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FISCAL IMPACT REPORT

SPONSOR: Godbey DATE TYPED: 03/13/01 HB 840/aHTC
 SHORT TITLE: Towed Vehicle Registration Exception SB _____
 ANALYST: Gonzales

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		See Narrative			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of HTC Amendment

This House Taxation and Revenue Committee amendment strikes a few words to make the provisions of the bill more specific. With the changes, it would not allow a vehicle driven by a towing service to be exempt from displaying a current vehicle registration when moved on a highway as proposed by the original bill.

Synopsis of Original Bill

House Bill 840 adds a new class of vehicles—“driven or moved on a highway by a motor club towing service as defined in Section 59A-50-2 NMSA 1978— to those not required to display a current vehicle registration when driven or moved upon a highway.

TECHNICAL ISSUES

The Taxation and Revenue Department reports the following technical issue:

Section 59A-50-2 NMSA 1978 defines “towing service” as “*furnishing ... means to move a motor vehicle, **under power other than its own**, from one place to another, by any lawful wrecker service;*” in other words, towing. The bill, however, uses the words “*driven or moved*” which presents the question of whether the bill intends to exempt the tow truck itself from registration requirements. This should be clarified by elimination of the words “driven or” on page 2, line 12.

OTHER SUBSTANTIVE ISSUES

The Taxation and Revenue Department also stated in its analysis of this bill:

The bill may be drafted with too narrow an application. If an unregistered vehicle should be allowed to be towed by a motor club towing service, the same allowance should probably be afforded any licensed vehicle towing operator, whether or not the service is paid-for by a motor club. Issuing motor carrier permits (licensing of towing operators) is the responsibility of the Public Regulatory Commission (Sections 65-2-88 and 65-2-89 NMSA 1978).

JMG/njw:ar