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FISCAL IMPACT REPORT

SPONSOR: Boykin DATE TYPED: 2/11/01 HB 346/aHENRC
 SHORT TITLE: Annual Camping Pass for NM Residents SB _____
 ANALYST: Valenzuela

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 0.0		\$ 300.0	Recurring	General Fund
			\$ 50.0	Non-recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in The General Appropriation Act for the State Parks Division annual operating budget

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
	\$ (300.0)		Recurring	Admissions Revenue

(Parenthesis () Indicate Revenue Decreases)

Conflicts with the revenue assumptions made in the General Appropriations Act for the State Parks Division annual operating budget

SOURCES OF INFORMATION

LFC Files
 Energy, Minerals and Natural Resources Department

SUMMARY

Synopsis of the HENRC amendment

The House Energy and Natural Resources Committee (HENRC) amendment to the original bill designates that the effective date of the annual camping pass will be from the date of purchase to the end of the calendar year. The amendment will eliminate much of the administrative burden for the agency.

Synopsis of Bill

House Bill 346 requires the State Parks Division of the Energy, Minerals and Natural Resources Department (EMNRD) to offer an annual pass for “day-use” or “camping up to 14 consecutive days” to New Mexico residents. The pass would be valid for one year after the purchase date.

The bill does not specify a purchase price for the annual pass. As such, the Secretary of EMNRD would maintain the legal authority to set the price for annual camping passes.

Significant Issues

House Bill 346 seeks to overturn the December 31, 1998 decision made by the Secretary of EMNRD to eliminate the annual camping pass for New Mexico residents. For \$90.00, seniors and persons with disabilities continue to have the opportunity to purchase annual camping passes. Additionally, annual “day use” passes are available to state residents for \$20.00.

The SPD argues that eliminating the annual camping pass is in line with current statute, which urges the agency to operate the state parks in a self-supporting manner [Section 16-2-7 NMSA 1978].

FISCAL IMPLICATIONS

Enactment of House Bill 346 would have a substantial impact on the State Parks division and the general fund. The SPD is supported with a mix of revenues: general fund, admissions and other self-generated revenue, and federal funds. As shown in attachment 1, after the annual pass was eliminated, the percentage of general fund appropriation to the SPD total operating budget fell from 42.5 percent of the total budget in FY98 to 36.1 percent in FY00, primarily as a result of an increase in admissions revenues: from \$3,011.6 in FY 98 to \$3,616.0 in FY00. This roughly 20.1 percent increase was realized despite a 7 percent drop in visitation during the same period, as shown in attachment 2.

House Bill 346, though a price for the annual pass is not identified, would have a negative revenue impact. However, for an accurate estimate, the price for the pass should be identified. A conservative estimate would be that revenues decrease by \$300.0, though this assumption is based on historical data where price was defined. The Secretary of EMNRD could set the price at a point where revenues were not impacted. The Legislature could minimize the impact of House Bill 346 by reducing the agencies expenditures in line with the estimated decrease in revenues.

Finally, if House Bill 346 is enacted, the agency will be required to revise its signage and marketing materials to reflect the availability of an annual camping pass. Additionally, there would be an increase in the division’s printing costs to produce the passes. Based on the costs for the recent fee increase, the fiscal impact for these items would approximate to \$50.0.

ADMINISTRATIVE IMPLICATIONS

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The HENRC amendment eliminates the administrative burden, as identified below for the original bill.

Enactment of House Bill 346 would place an increased administrative burden on the agency because it would require the state parks rangers to manually check every visitors annual pass for the expiration date.

MFV/njw
Attachments