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## FISCAL IMPACT REPORT

SPONSOR: Stewart DATE TYPED: 01/24/03 HB 5

SHORT TITLE: State Fair Commission Appropriation Act SB \_\_\_\_\_

ANALYST: Gonzales

### APPROPRIATION

| Appropriation Contained |            | Estimated Additional Impact |      | Recurring or Non-Rec | Fund Affected  |
|-------------------------|------------|-----------------------------|------|----------------------|----------------|
| FY03                    | FY04       | FY03                        | FY04 |                      |                |
|                         | \$13,783.8 |                             |      | Recurring            | OSF-State Fair |
|                         |            |                             |      |                      |                |

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates Appropriation in the General Appropriation Act of 2003, HB7 (as introduced).

#### SOURCES OF INFORMATION

Responses Received From  
New Mexico State Fair

#### SUMMARY

##### Synopsis of Bill

House Bill 5 appropriates \$13,783.8 from other state funds (self-generated revenues) to the New Mexico State Fair for the purpose of funding agency operations for FY04. This bill established the FY04 LFC recommendation for the Fair. The Fair's operating budget is established through revenues from admission fees, parking fees, concessions, horse racing, carnival, facilities rentals, merchandise sales, gaming and other events.

##### Significant Issues

This bill allows transfers between all four categories. While FY03 budget adjustment authority language does not allow most agencies to transfer into or out of the contractual services category, the Fair may request transfers from any other category to the contractual services category. This transfer language for the State Fair is critical due to the needs and business operations of the Fair. Additionally, this bill allows the Fair to increase its budget from other state funds without limiting the amount of increase. Currently, agencies can only increase their budgets by 4 percent over the appropriation without additional budget increase authority.

**FISCAL IMPLICATIONS**

The appropriation of \$13,783.8 contained in this bill is a recurring expense to the New Mexico State Fair fund. The Fair is an enterprise agency and any unexpended or unencumbered balance remaining at the end of FY04 do not revert to the general fund but require an appropriation by the Legislature each fiscal year.

**DUPLICATION**

This bill duplicates the appropriation set out in the General Appropriation Act, HB7, as originally introduced.

JMG/lis