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FISCAL IMPACT REPORT

SPONSOR Burt ORIGINAL DATE _____ LAST UPDATED _____ HB _____

SHORT TITLE Spaceport Flight Marketing Task Force SJM 26

ANALYST Martinez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI	NFI	NFI	NFI	NFI

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses NOT Received From
New Mexico Spaceport Authority

SUMMARY

Synopsis of Bill

Senate Joint Memorial 26 requests the creation of a statewide task force to formulate and propose a marketing plan and budget to publicize virgin Galactic's Inaugural Suborbital space flight.

FISCAL IMPLICATIONS

This memorial will not have a fiscal impact on the Tourism Department, Economic Development Department, or Spaceport Authority. It will require current employees to reprioritize work to meet the deadline of conducting meetings, analysis, and develop a plan by July 2018.

SIGNIFICANT ISSUES

The Spaceport has contracts with 27 New Mexico companies and 20 full-time staff on-site and Virgin Galactic has 20 staff, with an additional 70 Virgin Galactic employees to be added once commercial flights begin. Spaceport's anchor tenant, Virgin Galactic, is slated to begin operations in the Virgin Galactic terminal hangar facility this fiscal year. The company originally planned for commercial launches to begin as early as 2010, but Virgin Galactic suffered numerous setbacks and delays, including a catastrophic mishap in October 2014.

Senate Joint Memorial 26 – Page 2

Virgin Galactic reports it has sold more than 600 personal space flight tickets, at a cost ranging between \$200 thousand and \$250 thousand. With an expected commercial launch in FY18,

Senate Joint Memorial 26 creates a task force to assess opportunities for promoting Spaceport America and tourism that may be presented by the Virgin Galactic flight.

The task force will include the following:

- Secretary of the Tourism Department
- Secretary of Economic Development Department
- Executive Director of the Spaceport Authority
- A representative of the New Mexico Hospitality Association
- Regional chair for each tourism department regional marketing board
- Additional members as the ambassadors for Spaceport America determine to be appropriate.

This memorial requests the task force formulate and present a proposed marketing plan and budget to maximize opportunities offered by the Virgin Galactic flight to the appropriate interim legislative committee in July 2018.

ADMINISTRATIVE IMPLICATIONS

This memorial provides 5 months for the task force to perform the duties required.

JM/jle