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FISCAL IMPACT REPORT

SPONSOR: Williams, WC DATE TYPED: 3/16/03 HB 926/aHGUAC/aHAFC/aHFI#1
 SHORT TITLE: Fort Stanton Development Commission SB _____
 _____ ANALYST: Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			\$Unknown	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Responses Received From

Office of Cultural Affairs (OCA)
 Energy, Minerals & Natural Resources Department (EMNRD)
 General Services Department (GSD)
 Children, Youth & Families (CYFD)
 Corrections Department (CD)

SUMMARY

Synopsis of HFI Amendment

House Floor Amendment #1 directs that the Fort Stanton Department Commission be a administratively attached to the Office of Cultural Affairs rather than the Energy Minerals and Natural Resources Department.

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment deletes the entire appropriation. The amendment permits the appointed members of the Fort Stanton Development Commission to be paid per diem and mileage, but does not require it.

Synopsis of HGUAC Amendment

The House Government and Urban Affairs Committee amendment increases the Fort Stanton

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Development Commission from five to seven members. The amendment adds the mayor of Ruidoso or his designee, the state historic preservation officer or his designee and changes one of the Lincoln County representatives from the county manager to the chair of the Lincoln County Commission or his designate.

Synopsis of Original Bill

House Bill 926 appropriates \$300,000 from the general fund to the Fort Stanton Development fund for the purpose of establishing the Fort Stanton Development Commission (FSDC). The FSDC will have five members and will give a report to the legislature that must include: status on the maintenance of Fort Stanton; recommendations of necessary repair, maintenance, and renovation; and the FSDC's progress on the development of a comprehensive plan for the appropriate and beneficial use of the property.

Significant Issues

Fort Stanton is listed on the State Register of Cultural Properties and in the National Register of Historic Places. It is recognized as a significant and valuable cultural resource within the state. The State of New Mexico has stewardship responsibilities for Fort Stanton that are described in the Cultural Properties Act, the Cultural Properties Protection Act, and the Prehistoric and Historic Sites Preservation Act.

The 45th legislature appropriated funds for a Fort Stanton Re-Use Study, which was completed and provided to GSD's Property Control Division in October 2001. OCA believes the FSDC should utilize the research and recommendations from this study to continue planning for the most appropriate and beneficial use of this significant cultural resource.

The FSDC is charged with planning, assembling, disposing of, and acquiring furnishings, art, landscaping materials, and plants and other decorations for the public areas of Fort Stanton. Prior to any disposition and acquisition of the material culture described above, there should be a comprehensive inventory of all such materials, resources, artifacts, etc. Unless the FSDC is knowledgeable of the current contents of Fort Stanton, they will not be able to make educated decisions regarding acquisition or disposal of such materials and artifacts. The FSDC should draw upon the expertise of relevant state agencies such as OCA's Historic Preservation Division, and State Monuments for guidance in criteria for acquisition, retention, or disposition of any material culture from Fort Stanton.

In the event that private partners run any of the concessions or become the "developers" of any of Fort Stanton's historic building complex, they might wish to take advantage of financial incentives existing for private property owners to protect and preserve historic cultural landscapes when they are listed on the State Register of Cultural Properties through utilization of: Credit for Preservation of Cultural Property; Refund 7-2-18.2 NMSA 1978 (New Mexico State Income Tax Credit for Preservation) and Credit for Preservation of Cultural Property; Corporate Income Tax Credit 7-2-18.6, and the Cultural Properties Preservation Easement Act 47-12A-1 through 47-12A-62. In addition there are state grants available to fund preservation planning and sometimes actual bricks and mortar type rehabilitation work, Prehistoric and Historic Sites Preservation Act 18-8-1 through 18-8-8, NMSA 1978, Cultural Properties Protection Act 18-6A-1 through 18-6A-6, NMSA 1978.

The CD currently has a 48-bed residential drug treatment program at Fort Stanton. A private contractor operates the program. The CD also has an additional 25 beds allocated for the Smart Sanctions Program. The program houses parolees who are sent there for treatment as a condition of their parole and who are referred for treatment at some time during their parole period. The CD would like to continue this beneficial program at Fort Stanton. It may be difficult to find another location for the program, and any other location for the program is likely to be more costly or expensive.

FISCAL IMPLICATIONS

The appropriation of \$300.0 contained in this bill is a recurring expense to the general fund. HB 926 creates the Fort Stanton Development Fund. Any unexpended or unencumbered balance remaining at the end of fiscal year shall not revert to the general fund, but remain in the Fort Stanton Development.

In addition, it is estimated that HB 926 may result in contributions from private and governmental sources to the Fort Stanton Development Fund. Passage of the bill is anticipated to provide positive, although currently indeterminate, economic impacts to historic landscapes under private ownership through planning and other types of grants that are currently not available through existing state statutes.

ADMINISTRATIVE IMPLICATIONS

The EMNRD would become the state agency responsible for administration of the FSDC. There will be an impact on existing staff to accomplish this administrative function.

TECHNICAL ISSUES

GSD suggests adding representatives from the following interested parties to the commission: the Property Control Division of the GSD, the Historic Preservation Division of the OCA, the Economic Development Department, and the Tourism Department.

OTHER SUBSTANTIVE ISSUES

Fort Stanton was built in 1855 and has a colorful and historically significant past: Billy the Kid was incarcerated there. It was the only law enforcement facility during the Lincoln County Wars. It was the home of the Buffalo Soldiers. It was a tuberculosis sanatorium for merchant marines and a prisoner-of-war camp for Germans during World War II. Under state ownership, it was a hospital for developmentally disabled people which was closed as a result of the Jackson consent decree. In 1997, it housed minimum security female inmates.

Camp Sierra Blanca is a small facility 1 ½ miles past Fort Stanton, which currently houses an environmental work camp for juvenile offenders which is operated by contract with a private company. Camp Sierra Blanca and Fort Stanton share infrastructure - water, wastewater treatment, landfill, and utility lines.

The facility is a significant state asset and source of pride for the local citizens. It is listed in the national and state historic registers, and its future has been a topic of considerable discussion among state agencies, Lincoln County officials, and several local interest groups.

Because of the age of many of its buildings, deferred maintenance and repair are on-going concerns. Fort Stanton Inc. is a community group that currently manages the museum shop.

POSSIBLE QUESTIONS

Will the GSD's Property Control Division continue to be the property manager for Fort Stanton while the FSDC?

DW/njw:sb