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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/20/22

SPONSOR Diamond LAST UPDATED \_\_\_\_\_ HM \_\_\_\_\_

SHORT TITLE Insurance Coverage for Agritourism SM 2

ANALYST Fischer

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		\$35.0		\$35.0	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates House Memorial 2

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Economic Development Department (EDD)

Tourism Department (NMTD)

New Mexico Department of Agriculture (NMDA)

Office of Superintendent of Insurance (OSI)

### SUMMARY

#### Synopsis of Memorial

Senate Memorial 2 requests actions of several agencies, including:

- 1) That the New Mexico Department of Agriculture (NMDA), the Economic Development Department, and the Tourism Department compile a current inventory of agritourism business in the state and a current estimate of the value of agritourism as a part of tourism in New Mexico,
- 2) That NMDA conduct a survey of what other states have done to provide limited liability for agritourism activities, and
- 3) That the Office of Superintendent of Insurance survey what other states have done to provide affordable liability insurance for agritourism activities and investigate actions that the state may take to facilitate the provision of accessible and affordable liability insurance for agritourism activities.

All agencies are requested to submit their findings to the appropriate interim Legislative

committees by September 30, 2022.

**FISCAL IMPLICATIONS**

The New Mexico Department of Agriculture reported they would require 0.75 FTE additional staff and funding to fulfill the directives of Senate Memorial 2 at an estimated cost of \$25 thousand. The Tourism Department reported they would need to contract with a third party at an estimated \$10 thousand to develop the appropriate definitions of agricultural tourism and complete an economic impact study specifically related to visitor spending in these categories. Neither the Economic Development Department nor the Office of the Superintendent of Insurance reported a cost to implement the activities requested in Senate Memorial 2.

MF/rl