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## FISCAL IMPACT REPORT

SPONSOR Lundstrom ORIGINAL DATE 02/05/10  
LAST UPDATED \_\_\_\_\_ HB 265  
SHORT TITLE Native American Arts & Crafts Task Force SB \_\_\_\_\_  
ANALYST Burns

### APPROPRIATION (dollars in thousands)

| Appropriation |         | Recurring<br>or Non-Rec | Fund<br>Affected |
|---------------|---------|-------------------------|------------------|
| FY10          | FY11    |                         |                  |
| NFI           | \$200.0 | Nonrecurring            | General Fund     |

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 107 Indian Arts & Crafts Crime Consistencies

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Attorney General's Office (AGO)  
Indian Affairs Department (IAD)  
Department of Cultural Affairs (DCA)

### SUMMARY

#### Synopsis of Bill

House Bill 265 appropriates two hundred thousand (\$200,000) from the General Fund to the Indian Affairs Department for the purpose of creating along with the Cultural Affairs Department and the Office of the Attorney General, a task force to study Native American arts and crafts, including the extent to which the manufacture and sale of Native American arts and crafts contributes to the state's culture and economy; the potential adverse impact of the import, production and sale of items of non-authentic Native American arts and crafts; the extent to which non-authentic Native American arts and crafts are misrepresented to the public; and policy recommendations and legislation that the state might enact to promote and protect the contribution of the manufacture and sale of Native American arts and crafts to the state's economy.

### FISCAL IMPLICATIONS

The appropriation of \$200 thousand contained in this bill is a non-recurring expense to the

General Fund. Any unexpended or unencumbered balance remaining at the end of 2011 shall revert to the general fund.

### **SIGNIFICANT ISSUES**

According to IAD a study would provide the state with a better understanding of the value of Native American arts and crafts to our state's economy and culture. The study would also include an evaluation of the effects of importation, production, and sale of non-authentic Native American arts and crafts on New Mexico's economy and culture, and the extent of sales of misrepresented non-Native American arts and crafts in New Mexico. This information may help New Mexico improve its enforcement of the Indian Arts and Crafts Sales Act and protect the livelihoods of Native artists in New Mexico.

### **PERFORMANCE IMPLICATIONS**

The work outlined in HB265 relates to the mission of the Department of Cultural Affairs, which is to preserve, foster, and interpret New Mexico's diverse cultural, scientific and artistic heritage and expression for present and future generations, enhancing the quality of life and economic well-being of the state.

### **ADMINISTRATIVE IMPLICATIONS**

HB 265 may require staff time for IAD, DCA, and AGO.

### **RELATIONSHIP**

SB 107, Indian Arts & Crafts Crime Consistencies, would increase the penalties for willful violations of Indian Arts and Crafts Sales Act.

### **ALTERNATIVES**

The Indian Arts and Crafts Sales Act already protects the public and the Indian craftsman under the police powers of the state from false representation in the sale, trade, purchase or offering for sale of Indian arts and crafts. Funding for enforcement could be an alternative to studying the affects of the illegal sale.

### **POSSIBLE QUESTIONS**

Would it be better to increase the enforcement of the provisions of the Indian Arts and Crafts Sales Act than it would be to continue to study the impact of the illegal sale of the goods?

KJB/mew