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FISCAL IMPACT REPORT

SPONSOR Car	npos DATE TYPED	2/28/05 HB	538
SHORT TITLE	ms SB		
		ANALYST	Hadwiger
	A DDDADDI A TIA		

APPROPRIATION (\$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$125.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB18.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Cultural Affairs Department Energy, Minerals & Natural Resources Department

SUMMARY

Synopsis of Bill

House Bill 538 appropriates \$125 thousand from the general fund to the historic preservation division of the Cultural Affairs Department in FY06 for expenditure in FY06 and subsequent fiscal years for development of educational programs in historic preservation and regionalism.

Significant Issues

According to the Cultural Affairs Department (DCA), there are no comprehensive historic preservation and regionalism programs offered at New Mexico colleges, universities, community colleges or technical institutes. DCA indicates that local communities in the State will benefit economically from these programs in the areas of planning, rehabilitation and economic development through the re-use of historic buildings and property owner utilization of the state tax

House Bill 538 -- Page 2

credit program for rehabilitation. University level programs in historic preservation and regionalism create a need for "real life" preservation projects for students. The historic preservation division (HPD) has the statewide purview to advise and provide projects to such a program.

DCA further indicates that development of educational programs in historic preservation and regionalism would greatly assist and enhance the performance of HPD. With state and federal responsibilities to review publicly funded projects, HPD's ability to adequately provide technical assistance and planning support to communities is less than the annual number of statewide requests. Historic preservation and regionalism coursework at the university level will help address this problem. HPD staff currently provide technical assistance to courses in public history and cultural resource management at University of New Mexico and New Mexico State University and the proposed educational programs would add much needed components to the coursework at either or both of the schools.

DCA indicates that this would be a non-recurring appropriation; however, it is not clear whether the funds would be used to create an ongoing educational program in New Mexico higher educational institutions. While it is possible the funds could be spent to develop materials to enhance existing coursework, the DCA objective of creating a comprehensive historic preservation and regional program at a New Mexico institution of higher education would likely require additional resources. It thus appears the appropriation request is recurring. The amount of funding in this bill does not appear adequate to achieve the DCA objective.

PERFORMANCE IMPLICATIONS

According to DCA, New Mexico communities, HPD, and other state agencies would benefit from this bill because it would provide profess ional education and training to university level students who could then perform architectural history, preservation design review, and community and regional planning jobs in both private and public sectors. DCA indicates that New Mexico is in need of professionals that can assist communities in writing State and National Register nominations, preserving traditional land use patterns and their related historic structures and asserts that many such positions are currently filled by out-of-state professionals who earn their undergraduate and graduate degrees in other states and are trained in different regional architectural styles and property types than those common in New Mexico.

FISCAL IMPLICATIONS

The appropriation of \$125,000 contained in this bill is a recurring expense to the general fund, according to DCA. Any unexpended or unencumbered balance remaining at the end of fiscal year 2006 would not revert to the general fund. If the purpose of the appropriation is to create comprehensive historic preservation and regional programs at New Mexico institutions of higher education, this program would likely require substantial additional resources in order to achieve its objectives.

POSSIBLE QUESTIONS

1. How does the Cultural Affairs Department intend to use these funds? Would they be contracted to researchers to develop teaching materials? Would they be used to develop a model program for comprehensive historic preservation in higher education?

House Bill 538 -- Page 3

- 2. What type of educational program would result in higher education institutions as a result of expenditure of these funds? What degree would graduates of the program be awarded? How would this program be funded at each institution?
- 3. What is the current content of the planning and archaeology programs at UNM, NMSU, NM Tech and other higher educational institutions with regard to historic preservation? Has a study been completed that identifies the specific gaps that need to be addressed with these funds?

DH/njw:lg