

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 02/14/11

SPONSOR Bandy LAST UPDATED \_\_\_\_\_ HB 255

SHORT TITLE \_\_\_\_\_ SB \_\_\_\_\_

ANALYST Graeser

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	Relates to GAA, but is shown below in "Op Bud Impact"	Recurring	General Fund and OSF

(Parenthesis ( ) Indicate Expenditure Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		(\$1,350.0)	(\$1,350.0)	(\$2,700.0)	Recurring	General Fund and OSF

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Cultural Affairs (DCA)

Tourism Department (TD)

### SUMMARY

#### Synopsis of Bill

House Bill 255 merges the Department of Cultural Affairs with the Tourism Department, to become the Cultural Affairs and Tourism Department (CATD). It adds two Divisions to the current DCA -- the Tourism Development Division and the New Mexico Magazine Division -- for a total of 18 Divisions in the new Department. HB 255 also administratively attaches the State Fair, the Racing Commission, and the Tourism Commission to the new Department.

The legislation eliminates the Intertribal Ceremonial Act and associated Intertribal Ceremonial Board. Since Fort Stanton is now a State Monument, the legislation eliminates the Fort Stanton development board and transfers any money in the Fort Stanton development fund to the general fund, but reestablishes the Fort Stanton Development Commission and associated Fort Stanton Development Fund in Sections 22 and 23 of the bill. By repealing the Tourism Act, the legislation eliminates the sports advisory committee and, implicitly, the sports authority division of TD.

Although the concept was discussed in the course of the deliberations of the Governmental Restructuring Task Force (GRTF), this proposal was not adopted by the GRTF. GRTF members choose to recommend merging the tourism department into a new commerce department rather than merge tourism into CATD with DCA as proposed in this bill.

The divisions in the new Cultural Affairs and Tourism Department are as follows:

- A. the administrative services division;
- B. the arts division;
- C. the historic preservation division;
- D. the library division;
- E. the Hispanic cultural division;
- F. the farm and ranch heritage museum division;
- G. the natural history and science museum division;
- H. the museum of space history division;
- I. the museum resources division;
- J. the veterans museum division; [and]
- K. the following divisions that make up the museum of New Mexico:
  - 1) the palace of the governors state history museum division;
  - 2) the New Mexico museum of art division;
  - 3) the museum of Indian arts and culture division;
  - 4) the museum of international folk art division;
  - 5) the archaeological services division; and
  - 6) the state monuments division;
- L. the tourism development division; and
- M. the New Mexico magazine division.

The legislation is silent on what will happen to the TD functions now separately budgeted as the Marketing and Promotion program of TD. The CATD Secretary has limited authority to organize the resulting Department for efficiency. Therefore, it is possible that Marketing and Promotion program will be absorbed in the Tourism Development Division of CATD. The administrative services division of CATD would merge the functions and the staff of the administrative services divisions of DCA and TD.

## **FISCAL IMPLICATIONS**

According to the Department of Finance and Administration (DFA), the legislation will result in approximately \$1.35 million in cost savings. The DFA proposal eliminates nine Governor-exempt FTE by creating one Office of the Cabinet Secretary, whereas currently there is one Secretary for both Tourism and DCA for a total of two. The Office of the Cabinet Secretary for the proposed CATD would see the retention of, at minimum, the following exempt positions:

one Cabinet Secretary, one Deputy Secretary (or possibly two – one for Cultural programs and one for Tourism programs) and one ASD Division Director. The Program Support program of the new CATD would include those exempt employees, and any others deemed critical to the mission of the agency, an example being legal counsel; duplicative positions could be eliminated from the budget. The legislation retains all current DCA Divisions in statute and retains two TD Divisions, for a total of 18 divisions and 18 exempt division directors.

Without more detailed explanation from DFA, it is difficult to understand how the CATD could eliminate nine exempt positions from TD and DCA and still have 18 exempt division directors in the Table of Organizational Listings (TOOL). The ten museum directors are exempt division directors. The TD Program support program in FY2011's House Bill 7 authorizes 15 FTE and \$971.8 thousand for personal services. Four of these positions – all exempt – could potentially be eliminated in a reorganization (Cabinet Secretary, Deputy Secretary, ASD director and PIO). The legislation also proposes eliminating the marketing division director and deputy director, the promotion division director and deputy and the sports authority division director. This brings the number of exempt positions to seven (or nine if the deputy division directors are also classified as exempt). The DFA proposal does not assume the elimination of an HR position, one or two IT positions, one or two financial specialist positions that may be duplicative given the larger size of DCA. As such, the DFA estimate of \$1.35 million may be conservative. (Note: the Tourism Department has about 75 authorized FTE, while DCA has over 515 authorized FTE.)

