

LFC Requester: \_\_\_\_\_

**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**Analysis.nmlegis.gov**

*{Analysis must be uploaded as a PDF}*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

*Check all that apply:*

**Date** 1/11/24

**Prepared:** \_\_\_\_\_

**Original**  **Amendment** \_\_\_\_\_

**Bill No:** HB 40

**Correction** \_\_\_\_\_ **Substitute** \_\_\_\_\_

**Sponsor:** Representative Pamela Herndon

**Agency Name  
and Code**

Tourism 418

**Number:**

**Short Title:** INTRASTATE AIRLINE  
TASK FORCE

**Person Writing**

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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
	N/A	Nonrecurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	N/A	N/A	N/A	N/A	N/A	N/A

(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:

House Bill 40 (HB 40) creates an Intrastate Airline Task Force comprised of one senator, executive cabinet secretaries (to include the New Mexico Tourism Department, NMTD Cabinet Secretary), economists, and chamber of commerce representatives to study and recommend establishment of intrastate airlines transportation system for regular flights between Albuquerque, Las Cruces, Hobbs, Clovis and Gallup. Demand for such flights will be related to tourism, population density and trends, business activity. Report will be due by December 1, 2024 and an appropriation of \$500,000 will be provided to the Economic Development Department (EDD) to compile the report.

**FISCAL IMPLICATIONS**

HB 40 could have fiscal implications for the New Mexico Tourism Department (NMTD) in assisting the task force in compiling data related to the establishment of an intrastate airlines transportation system. NMTD administrative staff time would be needed to compile data regarding tourism trends and impacts of intrastate travel. In addition, the NMTD Cabinet Secretary or their designee would participate in meetings and activities related to the task force.

**SIGNIFICANT ISSUES**

Determining a method to create a streamlined system to increase intrastate airlines transportation between Albuquerque, Las Cruces, Hobbs, Clovis and Gallup could be helpful to tourism within the state of New Mexico.

In 2021, NMTD partnered with NMDOT to commission a study on air service in New Mexico. While the study primarily focused on how to create sustainable business development infrastructure around air service, a significant portion of it was devoted to increasing intrastate air service as a way to improve accessibility for residents and tourists alike, thereby increasing the number of tourism business opportunities in rural areas of the state with air connectivity. There

are multiple areas of improvement in this regard, and increasing air connectivity throughout New Mexico could create substantial opportunities for the tourism industry.

### **PERFORMANCE IMPLICATIONS**

A plan created by the intrastate task force and the EDD final report could provide methods to provide more opportunities for intrastate travel, thereby increasing intrastate tourism.

### **ADMINISTRATIVE IMPLICATIONS**

If enacted, the NMTD Cabinet Secretary and staff would need to contribute to this task force through participation in meetings, providing data and contributing to the plan and final report.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None

### **TECHNICAL ISSUES**

None

### **OTHER SUBSTANTIVE ISSUES**

None

### **ALTERNATIVES**

None

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

An Intrastate Airline Task Force will not be established.

### **AMENDMENTS**

None