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## FISCAL IMPACT REPORT

LAST UPDATED \_\_\_\_\_  
ORIGINAL DATE 2/5/2024

SPONSOR Nibert

BILL  
NUMBER Senate Bill 199

SHORT TITLE Roswell Air Center Air Racing Events

ANALYST Hanika-Ortiz

### APPROPRIATION\* (dollars in thousands)

FY24	FY25	Recurring or Nonrecurring	Fund Affected
	\$10,000.0	Nonrecurring	General Fund

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

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

Agency/Program	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
NMDOT		Indeterminate but minimal	Indeterminate but minimal		Recurring	Other state funds
Public safety & fire state and local agencies		Indeterminate	Indeterminate		Recurring	General Fund/Other State Funds

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

Duplicates House Bill 245

### Sources of Information

LFC Files

#### Agency Analysis Received From

Tourism Department (NMTD)

New Mexico Department of Transportation (NMDOT)

## SUMMARY

### Synopsis of Senate Bill 199

Senate Bill 199 (SB199) appropriates \$10 million from the general fund to the Aviation Division of NMDOT for improvements to the Roswell Air Center for the purpose of hosting air racing events. The appropriation is to be expended from FY25 through FY29 for construction, reconstruction, repairs, and improvements, including planning, design, and equipment.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, or May 15, 2024, if enacted.

## **FISCAL IMPLICATIONS**

The appropriation of \$10 million contained in this bill is a nonrecurring expense to the general fund, and is for expenditures across five fiscal years, from FY25 through FY29. Any unexpended or unencumbered balance remaining at the end of FY29 shall revert to the general fund.

An appropriation for this purpose is not in the current version of the General Appropriation Act.

NMDOT notes SB199 provides an appropriation to only one of 54 eligible airports in the state. The sole use is to make improvements for the benefit of a single event while not making infrastructure, safety, security, or other improvements for advancement of aviation in general.

## **SIGNIFICANT ISSUES**

The Tourism Department provided the following background information:

Roswell is one of six finalists for the relocation of the Reno Air Racing Association's National Championship Air Races and Air Show, which will begin in its new city in 2025.

The National Championship Air Races and Air Show attracted an estimated 140 thousand visitors to Reno, Nevada in 2023. Reporting of the 2023 attendance noted that it was approximately 30 percent to 40 percent higher than in previous years. The racing and air show could potentially generate significant economic impact within the tourism sector in Roswell, and across the economy. A 2019 economic impact study by the University of Nevada showed an overall annual economic impact of \$100 million from the event.

The Reno Air Racing Association plans to hold a final airshow at Reno in 2024. In 2023, the association announced six new locations as possibilities for the 2025 races. In addition to New Mexico, they include specific airfields in Utah, California, Arizona, Colorado, and Wyoming.

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

Senate Bill 199 is a duplicate of House Bill 245

## **OTHER SUBSTANTIVE ISSUES**

Airshows require authorization from the Federal Aviation Administration. According to its website, airshow operations must include rescue, firefighting, and emergency response capability.

NMDOT explained that the Reno-Stead Airport Authority's decision to end this events' long run there included concerns about public safety; pilot deaths in 2023, 2022, and 2014, and in 2011, 10 spectators killed when a pilot lost control of his plane and crashed it into the box seating area.