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FISCAL IMPACT REPORT

ORIGINAL DATE 3/4/2019

SPONSOR HTPWC LAST UPDATED _____ HB 306/HTPWCS

SHORT TITLE Worthy Public Purpose License Plates SB _____

ANALYST Fischer

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
	\$0.5	\$0.5	Recurring	TRD/MVD Operating Fund
	\$2.5	\$5.0	Recurring	NMSU Operating Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$33.6		\$33.6	Nonrecurring	TRD Operating Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Transportation (DOT)

New Mexico State University (NMSU)

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

The House Transportation, Public Works, and Capital Improvements Committee substitute for House Bill 306 creates a new section of the Motor Vehicle Code providing a Special registration plate for the national FFA organization, formerly known as Future Farmers of America.

FISCAL IMPLICATIONS

The plate will have an initial fee of \$35 and then \$25 for annual renewals. TRD will retain \$10 of the initial fee for the manufacture and issuance of the special plate. \$25 from the initial registration and from each renewal will be transferred to the Board of Regents of New Mexico State University for the Agricultural Experiment Station to fund statewide programs for active FFA chapters. Revenue estimates assume 100 plates annually.

SIGNIFICANT ISSUES

TRD currently has 153 separate accounts for motor vehicles, boats, off-road vehicles, and government vehicles. The majority of these accounts are for specialty plates for various organizations and programs. These plates generate very little revenue for the sponsoring organizations.

The cost to design and implement a new plate is passed on to the requesting entity who is required to pay for an initial order of 100 plates. Total cost is \$600: \$100 to design and \$500 for the initial order of 100 plates.

ADMINISTRATIVE IMPLICATIONS

TRD assesses there will be minimal administrative impact for MVD requiring revision the policy manual and procedural requirements for processing. SHARE will need to be modified to account for the new fees and distributions. There will be a modest impact on the Information and Technology Division to complete, test and implement changes at a cost of \$33.6 thousand and approximately 12 weeks to complete.

COMPANIONSHIP, RELATIONSHIP

Relates to HB167, HB209, HB245, HB274, HB358, HB381, SB104, SB180, SB234, SB206, SB225, SB236, SB269, and SB273 which all pertain to vehicle license plates.

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