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## FISCAL IMPACT REPORT

SPONSOR Harrison DATE TYPED 3/10/05 HB 481/aHAFC

SHORT TITLE Intertribal Ceremonial Act SB \_\_\_\_\_

ANALYST Rosen

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			Indeterminate	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB46

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Tourism Department (TD)

Energy, Minerals, and Natural Resources Department (EMNRD)

Department of Indian Affairs (DIA)

### SUMMARY

#### Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment to House Bill 481 strikes the \$400.0 appropriation.

#### Synopsis of Original Bill

House Bill 481 creates the Intertribal Ceremonial Office within the Tourism Department, creates an Intertribal Ceremonial board of seven members appointed by the Governor to serve five-year terms, provides for at least a majority of board members to be Native American, establishes the Intertribal Ceremonial Fund, and appropriates \$400 thousand from the general fund to the Intertribal Ceremonial Fund for the purpose of administering annual intertribal ceremonials, promoting ceremonies of significance to Indian tribes and pueblos and coordinating all services and ac-

tivities pertaining to intertribal ceremonials. House Bill 481 contains an emergency clause.

### Significant Issues

DIA indicates state funding for the annual Gallup Intertribal Ceremonial, the fifth largest tourist attraction in the state and an annual event for more than 83 years, was discontinued under the previous administration, creating financial hardship and jeopardizing the Ceremonial's continued existence.

TD indicates it is unclear exactly what role the Tourism Department would be expected to play in its cooperative relationship with the Intertribal Ceremonial Office. TD also notes this bill does not make provision for management of activities normally associated with such events, including sales of tickets, booth spaces, refreshments, and ancillary products.

EMNRD indicates the intertribal ceremonial event is annually sponsored by the Gallup Intertribal Ceremonial Association and held at Red Rock Park in Gallup. EMNRD indicates Red Rock Park is owned by the City of Gallup and operated by a private concessionaire. EMNRD indicates it is likely that the ownership of Red Rock Park may be conveyed to EMNRD's State Parks Division.

### **PERFORMANCE IMPLICATIONS**

Indeterminate

### **FISCAL IMPLICATIONS**

The appropriation of \$400 thousand contained in this bill is for staffing, management and promotion of the intertribal ceremonial and, as such, a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall not revert to the general fund.

### Continuing Appropriations

This bill creates a new fund and provides for continuing appropriations. The LFC objects to including continuing appropriation language in the statutory provisions for newly created funds. Earmarking reduces the ability of the legislature to establish spending priorities.

### **ADMINISTRATIVE IMPLICATIONS**

DIA indicates House Bill 481 provides for a Director for the Office but does not specify the number of support staff required to carry out the provisions of the Intertribal Ceremonial Act. DIA notes additional money may be needed to hire administrative support staff and recurring funding will be required to fulfill the ongoing duties and goals of the Office.

### **OTHER SUBSTANTIVE ISSUES**

DIA indicates creation of an Intertribal Ceremonial Office will assist tribal governments in development of tourism and marketing plans and promotion of cultural tourism that brings economic benefits to the tribes, pueblos and the state as a whole.

**TECHNICAL ISSUES**

The board is to consist of seven members, yet the staggered first year appointments amount to only six members. In addition, the board has no stated purpose or duties.

JR/sb