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FISCAL IMPACT REPORT

SPONSOR Rodriguez DATE TYPED 2/14/05 HB _____
 SHORT TITLE Santa Fe Junior Wrestling Team SB 402
 ANALYST Hadwiger

APPROPRIATION (in \$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$25.0			Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 402 appropriates \$25,000 from the general fund to the Department of Finance and Administration (DFA) to pay for expenses for the Santa Fe Junior Wrestling Team to assist with the grand national tournament.

Significant Issues

SB402 would provide economic development and educational benefits to the state of New Mexico. According to the Public Education Department, the Santa Fe Junior Wrestling Team is a private 501(c)3 entity affiliated with the Amateur Athletic Union (AAU). The Grand National Tournament is a national tournament that will be hosted in New Mexico in the summer of 2005. Anticipated registration is 1,000 participants. The requested funds will cover expenses related to hosting the Grand National Wrestling Tournament, including marketing and promotion, transportation, housing, meal allowance, awards, stipends and timing equipment (clocks). DFA noted that New Mexico hosted the event once before in 2001 and the tournament produced an estimated economic impact of \$750,000. DFA noted that about \$600,000 in in-kind services will be donated to the tournament.

FISCAL IMPLICATIONS

The appropriation of \$25,000 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 would revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

DFA indicated that this appropriation would be assigned to a project manager in the Community Development Bureau. Previously, the Local Government Division administered a contract with Santa Fe Junior Wrestling. The payment was made to the Santa Fe Junior Wrestling on a cost reimbursement basis, with approved expenditures specified in the contract.

TECHNICAL ISSUES

If the anti-donation question below can be resolved, the sponsor might still want to amend the bill to allow expenditure of these funds in FY06 and FY05, in order to provide greater flexibility to pay for costs prior to the event itself.

OTHER SUBSTANTIVE ISSUES

Both PED and DFA were concerned that SB402 raises issues under the anti-donation clause of the Constitution. DFA indicated it will have to seek assistance from legal counsel to determine its eligibility of entering into a contract.

POSSIBLE QUESTIONS

1. Has the Attorney General been consulted with regard to the possible violation of the anti-donation clause?

DH/yr