Eliminating the Fort Stanton Development Commission and transferring any balance in the fund to the General Fund creates no fiscal impact. There are no funds currently in the Fort Stanton Development Fund.

By repealing the Intertribal Ceremonial Act, the legislation also repeals the Intertribal Ceremonial Fund. As of the end of January, the Intertribal Ceremonial Fund had a deficit balance of (\$34,268.73). Absent an appropriation to eliminate the deficit, it is unclear what will happen to this deficit balance.

## **SIGNIFICANT ISSUES**

The legislation creates the new Cultural Affairs and Tourism Department (CATD) using the current DCA statutes as an administrative foundation. The CATD Cabinet Secretary retains the current powers and duties of the DCA Cabinet Secretary, and adds additional duties relating to the TD. The current Tourism Department statutes are mostly moved as they currently stand to the current DCA sections of the NMSA, with some changes which will be discussed in the detailed analysis. The majority of the legislation simply amends all current statutes in which either the Cultural Affairs Department is mentioned or the Tourism Department is mentioned, to change the name of the department when it appears to the “Cultural Affairs and Tourism Department”.

Attached to this FIR is a section-by-section analysis prepared by DCA. Some of the key points in DCA's section-by-section are repeated here. LFC annotations and summaries appear in square brackets.

**Section 8: Cultural Affairs and Tourism Department; Divisions.** This section creates a new Cultural Affairs and Tourism Department by merging the existing Department of Cultural Affairs and the existing Tourism Department. The legislation designates the Divisions within the Department. Two Tourism Divisions -- the Tourism Development

Division and the NM Magazine Division – are added to the existing DCA divisions, for a total of 18 divisions in the new CATD. Three divisions currently contained within the Tourism Department are not references in the legislation -- the Promotion Division, the Marketing Division and the Sports Authority. The legislation does not make clear what the intent is regarding those divisions. This is an important exclusion as the Marketing Division and the Promotion Division provide essential tourism services statewide. Section 65 of the legislation provides that all appropriations, personnel, functions, records, equipment, furniture and other property of the Tourism Department will transfer to the new CATD. Section 11 gives the Secretary of CATD limited authority to reorganize the Department into organizational units. Using this authority, the Secretary could move the Marketing Division and the Promotion Division into the statutory Tourism Promotion Division and could eliminate the Sports Authority altogether, confirming the division listing in HB 255. [Note: the current Sports Authority has a budget of \$105.0 and 1 authorized FTE. (LFC)].

**Section 9: Administratively Attached Entities.** This section administratively attaches the State Fair, the State Racing Commission, and the Tourism Commission to the new Department. The Racing Commission has been administratively attached to the Tourism Department because of the link between horse racing and tourism. DFA has not explained why the Racing Commission is compatible with the mission statement of a new CATD. The same can be said of the State Fair, especially given its reliance on revenues from the Downs. Similarly, the DCA has ten boards and commissions in current statute, none of which are administratively attached to the department. Most of these DCA boards and commissions are policy making, while some are advisory. In order to have similar boards and commissions throughout the new merged CATD, the Tourism Commission could be created in statute relating specifically to the Tourism Divisions of CATD, rather than the whole department. [The ten DCA commissions are not administratively attached to the CATD in the bill, only the Tourism Commission (LFC). See other comments regarding the State Racing Commission. The State Fair should be administratively attached because the mission of the State Fair is substantively different from the core mission of the CATD. In fact, administratively attaching the State Fair to DFA, with DFA providing administrative support might make the most sense. (LFC)]

**Section 12: Additional Duties of the Secretary.** This section directs CATD to assume several responsibilities not currently in the Tourism Act. Section 66 repeals the Intertribal Ceremonial Act, but Section 12, Subsection G directs CATD to promote the Intertribal Indian Ceremonial. [DCA questions whether it is appropriate for the CATD to earmark promotional funds for a specific event in a specific venue. (LFC)]

**Section 20. Tourism Enterprise Fund.** This section allows money in the tourism enterprise fund to be used “to carry out the duties of the department”. The duties of the new CATD include museums, historic preservation, libraries and arts in addition to tourism. If the intent is to spend money in the Tourism Enterprise Fund only on tourism-related projects rather than tourism and cultural related projects, the language on page 22, line 10 could be amended to stipulate that money in the Tourism Enterprise fund may be used “for tourism purposes” or “as recommended by the Tourism Commission”. This section was copied intact from 9-15A-4.1. NMSA 1978.

