

fee from insurers equal to at least \$1 and no more than \$10 for each vehicle and unit of “special mobile equipment” – construction equipment operated on public roads but not primarily designed to carry people – insured by the insurer on July 1 of each year. The fee would be deposited into a newly created automobile theft prevention fund appropriated to the superintendent for the use of the Automobile Theft Prevention Authority created in 2018.

The effective date is July 1, 2019.

FISCAL IMPLICATIONS

HB 529/aHJC the revenue table has been adjusted to reflect the new maximum per vehicle amount. Previously the table had estimated revenue between \$1.6 million and \$16 million. As HB 529/aHJC reduces the maximum per vehicle charge by 50%, establishing a \$5 maximum, the table has been adjusted to reflect estimated revenues between \$1.6 million and \$8.0 million.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds because earmarking reduces the ability of the Legislature to establish spending priorities.

OSI reports Motor Vehicle Division reports approximately 1.6 million vehicles would be subject to the proposed fee. Special mobile equipment does not have to be registered in New Mexico and no figure is available for the number insured in the state.

According to the Office of Highway Policy Information of the Federal Highway Administration, the number of vehicles registered in New Mexico changed only slightly between 2012 and 2016, indicating the number of vehicles subject to the proposed will change little in FY21.

SIGNIFICANT ISSUES

Funding for the Automobile Theft Prevention Authority was stripped from the bill before passage in 2018. The authority is charged with awarding grants to improve and support automobile theft prevention programs and programs for the enforcement of prosecution of automobile theft crimes. Law enforcement agencies are to be given preference for grant awards when possible.

ADMINISTRATIVE IMPLICATIONS

OSI reports the bill would require the office to set up a procedure to collect the fee similar to that used to collect fees assessed for the insurance fraud fund. The agency did not indicate the responsibility would create an administrative burden for the office.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

OSI states the Auto Theft Prevention Authority will be limited in its efforts to achieve the goals of the original legislation enacted in 2018 without funding.