

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(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:

FISCAL IMPLICATIONS

This bill allows municipalities to raise additional revenues from their Lodgers' tax. Since it is permissive, the fiscal impact will depend on individual actions taken by each municipality. The additional revenue can be used for any of the existing purposes allowed in statute and for supporting quality-of-life related facilities, such as parks, zoos, and sport or exercise programs.

SIGNIFICANT ISSUES

The bill provides municipalities with a means to increase their revenue from the Lodgers' tax and with additional flexibility on how the revenue can be spent. Spending flexibility for municipalities aligns with New Mexico Municipal League principles.