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FISCAL IMPACT REPORT

SPONSOR Madalena DATE TYPED 2/3/04 HB 39/aHGUAC/aHAFC

SHORT TITLE Indian Affairs Department Act SB _____

ANALYST Gilbert

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Office of Indian Affairs (OIA)

Department of Public Education (DPE)

SUMMARY

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee (HAFC) amendment to House Bill 39 deletes the \$527.0 appropriation contained in the original bill.

Synopsis of HGUAC Amendment

The House Government and Urban Affairs Committee (HGUAC) amendment to House Bill 39 (The Indian Affairs Department Act) renames the Indian Affairs Advisory Board to the Indian Affairs Commission.

Section 13, subsection F, which stated that the Indian Affairs Advisory Board shall advise the secretary on policy matters, is deleted and a new Section 14 is added as outlined below:

Section 14. [NEW MATERIAL] POWERS OF THE COMMISSION.--The commission shall:

A. conduct meetings to provide an opportunity for the presentation and exchange of ideas with respect to Indian affairs by any interested party that result in the promotion of the welfare of the Indian people;

B. receive and disseminate information on issues that significantly impact the welfare of the Indian people;

C. apprise the secretary of the conditions in Native American communities in New Mexico; and

D. advise the secretary on policy matters related to the department's powers and duties.

Synopsis of Original Bill

House Bill 39 creates an Indian Affairs Department (IAD) which is composed of two divisions: administrative services and program services. An Indian Affairs advisory board is also created. This bill addresses directives and recommendations made in Committee Substitute for House Bill 585 passed and signed by the Governor during the 2003 Legislative Session and by the Legislative Subcommittee on Reorganization. An appropriation of \$527 thousand is allocated for organizational and operational expenses.

Significant Issues

The IAD will administer approximately 200 capital outlay projects worth over \$20 million and conduct 14 community-based special projects for the 22 tribes and pueblos.

This bill will also permit the new department to expand its policy-making role and be more proactive in recommending policies pertaining to state-tribal relations.

FISCAL IMPLICATIONS

The \$527.0 appropriation contained in this bill is a recurring expense to the general fund and any unexpended or unencumbered balance remaining at the end of fiscal year 2005 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

This bill provides the IAD with authority and funding necessary to create and implement the new department.

According to the State Department of Public Education (DPE), the Department of Indian Affairs should establish a process to collaborate with the DPE Indian Education Division to address the educational concerns of Native American students in New Mexico.