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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/29/08

SPONSOR Sanchez, M. LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Market NM Golf Tourism SB 393

ANALYST Earnest

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$250.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Tourism Department

### SUMMARY

#### Synopsis of Bill

Senate Bill 393 appropriates \$250 thousand from the general fund to the Tourism Department to contract with a statewide nonprofit golf tourism marketing association to market New Mexico's golf tourism offerings to out-of-state audiences.

### FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

### SIGNIFICANT ISSUES

New Mexico's golf and hospitality industries have joined forces to promote New Mexico as a national golf-tourism destination.

The Tourism Department (TD) is supportive of activities and events that result in increasing the number of tourists to New Mexico. Golf continues to be a key attraction that draws out-of-state visitors to New Mexico.

A 2006 New Mexico State University economic study found that New Mexico's 'green industries – including golf, golf tourism, and parks – had \$1 billion economic impact to the state's economy in the 2004-2005 fiscal year. The study noted that the direct impact on the New Mexico economy from golf and golf tourism was \$312 million.

According to the Tourism Department (TD), the agency has initiated and/or supported a number of successful events in recent years designed to encourage golf tourism to New Mexico, including the Tight Lies Tour in 2006, the Adams (Golf) Tour in 2007, and the New Mexico Shootout in Elephant Butte in 2007, featuring popular players from the Ladies Professional Golf Tour Association.

The tourism department spent about \$123 thousand to market golf in FY06 and \$155 thousand in FY07. These figures include cooperative advertising grants to golfing organizations in the state.

#### **ADMINISTRATIVE IMPLICATIONS**

None identified. The Tourism Department would contract for services specified.

BE/mt