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FISCAL IMPACT REPORT

ORIGINAL DATE 02/15/07

SPONSOR Pinto LAST UPDATED _____ HB _____

SHORT TITLE Sheep Springs Chapter Welcome Center SB 1085

ANALYST Weber

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$200.0	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 712

SOURCES OF INFORMATION

LFC Files

Responses Received From

Indian Affairs Department (IAD)

SUMMARY

Senate Bill 1085 appropriates \$200 thousand from the general fund to the Indian Affairs Department for the purpose operating the welcome center located at the Sheep Springs Chapter of the Navajo Nation.

FISCAL IMPLICATIONS

The appropriation of \$200 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

The Indian Affairs Department reports that Native American tourism generates millions of dollars for New Mexico. According to the New Mexico Indian Reservation Economic Study Group, total visitor spending in New Mexico averages \$2.14 billion per year; of that amount roughly 13.4% or \$286.2 million of that spending is attributable to visitors motivated by New Mexico's "Indian Culture." This amount reveals the importance of Indian attributable tourism as

a positive economic factor to New Mexico's economy and employment.

Indian Affairs Department reports that the Sheep Springs tourism center currently is under construction. An appropriation to "operate and maintain" needs to be coordinated with completion of the capital portion of the project.

IAD continues that the center is currently under construction and slated open as soon as April 2007.¹ Sheep Springs is located primarily in the San Juan Basin between Gallup and Shiprock. It is crossed by United States Highway 491 (formerly 666.)

POSSIBLE QUESTIONS

Since the Department of Tourism currently operates and maintains tourism centers should the appropriation be made to that department? The infrastructure to manage this type of facility presumably already exists in the Tourism Department with a resultant more efficient use of the funds.

MW/csd

¹ Information provided by the Sheep Springs Chapter, ph. 505-732-5408