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## FISCAL IMPACT REPORT

**LAST UPDATED** \_\_\_\_\_  
**ORIGINAL DATE** 02/24/2025

**SPONSOR** Hernandez

**BILL**  
**NUMBER** House Bill 507

**SHORT TITLE** ABQ Isotopes License Plate

**ANALYST** Montano

### REVENUE\* (dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
TRD	\$0	\$1.2	\$1.2	\$1.2	\$1.2	Recurring	MVD Suspense Fund
UNM	\$0	\$2.3	\$4.8	\$7.3	\$9.8	Recurring	Carrie Tingley Crippled Childre Fund

Parentheses ( ) indicate revenue decreases.  
\*Amounts reflect most recent analysis of this legislation.

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
TRD	No fiscal impact	\$31.9	No fiscal impact	\$31.9	Nonrecurring	MVD Suspense Fund

Parentheses ( ) indicate expenditure decreases.  
\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

Agency Analysis Received From  
Taxation and Revenue Department (TRD)  
State Ethics Commission (SEC)  
General Services Department (GSD)

Agency Analysis was Solicited but Not Received From  
UNM Board of Regents (UNM)

## SUMMARY

### Synopsis of House Bill 507

House Bill 507 (HB507) establishes a specialty license plate in support of the Albuquerque Isotopes, a New Mexico minor league baseball team. Beginning January 1, 2026, the Motor Vehicle Division (MVD) of the Taxation and Revenue Department would issue a special registration plate featuring a design supporting the team, in accordance with Section 66-3-424 NMSA 1978. The bill sets the fees, revenue distribution rules, and a process for discontinuing the plate if demand declines.

Vehicle owners may apply for the Albuquerque Isotopes specialty registration plate for a fee of \$35, in addition to their regular motor vehicle registration costs. To retain the plate, an annual renewal fee of \$25 is required. Twelve dollars from the initial application fee would be retained by the Taxation and Revenue Department (TRD) to cover the manufacturing and issuance costs of the plates. The remaining portion of the initial fee and the entire renewal fee would be appropriated to the Board of Regents of the University of New Mexico for the Carrie Tingley Crippled Children's Hospital, a pediatric rehabilitation facility that provides specialized medical care.

Additionally, the bill includes a review mechanism for the plate's continuation. Beginning July 1, 2031, and each subsequent year, the Motor Vehicle Division would assess the number of plates issued and renewed in the previous fiscal year compared to the average annual issuance from fiscal years 2026 to 2031. If the number of issued and renewed plates falls below 50 percent of the average annual issuance, the department may discontinue production of the plate.

## FISCAL IMPLICATIONS

TRD cannot accurately predict how many of these plates will be requested. TRD can report the total cost of manufacturing and distributing each license plate will be about \$10, which is covered by the \$12 that TRD retains from the \$35 initial fee. TRD highlights:

Creation of the new specialty plate must be in accordance with existing state statute under Section 66-3-424D2 NMSA 1978, which states that entities registering a registration plate with a logo "shall provide a prepayment to the division in an amount sufficient to cover the plate and logo costs of the initial order." Typically, the initial fee to purchase plates is \$800; \$250 for design/artwork costs while \$5.50 is charged for each plate in the initial batch of 100.

If 100 of these plates were sold, then TRD would generate \$1,200 in revenue, which is sufficient to cover the initial purchase of \$800. A projection for the implementation of HB507 is that TRD would gain \$200 in revenue and would gain more depending on how many batches of license plates are required.

The Board of Regents of the University of New Mexico would collect \$23 in revenue per plate sold and an additional \$25 for the renewable license fee to use for the Carrie Tingley Children's Hospital fund. If TRD only creates one batch of 100 license plates, then UNM will generate \$2,300 in revenue from the initial fee and a subsequent \$2,500 for every year if all 100 license plate owners renew their license plate. If TRD continues to sell at least 100 license plates a year, then each subsequent year will experience \$2,500 more of renewable license fees compared to the previous year from the 100 new license plate owners. This recurring source of revenue is just a floor, and UNM should project at least \$2,300 of revenue generated for FY26, with a \$2,500 increase for each subsequent year. The limit of potential revenue generated for UNM is dependent on the total number of batches of license plates TRD makes.

Regarding the implications for TRD's operating budget, TRD reports it would need to dedicate 480 hours of staff time to update the Tapestry database system at a workload cost of \$31,987.

## **SIGNIFICANT ISSUES**

New Mexico has at least 40 specialty license plates, including 10 plates for colleges and universities, 11 related to military service, one for Santa Fe and one for Las Cruces, and plates for autism, wildlife, fish, the children's trust fund, pet care, breast cancer awareness, Route 66, organ donors, Cumbres and Toltec railway, farm and ranch heritage, adoption, firefighters, pollinators, Smokey Bear, and other causes.

NM/hj/hg