**Section 25:** The NM Artisans Business Development program has existed for many years as an unfunded mandate requesting action from Economic Development

Department in collaboration with the New Mexico Arts Division of DCA. Section 25 is currently not funded and not being implemented and could be repealed.

**Section 62 moves the Racing Commission** and administratively attaches it to the CATD. [The Racing Commission’s duties and expertise are involved with pari-mutuel gambling, animal welfare, criminal penalties, regulations and licensing. (LFC)] It would be a simple amendment to change the agency to which this commission is administratively attached to an agency more familiar with the functions of the Racing Commission, such as the Gaming Control Board [as proposed in SB 85 of this session LFC)] or simply more focused on State Governmental procedures, such as DFA.

**Section 66, Subsection A.** This section repeals the Fort Stanton Commission, which is created in the same NMSA sections being amended in Section 22 and 23 of this bill. Since that Commission is no longer active, Sections 22 and 23 should be struck from this bill.

## **PERFORMANCE IMPLICATIONS**

While potentially improving the financial performance of the resulting department, evidence has not been provided by DFA or other agencies that the merger of the agencies and commissions will either improve or degrade performance.

## **ADMINISTRATIVE IMPLICATIONS**

Combining departments, particularly departments with complicated internal organization, takes a great deal of management time and attention. There will also be some costs associated with the merger, such as signage and stationery and relocation of offices to reflect a new internal organization. It is the opinion of LFC staff, however, that after a short transition period, the merger of Cultural Affairs and Tourism is likely to result in some synergy and improved efficiency – particularly with regard to support services, if not in core mission. The state’s museums and monuments managed and maintained by the DCA are key tourist draws promoted by the TD.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB 51, Executive Organizational Structure.  
HB 88, Sunset of Boards and Commissions  
SB 158, Repeal of Boards and Commissions

HB 29 absorbs the Tourism Department into the newly created Commerce Department, which includes the departments of Workforce Solutions and Economic Development, along with certain boards and commissions.

## **TECHNICAL ISSUES**

Section 7 definitions should define “commission” to be the Tourism Commission, or page 15 line two reference to “commission” should add “Tourism” to distinguish the Tourism Commission from the other ten active boards or commissions of the DCA, which merge into the CATD intact (unless SB 158 of this session is enacted, eliminating the Board of Trustees of the New Mexico Film Museum, Fort Stanton Development Commission, Intertribal Ceremonial

Board, Martin Luther King, Jr. Commission, the New Mexico Library Commission and the Music Commission).

### **OTHER SUBSTANTIVE ISSUES**

The Tourism Department cautions against reducing the marketing and promotion budget for tourism when the Departments merge. “Any reduction or elimination of key promotional programs currently administered by TD would result in significant negative fiscal impacts on state revenues, as it would dilute TD’s effectiveness in performing its mission of promoting New Mexico as a visitor destination.”

TD also notes, “...tourism is currently New Mexico’s largest private-sector employer and second-largest private-sector industry, generating revenues of \$6 billion annually in 2008, providing \$400 million in state tax revenues and employing more than 110,000 New Mexicans.”

### **ALTERNATIVES/ SUGGESTED AMENDMENTS**

Both TD and DCA suggest that administratively attaching the Racing Commission to CATD due to its existing relationship with TD may not be appropriate in the context of the merged departments. Perhaps the State Racing Commission could be attached to the Gaming Control Board as proposed in SB 85.

DCA suggests that, “...the bill does not do any clean-up of current law or change anything substantive other than merging the two departments. The bill offers an opportunity to clean up current DCA statutes, which are confusing in that six of the current DCA Divisions are created in Chapter 9, Executive Organization, Article 4A, Cultural Affairs Department; while eight of the current DCA Divisions are created in Chapter 18, Libraries, Museums and Cultural Properties. The Governing Board of the six divisions established in Chapter 9, Article 4A, is the Museum of New Mexico Board of Regents, which is created in Chapter 18, Article 3. The newly formed department offers the opportunity to recompile certain sections of the NMSA to better organize related statutes.”

