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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/22/07

SPONSOR Rodella LAST UPDATED \_\_\_\_\_ HB 1240

SHORT TITLE ESPANOLA FIESTA SB \_\_\_\_\_

ANALYST Propst

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Finance and Administration (DFA)

### SUMMARY

#### Synopsis of Bill

House Bill 1240 proposes \$100.0 from the General Fund to the Local Government Division of the Department of Finance and Administration (DFA/LGD) to plan, promote and conduct the Espanola Fiesta.

### FISCAL IMPLICATIONS

The appropriation of \$100.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

### SIGNIFICANT ISSUES

DFA reports that the Espanola Fiesta has been a tradition since the mid 1960's. The Fiesta focuses on the history of the area and the blending of cultures with Spanish and Native Americans. The Fiesta will be held on the second weekend in July.

The funding will help pay for advertising in local and surrounding area newspapers, radio spots,

a brochure with a schedule of events for the fiesta as well as entertainers, and traveling expenses for the council members. The appropriation will also pay for horses, uniforms, parade expenses, decorations, banners, and facility rentals that host the fiesta dances.

In 2006 it is estimated that the cost for promoting the fiesta was \$75.0. The Fiesta attracts approximately 3,000 to 5,000 tourists which in turn will bring in additional revenue to the City.

**ADMINISTRATIVE IMPLICATIONS**

DFA/LGD will enter into a contract with the City of Espanola as the fiscal agent for the Espanola Fiesta Corporation, a 501(c) (3) corporation. The Division will ensure the expenditures are made in strict accordance with the legislative intent.

WEP/mt