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FISCAL IMPACT REPORT

SPONSOR Lovejoy ORIGINAL DATE 1/28/08
LAST UPDATED _____ HB _____
SHORT TITLE Native American Web Site Maintenance SB 361
ANALYST Cox

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$75.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses from

Department of Cultural Affairs (DCA)

Department of Indian Affairs (IAD)

SUMMARY

Synopsis of Bill

Senate Bill 361 appropriates seventy five thousand dollars (\$75,000) from the General Fund to the Department of Cultural Affairs to build and maintain web sites for rural and reservation-based Native American populations that do not have access to economic growth on the internet.

FISCAL IMPLICATIONS

The appropriation of seventy five thousand dollars (\$75,000) contained in this Bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2009 shall revert to the General Fund.

DCA lists this appropriation as non-recurring. These contemplated web-sites will need future maintenance to be effective in later years. The LFC analyst classifies this appropriation as recurring.

SIGNIFICANT ISSUES

DCA states:

The World Wide Web provides access to a worldwide audience. Its global reach can be leveraged by communities to deliver promotional and marketing messages to target audiences and, to individuals or organizations providing goods or services, it can serve as a "worldwide storefront"—a mechanism through which financial transactions can take place. Use of the internet for these purposes can significantly aid the economic development efforts of rural communities.

Because there is a global audience for many of the artistic products and cultural experiences offered by Native communities, there are significant opportunities to take advantage of the Internet for economic development.

It is the department's understanding that the development and maintenance of these Web sites would be contracted to a firm specializing in providing this type of service.

IAD states

According to the 2000 Census, there are more than 197,300 Native owned businesses employing nearly 300,000 people across the country. In New Mexico, there are over 6,800 Native American owned businesses. These include tribally-owned businesses like agriculture, recreation and natural resource development. They also include tribal-member owed businesses like agriculture, goods and services and arts and crafts. Unfortunately, according to Native American business owner and chairman of the American Indian Chamber of Commerce of New Mexico, David Melton, "New Mexico tribes struggle with diversifying and developing their economies...because there is a lack of business sites on Indian reservations."

¹ Interview with David Melton, Owner, Sacred Power (2007).

ADMINISTRATIVE IMPLICATIONS

DCA notes:

It is not clear why the Department of Cultural Affairs would receive the appropriation and the direction to building and maintain these web sites. It may be more appropriate for the administering agency be the Indian Affairs Department It may be more appropriate for the administering agency be the Indian Affairs Department.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Related to SB 364 "Internet to Hogans"

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