

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 01/30/12

SPONSOR Strickler and Keller LAST UPDATED _____ HB 40

SHORT TITLE Nonfranchise Auto Dealer Continuing Ed SB _____

ANALYST Boerner

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY12	FY13	FY14	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Minimal to None				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Taxation and Revenue (TRD)
 Administrative Office of the District Attorneys (ADOA)
 Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of Bill

This bill amends Section 66-4-2 NMSA 1978 to require continuing education for a nonfranchise vehicle dealership upon license renewal.

FISCAL IMPLICATIONS

The TRD reports no impacts on state revenue.

The AOC and ADOA reported no fiscal or administrative impacts at this time.

ADMINISTRATIVE IMPLICATIONS

The TRD states that enforcement of the provisions in this bill could be problematic in that it is not clear from what point the two years (for completion of continuing education) will be measured. Additionally, there may be insufficient detail relating to the consequences of noncompliance.

TECHNICAL ISSUES

The TRD notes that the bill should include more information such as deadlines for compliance and penalties for non-compliance.

Additionally, in the event that a “vehicle dealership” is owned by a corporation or limited liability company, it is unclear what officer or employee in the organization must complete necessary training to comply with the bill.

Finally, the TRD raises the question of how Section 66-4-3(A) applies to the new provisions in the bill. Section 66-4-3(A) states the department may refuse to issue a license for just cause and may cancel or suspend a license or use of a temporary registration permit, demonstration permit or transport permit for violation of the Motor Vehicle Code [66-1-1 NMSA 1978]...only after hearing. It is not clear what the status of a renewal applicant’s license will be between the time of the incomplete application for renewal (and the deadline for renewals) and the decision following the department’s hearing on the propriety of the refusal to renew.

CB/svb