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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/24/18

SPONSOR Pinto LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Navajo Code Talkers Museum & Vets Center SB 105

ANALYST Klunt

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY18	FY19		
	\$1,000.0	Nonrecurring	General

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Indian Affairs Department (IAD)

### SUMMARY

#### Synopsis of Bill

Senate Bill 105 (SB 105) appropriates \$1 million dollars from the general fund to the Indian Affairs Department (IAD) for expenditure in fiscal year 2019 to design and construct a Navajo code talker's museum and veteran's center located in McKinley County.

### FISCAL IMPLICATIONS

The appropriation of \$1 million dollars contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2019 shall revert to the general fund. IAD noted concerns regarding the agency's resources and staff availability to administer, conduct, and oversee the project's development and initiation of construction. The agency also noted additional staff from other state agencies, and the use of external organizations would be necessary to accomplish the intent of the bill. Finally, IAD reported concerns that without a designated location in McKinley County, the costs for infrastructure design and construction are unknown; infrastructure development could limit the amount of funds that remain for the museum and veterans center structures. The agency believes subsequent appropriations or other mechanism of funding would be necessary for the continued operation of this project.

## SIGNIFICANT ISSUES

The Navajo Code Talkers were a group of men recruited and trained during World War II to use a modified code version of the Navajo language to pass radio messages from one part of the Pacific Theater to another part. Navajo men were recruited for the effort in February 1942, about two months after the Pearl Harbor attack. Their contributions to the war effort in the Pacific were extremely important and have been much celebrated. (<http://navajopeople.org/navajo-code-talker.htm>) The IAD noted, it is important to the Navajo people, and especially to the descendants of the Code Talker, that their memory be maintained, and appreciation is expressed for their contributions to the victory of the United States during World War II.

Previous legislation introduced in the regular session of 2016, SB 273 and SJM 16, a center was proposed to be built near Tse Bonito, NM, and would feature “an immersive learning environment, featuring interactive exhibits and activities, living demonstrations of the Navajo code and culture; displays on World War II military history, and classrooms for educational seminars,” while the veterans’ center would act as a community center and gathering place for veterans for all wars.

SB 105 does not specify a location in McKinley County and IAD noted concerns if the project is intended to be connected to the proposed Tse Bonito, NM site. IAD also noted concerns in identifying an intended location to fully identify infrastructure needs for the project. Further, the agency stated cost must be factored into obtaining for right of way, archeological, and biological clearances for the site, as well as the environmental protection agency process. IAD believes these costs could exceed the appropriated amount included in this bill. In addition, the bill does not specify what agency or level of government would manage the facility after it is built.

KK/jle