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FISCAL IMPACT REPORT

SPONSOR Ruiloba ORIGINAL DATE 2/5/18
LAST UPDATED _____ HB 158
SHORT TITLE Require Front End License Plates SB _____
ANALYST Romero

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY18	FY19	FY20		
	\$2,260.0	\$2,260.0	Recurring	TRD – MVD Operating

(Parenthesis () Indicate Revenue Decreases)

Relates to HB 157

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Public Safety (DPS)

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

House Bill 158 requires that two registration plates are issued for each vehicle in New Mexico. The bill requires the Taxation and Revenue Department (TRD) to issue a registration plate until two legible plates have been issued. In addition to the standard rear registration plate, this bill requires an additional registration plate be attached to the front of a vehicle. The bill also provides for TRD to collect a fee of \$2 for each year.

The front registration plate requirement has an effective date of July 1, 2022; however, the fee will be imposed beginning July 1, 2018.

FISCAL IMPLICATIONS

The Motor Vehicle Division (MVD) of TRD estimates there are approximately 2.26 million active registrations plates that fit the criteria of this legislation. The \$2 fee will be collected each time the vehicle registration is renewed for either a one-year or two-year term. Assuming all

registration plates are renewed every two years and half, or approximately 1.13 million registration plates, require registration in FY19, TRD will collect approximately \$2.26 million in revenue during the fiscal year. This revenue will be recurring to defray the cost of making and issuing front registration plates.

PERFORMANCE IMPLICATIONS

The Department of Public Safety noted:

“The requirement of a front and rear registration plate enhances the ability to identify vehicles from either the front or the rear of the vehicle. In many instances, vehicles used in the commission of a crime are unidentifiable due to the positioning of the vehicle or direction of travel. By adding the additional plate to the front of vehicles, there will be more opportunity for law enforcement to gather specific information about the vehicle or receive information from witnesses. This information can then be used to identify the registered owner of said vehicle to further enhance investigation of the crime committed.”

TECHNICAL ISSUES

TRD notes the following technical issues:

- The bill should state that fees collected per this section are non-reverting.
- The bill should be amended to exempt the following vehicle types: manufactured homes, trailers, travel trailers, freight trailers, and off highway vehicles.
- MVD would prefer to replace all existing single plates with new two-plate sets upon renewal.
- For ease of issuance, issuing two plates and registration stickers at the time of registration is the most convenient, secure and cost effective way to meet the requirements of this bill.

IR/sb