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FISCAL IMPACT REPORT

ORIGINAL DATE 02/16/11

SPONSOR Garcia, M.J. LAST UPDATED _____ HB _____

SHORT TITLE Mutual Domestic Water Consumers Assoc. Plates SB 364

ANALYST Lucero

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY11	FY12	FY13		
	(\$1.0)	(\$1.0)	Recurring	TRD-MVD Operating Funds
	(\$12.0)	(\$12.0)	Recurring	State Road Fund
	(\$4.0)	(\$4.0)	Recurring	local governments
	(\$1.0)	(\$1.0)	Recurring	Litter Control and Beautification Fund, Recycling and Illegal Dumping Fund, and Highway Infrastructure Fund (combined impact)
	(\$18.0)	(\$18.0)	Recurring	Total

(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		\$12.0			Nonrecurring	MVD operational Funds

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

Senate Bill 364 amends Section 66-6-15 NMSA 1978 to include mutual domestic water

consumers associations in the definition of “state agency” for the purposes of being issued identification plates for their vehicles. The bill also repeals Section 66-3-28 NMSA 1978 to eliminate duplication within the statute. The repealed section duplicates Subsections E and F identified in this bill.

FISCAL IMPLICATIONS

According to TRD:

The State Auditor’s website includes a report listing 161 mutual domestic water consumers associations in New Mexico. See <http://saonm.org/pdf/additional-mutual-domestic.pdf>.

It is assumed that each association may have one or more vehicles that would be eligible for free registration as state government vehicles under this bill. The revenue loss of \$18 thousand assumes 300 free registrations per year at an average total registration fee revenue loss of \$60 per vehicle per year.

Estimated Revenue Impact*					R or NR**	Fund(s) Affected
FY2011	FY2012	FY2013	FY2014	FY2015		
0	(\$1.0)	(\$1.0)	(\$1.0)	(\$1.0)	R	TRD-MVD Operating Funds
0	(\$12.0)	(\$12.0)	(\$12.0)	(\$12.0)	R	State Road Fund
0	(\$4.0)	(\$4.0)	(\$4.0)	(\$4.0)	R	local governments
0	(\$1.0)	(\$1.0)	(\$1.0)	(\$1.0)	R	Litter Control and Beautification Fund, Recycling and Illegal Dumping Fund, and Highway Infrastructure Fund
0	(\$18.0)	(\$18.0)	(\$18.0)	(\$18.0)	R	TOTAL

SIGNIFICANT ISSUES

Mutual domestic water consumers associations entities are local public bodies (Section 12-6-2) or political subdivisions of a municipality (Section 11-6-3). The bill creates an artificial state agency so that the associations will not need to pay registration fees for their vehicles.

ADMINISTRATIVE IMPLICATIONS

Implementation of this bill will have a low impact for IT, including MVD 2.0 (100 hrs), MVD Mainframe Batch (60 hrs), MVD Mainframe MVRO (40 hrs), and User Acceptance Testing (40 hrs) for a total of 240 hours @\$50/hour = \$12,000

Estimated Additional Operating Budget Impact*				R or NR**	Fund(s) or Agency Affected
FY2011	FY2012	FY2013	FY 11-13		
\$0.0	\$12.0	\$0.0	\$12.0	NR	TRD-ITD operating budget