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FISCAL IMPACT REPORT

	ORIGINAL DATE 2/19/07		
SPONSOR	Cisneros	LAST UPDATED	HB
	NORTHERN NM PERFORMING ARTS		
SHORT TITLE	EDUCATION	SB	1009
		ANALYST	Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 1009 proposes \$100.0 from the General Fund to the Local Government Division of the Department of Finance and Administration (DFA/LGD) for expenditure in FY08 to contract with a nonprofit organization to provide performing arts education after school and during summer session.

FISCAL IMPLICATIONS

The appropriation of \$100.0 contained in this bill 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.

SIGNIFICANT ISSUES

The funding contained in SB 1009 will alleviate the costs associated with running the program, i.e.; staffing, traveling, related material, and operational expenses. Any equipment purchased will be owned by Rio Arriba County and utilized by the non-profit via a user's agreement. Rio

Arriba will need to maintain the equipment on its asset inventory list until such time the equipment is of no value.

ADMINISTRATIVE IMPLICATIONS

DFA/LGD will enter into a grant agreement with Rio Arriba County as a fiscal agent on behalf of the non-profit organization. The division will ensure that any operating agreement is in place prior to the expenditure of the funds. DFA/LGD will ensure that all expenditures are in accordance with the legislative intent.

TECHNICAL ISSUES

DFA reports that the County of Rio Arriba will need to draft an operating and user agreement to ensure equal consideration is provided in return via in-kind services in lieu of the funding.

WEP/nt