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FISCAL IMPACT REPORT

SPONSOR Pinto DATE TYPED 02/21/05 HB _____

SHORT TITLE Navajo Nation Marketing Study SB 930

ANALYST Weber

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$150.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Indian Affairs Department

Economic Development Department

SUMMARY

Synopsis of Bill

Senate Bill 930 appropriates \$150 thousand from the general fund to the Indian Affairs Department for the purpose of a marketing and economic development feasibility study for the communities of Baca, Thoreau, Iyanbito, Churchrock, Manuelito and Tsa Ya Toh...

Significant Issues

The Indian Affairs Department reports.

The Navajo Nation communities of Baca, Thoreau, Churchrock, Manuelito, and Tsa Ya Toh, with the exception of Iyanibitoh, are significantly underdeveloped due to the complex nature of the fee and federal trust land “checker board” that occurs near the South-eastern portion of the Navajo Nation. The communities have significant populations, though the population in some of the communities has dropped in recent years due partially to economic underdevelopment. Additionally, industry that once contributed to the economic livelihood of some of the communities has ceased to exist. For example, uranium mining that sustained the community of Baca no longer exists. Furthermore, the closure of Fort Wingate near the community of Iyanibitoh led to many Navajo people losing employment.

A marketing and economic development study would be beneficial in determining and defining economic development in and around the fee and trust land checker board areas. In addition, an economic development study in some of these communities has never been conducted, thus such a study would also be beneficial to these communities, especially for the two communities of Thoreau and Iyanibitoh that have experienced population growth.

FISCAL IMPLICATIONS

The appropriation of \$150 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

TECHNICAL ISSUES

Since the appropriation deals with state economic development and marketing consideration should be given to directing the funds to the Economic Development Department. This should help ensure an integrated economic development effort for the entire state.

MW/lg