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FISCAL IMPACT REPORT

SPONSOR	Begaye	DATE TYPED	3/2/05 H	B 768/aHCPAC
SHORT TITI	LE Navajo Code Talker	Documentary	S	В
			ANALYS	T Rosen

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$150.0		Indeterminate	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB751

SOURCES OF INFORMATION

LFC Files

Responses Received From

Tourism Department (TD)

Department of Indian Affairs (DIA)

Department of Military Affairs (DMA)

Economic Development Department (EDD)

Veterans' Service Department (VSD)

Department of Cultural Affairs (DCA)

SUMMARY

Synopsis of HCPAC Amendment

The House Consumer and Public Affairs Committee amendment directs the appropriation request to the DIA as opposed to the EDD. The DIA will work with public and private donors to produce a documentary on Navajo Code Talkers' contributions during WWII within the context of the history of the Navajo Nation before and after the war.

Synopsis of Original Bill

House Bill 768 appropriates \$150.0 from the general fund to EDD for expenditure in FY05 and

House Bill 768/aHCPAC -- Page 2

FY06 to work with other public and private donors to produce a documentary on the contributions of Navajo code talkers during World War II.

Significant Issues

DCA reports the topic of Navajo Code Talkers has been dealt with extensively in print and film formats through fiction (Hollywood) movies, government documentaries, as well as private documentaries (PBS). Unless new angles and aspects, new documentation, or new participants are considered, DCA indicates this proposed project may be a duplication of earlier works. Although there have been no Code Talker documentaries made from the Navajo historical perspective, the original, award-winning documentary on Code Talkers was produced by Museum of New Mexico videographer Tom McCarthy under the auspices of the DCA.

EDD does not produce films; EDD's Film Office markets the state's film production and training incentives to bring film productions to the state of New Mexico.

The State Investment Council (SIC) offers financing options to prospective film makers who are willing to conduct principal photography in the state and agree to hire a majority of New Mexicans to work on the production.

TD indicates its marketing department has the capability and expertise necessary to produce high-quality documentaries.

FISCAL IMPLICATIONS

The appropriation of \$150.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

EDD does not have the staff or expertise to produce film documentaries.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Duplicates SB751

OTHER SUBSTANTIVE ISSUES

According to DIA, when the Japanese attacked Pearl Harbor on December 17, 1941, U.S. Intelligence set out on a search for a new means to counter the Japanese. Consequently, the U.S. government called upon the Navajo Nation to support the military effort by recruiting and enlisting twenty-nine Navajo men to develop a code using the Navajo language to communicate military messages in the Pacific. Subjected to alienation in their own homelands and discouraged from speaking their native language, these Navajo men rose to the challenge. The code they developed proved to be unbreakable and was considered the most significant and successful military code of the time. The use of the Navajo code was credited in saving the lives of American soldiers and in the success of the U.S. engagements in other wars.

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DIA notes that on December 22, 2000, the Honoring the Navajo Code Talkers Act was signed into law, which authorized the President of the United States to award each of the twenty-nine Navajo Code Talkers a gold medal and a silver medal to other Navajo men who later qualified as Navajo Code Talkers (Pub.L. No. 106-554).

DIA indicates this bill provides an opportunity for New Mexico to be part of history by sharing the contributions and achievements of the Navajo Code Talkers with people throughout the world. Part of this effort would involve the state partnering with the Navajo Nation in researching and telling the history of the Navajo Nation before and after World Ward II. A Navajo Code Talkers documentary may also bring economic benefits to the state and to the Navajo Nation.

DIA notes American Indians have served with distinction in U.S. military actions for more than 200 years. American Indians continue to play a major role in the armed services with nearly 11,000 on active duty today (Census 2000). Their heroic military contributions and courage are well documented and this bill would only further honor the Navajo Code Talkers with a documentary on their contributions to the country.

DMA indicates it supports any legislation that benefits or highlights the service of New Mexico veterans.

ALTERNATIVES

Make the appropriation to DIA, SIC, or TD to rely upon their expertise in Indian affairs, film financing, or producing film documentaries, respectively.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

DIA believes that, without this <u>initial funding</u>, the opportunity to share the history of New Mexico's American Indians' military service to the U.S. may be lost.

DCA indicates the Navajo historical perspective would not be represented in a film about Navajo Code Talkers.

JR/njw:lg