

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 2-14-2007
 LAST UPDATED 2-22-2007 HB 634/HCPACS

SPONSOR HCPAC

SHORT TITLE Hispanic Cultural Center Family Passes SB _____

ANALYST Dearing

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$500.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY07	FY08	FY09		
	(\$65.0)	(\$65.0)	(\$130.0)	*Other

(Parenthesis () Indicate Revenue Decreases)

Figure 1. *Admissions revenue for Cultural Affairs facilities is deposited into a special revenue fund.

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Cultural Affairs Department (CAD)

SUMMARY

Synopsis of Bill

House Bill 634/HCPACS appropriates \$500 thousand from the general fund for expenditure in FY08 to the local government division of the department of Finance and Administration for the purpose of providing family passes for admission to the Hispanic Cultural Center.

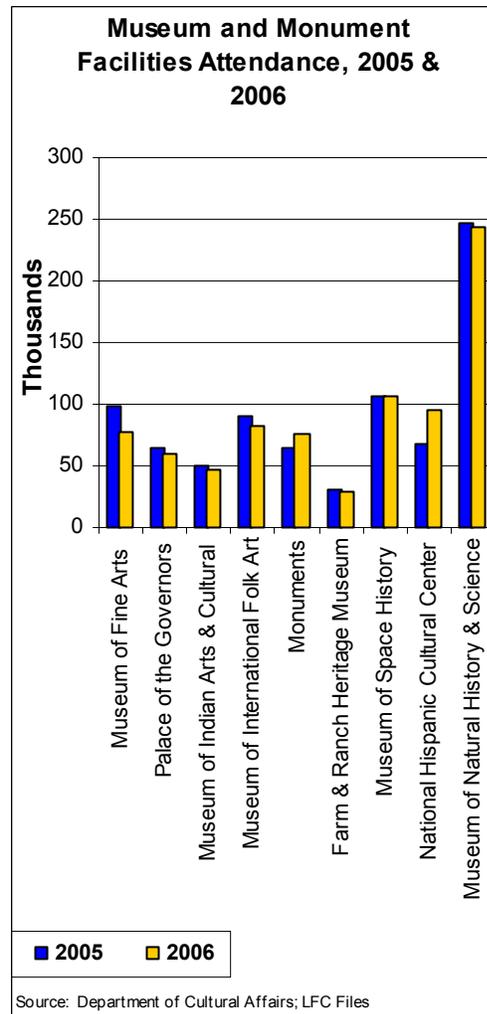
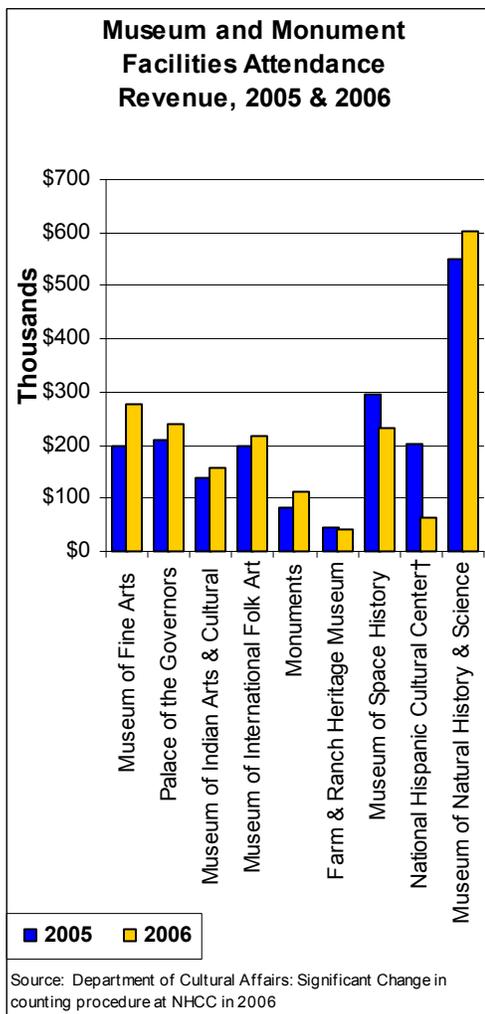
FISCAL IMPLICATIONS

The appropriation of \$500 thousand contained in House Bill 634/HCPACS 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.

It is unclear how the Bernalillo county family pass program would reimburse the National Hispanic Cultural Center. Admissions revenue for the National Hispanic Cultural center in FY06 was approximately \$65 thousand. Neither the proposed legislation nor the agency response provides estimates of the number of individuals that would be served by this proposal, nor those families eligible. However, if family admission passes were issued, the impact would be instead to the centers’ admissions revenue.

SIGNIFICANT ISSUES

The department’s National Hispanic Cultural center mission includes service to children and families. Many of the center’s literary, visual and performing arts programs are geared to children and families. In 2006, the center’s attendance approached some 94,795 people.



The Center's current admission fee schedule for museum exhibitions is \$3 for adults, and \$2 each for children and seniors. School groups are free. Sundays are free. Ticket prices for performing arts events vary.

PERFORMANCE IMPLICATIONS

Free admission at the center would most likely increase the facility's attendance figures, which are a component of a Museums and Monuments program performance measure.

ADMINISTRATIVE IMPLICATIONS

The mechanics of these family passes are not spelled out in the legislation. Enactment of the bill will require some collaboration between Bernalillo County and the NHCC. As the appropriation is directed to DFA, it is not stated if DFA will reimburse the NHCC for admissions services/revenue waived on a per-unit basis (cash-basis), or whether it will be a lump-sum waiver (accrual) of foregone revenue in the amount of the appropriation.

The department states current staff at the NHCC could administer this program. Some level of printing costs would be incurred with the family passes, as well as some additional marketing and promotion efforts. Lastly, accounting and reporting procedures would need to be altered at the center's business office to incorporate this program.

ALTERNATIVES

The intended outcome could be provided through allowing free admissions for the intended program recipients at the admissions office at the center. The appropriation of \$500 thousand should not be necessary to accomplish the intention of free admissions for families.

PD/csd