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FISCAL IMPACT REPORT

SPONSOR Ramos ORIGINAL DATE 2/13/18
LAST UPDATED _____ HB _____

SHORT TITLE Grant County Athletic Events SB 481

ANALYST Martinez

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	\$150.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB462

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

SB481 appropriates \$150 thousand from the general fund to the Economic Development Department to support athletic events that promote economic development in Grant County.

FISCAL IMPLICATIONS

The appropriation of \$150 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY20 shall revert to the general fund.

SIGNIFICANT ISSUES

The Economic Development Department submitted the following:

SB 481 allocates funds to support athletic events that promote economic development in Grant County.

The tie between athletic events and economic development is unclear.

Large scale athletic events increase local economic activity through visitor spending. One of the economic development strategies for New Mexico involves building the outdoor recreation industry which includes such things as: design, testing, and manufacturing of athletic equipment; software development for athletic training and performance monitoring; publishing and media productions about athletic events; and niche markets such as specialty foods or clothing for specific sports.

Determining how athletic events can best promote economic development will require changes for event sponsors and economic development organizations. One option may be to capitalize on industry leaders being in Grant County for a major athletic event such as an international bicycle race by inviting them to an event where economic developers promote the business advantages of operating from New Mexico.

ADMINISTRATIVE IMPLICATIONS

The Economic Development Department submitted the following:

EDD will have responsibility for administering the allocation, most likely through a contract for services.

TECHNICAL ISSUES

The bill is a pass-through appropriation to another government entity, and the appropriation could be made to the Department of Finance and Administration Local Government Division.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB481 relates to SB462, which creates an outdoor recreation division within the Economic Development Department.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Economic Development will not receive an appropriation of \$150 thousand to support athletic events.

JM/gb