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FISCAL IMPACT REPORT

ORIGINAL DATE 3/5/09

SPONSOR Payne LAST UPDATED _____ HB _____

SHORT TITLE Promote Skiing in New Mexico SB 388

ANALYST Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$50.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Tourism Department (TD)

SUMMARY

Synopsis of Bill

Senate Bill 388 appropriates fifty thousand dollars (\$50,000) from the general fund to the Tourism Department to promote skiing in New Mexico.

FISCAL IMPLICATIONS

The appropriation of fifty thousand dollars (\$50,000) contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2010 shall revert to the general fund.

According to the February 2009 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$575 million less than the FY09 appropriations before the 2009 solvency reductions. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

According to Ski New Mexico, New Mexico's ski industry generated \$114 million in revenues during the 2007-08 season and generated \$9 million in gross receipts taxes while employing

2,500 people. TD supports legislation that promotes tourism to the state and the outdoor recreation market is a rapidly growing segment within the tourism industry. Outdoor recreation has emerged as one of the top reasons visitors come to New Mexico.

PERFORMANCE IMPLICATIONS

Increased tourism promotion, specifically geared to the adventure travel visitors, may result in increased visitation to New Mexico, a key performance measure for TD.

OTHER SUBSTANTIVE ISSUES

New Mexico ski areas include:

1. Angel Fire
2. Enchanted Forest Cross Country Ski Area
3. Pajarito Mountain Ski Area
4. Red River Ski Area
5. Sandia Peak Ski
6. Sipapu Ski & Summer Resort
7. Ski Apache
8. Ski Santa Fe
9. Taos Ski Valley
10. Valles Caldera Cross Country

DL/mc