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FISCAL IMPACT REPORT

LAST UPDATED _____

SPONSOR Lord/De La Cruz/Pettigrew/Henry/Sanchez **ORIGINAL DATE** 02/26/2025

BILL

SHORT TITLE Elk License Plate **NUMBER** House Bill 580

ANALYST Montano

REVENUE* (dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
TRD	\$0	\$1.0	\$1.0	\$1.0	\$1.0	Recurring	MVD Suspense Fund
DGF	\$0	\$1.5**	\$2.5**	\$3.5**	\$4.5**	Recurring	Game Protection Fund

Parentheses () indicate revenue decreases.

*Amounts reflect most recent analysis of this legislation.

**Revenue totals are reflected if a batch of 100 license plates is sold, and if every license plate buyer renews their license plate every year.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
TRD/MVD	No fiscal impact	\$32.0	No fiscal impact	\$32.0	Nonrecurring	MVD Suspense Fund
TRD/MVD	No fiscal impact	\$0.8	\$0.8	\$1.6	Recurring	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)

Agency Analysis was Solicited but Not Received From
Department of Game and Fish (DGF)

SUMMARY

Synopsis of House Bill 580

House Bill 580 creates a new specialty license plate featuring an elk design to support the Share

with Wildlife Program of the New Mexico Department of Game and Fish (DGF). Beginning January 1, 2026, the Motor Vehicle Division (MVD) will issue this standardized special registration plate, which will be available to all private motor vehicle owners (see Technical Issues).

To obtain the elk-themed "Share with Wildlife" plate, vehicle owners must pay an initial fee of \$25.00, in addition to standard vehicle registration fees. To renew the plate, an annual renewal fee of \$10.00 is required. The bill outlines how the collected fees will be distributed:

- \$10.00 from the initial fee will be retained by MVD to cover the cost of producing and issuing the plates.
- \$15.00 from the initial fee, along with all renewal fees, will be allocated to the Share with Wildlife Program within the game protection fund, which supports wildlife conservation and habitat restoration projects in New Mexico.

Additionally, HB 580 includes a review mechanism to determine whether the plate remains available. Starting July 1, 2031, and annually thereafter, MVD will evaluate the number of plates issued and renewed in the previous fiscal year. If the total falls below 50% of the average annual issuance between 2026 and 2031, MVD may discontinue production of the plate.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

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 \$10 that TRD retains from the \$25 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 \$1,000 dollars in revenue, which is sufficient to cover the initial purchase of \$800. A projection for the implementation of HB 580 is that TRD will gain \$1,000 dollars in revenue and would gain more depending on how many batches of license plates are required.

DGF will collect \$15.00 in revenue per plate sold and an additional \$10 for the renewable license fee to be used for the Share with Wildlife Program. If TRD only creates one batch of 100 license plates, then DGF will generate \$1,500 in revenue from the initial fee and a subsequent \$1,000 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 \$1,000 more of renewable license fees compared to the previous year due to there being 100 new license plate owners. This recurring source of revenue is just a floor, and DGF should project at least \$2,500 of revenue generated for FY26, with a \$1,000 increase for each subsequent year if all new

license plate owners renew. The potential revenue generated for DGF is dependent on the total number of batches of license plates TRD makes and sells.

Regarding the implications for TRD's operating budget, TRD notes the following:

The Tapestry System's general ledger and reporting will need to be updated for the new distribution. The estimated time to develop, test and implement the changes is approximately 480 hours or 3 months for an estimated \$32 thousand of staff workload cost.

SIGNIFICANT ISSUES

TRD said:

This bill does not specifically say that the Special Wildlife Elk Registration Plate can be issued to motorcycles as well as passenger vehicles. If it is the intent is to allow the issuance of the Special Wildlife Elk Registration Plate to motorcycles, a new statute specifically addressing this addition should be enacted to be constant with other specialty plates offered to both vehicles and motorcycles. An example would be the Children Trust Fund plate, under Section 66-3-420 and 66-3-420.1 NMSA 1978.

ADMINISTRATIVE IMPLICATIONS

TRD said:

This bill requires application and configuration changes to the Tapestry system to create a Special Wildlife Elk license plate process and registration fee calculation and distribution for MVD and the share with the wildlife program of the game protection fund.

NM/rl