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## FISCAL IMPACT REPORT

SPONSOR Ryan, J. ORIGINAL DATE 1/28/06  
LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_  
SHORT TITLE NMSU Tourism Extension Program SB 276  
ANALYST Hoffmann

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$500.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates House Bill 168.  
Relates to Senate Bill 55.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Tourism (NMTD)  
Higher Education Department (HED)  
New Mexico State University (NMSU)

### SUMMARY

#### Synopsis of Bill

SB276 appropriates \$500.0 from the general fund for expenditure in fiscal year 2007 to the New Mexico State University to establish a tourism extension program in the School of Hotel, Restaurant and Tourism Management.

### FISCAL IMPLICATIONS

The appropriation of \$500,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

**SIGNIFICANT ISSUES**

This request was not in the list of priority projects submitted by NMSU to the Higher Education Department. It was not reviewed by the Higher Education Department or recommended in their budget request.

**DUPLICATION**

House Bill 168 is a duplicate of this bill.

**RELATIONSHIP**

Senate Bill 55 appropriates \$100,000 to Eastern New Mexico University for the purpose of developing a two-year hospitality education program to be operated by New Mexico high schools.

**OTHER SUBSTANTIVE ISSUES**

According to the New Mexico State University's School of Hotel, Restaurant, and Tourism Management (HRTM), the tourism industry in New Mexico is in need of a continuous supply of well trained hospitality and tourism graduates. Current resources are not sufficient to meet the demand for broadened services. The School of Hotel, Restaurant, and Tourism Management claims that the recurring expense of \$500,000 to the General Fund would provide for the addition of three hospitality and tourism specialists in the area of policy and research, two support staff members, three graduate assistants, and funding for operational activity. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

CH/mt