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FISCAL IMPACT REPORT

SPONSOR <u>Lujan/Borrego</u>	LAST UPDATED _____
	ORIGINAL DATE <u>2/17/2025</u>
SHORT TITLE <u>NM Youth Film & Media Development Act</u>	BILL NUMBER <u>House Bill 353</u>
	ANALYST <u>Jorgensen</u>

APPROPRIATION* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
	\$1,500	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	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
HED	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.
*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
Economic Development Department (EDD)
Higher Education Department (HED)

SUMMARY

Synopsis of House Bill 353

House Bill 353 (HB353) establishes a grant program administered by the Higher Education Department (HED) to support a grant program providing hands-on training and education in the film industry to youth 12-18 years of age. The grant program would be open to providers serving youth in least one-third of New Mexico counties and one-half of Indian nations, tribes, and pueblos.

The bill creates the youth film and media grant fund and appropriates \$1.5 million to allow HED to provide up to \$250 thousand in grants per year.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

The appropriation of \$1.5 million contained in this bill is a nonrecurring expense to the general fund. Although this bill does not specify future appropriations, multiyear appropriations create an expectation the program will continue in future fiscal years; therefore, this cost could become recurring after the funding period.

HB353 specifies that no more than \$250 thousand per year shall be expended for program grants. Additionally, uses of the appropriated funds are limited to grants meaning that none of the appropriation may be used for program administration. Requiring HED to administer the program will require additional staff time or consultant services which would have to be absorbed in the existing budget. Therefore, the program cost in the estimated additional operating budget impact table is indeterminate but minimal.

SIGNIFICANT ISSUES

The New Mexico Film Office (NMFO) of the EDD would have a potentially significant role in program coordination with HED. NMFO reports:

NMFO is not responsible for reviewing grant applications but may need to assist HED in identifying eligible film partners or industry mentors. NMFO may be required to develop new outreach efforts to connect grant recipients with existing workforce programs, such as the Film Crew Advancement Program (FCAP) or internships with local productions. If additional coordination is required, NMFO may need dedicated staff time for youth engagement and program tracking, which is not currently funded in the bill.

CJ/r/SR