

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website ([www.nmlegis.gov](http://www.nmlegis.gov)) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

**ORIGINAL DATE** 2/7/19

**SPONSOR** Padilla **LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_

**SHORT TITLE** Childhood Cancer Awareness License Plate **SB** 260

**ANALYST** Chabot

### 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	\$2.5	Recurring	UNM/HSC 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
<b>Total</b>		\$33.6		\$33.6	Nonrecurring	TRD Operating Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

### SUMMARY

#### Synopsis of Bill

House Bill 444 amends the Motor Vehicle Code to provide for issuing a childhood cancer awareness special registration plate to express support for ending cancer in children.

### FISCAL IMPLICATIONS

There is no appropriation. The bill authorizes a fee of \$35 over the regular registration fee to pay for the special plate. \$10 is retained by the Taxation and Revenue Department to pay for the

manufacture and issuance of the special plate. \$35 would go to the University of New Mexico Department of Pediatrics division of hematology and oncology to commemorate childhood cancer awareness.

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, as earmarking reduces the ability of the legislature to establish spending priorities.

### **SIGNIFICANT ISSUES**

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.

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.

Many organizations have the opinion that having a special license plate for their cause will make significant revenue. In fact, very little revenue is made by having such a plate; however, there may be an awareness factor for drivers by seeing a special plate on vehicles.

### **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 \$33,600 and approximately 12 weeks to complete.

### **RELATIONSHIP**

SB260 relates to HB167, HB231, HB245, HB274, HB306, HB358, HB381, HB444, SB104, SB180, SB206, SB225, SB234, SB236, SB269, and SB273 which all pertain to vehicle license plate.

GAC/al