DCA suggests that it may not be necessary to elevate the Tourism Commission to the status of “administrative attachment”.

DCA also suggests that section 12, subsections F and G should be replaced with,

“F. promote and market Native American tourism-related activities”

rather than specifically mentioning the intertribal Indian ceremonial and traditional rites and ceremonials that the Indian community may well not want marketed broadly.

Resolve whether money in the Tourism Enterprise fund can be used for all department projects or only for tourism-related projects and programs. As of January 2011, there was over \$12,000 in this fund.

In section 21, page 22, lines 20-22 DCA suggests clarifying that the Tourism Commission is charged with rendering advice to the Department relating to tourism policy matters. Similarly, TD suggests in section 12, “commission” should specifically refer to the Tourism Commission to avoid conflict with other commissions currently attached to DCA.

Delete sections 22 and 23 from the bill. The Fort Stanton development commission is defunct and obsolete and no longer needed. There is no reason to update these sections for the new Department name and then repeal the sections in Section 66.

Delete section 25, page 27 and repeal Section 9-15-35 NMSA 1978 in Section 66. The NM Artisans Business Development program created in 9-15-35 NMSA 1978 has never been funded and has never been implemented. There is no reason to retain this program in statute.

Delete section 56, page 62 and repeal 18-14-3 NMSA 1978 in section 66. The Film Museum has never been funded and never been created on the ground. Deleting reference to the Film Museum would rid statute of unnecessary programs.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Although this is not a Government Restructuring Task Force's efforts in attempting to streamline government and make government more efficient will be marginalized.

### **POSSIBLE QUESTIONS**

Will it be possible to fill museum director positions for the ten museums in the state's museum portfolio as classified positions equivalent to bureau chiefs? Is the only reason for classifying museum directors as Gov-ex division directors is to allow these highly qualified professionals to be paid what the market demands?

LG/mew:svb

## Appendix A – Section by Section Description and Analysis

The following section by section analysis was prepared by DCA.

Sections 1 through 7: Updates name of department to new name – Cultural Affairs and Tourism Department (CATD).

**Section 8: Cultural Affairs and Tourism Department; Divisions.** This section establishes the new Cultural Affairs and Tourism Department and lists the Divisions within the Department. It adds two Tourism Divisions, the Tourism Development Division and the NM Magazine Division, to the current DCA divisions, for a total of 18 divisions in the new CATD.

**Note:** In the current Tourism Department, there are three additional divisions which are not individually listed in the new CATD: the Promotion Division, the Marketing Division and the Sports Authority. The bill does not make clear what the intent is regarding those divisions. The Marketing Division and the Promotion Division provide essential Tourism services statewide.

**Section 9: Administratively Attached Entities.** In addition to merging the two departments, the bill also administratively attaches three entities to the new Department: the State Fair, the State Racing Commission, and the Tourism Commission. These entities are already administratively attached to the Tourism Department, and as such it may not be a significant new addition to bring them along with Tourism to the new CATD. However, these three entities could be examined individually.

- A. **State Fair.** The mission of the new CATD would dovetail nicely with the State Fair. DCA already owns property and facilities and would have expertise to share with the State Fair that could enhance operations of the State Fair.
- B. **Racing Commission** (currently Sections 60-1A-3 through 60-1A-30): the Racing Commission, with its focus on gambling, business licensure, animal welfare, criminal penalties, etc might be better attached to another agency with expertise in some of those areas of operation. Gaming Control, Lottery, Regulation and Licensing or some such agency with a similar mission could provide better management services and expertise than the Cultural Affairs and Tourism Department, and the Racing Commission could be administratively attached to a different department in state government.
- C. **Tourism Commission:** The establishment of the Tourism Commission as an “administratively attached” entity is not in keeping with DCA Commissions and Boards, also created in statute. DCA has 10 Boards and Commissions in current Statute (see citations in Section 21 detail, below) which are not “administratively attached” to the department. Most of these Boards and Commissions are policy making, while some are advisory. In order to have similar Boards and Commissions throughout the new merged CATD, the Tourism Commission could be created in statutes relating specifically to the Tourism Divisions of the department, rather than the whole department. There is no apparent necessity that the Commission be “administratively attached”, since the other ten commissions are not.

