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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/26/07

SPONSOR Robinson LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE National and International Sporting Events SB 376

ANALYST Earnest

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$250.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
NM Tourism Department (NMTD)

### SUMMARY

#### Synopsis of Bill

Senate Bill 376 appropriates \$250 thousand from the general fund to the NM Sports Authority to host and promote national and international sporting events in New Mexico.

### FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.

### SIGNIFICANT ISSUES

NMTD reports that SB 376 would give the NM Sports Authority (NMSA) the resources to achieve its goals. The agency was able to help create the New Mexico Bowl, the Great Santa Fe Trail Horse Race and a long list of other events without any real funding of its own, relying instead on funding from the New Mexico Tourism Department. Some of the proposed events this appropriation would help fund include:

- State college basketball doubleheader with Eastern, Western and Highlands involved,
- Statewide cycling organization to attract better biking events,
- Triple-A All-Star Baseball at Isotopes Park with national TV coverage,
- Statewide amateur baseball league in towns and cities around the state,
- NBA and NHL exhibition games at Isotopes Park and in Rio Rancho,
- Playing lead role in moving dragstrip from Mesa del Sol to new site on Albuquerque's far Westside,
- World Cup Mountain Biking at Angel Fire,
- Statewide sports marketing organization,
- Governor's Cup auto racing series at tracks around the state,
- Working with Velodrome committee to attract national and international cycling, and
- WAC men's and women's basketball tournament in Las Cruces.

For example, in the 2006 session, NMSA received a capital outlay appropriation of \$150 thousand to host and promote sporting events in New Mexico. NMSA spent \$70 thousand to promote rugby at the University of New Mexico and used the remainder in smaller allocations to promote sporting events, such as the Coleman Vision tennis tournament and an endurance horse race.

New Mexico Tourism Department (NMTD) supports SB 376 and all activities and events that result in increasing the number of tourists to New Mexico

### **PERFORMANCE IMPLICATIONS**

NMTD reports that without additional funding, NMSA will almost ineffective. The agency will have no real resources at go after new events and support existing events. NMSA believes it has been under funded from the offset, which has handcuffed it severely. NMSA has had to rely on other agencies, such as the Tourism Department, for financial support.

Moreover, NMTD states that without SB 376, the hope for using sports to create tourism, have an economic impact or gain national media attention will be drastically cut back.

This funding will enable the Sports Authority to meet two performance measures in FY08:

- Number of new major sporting events attracted to New Mexico, with a target of one in FY08, and
- Number of new minor sporting events attracted to New Mexico – with a target of seven in FY08.

### **POSSIBLE QUESTIONS**

What is the return on investment for the state in supporting and promoting the sporting events listed above by the agency?

BE/mt