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FISCAL IMPACT REPORT

ORIGINAL DATE 02/16/11
 LAST UPDATED 02/28/11 **HB** 420/aHTPWC

SPONSOR Vigil

SHORT TITLE West Las Vegas High School License Plates **SB** _____

ANALYST Kleats

APPROPRIATION (dollars in thousands)

Appropriation			Recurring or Non-Rec	Fund Affected
FY11	FY12	FY13		
\$0.0	\$1.0	\$2.0	Recurring	MVD Operating Budget
\$0.0	\$2.5	\$5.0	Recurring	West Las Vegas School District

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue					Recurring or Non-Rec	Fund Affected
FY2011	FY2012	FY2013	FY2014	FY2015		
\$0.0	\$1.0	\$2.0	\$3.0	\$3.0	Recurring	MVD Operating Budget
\$0.0	\$2.5	\$5.0	\$7.5	\$7.5	Recurring	West Las Vegas School District

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Minimal*	Minimal	Minimal	Recurring	TRD-ITD and TRD-MVD Operating Budgets

(Parenthesis () Indicate Expenditure Decreases)

*Refer to Administrative Implications

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of HTPWC Amendment

The House Transportation and Public Works Committee Amendment strikes “schools education foundation” on page 2, line 13 and replaces it with “school district”.

\$25 of revenue from each plate would now be distributed and appropriated to the West Las Vegas School District rather than the education foundation.

Synopsis of Original Bill

This bill would authorize the Motor Vehicle Division (MVD) to issue a special registration plate with a logo as specified in Section 66-3-424 NMSA 1978 indicating support for West Las Vegas Schools. The annual fee for the plate would be \$35.00 in addition to the regular motor vehicle registration fees. Revenue from the additional fee would be distributed as follows:

- 1) \$10.00 would be retained by, and appropriated to, the department to defray the cost of making and issuing the special plate; and
- 2) \$25.00 would be distributed and appropriated to the West Las Vegas Schools Education Foundation.

FISCAL IMPLICATIONS

TRD estimates based on past experience with similar special plates that approximately 100 new plates would be issued in the first few years, with about 100 renewals increasing to 200 annual renewals in subsequent years. The calculations assume 100 new plates in each year; 100 renewals in FY13; and 200 renewals in each year after FY13. Multiplying these totals times the \$35 fee and then accounting for the distribution provides the estimates above.

This bill provides for continuing appropriations distributed from the assessed plate fee. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

ADMINISTRATIVE IMPLICATIONS

According to TRD, implementation of this bill will have a low impact for IT including modifications to MVD 2.0 (120 hrs), MVD Mainframe Batch (60 hrs), MVD Mainframe MVRO (60 hrs), and User Acceptance Testing (40 hrs). TRD’s estimated total cost for implementation is \$14,000 assuming a rate of \$50/hour for 280 hours of work.

TRD notes manufacturing cost to MVD is \$4.95 per plate plus shipping and handling expenses.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to HB-114 “Albuquerque Public Schools License Plate”, HB-418 “Golf Tourism License Plates”, SB-92 “Air Medal Recipient License Plates” , SB-130 “Lea County Energyplex License Plates”, SB-140 “Blood Donor Recognition License Plates”, SB-298 “Special Big Game Hunting Registration Plate”, SB-302 “Registration Plate for Disabled Veterans” and SB-350 “Special Girl Scout Registration Plate”.

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