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FISCAL IMPACT REPORT

SPONSOR Harrison DATE TYPED 02/21/05 HB 883

SHORT TITLE Tourism Education Project SB _____

ANALYST Weber

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$2,000.0			Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Tourism Department (NMTD)
 Indian Affairs Department (DIA)
 Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

House Bill 883 appropriates \$2 million from the general fund to the Department of Indian Affairs for an economic development undertaking centered around a tourism education project.

Significant Issues

The Department of Indian Affairs notes.

As reported by the New Mexico Department of Tourism, one of the top three most important reasons people visit New Mexico is Indian Culture. A related need exists in tribal communities to educate and train tribal members about the hospitality industry and marketing tribal enterprises such as casinos, hotels, gas stations, gift shops, etc. To this end, the New Mexico Indian Tourism Association (NMITA) in partnership with the New Mexico Tourism Department has already developed educational programs relating to tourism in tribal communities that promotes Indian tourism in a culturally sensitive manner.

FISCAL IMPLICATIONS

The appropriation of \$2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

TECHNICAL ISSUES

The Indian Affairs Department continues.

Because funds are appropriated to DIA, it can be inferred that tribal governments, tribal communities and urban Indian organizations are the beneficiaries of the tourism education project. However, the question as to the specific target population (e.g. tribal youth, tribal leaders, tribal education or tourism departments, etc.) remains unclear.

The proposed legislation does not indicate whether the DIA will be responsible for providing the tourism education project as a means to encourage economic development or whether DIA would need to negotiate a contract for this particular project.

Thirdly, because the appropriation is for a tourism education project, it might better serve the intent of HB 883 to have the appropriation go to the Tourism Department. The Tourism Department has experience and expertise in providing tourism education programs and the project appears to fit within this scope of work.

POSSIBLE QUESTIONS

Is this a one time project or a continuing effort? This determination will clear up whether these should be recurring or non-recurring funds.

Is this an economic development project or an educational project? Design of the curriculum will be dependent on the precise outcome desired.

MW/lg