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FISCAL IMPACT REPORT



SPONSOR: Taylor, JG DATE TYPED: 02/11/02 HB 380/aHGUAC

SHORT TITLE: NM State Fair General Liability Insurance SB _____

ANALYST: Carrillo

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	\$373.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in The General Appropriation Act for the General Services Department and the New Mexico State Fair Commission

Duplicates SB 373

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY02	FY03			
	\$373.0	\$322.0	Recurring	Public Liability Reserve Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

General Services Department (GSD)
New Mexico State Fair Commission
LFC Files

SUMMARY

Synopsis of HGUAC Amendment

The House Government and Urban Affairs Committee amendment changes the language in the bill to read "insurance premiums" other than "general liability insurance". The original analysis remains valid.

Synopsis of Original Bill

House Bill 380, NM State Fair General Liability Insurance, appropriates \$373.0 from the General Fund to the General Services Department (GSD) for the purpose of funding general liability insurance for the New Mexico State Fair.

Significant Issues

According to the GSD staff the New Mexico State Fair Commission is past due \$501.1 for property, general liability and workers' compensation coverages.

Fiscal Year	Public Prop-erty	General Li-ability	Workers' Compensation	Total
FY 2001	13,710	188,588	11,587	213,885
FY 2002	48,265	211,823	27,073	287,161
Total	61,975	400,411	38,660	501,046

FISCAL IMPLICATIONS

The appropriation of \$373.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2003 shall revert to the General Fund.

The total of the Fiscal Year 2003 premiums for the New Mexico State Fair Commission's general liability (\$323.0), public property (\$20.6) and workers' compensation (\$26.4) coverages is \$370.0. GSD staff notes the bill's appropriation does not address the other insurance costs for FY 2003 nor the past due amounts for the Fiscal Years 2001 and 2002.

The New Mexico State Fair Commission comments the State Fair is an enterprise agency and has not received general appropriations for its daily operations. By receiving relief of \$373.0 to pay for insurance services, the Fair will have funds equal to that amount freed to use on other critical repairs and revenue-generating efforts. With an aging physical plant in continual need of repair or replacement and attempting to generate revenues in an atmosphere of strong competition, the Fair will need improved facilities to be able to exist at all.

DUPLICATES

Senate Bill 373, NM State Fair General Liability Insurance.

WC/ar/njw