

NOTE: As provided in LFC policy, this report is intended for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

Only the most recent FIR version, excluding attachments, is available on the Intranet. Previously issued FIRs and attachments may be obtained from the LFC office in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR: Maes DATE TYPED: 02/13/01 HB _____
 SHORT TITLE: Tourism Activities By State Agencies SB 332
 ANALYST: Woodlee

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 4,245.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in The General Appropriation Act and House Bill 27

SOURCES OF INFORMATION

Tourism Department
 Office of Cultural Affairs
 Energy, Minerals and Natural Resources Department
 Governor's Committee on Concerns for the Handicapped
 LFC Files

SUMMARY

Synopsis of Bill

Senate Bill appropriates \$4,245.0 from the general fund to various agencies for the purpose of increasing tourism activities.

Significant Issues

The bill appropriates funds to the Tourism Department, the Office of Cultural Affairs, the Energy, Minerals and Natural Resources Department, and the Governor's Committee on Concerns for the Handicapped for the following purposes:

Tourism Department:

- \$2,600.0 for general advertising
- \$1,120.0 for cooperative advertising
- \$ 125.0 for research and accountability
- \$ 300.0 for inquiry fulfillment

Senate Bill 332 -- Page 2

The current general advertising budget for the Tourism Department is \$3,100.0. This appropriation would bring the total to \$5,700.0. Also, the appropriation would increase the cooperative advertising program from the current level of \$1,054.2 to \$2,174.2. In terms of research and accountability, the department expends 84.8 percent of its current resources. The proposed increase of 147% would allow the agency to put more focus on accountability and gathering accurate information for marketing decisions. Inquiry fulfillment is when the agency sends an information package to an individual who inquired in response to a television, print, webpage or outdoor advertisement. The appropriation for this activity would increase the inquiry fulfillment budget by 44 percent, totaling \$678.6.

Office of Cultural Affairs:

\$46.5 for advertising programs to promote tourism.

According to the agency, the \$46.5 appropriation is intended to fund the creation and distribution of a collaborative state museums and historic monuments rack brochure/ fulfillment publication. In addition, the bill would fund the creation and placement of an advertisement for state museums and monuments in the 2002 New Mexico Vacation Guide. Finally, the funds will update the state museums and monuments promotional presentation in the State Welcome Centers, administered by the Tourism Department.

Energy, Minerals and Natural Resources Department:

\$30.0 for the State Parks Division to promote tourism.

According to the agency, the appropriation will enable the division to continue its goal of increasing public awareness of New Mexico's state parks. This is done through various media avenues, primarily television and radio advertisements. The appropriation will double radio advertisements and increase television advertising.

Governor's Committee on Concerns for the Handicapped:

\$23.5 for advertising programs to promote tourism.

The GCCH receives numerous requests for information concerning the state tourist sites and the degree of access. Currently, the agency produces the Access Guide, which has been popular with various tourism organizations. The appropriation would enable the GCCH to update its web site and to contract to survey additional tourist sites in the state to be places on the web site.

FISCAL IMPLICATIONS

The appropriation of \$4,245.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2002 shall revert to the general fund.

MW/ar/njw