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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/06/2007

SPONSOR Cisneros LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Statewide Arts Trails Project SB 646

ANALYST Dearing

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$250.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

#### Synopsis of Bill

Senate Bill 646 appropriates \$250 thousand from the general fund to department of Cultural Affairs to expand the Arts-based Trails project statewide.

### FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in Senate Bill 646 is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

Laws, 2006, Chapter 109, section (5) contained a special appropriation of \$250 thousand for Arts-based trails. The executive FY08 recommendation included \$250 thousand for the program as well.

### SIGNIFICANT ISSUES

The arts-based trails program is an expansion of a program funded in 2006 with a \$250 thousand special appropriation from the Legislature. New Mexico Arts has been gathering information on location, product and facilities accommodation and sales capacity for applying regional artists

working in the fiber media (weaving, beadwork, collage, etc.). The accepted artists' sales venue locations will be incorporated on a "route-map" including addresses and other information for directing tourists and locals towards locally-made arts products. The program provides an opportunity to expand economic conditions in rural areas of New Mexico, at the lowest, grass-roots level.

When completed, the arts-trails program is intended to incorporate economic development for rural communities and program development is now targeted at rural New Mexico communities. The New Mexico Arts program set a deadline for accepting applications on September 1<sup>st</sup> 2006 for site inclusion on the trail map. The division is currently developing the map, and has stated that a preliminary route map will be available in spring, 2007.

### **PERFORMANCE IMPLICATIONS**

New Mexico Arts program currently has performance measures tracking outreach and educational attendance. As foot-traffic to arts-based sites will be on privately owned retail operations, it is not known how the division will measure the program's effectiveness. A point-of-sale revenue tracking measure for participating artists and art-dealers is a recommended item for consideration when the program becomes operational.

### **ADMINISTRATIVE IMPLICATIONS**

Expansion of the program would increase workload at the division. Staff is responsible for vetting prospective applicants through site-visits to ensure their retail sites have specified capacity, consistent hours, signage, and overall safe and accessible locations. New Mexico Arts division of Cultural Affairs department shall ensure distribution of arts-based trail maps with assistance from the Economic Development Department and the Tourism Department.

### **OTHER SUBSTANTIVE ISSUES**

Other regional art trail programs are being developed to stimulate economic development and arts appreciation.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

The arts-based trails program will funding levels from a non-recurring appropriation in Laws, 2006, Chapter 109, section (5).

PD/csd