

LFC Requester: \_\_\_\_\_

**AGENCY BILL ANALYSIS - 2026 REGULAR SESSION**  
**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)  
*(Analysis must be uploaded as a PDF)*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

**Date Prepared:** 1/31/2026 *Check all that apply:*  
**Bill Number:** HB238 Original  Correction   
 Amendment  Substitute

**Sponsor:** Lujan **Agency Name and Code** Department of Cultural Affairs 505  
**Short Title:** Independent Theater Sponsorship Program **Number:** \_\_\_\_\_  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
0	1,000.0	Nonrecurring	

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
n/a	n/a	n/a	n/a	n/a

(Parenthesis ( ) indicate revenue decreases)

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

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	n/a	n/a	n/a	n/a	n/a	n/a

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

##### Synopsis:

HB 238 creates the independent theater sponsorship program administered by the Economic Development Department as a three-year pilot project to be funded by a one-time \$1,000,000 appropriation to provide monthly sponsorship payments of up to \$2,000 to independent theaters and measure the effect of these sponsorship payments on the economic development of municipal business districts.

#### **FISCAL IMPLICATIONS**

None identified.

#### **SIGNIFICANT ISSUES**

HB238 could benefit locally owned independent theaters by making them more competitive with the larger regional and national theater chains by supporting them with a basic and consistent monthly income to supplement revenue. This is especially helpful for stabilizing small businesses like independent theaters whose revenue can fluctuate significantly and unlike larger theater chains do not have revenue from multiple locations to offset fluctuations at any given single location. Increasing the viability of local theaters in downtown areas can bolster local economies and bring people into downtown areas, helping to revitalize downtown business districts.

#### **PERFORMANCE IMPLICATIONS**

None identified.

#### **ADMINISTRATIVE IMPLICATIONS**

None identified.

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

None identified.

#### **TECHNICAL ISSUES**

None identified.

#### **OTHER SUBSTANTIVE ISSUES**

None identified.

#### **ALTERNATIVES**

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

Independently owned local theaters will continue to struggle to compete against the larger theater chains and local business districts would potentially miss out on the opportunity to see increased

traffic and business.

**AMENDMENTS**

None suggested.