Sections 10 and 11: Updates name of department to new name – Cultural Affairs and Tourism Department (CATD).

**Section 12: Additional Duties of the Secretary:** This section adds duties of the former Tourism Department to the new CATD (former section 9-15A-7), and in addition adds new duties relating to Native American tribes that are not in either DCA or Tourism departments' current statutes.

Note: Subsection B: **On page 15, line 2, the “commission” should state the “tourism commission”** (since “commission” is not a defined term and the CATD has other Commissions attached to it). Also, because the Commission is advisory to the Secretary, and these are the Secretary's duties, not the Commission's, the word “advise” on line 2 should be changed to “inform”, so that the Secretary informs the Commission, rather than advising it. Some of Divisions within DCA already perform tourism-related programs (such as the Arts Commission advises on the Arts Trails Cultural Tourism initiative), so that while the Tourism Commission can be “informed” of the initiative, the Commission responsible for “advising” the department on that particular tourism-related initiative would be the Arts Commission.

Note: Subsections E-G. These are new statutory responsibilities not currently in either DCA statutes or Tourism Department statutes.

- The language in Subsection E would refer more to the focus of the current DCA than to Tourism, since the Tourism Department does not encourage any activities – it promotes/markets activities. DCA does already have programs that encourage preservation and development of Indian arts and crafts.
- **Subsection F could be problematic** as written since there may be some tribal rites and ceremonies that tribes do not wish to increase awareness and knowledge of. **Proposed alternative language:** “F. promote and market Native American tourism-related activities”.
- **Subsection G is problematic** because it references the activity of a not-for-profit organization, pertinent to a specific local government. This language would presumably direct promotion and marketing funding to a specific event/organization/local community, which is not done for any other location in the state and would earmark a portion of the Tourism Department's activities towards one community. If the language proposed for Subsection F above were included in the bill, that language would be broad and would permit promotional activities to be directed towards this event without earmarking them to be so.

Sections 13 – 19: Updates name of department to new name – Cultural Affairs and Tourism Department (CATD). Also see “other substantive issues” (below) for comments relating to possible recompilation of these sections.

**Section 20. Tourism Enterprise Fund.** This section moves language currently in 9-15A 4.1 to the new CATD statutes. The language on page 22 lines 8-10 states that the money in the fund may be used “to carry out the duties of the department”. Given that the duties of the new department now encompass Museums, Historic Preservation, Libraries and Arts in addition to Tourism, **the language on line 10 should be amended to stipulate that it may be used “for Tourism purposes” or “as recommended by the Tourism Commission”.**

**Section 21. Role of Tourism Commission:**

Section 21 creates the Tourism Commission, and says it is “administratively attached” to the Department.

- A. Lines 19-21: **“The commission is a planning commission administratively attached to the department.”** This is a different set-up than 10 DCA Boards and Commissions already attached to DCA, which are not “administratively attached” to the department. The DCA boards and commissions are governing boards for their respective divisions. The Tourism Commission should be set up in the same way, as a governing board for the Tourism divisions, not the entire department.
- B. Lines 21 and 22: **“The commission shall provide advice to the department on policy matters.”** This directly conflicts with the policy and advisory roles of the current DCA Boards and Commissions with their divisions. The Tourism Commission should provide policy on matters relating only to the Tourism Divisions of the CATD. The language should be specific to limit the Tourism Commission’s advisory role to those Divisions, and should not be broadly drafted to say something like “tourism activities” of the department, because that would cause conflict with current boards. For example, the Arts Commission provides advice to the Arts Division, which has developed a cultural tourism program specifically focused on Arts-based Tourism. It would cause conflict for the Arts Division to answer to two distinct Commissions about a single program.
- C. For the purpose of comparing current DCA Boards and Commissions roles:
- 18-3-2 (M) Museum of New Mexico Board of Regents shall: “adopt such rules and regulations and set such policy directives as may be necessary”...
  - 18-3A-7 (G) Board of Trustees of the Museum of Natural History and Science shall “establish museum policy and determine the mission and direct the development of the institution...”
  - 18-7A-3 Museum of Space History Commission and Division “shall construct, maintain and operate the museum of space history for the benefit of the people of New Mexico, the nation and the world as an educational project interpreting man's conquest of space. The director of the division, under the supervision of the commission, shall...” perform various duties to operate the museum.
  - 18-11-7 (A) Board of the Farm and Ranch Heritage museum board shall: “establish museum policy and determine the mission”
  - 18-12-5 (G) Board of Directors of the National Hispanic Cultural Center shall: “establish policy, determine the mission and direct the development of the center”
  - 18-17-5 (G) Veterans Museum Board of Trustees shall “establish policy, determine the mission and direct the development of the museum”
  - 18-6-5 Cultural properties Review Committee shall (F) “shall issue regulations”...and (P) shall provide advice”...
  - 18-5-5 (B) The Arts Commission “will advise the director on all division policies”
  - 18-2-2 The NM State Library Commission “shall provide advice” to the State Librarian.
  - 3-60C-4 The Main Street Revolving Loan Committee shall “establish procedures...and promulgate rules...”
  - 18-16-4 The Music Commission shall “advise the division, the department, other state agencies and the governor”. The Music Commission is administratively attached to the Arts Division; however it is slated for repeal in SB 158.

