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FISCAL IMPACT REPORT

SPONSOR Leavell/ Kernan ORIGINAL DATE 3/01/17
 LAST UPDATED _____ HB _____

SHORT TITLE Lea County License Plates SB 405

ANALYST Romero

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY17	FY18	FY19		
\$0.4	\$0.8	\$0.8	Recurring	LEDA
\$0.3	\$0.5	\$0.5	Recurring	TRD -MVD

(Parenthesis () Indicate Revenue Decreases)

Relates to: HB 36, HB 132, HB 186, HB 393, HB 458, SB 51, SB 52, SB 69, SB 265, SB 297, SB 357, SB 424.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

Senate Bill 405 introduces a new section to the Motor Vehicle Code to add a Lea county as a geographic region, known as an energyplex that is among the national leaders in energy mineral production. For a fee of \$25, in addition to regular motor vehicle fees, an owner of a motor vehicle may apply for this specialty license plate. The one-time \$25 fee for this plate will be distributed to the department and to the Local Economic Development Act Fund. The department shall retain and is appropriated \$10 of this fee for manufacturing and issuing the registration plates. The remaining \$15 of the fee collected will be distributed to the Local Economic Development Act (LEDA) fund.

FISCAL IMPLICATIONS

The Taxation and Revenue Department assumes 50 Lea County license plates issued annually.

Continuing Appropriations language

The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

TECHNICAL ISSUES

This bill only provides a one-time fee to be distributed to LEDA, other bills of this sort may or may not require an additional fee to be distributed to the specific cause identified on each license plate.

IR/sb