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FISCAL IMPACT REPORT

ORIGINAL DATE 2/7/19
 LAST UPDATED _____ HB 444 _____

SPONSOR Ferrary

SHORT TITLE Wild Horse License Plate SB _____

ANALYST Chabot

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
	\$0.5	\$0.5	Recurring	TRD/MVD Operating Fund
	\$3.0	\$3.0	Recurring	TD Operating Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$33.6		\$33.6	Nonrecurring	TRD Operating Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Game and Fish (DGF)

Tourism Department (TD)

SUMMARY

Synopsis of Bill

House Bill 444 amends the Motor Vehicle Code to provide for issuing a special wild horse registration plate to express support for wild animals.

FISCAL IMPLICATIONS

The bill authorizes a fee of \$40 over the regular registration fee to pay for the special plate \$10 is retained by the Taxation and Revenue Department to pay for the manufacture and issuance of the special plate and \$30 would go to the Tourism Department to promote tourism related to wild

animals. Revenue estimates are calculated from using the methodology used by TRD for other license plate bills.

This bill creates a new fund and provides for continuing appropriations. 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.

SIGNIFICANT ISSUES

Many organizations have the opinion that having a special license plate for their cause will make significant revenue. In fact, very little revenue is made by having such a plate; however, there may be an awareness factor for drivers by seeing a special plate on vehicles.

TD states it is unaware of any research or data about wild horse related tourism to New Mexico or related to the demand for such tourism.

DGF states special wild horse license plates would raise awareness of wild horses in the state and could have unforeseen impacts of wildlife and their habitats. This could be detrimental if the general public begins to conflate wild horses with wildlife. DGF is concerned that another special license plate could draw support from other supported causes including Share with Wildlife resulting in a decline in revenue for that program.

The cost to design and implement a new plate is passed on to the requesting entity who is required to pay for an initial order of 100 plates. Total cost is \$600: \$100 to design and \$500 for the initial order of 100 plates.

TRD currently has 153 separate accounts for motor vehicles, boats, off-road vehicles, and government vehicles. The majority of these accounts are for specialty plates for various organizations and programs. These plates generate very little revenue for the sponsoring organizations.

ADMINISTRATIVE IMPLICATIONS

TD assesses it would need to evaluate tourism related to wild horses to determine the feasibility of directing visitors to areas where wild horses can be viewed safely, the demand of wild horse tourism, and how best to market it.

TRD assesses there will be minimal administrative impact for MVD requiring revision the policy manual and procedural requirements for processing. SHARE will need to be modified to account for the new fees and distributions. There will be a modest impact on the Information and Technology Division to complete, test and implement changes at a cost of \$33,600 and approximately 12 weeks to complete.

RELATIONSHIP

HB444 relates to HB167, HB209, HB231, HB245, HB274, HB306, HB358, HB381, SB104, SB180, SB206, SB225, SB234, SB236, SB269, and SB273 which all pertain to vehicle license plates.