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FISCAL IMPACT REPORT

SPONSOR Robinson DATE TYPED 2/6/05 HB _____

SHORT TITLE New Mexico Film Museum SB 460

ANALYST Rosen

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$100.0		Indeterminate	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Tourism Department (TD)
 Department of Cultural Affairs (DCA)

No Responses Received From
 Governor's Office

SUMMARY

Synopsis of Bill

Senate Bill 460 appropriates \$100.0 from the general fund to TD for expenditure in FY06 to pay for the operation of the New Mexico film museum.

Significant Issues

The New Mexico film museum was created and funded in 2003 with a \$100.0 appropriation to TD to pay for one FTE and initial organizational and promotional efforts, duplicated in 2004 with another \$100.0 appropriation to TD for the same purpose. TD indicates the museum may not occupy its proposed site, the Halpin building, until 2007. The Halpin building is currently being used by DCA for museum and artifact collections storage.

The state's \$200.0 investment to date in this project appears to be only part of what may be at least \$500.0 in start-up costs just for FTE and promotional fundraising efforts prior to any museum actually opening.

DCA may be able to implement a more timely, cost-effective launch of the proposed film museum and is certainly more capable of operating and managing a state museum than TD. DCA is an umbrella agency which oversees the Museum of New Mexico system (Palace of the Governors, Museum of Fine Arts, Museum of International Folk Art, Museum of Indian Arts & Culture), New Mexico Museum of Space History in Alamogordo, New Mexico Museum of Natural History and Science in Albuquerque, New Mexico Farm & Ranch Heritage Museum in Las Cruces, National Hispanic Cultural Center, State Library, and New Mexico Arts and Historic Preservation Division.

DCA, in overseeing the states' museums, has some 550 employees spread throughout its nine divisions, another 1,000 or so volunteers putting in more than 70,000 hours annually, and an annual operating budget of approximately \$35 million. TD, in marketing the state as an enchanting destination, has 75 employees and an annual operating budget of \$13.5 million.

PERFORMANCE IMPLICATIONS

DCA indicates it assists developing museums and cultural institutions in New Mexico whenever possible.

TD has no performance measures related to the film museum.

FISCAL IMPLICATIONS

The appropriation of \$100.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

DCA indicates this appropriation will pay compensation for the museum's executive director and expenses of the museum's board of trustees, including mileage and per diem.

ALTERNATIVES

Amend the New Mexico Film Museum Act (18-14-1 to 18-14-6 NMSA 1978) to attach the film museum administratively to DCA and then make this appropriation to DCA.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

TD indicates completion of the museum will not be possible without either outside funding or a strong commitment by the state to financially support the museum.

JR/njw