legislature to establish spending priorities.

For the purpose of this analysis, it is assumed that 20 Air Medal plates will be registered each year. This would result in a positive impact to the State Road Fund of \$226.95. Currently the State Road Fund receives 75.65% of Motor Vehicle Suspense Fund distributions.

SIGNIFICANT ISSUES

The Veteran's Services Department (VSD) notes that the Air Medal is awarded to a person who distinguishes themselves by meritorious achievement while participating in aerial flight. Awards may recognize single acts of merit or heroism, or for meritorious service. The award of an Air Medal is primarily intended to recognize those personnel who are current crew members or a non-crew member's flying status which requires them to participate in aerial flight on a regular and frequent basis in the performance of their primary duties. However, it may also be awarded to certain other individuals whose combat duties require regular and frequent flying in other than a passenger status. Awards will not be made to individuals who use air transportation solely for the purpose of moving from point to point in a combat zone.

ADMINISTRATIVE IMPLICATIONS

The Motor Vehicle Division would have minimal operating budget impact related to plate and administrative cost; however, the \$10 per plate allocated to MVD would cover this expense.

ALTERNATIVES

The VSD notes that because this medal is considered a lower level medal of achievement, it would be difficult to determine the actual number of veterans who might qualify. Instead of creating an actual plate, it would be possible to add an Air Medal label that could be added to the list of labels already available as an administrative action by MVD.

DL/mew