

TESTIMONY
OF
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DEPUTY ASSISTANT SECRETARY
LAW ENFORCEMENT SECURITY AND EMERGENCY MANAGEMENT – POLICY, MANAGEMENT AND
BUDGET
U.S. DEPARTMENT OF THE INTERIOR
AT THE HEARING BEFORE THE HOUSE NATURAL RESOURCES COMMITTEE
ON H.R. 725
A BILL TO IMPROVE APPLICABLE CRIMINAL PROCEEDINGS TO PROTECT INDIAN ARTS AND CRAFTS

December 2, 2009

Mr. Chairman and members of the Committee, my name is Larry Parkinson and I am the Deputy Assistant Secretary for Law Enforcement Security and Emergency Management - Policy, Management and Budget at the Department of the Interior (Department). I am pleased to be here today on behalf of the Department to support H.R. 725. This bill would improve the enforcement capabilities of the Indian Arts and Crafts Act, Public Law 101-644, as amended.

The Indian Arts and Crafts Board (Board), which was established by Congress in 1935, diligently works to support the Department's goals of promoting self-determination and economic self-sufficiency for federally recognized Tribes, Indians, and their communities. The Board has very broad economic development and cultural preservation missions, such as the operation of three Indian museums in the Plains region, including Oklahoma and South Dakota, and to promote contemporary Indian artists and authentic Indian art and culture.

The Board's top priority is outreach and enforcement regarding the Indian Arts and Crafts Act (Act). The Act is essentially a truth-in-marketing law to combat the sale of fraudulent Indian art and craftwork, and to protect the integrity and authenticity of Indian art and the economic livelihood of Indian people. Under the Act, in order to be marketed as an authentic Indian art or craftwork, the work must be produced by an artist or artisan who is an enrolled member of a Federally or State recognized Indian Tribe, or an Indian Artisan certified by the Tribe.

The sale of Indian art and craftwork exceeds a billion dollars a year. Each day, however, Indian artists and artisans, communities, and Tribes are robbed of their economic livelihood, culture, and heritage by the sale of counterfeit Indian art and craftwork. As a result of the fierce competition with lower priced counterfeit Indian products, it is becoming increasingly difficult for Indian artists and artisans to compete in the marketplace with art and craftwork misrepresented as Indian-made from countries such as Thailand, China, Mexico, and the Philippines. Where arts and crafts account for a large portion of Indian livelihoods, counterfeit Indian art and craftwork erodes the economic stability and viability of Indian communities. Competition from these fakes not only undermines the economic viability of being an Indian artist or artisan, but also hinders the passing down from one generation to the next of important Native American treasures of artistic skills, heritage, and traditions, such as jewelry making

and weaving. According to the New Mexico Attorney General's office, with whom the Board closely works, over 60 percent of all jewelry sold as Indian made in New Mexico may be counterfeit.

The Board has a staff of a dozen employees and an annual budget of approximately \$1 million to enforce the Act, operate three museums in the field, and undertake its other economic development and cultural promotional activities. The Board turns to other law enforcement agencies for assistance in enforcing the Act. By statute, the Federal Bureau of Investigation (FBI) is the designated agency to investigate Act cases. The FBI has been supportive of the Act, but must consider national priorities when allocating resources to enforcement. The Board worked with the Department to put in place a Memorandum of Understanding between the Departments of Justice and Interior that now permits all appropriate Interior law enforcement officers to work Act cases, within the constraint of limited resources and competing law enforcement priorities. The Board has also entered into a Memorandum of Agreement with National Park Service Investigative Services for a full time dedicated agent to work Act cases through a reimbursable support agreement. This Park Service agent coordinates with fellow National Park Service agents on Act investigations and encourages collaborations with other Interior law enforcement officers.

Because the Department supports additional law enforcement efforts to enforce the Act and stem the sales of counterfeit Indian artwork nationwide, we strongly support H.R. 725, sponsored by Representative Ed Pastor (D-AZ) and co-sponsored by Representative Raul Grijalva (D-AZ) from this Committee and others. This legislation would expand the available tools for Act investigations and enforcement by providing all appropriate Federal law enforcement officers with the authority to investigate possible violations of the Act. I would note that the Senate measure (S.151) enjoys bipartisan support, is co-sponsored by Senate Indian Affairs Committee Chairman Byron Dorgan (D-ND) and Senators John McCain (R-AZ) and Jon Kyl (R-AZ), and was adopted by the Senate earlier this year by unanimous consent.

The Department would ask that a technical change be made to the language of the definition of State recognized Indian Tribe in sections 2 and 3 of H.R. 725 to be consistent with the Act, which defines State recognized Indian Tribe as "any Indian group that has been formally recognized as an Indian tribe by a State legislature or by a State commission or similar organization legislatively vested with State tribal recognition authority."

In conclusion, if enacted, H.R. 725 would make a significant impact on the federal government's ability to combat the flood of counterfeit Indian arts and crafts being misrepresented as Indian and dramatically eroding a critical component of Indian economies and a genuine American treasure-- Indian art.

The Department appreciates the support of the sponsors of H.R. 725, Representatives Pastor, Grijalva, Lujan, Kirkpatrick, and Reyes, and welcomes the interest of this Committee in improving the enforcement mechanisms of the Act. Thank you for the opportunity to testify. I will be happy to answer any questions you may have.