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FISCAL IMPACT REPORT

ORIGINAL DATE 1/28/08

SPONSOR Begaye LAST UPDATED _____ HB 371

SHORT TITLE McKinley County Economic Development Site SB _____

ANALYST Earnest

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$500.0	Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

House Bill 371 duplicates Senate Bill 362 and relates to HB 61.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

Veterans' Services Department (VSD)

SUMMARY

Synopsis of Bill

House Bill 371 appropriates \$500 thousand from the general fund to the Economic Development Department to conduct, in cooperation with the Veterans' Services Department, a feasibility study for and to plan, design and construct an economic development site to include a veterans' service center and health care facility, commercial components, a museum to showcase the Navajo code talkers' legacy, and a national cemetery.

FISCAL IMPLICATIONS

The appropriation of \$500 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

SIGNIFICANT ISSUES

According to EDD, the study would ascertain the impact to the local economy of a new code talkers museum, visitor center, and cemetery. The study would help determine the impact on tourism, local jobs, and economic development of an already depressed area of the state.

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The appropriation is for a feasibility study and planning, design and construction. It isn't clear that \$500 thousand is enough funding to complete the project.

OTHER SUBSTANTIVE ISSUES

According to VSD, this site could have a positive impact due to the increase in tourism to the area thus creating more jobs in the local economy already suffering from the area mines that will soon be closing. This would also create an avenue for local veterans to be able to go to one place and receive information on all local, state, and federal benefits. Currently, there is no venue that showcases the great impact that the Navajo Code Talkers had on our national security. Many of these Code Talkers are aging and the state needs to preserve the rich legacy of these hero warriors for future generations.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 371 duplicates Senate Bill 362 and relates to HB 61.

ALTERNATIVES

The bill could appropriate funding solely for a feasibility study, which would help determine the necessary amount of funding needed for planning, design and construction.

BE/bb