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FISCAL IMPACT REPORT

ORIGINAL DATE 02/02/09

SPONSOR Picraux LAST UPDATED _____ HB 223

SHORT TITLE Metropolitan Area Arts Organizations SB _____

ANALYST Varela

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$25.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Cultural Affairs (DCA)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 223 appropriates \$25 thousand from the general fund to the Department of Cultural Affairs (DCA) for information, referral, technical assistance, workshops and other organizational assistance for arts organizations and artists in a metropolitan area with a population of more than seven hundred fifty thousand.

FISCAL IMPLICATIONS

The appropriation of \$25 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of 2010 shall revert to the general fund.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

According to DCA, House Bill 223 specifies a metro area with a population of more than 750 thousand. Albuquerque is the only community in New Mexico that meets these requirements. Therefore, it assumed that this bill would support the work of the Arts Alliance, Inc., Albuquerque’s local arts council. The funds would support their work in providing information, referrals, technical assistance, workshops, and other organizational assistance to arts organizations and individual artists.

DCA states that the Arts Alliance, Inc. currently performs this work, providing community-benefit arts organizations and artists with professional development, information, and other technical assistance. The Arts Alliance is well equipped to provide these services. Unlike bills that support only one organization’s program, this bill would enable Albuquerque’s local arts council to provide services and programs to numerous arts organizations as well as individual artists. Therefore, the impact of this funding would be wide in scope. DCA is not aware of another organization that provides these services with the specialized expertise needed by the beneficiaries.

ADMINISTRATIVE IMPLICATIONS

DCA states that the passage of this bill might require an RFP process to be conducted by the department to accommodate the state procurement process and the anti-donation laws. If so, this process would require staff to develop the RFP, review and select eligible applicants, and to process arts services contracts for the funded organization(s).

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill relates to the LFC level of recommended funding for the Arts Program in the Department of Cultural Affairs.

POSSIBLE QUESTIONS

What is the current level of funding provided to Arts Alliance, Inc through the Arts Program?

PV/svb