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### Capital Outlay Eligibility Requirements for One Percent for Art

This document is intended to clarify the requirements for participation in the Art in Public Places (AIPP) Program of the New Mexico Arts Division (NMAD). The AIPP Act (Sections 13-4A-11, NMSA 1978, as amended) has specific eligibility requirements for the withholding of One Percent for Art funds.

The primary provision in the AIPP Act is that “all agencies shall allocate...one percent or \$200,000, whichever is less, of the amount of money appropriated for new construction or any major renovation exceeding \$100,000 to be expended for the acquisition of ... art. (13-4A-4)

1. **One percent of the total appropriation** for new construction or renovation of any building shall be deposited into the Art in Public Places (AIPP) fund after the issuance of the appropriate bonds or release of general funds. (13-4A-7)
2. Capital projects of \$100,000 or less do not qualify for the withholding of one percent funds.
3. The maximum one percent amount for any structure is \$200,000.
4. Auxiliary buildings such as maintenance plants, correctional facilities, warehouses or temporary structures are subject to the withholding of one percent funds. (13-4A-3E) These funds will be used...to place artwork in existing public buildings. (13-4A-4)
5. All capital projects over \$100,000 involving construction **do** include one percent funds. An example is statewide building repair. If any single project included in the statewide repair is for an amount of over \$100,000 then one percent applies to that one project. One percent is not applied on other individual projects of less than \$100,000 which are also included in the statewide repair.
6. The AIPP Act does not contain a definition of “new construction” or “major renovation”. For clarification, the policies are listed below.
  - A. If renovation is for a specific purpose such as roof repair, asbestos removal, handicap accessibility, fire sprinkler system installation, electrical upgrades, or heating, cooling or ventilation system installation, etc., one percent does **not** apply.
  - B. If a project is for a major renovation job such as converting an armory into a convention center and part of the project is roof repair, asbestos removal, or handicap accessibility, etc. one percent of the total project appropriation **must** be set aside for art. Ex: a) construction of a utility room to house an HVAC system; or b) renovation of a warehouse to turn it into an auditorium including the purchase of seating.
  - C. Capital project requests for the purchase of a pre-fabricated building or the demolition of a building are **not** eligible for the one percent.