AGENCY BILL ANALYSIS 2024 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an orig		s substitute or a correction	oj a previ	_		
Check all that app			Date January 19, 2024			
Original <u>x</u> Amend	ment		E	Bill No: SB 4		
Correction Substit	ute					
Sponsor: Griggs		Agency Name and Code Number:	ML			
Short Increase Occupancy Rate Tax		Person Writing		Alison Nichols		
Title:			3931 E	Email anichols@nmml.org		
SECTION II: FISCAL II	<u></u>	FION (dollars in the	ousand	<u>(s)</u>		
Appro	Re	Recurring		Fund		
FY24 FY2		NI -	nrecur	,	Affected	
(Parenthesis () Indicate Expendi	ture Decreases)					

REVENUE (dollars in thousands)

Estimated Revenue			Recurring	Fund
FY24	FY25	FY26	or Nonrecurring	Affected

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

FISCAL IMPLICATIONS

This bill allows municipalities to raise additional revenues from their Lodgers' tax. Since it is permissive, the fiscal impact will depend on individual actions taken by each municipality. The additional revenue can be used for any of the existing purposes allowed in statute and for supporting quality-of-life related facilities, such as parks, zoos, and sport or exercise programs.

SIGNIFICANT ISSUES

The bill provides municipalities with a means to increase their revenue from the Lodgers' tax and with additional flexibility on how the revenue can be spent. Spending flexibility for municipalities aligns with New Mexico Municipal League principles.