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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/5/08

SPONSOR Taylor LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Permanently Disabled Persons License Plates SB 511

ANALYST Earnest

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY08	FY09	FY10		
(***)	(\$62.8)	(\$67.3)	Recurring	State Road Fund
(***)	(\$21.3)	(\$22.8)	Recurring	Local Governments (Section 66-6-23.1)
(***)	(\$1.5)	(\$1.6)	Recurring	Highway Infrastructure Fund
(***)	(\$0.7)	(\$0.8)	Recurring	Recycling and Illegal Dumping Fund
(***)	(\$0.7)	(\$0.8)	Recurring	Litter Control and Beautification Fund
(***)	(\$2.9)	(\$3.1)	Recurring	MVD MFRA Program
***	\$22.2	\$5.5	Recurring	MVD Operating Fund
***	\$95.9	\$29.7	Recurring	Disability Fund
<b>Total</b>	<b>\$28.1</b>	<b>(\$61.2)</b>		

(Parenthesis ( ) Indicate Revenue Decreases)

Source: TRD

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Taxation and Revenue Department (TRD)

Department of Transportation (DOT)

## SUMMARY

### Synopsis of Bill

Senate Bill 511 amends Section 66-3-16 NMSA 1978 to require issuance of permanent distinctive license plates for use on motor vehicles and motorcycles owned by persons with significant mobility limitations. A written application is required, accompanied by a medical statement from a licensed physician attesting to the person's permanent significant mobility limitation. A one-time \$100 plate fee is required, with no regular registration fee. Fee revenue is to be distributed as follows: \$20.00 to be retained by TRD to defray the costs of making and issuing the plate; and \$80.00 to be distributed to the disability fund and appropriated to the Governor's Commission on Disability.

## FISCAL IMPLICATIONS

TRD's estimate for the revenue impact is based on the current number of disabled plates issued by MVD, and that 75 percent of these 1,825 persons would qualify and apply for the new permanent plates. Most of the impact is in FY09, and with one time fee of \$100 dollars, the total revenue impact is positive. Because the plates are permanent, revenue from MVD registration and other fees declines, resulting in a negative overall impact.

The disability fund, which is appropriated to the Governor's Commission on Disability, would receive an infusion of revenue in FY09, and smaller amounts in future years.

The forgone MVD registration fees impact the following funds and distributions:

- Vehicle Registration Fees distributed to the State Road Fund (74.65%) and Local Governments (25.35%);
- \$1.50 Tire Recycling Fee distributed to Highway Infrastructure Fund (66.67%) and Recycling and Illegal Dumping Fund (33.33%);
- \$0.50 Beautification Fee distributed to the Litter Control and Beautification Fund;
- \$2.00 Mandatory Financial Responsibility Fee distributed to the Motor Vehicle Division;
- \$2.00 Administrative Fee distributed to the Motor Vehicle Division (62.5%), the State Road Fund (28%) and Local Governments (9.5%).

## SIGNIFICANT ISSUES

TRD reports that the current statute does not require that a significant mobility limitation be permanent in order to qualify for the disabled person's plate. This bill would reserve the disabled plate exclusively for those individual's whose significant mobility limitation is permanent. However, once a disabled plate has been issued, there is no statutory provision or current procedure for periodic qualification for the plate, so it is already effectively permanent. On that basis, it may be appropriate to require proof of a permanent significant mobility limitation for issuance of the disabled plate. Requiring such proof is also consistent with the current requirement [current Sec. 66-3-16 (C)] for issuance of a permanent disabled person's parking placard. Individuals whose significant mobility limitation is not permanent would still be eligible for the temporary (up to one year) placard provided for in current Sec. 66-3-16 (H).

**ADMINISTRATIVE IMPLICATIONS**

MVD policy, procedures and forms would need to be updated. After the first year, there would be some modest administrative savings as permanent disabled plates replace those that currently require annual registration paperwork and fees. In addition, since the implementation of several special registration plates over the past few years, the revenue accounting system of the MVD has run out of revenue codes to manage additional special plate revenues. All new special registration plate revenue streams must be assigned a revenue code so the plate can be programmed into the system and the associated funds distributed appropriately. Without any revenue codes available, no additional special registration plate revenue streams can be implemented into the existing system.

BE/mt