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FISCAL IMPACT REPORT

ORIGINAL DATE 2/6/08

SPONSOR HJC LAST UPDATED _____ HB 145/HJCS

SHORT TITLE Sports & Recreation Facility Financing Act SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Municipal League (NMML)

SUMMARY

Synopsis of Bill

House Judiciary Committee Substitute for House Bill 145 House Bill 145, Relating to Taxation; Creating the Sports and Recreation Facilities Financing Act, makes certain changes to allow municipalities to finance sports and recreation facilities in their communities by way of a fee approved by a referendum.

FISCAL IMPLICATIONS

House Judiciary Committee Substitute for House Bill 145 has no fiscal implication.

SIGNIFICANT ISSUES

The NNML states that House Judiciary Committee Substitute for House Bill 145 authorizes a municipality with a population of between 1,000 and 1,100 located in a class B county with a population of between 14,000 and 15,000 according to the last decennial census to impose a sports and recreation facility fee; the fee must be imposed by ordinance and a referendum shall be held regarding the question of imposition of the tax; the fee shall not exceed 2.4% of the gross room charge for each day a lodging room is occupied; if the referendum fails the governing body may not propose the fee again for a period of one year; revenue from the fee shall be

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dedicated for limited purposes related to the development of a sports and recreation facility located within the qualified municipality.

The NMML notes that if passed, this tax would be added to the taxes currently imposed on lodgers in the qualifying municipality.

GH/sec