

LFC Requester: _____

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION
WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/21/2025 *Check all that apply:*
Bill Number: H519-341 Original Correction
 Amendment Substitute

Sponsor: Rep. Herndon **Agency Name and Code** DFA-341
Short Title: AFRICAN AMERICAN ARTS CENTER DIRECTORS **Number:** _____
Person Writing George Hypolite
Phone: _____ **Email** DFAlegal@dfa.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

House Bill 519 (HB519) focuses on managing the African American Performing Arts Center and Exhibit Hall. The bill outlines the creation of a Board of Directors to oversee the center's operations, maintenance, and staffing in consultation with the Cultural Affairs Department. Key points of the bill include:

- **Amendments to Section 16-6-4 NMSA 1978:**
 - The State Fair Commission retains its powers and duties related to the state fair, including holding annual fairs and managing property and financial affairs.
 - The commission can prepare rules, determine duties and compensation for employees, appoint fairgrounds police, charge fees, and manage the sale and consumption of alcoholic beverages.
 - The responsibilities related to the African American Performing Arts Center and Exhibit Hall are transferred to the new Board of Directors.
- **Creation of the Board of Directors:**
 - The board will consist of five members: two from the African American Performing Arts Center Foundation, one from the Cultural Affairs Department, one from the Office on African American Affairs, and one community member knowledgeable in African American performance art.
 - Members will serve staggered terms initially, with subsequent appointments for two-year terms.
 - The board will elect a chair, vice chair, and secretary annually and meet at least once a year.
- **Duties of the Board of Directors:**
 - The board will make recommendations regarding staffing, operations, maintenance, programming, and exhibitions.
 - It will operate, maintain, staff, and request funding for the center in consultation with the Cultural Affairs Department.
- **Transfer Provisions:**
 - Effective July 1, 2025, the State Fair Commission will transfer all functions,

personnel, appropriations, money, records, equipment, supplies, and other property of the African American Performing Arts Center and Exhibit Hall to the new Board of Directors.

- Money held by or for the center that does not revert to the general fund by June 30, 2025, will be transferred to the board.
- Existing contractual obligations will remain binding on the new board.

FISCAL IMPLICATIONS

HB519 outlines the transfer of responsibilities for the African American Performing Arts Center and Exhibit Hall from the State Fair Commission to a newly created Board of Directors. The potential fiscal impacts of this bill include:

- **Transfer of Funds:**

- HB519 mandates the transfer of appropriations, money, and other financial resources from the State Fair Commission to the new Board of Directors.
 - HB2 currently contains two appropriations totaling \$375,000 allocated to the African American Performing Arts Center.
 - A general fund appropriation of \$100,000 to the New Mexico State Fair for the maintenance and operations of the African American Performing Arts Center building; and
 - An additional \$275,000 from the general fund appropriations to the New Mexico State Fair is designated for transfer to the Cultural Affairs Department. This amount is intended to provide staffing and operational support for programs and exhibits within the African American Performing Arts Center.
 - However, this transfer is contingent upon the enactment of legislation that would transfer the responsibility for overseeing the center's programmatic operations to the Cultural Affairs Department.
- Any funds held by or for the center that do not revert to the general fund by June 30, 2025.

- **Operational and Administrative Costs:**

- Establishing and maintaining the Board of Directors will involve administrative expenses, including per diem and mileage for board members as provided for in the Per Diem and Mileage Act.
- Additionally, hiring an Executive Director and Artistic Director for the African American Performing Arts Center will involve salary and benefits costs.

- **Potential Savings:**

- Establishing the Board and transferring responsibilities will lead to more focused and efficient center management, potentially resulting in cost savings over time.

SIGNIFICANT ISSUES

- **Executive Director & Artistic Director.**

- § 16-6-4, NMSA 1978 requires the Board of Directors of the African American Performing Arts Center to consult with the executive director and artistic director of the African American Performing Arts Center and Exhibit Hall.
 - The board is responsible for making recommendations regarding staffing, operations, maintenance, programming, and exhibitions of the center in consultation with these directors.
- Currently, the NMSA does not identify any duties, powers, qualifications, or appointment procedures for the “Executive Director” or “Artistic Director.”
 - To efficiently manage and operate the African American Performing Arts Center and Exhibit Hall, § 16-6-4, NMSA 1978 should be amended to identify duties, powers, qualifications, or appointment procedures for the “Executive Director” or “Artistic Director.”

- **Existing Programming Contract.**

- Currently, HB519 requires that the contractual obligations of the African American Performing Arts Center and Exhibit Hall be binding on the board of directors of the African American Performing Arts Center.
 - There is an existing agreement for programming of the African American Performing Arts Center between the State Fair Commission and a third-party private entity.
 - Based on the changes in HB519, this agreement is unnecessary and should not be required to be absorbed by the new board of directors.

PERFORMANCE IMPLICATIONS

N/A.

ADMINISTRATIVE IMPLICATIONS

The administrative changes in HB519 aim to provide more focused governance and management of the African American Performing Arts Center and Exhibit Hall, potentially improving operations and maintenance. The administrative implications of HB519 include:

- **Creation of a New Board of Directors:** HB519 requires the establishment of a new

Board of Directors for the African American Performing Arts Center, which will be administratively attached to the Cultural Affairs Department.

- The board must meet at least annually to elect a chair, vice chair, and secretary from among its members.
- **Consultation and Recommendations:** The board will recommend various aspects of the center's operations to the African American Performing Arts Center Foundation and the executive and artistic directors.
- **Transfer of Assets and Obligations:** The new board of directors will have control of all functions, personnel, appropriations, money, records, equipment, supplies, and other property of the center.
 - Contractual obligations will also be binding on the new board.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A.

TECHNICAL ISSUES

N/A.

OTHER SUBSTANTIVE ISSUES

N/A.

ALTERNATIVES

N/A.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

- Without the establishment of a Board of Directors, the hiring of an Executive Director, and an Artistic Director, the African American Performing Arts Center operations, maintenance, and staffing will remain unstable.

AMENDMENTS

N/A.