**Sections 22 and 23:** updates CATD name regarding Ft Stanton Development Commission. **This Commission is no longer functional, and can be repealed.** These sections are slated for repeal in section 66 of this very bill, as well as in SB 158. These two sections of HB 255 should be struck from the bill.

Section 24: updates language in Economic Development Department statutes to reflect new name of CATD.

**Section 25:** the NM Artisans Business Development program has existed for many years as an unfunded mandate requesting action from Economic Development Department in collaboration with the New Mexico Arts Division of DCA. **Section 25 is currently not funded and not being implemented and should be repealed.**

Section 26 – 29: Updates name of department to new name – Cultural Affairs and Tourism Department (CATD).

Section 30 administratively attaches the State Fair to the Cultural Affairs and Tourism Department (CATD). There are possibilities here for sharing of expertise and improved service delivery.

Section 31 through 61: amends current DCA statutes to update with new CATD name.

**Section 56.** Page 62 – amends the Film Museum creation statute to update the new name of the department. The Film Museum has no budget attached to it and statutes relating to it could be repealed. All statutes relating to it are repealed in SB 158. This section could be repealed, and if it is, then all of Sections 18-14-1 through 18-14-6 should also be repealed.

**Section 62 moves the Racing Commission** and administratively attaches it to the CATD. It is difficult to imagine that the Cultural Affairs and Tourism Department can provide expertise that would increase efficiencies or improve management of the Racing Commission, which is involved with gambling, animal welfare, criminal penalties, regulations and licensing. It would be a simple amendment to change the agency to which this commission is administratively attached, to an agency more familiar with the functions of the Racing Commission, or simply more focused on State Governmental procedures, such as DFA.

Sections 63 and 64: Updates name of department to new name – Cultural Affairs and Tourism Department (CATD).

Section 65: Transfers all property, personnel etc of DCA and of TD to the new merged CATD.

Section 66 repeals certain statutes.

**Appendix B – HB-7 General Appropriation Act of 2011 (LFC proposal, 2011)**

TOURISM DEPARTMENT:

(1) Marketing and promotion:

The purpose of the marketing and promotion program is to produce and provide collateral, editorial and special events for the consumer and trade so they may increase their awareness of New Mexico as a premier tourist destination.

Appropriations:

(a) Personal services and employee benefits	1,604.6		1,604.6
(b) Contractual services	450.3		450.3
(c) Other	3,750.3	90.0	3,840.3

Authorized FTE: 37.50 Permanent; 1.00 Term

The general fund appropriation to the marketing and promotion program of the tourism department includes four hundred thousand dollars (\$400,000) in the contractual services category and three million forty-five thousand dollars (\$3,045,000) in the other category for direct marketing, promotion and advertising. Of the appropriation in the other category, one hundred thousand dollars (\$100,000) shall be used on statewide advertising with the state parks division of the energy, minerals and natural resources department, one hundred thousand dollars (\$100,000) shall be used on statewide advertising efforts with the cultural affairs department and fifty thousand dollars (\$50,000) shall be used on statewide advertising efforts to promote golf tourism.

(2) Tourism development:

The purpose of the tourism development program is to provide constituent services for communities, regions and other entities so they may identify their needs and assistance can be provided to locate resources to fill those needs, whether internal or external to the organization.

