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FISCAL IMPACT REPORT

LAST UPDATED _____

SPONSOR Gallegos **ORIGINAL DATE** 3/3/2025

BILL

SHORT TITLE Make-A-Wish License Plate **NUMBER** Senate Bill 501

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
DOH	\$0	\$1.8	\$4.8	\$7.8	\$10.8	Recurring	Public Health Division 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/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
Total	No fiscal impact	\$32.8	\$0.8	\$33.6		MVD Suspense Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bills 23, 474, 480, 507, and 580 and Senate Bills 236, 327, and 377

Sources of Information

LFC Files

Agency Analysis Received From
Taxation and Revenue Department (TRD)

Agency Analysis was Solicited but Not Received From
Department of Health (DOH)

SUMMARY

Synopsis of Senate Bill 501

Senate Bill 501 (SB501) establishes a special Make-A-Wish New Mexico registration plate to be available beginning January 1, 2026. Motor vehicle owners may apply for the plate by paying an additional fee of \$30, separate from regular registration fees, and must pay the same amount annually for renewal. The revenue collected from these fees is allocated in two ways: \$12 from the initial issuance is retained by the Motor Vehicle Division (MVD) of the Taxation and Revenue Department (TRD) to cover the costs of manufacturing and issuing the plates, while \$18 from the initial issuance and the entire annual renewal fee of \$30 is appropriated to the Department of Health. The funds directed to the Department of Health (DOH) will be used for screening, treatment, education, outreach, and awareness programs related to children with life-threatening illnesses.

The bill also includes a provision allowing for the discontinuation of the special plate if demand declines. Starting July 1, 2031, and annually thereafter, the Motor Vehicle Division may assess the number of Make-A-Wish plates issued and renewed in the previous fiscal year. If the total falls below fifty percent of the average number issued between fiscal years 2026 and 2031, the division is authorized to cease issuing the plates. The bill ensures that funds generated by the program directly benefit children with severe medical conditions while providing an opportunity for vehicle owners to express their support for Make-A-Wish New Mexico.

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 vehicle 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 \$50 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 SB501 is that TRD will gain \$1,200 dollars in revenue and would gain more depending on how many batches of license plates are required.

DOH will collect \$18.00 in revenue per plate sold and an additional \$30 for the renewable license fee to use to promote awareness for Make-A-Wish. If TRD only creates one batch of 100 license plates, then DOH will generate \$1,800 in revenue from the initial fee and a subsequent \$3,000 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 \$3,000 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 DOH should project at least \$1,800 of revenue generated for FY26, with a \$3,000 increase for each subsequent year. Revenue generated for DOH is dependent on the total number of batches of license plates TRD makes.

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

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

ADMINISTRATIVE IMPLICATIONS

TRD said:

This bill requires application and configuration changes to the Tapestry system to create a Make-A-Wish New Mexico license plate process, registration fee calculation and distribution for MVD and the Department of Health (DOH).

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill relates to the following license plate creation bills:

- House Bill 23 – “Iron Horse” Motorcycle License plates – Allow the “Iron Horse” license plate to be distributed to Motorcycles.
- House Bill 474 – Trail Life License Plate – Create a new license plate called the Trail Life License plate to generate additional revenue for the State Parks Division of Energy, Minerals and Natural Resources Department.
- House Bill 480 – Suicide Prevention License Plates - Create a new license plate called the Suicide Prevention License Plate to generate additional revenue for the behavioral health services division of HCA.
- House Bill 507 – ABQ Isotopes License Plate - Create a new license plate called the ABQ Isotopes License Plate to generate additional revenue for the Carnegie Tingley Hospital.
- House Bill 580 – Elk License Plate - Create a new license plate called the Elk License Plate to generate additional revenue for the game protection fund.
- Senate Bill 236 – Look Twice for Motorcycle License Plate - Create a new license plate called the Look Twice for Motorcycle License Plate to generate additional revenue for the motorcycle training fund.
- Senate Bill 327 – Lowrider Capital License Plate - Create a new license plate called the Lowrider Capital License Plate to generate additional revenue for the Cultural Affairs Department.

- Senate Bill 377 – NM United License Plate - Create a new license plate called the NM United License Plate to generate additional revenue for Department of Tourism.

NM/hj/SL2