

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 and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 02/08/14

SPONSOR Clahchischilliage LAST UPDATED _____ HB 200

SHORT TITLE Sale of Certain Vehicles without a Title SB _____

ANALYST Boerner

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		None Noted	None Noted			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Attorney General’s Office (AGO)

SUMMARY

Synopsis of Bill

House Bill 200 amends Section 66-3-10.1 NMSA 1978 to permit the sale or conveyance of a salvaged or non-repairable motor vehicle without a title to a licensed wrecker of motor vehicles. The Motor Vehicle Code Section 66-4-1 gives the MVD the authority to license, in part, wreckers. Section 66-4-1.1 clarifies “wrecker” to mean auto recycler under the Motor Vehicle Code.

FISCAL IMPLICATIONS

None noted

SIGNIFICANT ISSUES

The AGO argues there is a potential problem in allowing the sale or transfer of ownership of motor vehicles without a title or some sort of ownership document in that auto recyclers will not know if any given motor vehicle is stolen.

TECHNICAL ISSUES

The AGO points out that the bill uses the term “wrecker” rather than “auto recycler,” which could cause confusion as to potentially including wreckers/tow trucks which are regulated by the NM Public Regulation Commission rather than the Department of Motor Vehicles; thus, the term “auto recycler” should be used rather than wrecker.

Nevertheless, the term “wrecker” or “wrecker of vehicles” continues to exist elsewhere in statute. Further, Section 66-4-1.1.(A) states that a person desiring to engage in the business of wrecking or dismantling vehicles for the purpose of reselling parts or scrap material shall apply to the department [TRD] for an auto recycler license. A person possessing three or more wrecked, dismantled or partially wrecked or dismantled vehicles who regularly sells or offers for sale used vehicle parts or vehicle scrap material within the period of one year shall be presumed to be conducting business as an auto recycler.

CB/jl