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FISCAL IMPACT REPORT

SPONSOR: Varela DATE TYPED: 02/06/01 HB 100
 SHORT TITLE: Improve Museum Facilities SB _____
 ANALYST: Dotson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 14,000.0			Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB58

SOURCES OF INFORMATION

Office of Cultural Affairs (OCA)

SUMMARY

Synopsis of Bill

House Bill 100 appropriates \$10.0 million from the general fund to the Office of Cultural Affairs. \$9.0 million is for improvements to the Palace of the Governors in Santa Fe County and \$1.0 million for improvements to the Museum of Natural History in Bernalillo County. Additionally, House Bill 100 appropriates \$4.0 million from the general fund to the local government division of the Department of Finance and Administration for the purpose of \$1.0 million in improvements for each of the following: the National Atomic Museum, the Explora Museum, the Albuquerque Museum and the Andersen-Abruzzi International Balloon Museum, all located in Bernalillo County.

Significant Issues

The Palace of the Governors Annex project is anticipated to be \$30 million, of which \$15 million has been approved by the federal government. The remaining \$15 million in matching funds are anticipated to be provided by the \$9 million requested in this bill and \$4 million through private fund-raising activities.

According to the Office of Cultural Affairs, \$1 million of this operating endowment has been pledged or secured. In addition, private gifts of major collections, valued at more than \$11 million, have been promised contingent upon successful renovations and improvements to the Palace of the Governors.

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According to the Office of Cultural Affairs, the \$1 million designated for the Natural History Museum it likely relates to the planned purchase of the REI building adjacent to the Museum. Purchasing the REI building is anticipated to save the Museum approximately \$3.5 million over the next five years in costs related to its Long-range Strategic Plan.

FISCAL IMPLICATIONS

The appropriation of \$14.0 million contained in this bill is a non-recurring expense to the general. Any unexpended or unencumbered balance remaining at the end of 2002 shall revert to the general fund.

OTHER SUBSTANTIVE ISSUES

Without state funding there is a possibility of losing a total of \$15 million in federal funds, authorized by Congress.

PD/ar