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FISCAL IMPACT REPORT

SPONSOR Gonzales **ORIGINAL DATE** 02/05/11
LAST UPDATED 02/21/11 **HB** 244/aHCPAC

SHORT TITLE Cultural Affairs Department Appropriation **SB** _____

ANALYST Soderquist

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	\$31.0	Non-Rec	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates: SB318

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Cultural Affairs (DCA)
Economic Development Department (EDD)

SUMMARY

Synopsis of House Consumer and Public Affairs Committee Amendment

The House Consumer and Public Affairs Committee Amendment to House Bill 244 appropriates \$31.0 thousand from the State General Fund to the Department of Cultural Affairs (DCA) in FY12 to support the production of a new documentary film entitled "China-Burma-India: The Forgotten Theater of WW II". The legislation states that the film would feature "the contribution of New Mexico World War II veterans and will be distributed to television networks, universities, museums, libraries, and military institutions worldwide securing for China-Burma-India veterans their rightful and deserved place in World War II history".

Synopsis of Original Bill

House Bill 244 appropriates \$31.0 thousand from the State General Fund to the Department of Cultural Affairs (DCA) in FY12 to support the production of a new documentary film entitled "China-Burma-India: The Forgotten Theater of WW II". The legislation states that the film

would feature the contribution of New Mexico veterans and would be an integral part of the Native American studies curriculum in universities worldwide.

FISCAL IMPLICATIONS

HB244a appropriates \$31.0 thousand from the State General Fund to the Department of Cultural Affairs in FY12. Any monies remaining at end of fiscal year would revert to the general fund. The funding is non-recurring.

SIGNIFICANT ISSUES

According to the Fiscal Impact Report received from the Department of Cultural Affairs, the China-Burma-India (CBI) theatre is a forgotten part of World War II because it did not have an overall operational command structure. It was troubled by controversies between the military commands of the United States and the United Kingdom and conflicts with Chiang Kai-shek (China). As the war evolved and the tide turned against the Japanese, military attention and strategies shifted to the Pacific islands and the road to Japan.

The contribution of New Mexicans in the CBI theater of WWII is not clear because it is not well-researched or documented. This stands in direct contrast to the New Mexican contribution and sacrifice in the Philippines, especially as it relates to the Bataan Death March. The legislation derives from the fact that Navajo Code Talkers served in the CBI theatre and have heretofore gone relatively unrecognized.

DCA is unfamiliar with this documentary film project. While the bill appropriates funds to DCA, DCA states there is no specific division or program identified for project management or oversight.

The response from the Department of Economic Development states:

“Due to current needs for fiscal austerity, the \$31,000 appropriation appears to cost too much for a project of this nature. There are other ways to produce this documentary without government funds. Many non-profits in the state would likely be interested in partnering with Cultural Affairs to produce the film without money from state government. There are hundreds of film students in the state who would readily volunteer to shoot and edit the film without the need for a monetary earmark from the state. Film New Mexico could help find in-kind donations for film-making equipment.

Moreover, the short-term production time for the creation of this documentary film would have very little impact on job creation.”

PERFORMANCE IMPLICATIONS

As part of its mission, DCA pursues the development of education and outreach programs similar to those referenced in the legislation.

ADMINISTRATIVE IMPLICATIONS

DCA would have to determine the most appropriate division or program within the department for planning and managing this project.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB318 is a duplicate.

OTHER SUBSTANTIVE ISSUES

DCA recommends that this appropriation go to the Film Office of the Economic Development Department (EDD) as it does fund films. However, EDD raises questions about the cost of the film and its capacity for job creation in New Mexico.

ALTERNATIVES

Direct appropriation to the Economic Development Department/Film Office.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

This documentary film would not be funded through DCA.

RS/mew