

BILL ANALYSIS AND FISCAL IMPACT REPORT
Taxation and Revenue Department

January 31, 2025

Bill: HB-170

Sponsor: Representatives John Block, Stefani Lord and Mark Duncan, and Senators Steve D. Lanier and Jay C. Block

Short Title: Require Voter I.D.

Description: This bill makes numerous changes to the Election Code, mainly around the presentation of identification by a voter before voting. As related to the Taxation and Revenue Department (Tax & Rev), the bill amends Section 66-5-408 NMSA 1978 to provide that an applicant who will be at least 18 years old on the date of the next general election and signs a statement requesting an identification card at no cost for voter identification purposes may be issued that card by the Motor Vehicle Division (MVD).

Effective Date: July 1, 2025

Taxation and Revenue Department Analyst: Htet Gonzales and Sean Bulian – Motor Vehicle Division

Estimated Revenue Impact*					R or NR**	Fund(s) Affected
FY2025	FY2026	FY2027	FY2028	FY2029		
(690)	(690)	(690)	(690)	(690)	NR	MVD Suspense Fund

* In thousands of dollars. Parentheses () indicate a revenue loss. ** Recurring (R) or Non-Recurring (NR).

Methodology for Estimated Revenue Impact: The revenue impact for providing customers with a free voter ID regardless of either option will cause a significant estimated revenue reduction of \$690,000 dollars annually to the MVD suspense fund. The past five calendar years of identification card revenue for individuals 16 to 74 years old was divided by five to calculate average annual revenue loss.

Policy Issues: This bill will require MVD to issue a new type of credential, which will require additional screening of the applicant. This will increase MVD transaction times and wait times by requiring an additional question to be reviewed on the electronic signature pads at the time of issuance. MVD customer wait times are very sensitive to transaction times.

The bill does not clarify whether the intent is to create a separate voter ID card solely for voter registration identification purposes or to designate existing state-issued identification cards for use in voting. Also, it is unclear whether this bill will allow for a New Mexico resident to request a voter ID card for voter identification purposes and still retain a valid driver’s license. Per Section 66-5-401 NMSA 1978, New Mexico is a one credential state, and a New Mexico resident can only hold a valid driver’s license or a valid ID card. If a New Mexican can request both, the number of voter ID cards may be larger, and MVD’s costs of issuing them free of charge may be higher.

If a new type of voter identification card is introduced, the necessary requirements for its issuance must be determined, including the specific documents needed for verification. It is unclear whether there will be set documents required to issue the voter ID card such as proof of identity and proof of residency documents that differ from the current standard driver’s license and REAL ID requirements. Should a new type of license be established in law, the same requirements for proof of identity and date of birth along with proof of residency for a Standard Driver’s License will be required at a minimum. Also, the same requirements for a REAL ID would be required for a REAL ID compliant identification card.

The bill does not provide guidance on what information should show on the face of the voter ID card.

The bill’s proposal to allow MVD to provide photocopies of current licenses will also increase MVD transaction times and wait times. MVD recommends that copiers and supplies be in the lobby of each MVD office so that customers have ready access and to prevent disrupting the flow of customers established by MVD’s ticketing system. Otherwise, a customer would need to make an appointment via MVD’s queue management system to obtain a photocopy of their license or identification card. MVD estimates an unfunded nonrecurring cost of \$33,000 to equip all 72 offices within MVD (field, central, and municipalities) with printers and a recurring cost of \$251,000 associated with ongoing maintenance and supplies needed.

Technical Issues: The bill conflicts with Section 66-5-401(A) NMSA 1978, which does not allow for a New Mexico resident to hold multiple credential types.

Administrative & Compliance Impact: Implementation of this bill will have a moderate impact on Tax & Rev’s Information Technology Division (ITD). The estimated time to develop, test and implement the changes is approximately 320 hours or 2 months and approximately \$82,045 (\$60,720 contractual resources including gross receipts tax, and staff workload costs of \$21,325).

This bill requires the following changes to MVD’s system of record, Tapestry:

- Add a fee exemption for ID card applications if the applicant will be 18 by the next general election and states that they need the ID for voting purposes. This includes online renewals.
- Implement a new signature pad prompt requiring acknowledgment that the ID card is for voting purposes.

MVD and Financial Distributions Bureau staff will need to verify Tapestry system changes by performing selected tests of data, functionality, and reporting, including performing a mock distribution before authorizing Tapestry to implement these changes.

Considering the effort, the effective due date of 7/1/2025 will not be feasible. A more feasible effective date would be 1/1/2026.

Estimated Additional Operating Budget Impact*				R or NR**	Fund(s) or Agency Affected
FY2025	FY2026	FY2027	3 Year Total Cost		
	\$61			NR	MVD Suspense Fund – Contractual Resources
	\$21			NR	MVD Suspense Fund – Staff Workload Cost
	\$251			R	MVD Suspense Fund - printer maintenance
	\$33			NR	MVD Suspense Fund - printers

* In thousands of dollars. Parentheses () indicate a cost saving. ** Recurring (R) or Non-Recurring (NR).

Related Bills: