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FISCAL IMPACT REPORT

SPONSOR Cisneros **DATE TYPED** 2/6/04 **HB** _____

SHORT TITLE Study Effects of Tourism on Northern NM **SB** 515

ANALYST Johnson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$100.0			Non-recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Response Received From
Office of Cultural Affairs

No Responses Received From
Tourism Department
Economic Development Department

SUMMARY

Synopsis of Bill

Senate Bill 515 appropriates \$100,000 from the general fund to the office of cultural affairs to conduct a study on the effects of a tourism-based economy on the culture and public welfare of residents in northern New Mexico.

Significant Issues

The office of cultural affairs provided the following:

Tourism in Northern New Mexico is largely based on visitor appreciation of the scenic beauty and cultural diversity of the area. Significant cultural properties have been identified for many of the Northern New Mexico communities as a result of the NM Cultural Properties Act (18-6-1 through 23, NMSA 1978).

Any study of the effects of tourism should consider cultural and quality of life benefits as well as economic activity and financial benefits to the area. Federal legislation has been introduced to Congress every year for the past five years to designate the Northern Rio Grande National Heritage Area. This area would include Rio Arriba, Santa Fe and Taos Counties in New Mexico. While the bill has yet to be passed by Congress, it has received strong support from Senators Bingaman and Domenici, and Representative Udall. Other areas in the state interested in Heritage areas are Northeastern and Southern NM around Silver City and Lincoln County.

A "National Heritage Area" is a place designated by Congress, where natural, cultural, historic and recreational resources combine to form a cohesive, nationally distinctive landscape arising from patterns of human activity shaped by geography. These patterns make National Heritage Areas representative of the national experience through the physical features that remain and the traditions that have evolved in the areas. Continued use of the National Heritage Areas by people whose traditions helped to shape the landscapes enhances their significance. Several other states have begun to track the economic and quality of life impact of heritage and cultural tourism on their communities. Historic Preservation Division/DCA has been working with NM communities on issues related to heritage and cultural tourism.

FISCAL IMPLICATIONS

The appropriation of \$100.0 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2005 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The office of cultural affairs provided the following:

New Mexico communities, the office of cultural affairs, and other state agencies would benefit from this bill because it would contribute significant information for heritage and cultural tourism planning and education programs around the State. Several other states have begun to track the economic and quality of life impact of heritage and cultural tourism on their communities. New Mexico would benefit from reviewing the existing studies and in the results of such a study for our state.

Activities and events surrounding the topics of Cultural and Heritage Tourism have been sponsored in New Mexico by: University of New Mexico, with a course in heritage tourism; Reconnecting America (formerly Great American Station Foundation) through small grants and mentoring programs; NM Heritage Preservation Alliance, through its annual conference and meetings around the State; Historic Preservation Division through Heritage Preservation Month, and the annual Archaeology Fair, as well as working with the seven Certified Local Government Communities that have Scenic Byways funding and available preservation planning funding to document and promote the cultural heritage of their communities; and NM Transportation Department has proposed a Historic Roads program, as well as continuing to implement the Scenic and Historic Markers Program.