Appropriations:

(a) Personal services and employee benefits	147.9	196.4	344.3
(b) Contractual services	39.4	52.3	91.7
(c) Other	798.9	1,058.9	1,857.8

Authorized FTE: 5.00 Permanent

The general fund appropriation to the tourism development program of the tourism department in the other category includes six hundred thousand dollars (\$600,000) for the cooperative advertising program.

(3) New Mexico magazine:

The purpose of the New Mexico magazine program is to produce a monthly magazine and ancillary products for a state and global audience so the audience can learn about New Mexico from a cultural, historical and educational perspective.

Appropriations:

(a) Personal services and employee benefits	1,181.3		1,181.3
(b) Contractual services	836.9		836.9
(c) Other	2,078.2		2,078.2

Authorized FTE: 17.00 Permanent

(4) Sports authority:

The purpose of the sports authority program is to recruit new events and retain existing events of professional and amateur sports to advance the economy and tourism in the state.

Appropriations:

(a) Personal services and employee benefits	75.0		75.0
(b) Contractual services	30.0		30.0

Authorized FTE: 1.00 Permanent

(5) Program support:

The purpose of program support is to provide administrative assistance to support the department's programs and personnel so they may be successful in implementing and reaching their strategic initiatives and maintaining full compliance with state rules and regulations.

Appropriations:

(a) Personal services and employee benefits	971.8		971.8
(b) Contractual services	27.6		27.6
(c) Other	418.2		418.2

**House Bill 255 – Page 13**

Authorized FTE: 15.00 Permanent  
Subtotal 8,314.0 4,186.4 1,307.6 13,808.

**CULTURAL AFFAIRS DEPARTMENT:**

**(1) Museums and monuments:**

The purpose of the museums and monuments program is to develop and enhance the quality of state museums and monuments by providing the highest standards in exhibitions, performances and programs showcasing the arts, history and science of New Mexico and cultural traditions worldwide.

Appropriations:

(a) Personal services and employee benefits	14,525.8	2,758.5		91.9	17,376.2
(b) Contractual services	426.8	442.5	200.0		1,069.3
(c) Other	4,192.9	1,129.7	5.0		5,327.6

Authorized FTE: 300.00 Permanent; 39.00 Term

**(2) Preservation:**

The purpose of the preservation program is to identify, study and protect New Mexico's unique cultural resources, including its archaeological sites, architectural and engineering achievements, cultural landscapes and diverse heritage.

Appropriations:

(a) Personal services and employee benefits	718.2	1,612.7	875.4	729.5	3,935.8
(b) Contractual services		7.2	307.8	203.6	518.6
(c) Other	79.3	8.7	346.8	266.9	701.7

Authorized FTE: 31.00 Permanent; 29.50 Term; 6.00 Temporary

**(3) Library services:**

The purpose of the library services program is to empower libraries to support the educational, economic and health goals of their communities and to deliver direct library and information services to those who need them.

Appropriations:

(a) Personal services and employee benefits	1,998.9	95.5		673.2	2,767.6
(b) Contractual services	93.2			334.9	428.1
(c) Other	1,103.1	35.0		431.1	1,569.2

Authorized FTE: 39.00 Permanent; 13.00 Term

**(4) Arts:**

The purpose of the arts program is to preserve, enhance and develop the arts in New Mexico through partnerships, public awareness and education.

Appropriations:

(a) Personal services and employee benefits	795.2	55.2		145.1	995.5
(b) Contractual services	592.7			406.9	999.6
(c) Other	114.8			1.1	115.9

Authorized FTE: 10.50 Permanent; 4.50 Term

**(5) Program support:**

The purpose of program support is to deliver effective, efficient, high-quality services in concert with the core agenda of the governor.

Appropriations:

(a) Personal services and employee benefits	2,893.6	71.5			2,965.1
(b) Contractual services	168.2	2.8			171.0
(c) Other	135.8	117.6			253.4

Authorized FTE: 41.70 Permanent; 2.00 Temporary

Any unexpended balances in the cultural affairs department at the end of fiscal year 2012 from appropriations made from the general fund shall not revert.

The internal service/interagency transfers appropriations to the preservation program of the cultural affairs department includes one million dollars (\$1,000,000) from the department of transportation for archaeological studies related to highway projects.

(a) Subtotal	27,838.5	6,336.9	1,735.0	3,284.2	39,194.
--------------	----------	---------	---------	---------	---------