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FISCAL IMPACT REPORT

ORIGINAL DATE 02/16/11

SPONSOR Martinez, R. **LAST UPDATED** _____ **HB** _____

SHORT TITLE Allow Donations from Private Sources **SB** 349

ANALYST Aubel

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY11	FY12	FY13		
	Minimal	Minimal	Both	CPR Gifts and Donations Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Minimal	Minimal	Minimal	Both	CPR Gifts and Donations Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Commission for Public Records (CPR)

SUMMARY

Synopsis of Bill

Senate Bill 349 amends Section 14-3-5 NMSA 1978 of the Public Records Act to expand the uses of the Commission of Public Records (CPR) statutory gifts and donation fund. Presently, the gifts and donations received by CPR deposited into the fund are restricted to building, enlarging, maintaining or equipping the facility (records center) or for acquiring documentary materials. The amendment would allow the agency to accept financial or other donations from private sources for support of specific agency functions, if the donations are so designated.

FISCAL IMPLICATIONS

As described by CPR, the bill only indirectly relates to the budget appropriation for the Commission of Public Records. The agency's gifts and donations' fund, which this bill affects, is not budgeted. The balance is small and cannot be used currently for anything other than facility enhancements or collection acquisition, and a BAR is used in the rare occasions it is drawn upon. If the bill were to pass, and if the agency received designated donations pursuant to the bill, those donations could be used to supplement funding for the designated activities.

The amount of revenue into to fund is expected to vary from year to year and most likely would be minimal. CPR provides fiscal implications:

The fiscal implications for CPR are indeterminate, although it is anticipated that support for designated, specific agency functions will be forthcoming. Currently, for example, the NM Historical Society is helping to support the CPR NM History Scholars Program. This activity was previously funded initially through a recurring special appropriation and then through the agency's base budget. However, given the agency's declining general fund appropriation levels, agency support for the program has been deferred. The Society offered to fund a limited number of scholarships; however, the agency was unable to accept a donation for that purpose. Consequently, the agency entered into an agreement with the Historical Society to use the agency's established process to evaluate applicants – but all funding, scholarship payments, etc. are handled entirely by the Society.

CPR points out that, should the Society, or any other private person or entity, wish to continue support for the NM History Scholars Program or other specific program, Senate Bill 349 would allow CPR to accept the money and use it for the designated function. This would allow the agency to exercise fiscal control over the money.

CPR notes that it does not know how much additional revenue it would realize as a result of the bill. The amount would most likely vary considerably from year to year and would supplement, not replace the agency's traditional funding sources.

Based on the initial NM Historical Society support for the history scholars program of \$13 thousand in FY11, it is reasonable to assume the revenue generated from the bill would be minimal.

SIGNIFICANT ISSUES

At present, if CPR receives financial or other donations from private sources, this support may only be applied to building maintenance or the purchase of documentary material. This bill would allow the agency to carry out programs that have been curtailed by budget reductions as well as provide the agency greater fiscal control over such efforts.

PERFORMANCE IMPLICATIONS

SB 349 would allow the agency to continue legislative initiatives regarding history and records preservation by partnering with the public sector.

ADMINISTRATIVE IMPLICATIONS

The bill would provide the agency greater control over the funding of such initiatives.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

CPR will continue to be unable to receive private financial and other donations to support designated, specific agency functions, such as the office of the State Historian's NM History Scholars Program.

MA/mew