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## FISCAL IMPACT REPORT

SPONSOR Regensberg DATE TYPED 02-10-04 HB 505

SHORT TITLE Colfax County Vietnam Veterans Memorial SB \_\_\_\_\_

ANALYST Aguilar

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$250.0			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates SB 96

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Veteran Services (DVS)

Energy, Minerals & Natural Resources Department (EMNRD)

### SUMMARY

#### Synopsis of Bill

House Bill 505 appropriates \$250 thousand from the general fund to Energy, Minerals & Natural Resources Department (EMNRD) to fund operational and maintenance costs for the Vietnam Veterans National Memorial in Colfax County. Such funding is contingent upon the State Parks Division (SPD) legally acquiring ownership of the facility.

#### Significant Issues

According to the Department of Veteran Services (DVS), this memorial is extremely important to the Vietnam Veterans from New Mexico, and has become a gathering place for Vietnam Veterans from around the country. The operation and maintenance of this facility is important to New Mexico for several reasons: it is a tourist spot that attracts several thousand veterans and their families every year; it brings tourist dollars into the local economies of Northern New Mexico; and serves as a place where veterans can gather in a quiet and serene place to heal old wounds and be surrounded by friends and family.

Acquisition and management of this memorial will be a first for SPD since it has a purpose different from all other parks currently in the state park system.

### **FISCAL IMPLICATIONS**

The appropriation of \$250.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of the fiscal year 2005 shall revert to the general fund.

### **ADMINISTRATIVE IMPLICATIONS**

According to the EMNRD, the added responsibility of a new park will expand demands on an already stressed SPD staff. New park management responsibilities will pose an additional fiscal impact on an agency that is currently challenged to operate effectively within the allotted budget. Although the appropriation is contingent upon acquisition of the facility by the state, no funding exists for acquiring the facility, and there are many other details regarding legal transfer, land ownership and operational considerations that would first need to be addressed in order to operate the memorial as a state park.

Some efficiencies of operation may be achieved due to the proximity of the newly-developed Eagle Nest Lake State Park. The SPD estimates that at least two additional FTE will be needed, plus an indeterminate amount for annual operations costs. The present private landowner is spending in excess of \$150,000 per year to operate the Vietnam Veterans National Memorial. State Parks would most likely not charge fees at this site, so revenue opportunities would be minimal.

### **DUPLICATION**

House Bill 505 duplicates Senate Bill 96.

### **TECHNICAL ISSUES**

According to EMNRD, the following factors should be considered.

- The acquisition of the Vietnam Veterans National Memorial does not conform to the necessary criteria identified in NMSA 1978, Section 16-2-11.
- The reversion of any unexpended or unencumbered balance remaining at the end of fiscal year 2005 is in conflict with NMSA 1978, Section 16-2-19, which does not provide for monies held by the SPD from any source to revert.
- This bill does not include legislation to establish the facility as a state park.

### **OTHER SUBSTANTIVE ISSUES**

The Memorial is not currently a state park. There is no ownership of the land by the State Parks Division or an operating agreement with the owners of the facility.

**PA/dm**