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FISCAL IMPACT REPORT

SPONSOR Lundstrom **ORIGINAL DATE** 02/10/09
LAST UPDATED _____ **HB** 327
SHORT TITLE McKinley County Adventure Tourism **SB** _____
ANALYST Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$15.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From
Tourism Department

SUMMARY

Synopsis of Bill

House Bill 327 appropriates fifteen thousand dollars (\$15,000) from the general fund to the Tourism Department to promote outdoor adventure recreation and tourism in McKinley County.

This bill declares an emergency.

FISCAL IMPLICATIONS

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

The appropriation of fifteen thousand dollars (\$15,000) contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of 2010 shall revert to the general fund.

SIGNIFICANT ISSUES

TD supports any legislation that promotes tourism and attract/increase the number of tourists to the state. McKinley County and the City of Gallup actively promote the community's outdoor assets as a means of attracting visitation to the area.

PERFORMANCE IMPLICATIONS

TD is supportive of activities and events that result in increasing the number of tourists to New Mexico. Outdoor adventure recreation continues to be a key attraction that draws out-of-state visitors to New Mexico. Tourism Department performance measures related to increasing visitation to New Mexico should increase with this appropriation.

OTHER SUBSTANTIVE ISSUES

McKinley County features historical pueblos; world class hiking, biking, and climbing; and two national parks. The county hosts the Dawn'til Dusk 12 hour mountain and Tour of Nations bike races.

ALTERNATIVES

McKinley County could apply for cooperative advertising in FY10 to promote adventure tourism.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Promotion of outdoor adventure recreation and tourism in McKinley County will not be provided at levels needed to attract new visitors to McKinley County and New Mexico.

DL/svb