

# BDR 33-267

## SB 187

### EXECUTIVE AGENCY FISCAL NOTE

#### AGENCY'S ESTIMATES

Date Prepared: March 1, 2017

Agency Submitting: State Department of Conservation and Natural Resources, State Historic Preservation Office

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Effect on Future Biennia
Program (Expense)		\$192,292	\$138,391	\$243,390
Total	0	\$192,292	\$138,391	\$243,390

#### Explanation

(Use Additional Sheets of Attachments, if required)

The agency has reviewed SB187 (BDR 33-267) and determined that there will be a fiscal impact. Specifically, carrying out the provisions of this bill will require the addition of one FTE and associated operating and travel costs. SB187 creates a new committee and grant program with its incumbent application and grant management requirements that will exceed existing staff and fiscal capacity.

Also SB187 Section 3, requires that a unique 10-year plan must be created for the Fund for the Preservation and Promotion of the Arts and Museums. In 2002, the contract cost of the current Commission for Cultural Centers and Historic Preservation (CCCHP) plan was \$51,477. Factoring in annual inflation adjustment of 3% per year, the estimated cost of a new plan is projected to be at least \$82,606.

In addition, upfront costs for the initial start-up of this program (e.g travel), completion of the 10-year plan and some administrative expenses must also be considered, since bond proceeds would not yet be available. Upon the sale of bonds and the deposition of proceeds into the Fund for the Preservation and Promotion of the Arts and Museums per SB187 Section 7, some administrative costs may then be transferred to the bond program as outlined in SB187 Section 4.

Name Celeste D. Arnold

Title ASO 1

#### GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Thursday, February 23, 2017

The agency's response appears reasonable.

Name Colleen M. Murphy

Title Budget Officer