

BILL ANALYSIS AND FISCAL IMPACT REPORT
Taxation and Revenue Department

February 3, 2025

Bill: SB-236

Sponsor: Senators Heather Berghmans and Leo Jaramillo

Short Title: Look Twice for Motorcycle License Plate

Description: This bill amends Section 66-3-424.40 NMSA 1978 to provide for the look twice for motorcycles special plate to be issued for motorcycles. The fee for the motorcycle plate will be \$40 in addition to the regular motorcycle registration fees initially and \$10 each year to retain and renew the plate. Of the \$40 initial fee, \$7 will be retained by the Motor Vehicle Division (MVD) to defray the cost of making and issuing the plate, and the remaining \$33 of the initial fee, as well as the \$10 annual fee, will be distributed to the motorcycle training fund for the Department of Transportation (DOT) to provide driver awareness education and motorcycle training statewide.

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		
	Unknown				R	MVD Suspense Fund

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

Methodology for Estimated Revenue Impact: It is unknown how many of these motorcycle plates will be requested. The initial fee for a motorcycle version of this specialty plate is \$40, of which \$7 is retained by MVD. The fee will be deposited into the MVD Suspense Fund to cover the manufacture and issuance of the plate. MVD’s total cost of manufacturing and distributing each license plate is approximately \$10, which includes materials and shipping. The initial fee established by this bill will not be sufficient to cover MVD's costs of this plate. Creation of the new specialty plate must be in accordance with existing state statute under Section 66-3-424D(2) NMSA 1978, which states that entities registering a registration plate with a logo, “Shall provide a prepayment to the division in an amount sufficient to cover the plate and logo costs of the initial order”. Typically, the initial fee to purchase plates is \$800; \$250 for design/artwork costs while \$5.50 is charged for each plate in the initial batch of 100.

Policy Issues: The bill amends Section 66-3-424.40 NMSA 1978 “Special Look Twice for Motorcycles Plate” to provide a motorcycle plate version. Section 66-3-424.40 (D) NMSA 1978 has a formula to allow for the discontinuation of the specialty plate if the sales in a fiscal year are less than the average of the plate sales from the previous two fiscal years. This subsection is amended to allow for a comparison of the fiscal year plate sales and registrations renewed on July 1, 2026, and July 1 of each subsequent year against an average of the prior two fiscal years plate sales only. This is applicable for comparing motor vehicles under the legislation passed in 2023. Should this amended bill be passed into legislation, there will be no data for review of the motorcycle plate version sales during the fiscal years of 2024 and 2025. It is recommended that this subsection provide separate fiscal years for when a review for discontinuation is to begin for a motor vehicle plate version and a motorcycle plate version.

Technical Issues: The process of creating the artwork for specialty plates as well as the approval processes both internal and with law enforcement can be lengthy. MVD requests that the effective date of this bill be January 1, 2026, instead of July 1, 2025.

Other Issues: None.

Administrative & Compliance Impact: Implementation of this bill will have a moderate impact on Tax & Rev's Information Technology Division. The estimated time to develop, test and implement the changes is approximately 480 hours or 12 weeks for an estimated \$31,987 of staff workload cost. This bill requires changes in the motorcycle special plate fee process, registration fee calculation and distribution for MVD and the Department of Transportation.

Application and configuration changes are required to the system. Fee and reverse distribution changes for MVD and Department of Transportation Funds.

Estimated Additional Operating Budget Impact*				R or NR**	Fund(s) or Agency Affected
FY2025	FY2026	FY2027	3 Year Total Cost		
	\$31.9			NR	MVD Suspense Fund – Staff Workload Cost

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

Related Bills: