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## FISCAL IMPACT REPORT

SPONSOR: Martinez DATE TYPED: 3/17/03 HB

SHORT TITLE: License Plate For Active Duty Servicemen SB 197/aSPAC/aHTC

ANALYST: Wilson

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			\$21.6	Non-recurring	Motor Vehicle Suspense Fund

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
	\$7.0	Unknown	Recurring	OSF
	\$8.0	Unknown	Recurring	Motor Vehicle Suspense Fund *

(Parenthesis ( ) Indicate Revenue Decreases) \*To be distributed according to the formula in Sections 66-6-23 and 66-6-23.1.

Relates to various specialty license plates proposed by the House and Senate.

### SOURCES OF INFORMATION

Responses Received From

### SUMMARY

#### Synopsis of HTC Amendment

The House Transportation Committee amendment creates standardized special registration plates with logos to show state support for worthy public purposes. The amendment states the authorizing statute shall provide for collection of fees that, at a minimum, will cover the costs to the Motor Vehicle Division (MVD) of development, manufacture and issuance of the special registration plates and logos.

Standardized special registration plates, on the standardized areas, shall:

## Senate Bill 197/aSPAC/aHTC Page 2

- Display the colors of the state flag, red lettering on a yellow background and the phrases "New Mexico USA" and "Land of Enchantment";
- Provide a space for applying the special registration logo, centered at the left edge of the plate, between the attachment holes, beginning one-fourth inch in from the edge of the plate and having the following dimensions: four and one-eighth inches in height and three and one-eighth inches in width;
- Provide a vehicle registration number, to be assigned by the MVD consisting of five alphanumeric characters displayed to the right of the special logo area.

The HTC amendment states MVD will design the balance of the plate in consultation with the public purpose interest group requesting the special registration plate. This group shall provide evidence acceptable to MVD that it will generate a minimum number of prepaid applications as determined by the MVD for the special registration plate with logo and give a prepayment to the MVD in an amount sufficient to cover the plate and logo cost of the initial order. Furthermore, the interest group shall provide a sample of the requested artwork design in a format specified by the plate manufacturer for the specialized logo.

The fee for the special registration plate that will be collected in addition to the regular motor vehicle registration fee is increased to \$25 from \$15. TRD is appropriated \$10 of the special fee to defray the cost of making and issuing special registration plates for uniform service members. The remaining \$15 shall be deposited in the motor vehicle suspense fund for distribution pursuant to Section 66-6-23 NMSA 1978.

The standardized provisions of the amendment are effective July 1, 2003. The balance of the bill is effective on January 1, 2004.

### Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment changes "servicemen" to "uniform, service members," thereby making special registration plates available to active duty servicewomen.

### Synopsis of Original Bill

Senate Bill 197 requires the Taxation and Revenue Department to issue special registration license plates to active duty servicemen.

### Significant Issues

The Legislature may wish to give active duty servicemen distinctive license plates in order to both honor them and to identify military personnel in an emergency situation.

## **FISCAL IMPLICATIONS**

TRD is authorized to charge a fee of \$15.00 in addition to the regular motor vehicle registration fee for the special registration plate for active duty service men. \$7.00 of the fee collected for each special registration shall be retained by TRD and is appropriated to TRD to defray the cost of making and issuing special registration plates. The remaining \$8 will be deposited in the mo-

tor vehicle suspense fund and distributed according to the formula in Sections 66-6-23 and 66-6-23.1.

The US Census of 2000 estimates the number of armed servicemen in New Mexico to be 11,192. The estimates above assume that 1,000 people (or 9%) of this population will choose to purchase this plate for \$15 the first year it is available. It's likely this number will decrease in subsequent years.

The portion of the fee that goes to TRD administration will cover the cost of the plates in the out-years but the initial costs will have to be paid by the Motor Vehicle Division. SB 197 will create the need for a new plate requiring initial funding of approximately \$15,000. This is calculated at 3,000 plates x \$5.00 per plate.

The system work required to put in the new codes for the plate is estimated at \$6,600.

### **ADMINISTRATIVE IMPLICATIONS**

TRD will require some staff resources to design and issue the special plates to active servicemen.

### **RELATIONSHIP**

HB 75, Armed Forces Retirees Special License  
HB 201, Special Plates for Retired Firefighters (duplicate of SB 496)  
HB 378, Special Plates for Retired NM Letter Carriers  
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HB 520, Special Plates for National Guard Members  
HB 566, Special Plates for Supporting Spayed Pets  
HB 602, Special Plates for Retired NM National Guard (duplicate of SB 622)  
HB 635, Special Plates for NM Fraternal Order of Police  
HB 656, Special Plates for Wildlife Artwork  
HB 704, License Plates for Civil Air Patrol, New Mexico Wing  
HB 760, Special Commemorative Route 66 License Plate (duplicate of SB 770)  
SB 210, License Plates for Retired State Police  
SB 211, License Plates for NM Mail Carriers  
SB 493, Special Plates for NM HS Rodeo Association  
SB 496, Special Plates for Retired Firefighters (duplicate of HB 201)  
SB 549, Special Plates for Search and Rescue Members  
SB 622, Special Plates for Retired NM National Guard (duplicate of HB 602)  
SB 693, License Plates for Disabled Veterans  
SB 770, Special Commemorative Route 66 License Plate (duplicate of HB 760)

**DW/njw:sb:yr**