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FISCAL IMPACT REPORT

SPONSOR Alcon ORIGINAL DATE 03/01/11
LAST UPDATED _____ HB 531
SHORT TITLE Motorcycle Manufacturer Suggested Price SB _____
ANALYST Lucero

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Minimal \$0 - \$100.0	Minimal \$0 - \$100.0	Minimal \$0 - \$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

Administrative Office of the District Attorneys (AODA)

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

House Bill 531 proposes a new act to require motorcycle manufacturers to securely affix to a label to a new motorcycle, or a motorcycle imported by a manufacturer, disclosing specified information about the motorcycle prior to the delivery of a new motorcycle to a dealer in New Mexico.

Information on the label would include: make, model, serial number, final assembly point, retail dealer name and location, method of transportation to the retailer, manufacturer's suggested retail price for both the motorcycle and any optional accessories, transportation charges to the retail dealer, and the total of all suggested prices and charges.

The bill establishes a \$1,000 fine for willfully failing to affix such a label. It also makes it a misdemeanor for a person to remove or alter such a label.

The bill establishes that it is a misdemeanor to willfully remove, alter or make illegible any label affixed to a new motorcycle. Each of the three violations shall constitute a separate offense.

FISCAL IMPLICATIONS

According to the Administrative Office of the District Attorneys (AODA), there probably will not be many violations of this bill once New Mexico dealers have informed the manufactures what the new requirements are for new motorcycles in New Mexico. This bill does create another class of crime in Section D. Because it is a misdemeanor, the case will go to our busiest courts – Metropolitan and Magistrate Court. It is possible that new funding will be needed for the police to investigate these crimes and for the courts that will handle them.

The Administrative Office of the Courts reports that there will be a minimal administrative cost for statewide update, distribution and documentation of statutory changes. Any additional fiscal impact on the judiciary would be proportional to the enforcement of this law and commenced prosecutions. New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

SIGNIFICANT ISSUES

The bill does not identify how motorcycle manufacturers whose motorcycles are produced somewhere other than in New Mexico will be notified of this act, held accountable to the act, and who is responsible for assessing and collecting the proposed fine.

ADMINISTRATIVE IMPLICATIONS

There may be needed additional staff for the police, courts, prosecutors and public defenders to handle these new cases. However, a violation of the act is an unlikely frequent occurrence.

TECHNICAL ISSUES

According to the AODA and Taxation and Revenue Department note:

- The bill needs to clarify how the \$1,000 fine will be assessed and collected and who is responsible for enforcing the act. It could be a civil fine or a fine collected pursuant to a misdemeanor violation. Section 1, Paragraphs B and C should include language that the violation is “a misdemeanor” and upon conviction there is a fine of not more than \$1,000.
- The bill contains a series of definitions in Section 1, Subsection E starting on page 3, line 18. The definitions of “dealer,” “manufacturer,” and “motor vehicle” are different from the existing definitions provided in Chapter 66, Article 1. The current statutory definitions are contained in Section 66-1-4.4(B) and Section 66-1-4.11(C) and (H). Note that some terms used in the bill might need to be revised to avoid conflicts with other provisions of the Motor Vehicle Code.
- The definition of “motorcycle” is already contained in Chapter 66, Article 1 – Section 66-1-4.11(F).
- For other new definitions, rather than proposing definitions particular to one provision, for consistency the definitions in Chapter 66, Article 1 should be amended to incorporate the new definitions in this bill.