

person if required.

FISCAL IMPLICATIONS

HB 153 includes no appropriation, but would have a substantial impact on MVD operating costs as it is currently written as it would result in daily mailings.

The table below shows the impact the bill would have if amended as suggested, by enabling MVD to utilize the current, less expensive month batch mailing process:

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)
(If Bill Is Amended)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$ 88.4	\$ 92.8	\$ 97.4	\$ 278.6	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Both budget impacts above assume a 5 percent annual increase in the cost of mailing the additional renewal reminder cards.

HB 153 if amended as suggested would thus result in a savings of \$ 376.6 thousand over three years.

SIGNIFICANT ISSUES

The essential change to existing state statutes is the requirement of a 90-day written notice sent to individuals prior to the expiration of a driver's license, commercial driver's license or a state identification card. Such individuals may renew licenses or state identification cards no earlier than 90 days before expiration.

The MVD currently sends renewal reminder postcards to the 13,426 driver's license and identification cardholders who are eligible to renew online, in a monthly batch mailing, approximately 45-75 days before the expiration date. For example, the reminders for cards expiring in March are sent on about January 15. Commercial driver's license licensees are not eligible to renew online, so those individuals do not currently receive reminder notices, but would if HB 153 is enacted.

HB 153 requires that MVD send all cards 90 days prior to the expiration date which would require much more expensive daily mailings. HB 153 bill would require that MVD send an additional 15,674 cards and to send all cards 90 days prior to the expiration date. The current printing and mailing cost per card is 47 cents. That cost will be more than doubled if MVD is unable to use monthly batch mailings. A more practical solution, consistent with MVDs current practice, would be to require that cards be mailed at least 45 days prior to the expiration date.

CONFLICT

This bill conflicts with HB-32, HB-79, SB-1 and SB-269 as all five bills amend Sections 66-5-21 NMSA 1978.

TECHNICAL ISSUES

On page 6, line 19, “licensee” should be changed to “cardholder.”

AMENDMENTS

The words “Ninety days” on page 3, line 19; page 5, line 9; and page 6, line 17 could be changed to “At least forty-five days,” to result in less budget impact and still accomplish the goal of notifying holders of CDL’s of the need to renew.

CAC/bb/aml/je