

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

TRIBAL AND STATE RELATIONS COMMITTEE

Wednesday, February 5, 2014
Roughrider Room, State Capitol
Bismarck, North Dakota

Representative Dennis Johnson, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Dennis Johnson, Marvin E. Nelson, Wayne Trottier; Senators Oley Larsen, Dave Oehlke, John M. Warner

North Dakota Tribal Governments' Task Force members present: Scott J. Davis, Executive Director, Indian Affairs Commission; Ken Hall, representing Tex G. Hall, Chairman, Three Affiliated Tribes of the Fort Berthold Reservation; Steve Sitting Bear, representing Dave Archambault II, Chairman, Standing Rock Sioux Tribe; Richard McCloud, Chairman, Turtle Mountain Band of Chippewa Indians; Russell McDonald, Chairman, Spirit Lake Tribe

North Dakota Tribal Governments' Task Force members absent: Robert Shepherd, Chairman, Sisseton-Wahpeton Oyate of the Lake Traverse Reservation

Others present: See [Appendix A](#)

It was moved by Representative Trottier, seconded by Representative Nelson, and carried on a voice vote that the minutes of the October 16, 2013, meeting be approved as distributed.

TRIBAL PUBLIC HEALTH UNIT PILOT PROJECT REPORT

Chairman Johnson called on Ms. Phyllis Howard, State Department of Health. Ms. Howard introduced Mr. Ken Hall, Three Affiliated Tribes, who presented a report ([Appendix B](#)) on the tribal public health unit pilot project. Mr. Hall said in 2012 a health work group comprised of tribal health office leaders, the Elbowoods Memorial Health Center, the State Department of Health, the Director of the public health master's program at North Dakota State University, and his office began working to establish a tribal public health unit on the Fort Berthold Reservation. He said in the past six months, the work group has been meeting to make plans for building the tribal infrastructure to support the public health needs and to continue collaborating with the tribal programs and nontribal public health programs that support the development of an effective model of public health service delivery. He said the following public health programs operating within the boundaries of the reservation are providing services to the local communities:

- The special supplemental nutrition program for women, infants and children (WIC), which is a federally funded program, currently provides services to 320 children in six tribal communities;
- A tobacco prevention program, which is administered by the Three Affiliated Tribes Boys and Girls Club, provides tobacco prevention activities and education for youth and teens;
- The Fort Berthold Coalition Against Domestic Violence, a nonprofit program funded by a federal grant, the State Department of Health, and tribal funding, provides 24-hour services to the reservation populations;
- The Elbowoods Memorial Health Center provides immunizations, which are provided by the State Department of Health, to all tribal communities; and
- Women's Way, a program that provides mammograms and pap test screenings to eligible women between the ages of 40 and 64 who live on the reservation, is an outreach program of the State Department of Health.

Mr. Hall said Three Affiliated Tribes is prepared to collaborate with the State Department of Health to allow for continued integration of primary and public health care based on the core principles of public health and its services. He said establishing networks through a memorandum of agreement with regional public health units will be an effective and efficient model for delivering public health services to the reservation population that has been

impacted by the oil boom. He said Three Affiliated Tribes plans to continue management of its health through the Public Law 93-638 contracting of its health services from the Indian Health Service.

In response to a question from Senator Warner, Mr. Hall said Public Law 93-638 authorized tribes to contract and operate health service programs within the Bureau of Indian Affairs and Indian Health Service. He said the tribe is in the process of transferring from Indian Health Service to the Public Law 93-638 program. He said the tribe feels it is ready with resources, facilities, and financing to control its own health services under the contract. He said the grant application requires the tribe to have the resources to provide these services on its own. He said the tribes often must supplement the funds to adequately provide the services. He said the tribe is funded at 46 percent of its need base.

In response to a question from Representative Johnson, Ms. Madonna White Bear-Azure said tribes that do not have oil money make up the difference from third-party resources.

In response to a question from Representative Nelson, Mr. Hall said the status of payer of last resort transfers to the tribal program. He said dental services are being provided; however, there is a shortage of dentists. He said the reservation only has one dentist.

In response to a question from Senator Larsen, Mr. Hall said the reservation's influx of people and increase in activity puts a strain on trying to deal with day-to-day business. He said the tribe continues to seek out people willing to work in health care on the reservation. He said lack of housing is an issue in trying to recruit more medical doctors and dentists. He said a doctor who returned to the area is actively recruiting additional doctors. He said being able to offer a competitive salary is also an issue.

Ms. White Bear-Azure said she worked with the Next Steps project. She said this project provides training for certified nursing assistants. She said nine students recently graduated with licensed practical nursing and registered nursing degrees. She said several of the students who graduated continued on for a four-year degree. She said several enrolled members have been hired.

Chairman McDonald said he is an example of one who graduated from tribal college. He said he continued on to get his bachelor's degree, master's degree, and Ph.D. from the University of North Dakota. He said a problem on the reservations is the lack of guidance from home to complete an education. He said the tribes are working on getting youth interested in education and then coming back to provide the needed services on the reservation.

In response to a question from Representative Trottier, Mr. Hall said tribal members are returning to the reservation for oil-related jobs. He said while the younger tribal members are moving back, the older folks are starting to move away because of the congestion and the lack of affordable housing. He said a nurse recently moved back to the reservation after living in Arizona.

BOARD OF UNIVERSITY AND SCHOOL LANDS STUDY

Chairman Johnson called on Mr. Lance Gaebe, Commissioner, Department of Trust Lands, for a report ([Appendix C](#)) on the status of the Board of University and School Lands study of options to address the concern of landowners adjacent to land surrounding Lake Sakakawea and Lake Oahe, which is under the control of the Army Corps of Engineers. Mr. Gaebe said on November 4, 2013, a request for proposals was published to solicit offers for a contractor to conduct a study of issues and concerns relating to the corps land and provide a report. He said on December 18, 2013, the board selected Eide Bailly LLP to undertake the study. He said the effort will be led by Mr. Jim Hauge. He said Mr. Hauge was unable to attend this meeting but provided the following information:

- He has reviewed testimony from the 2009-10 interim committee that studied issues on the corps land as well as the testimony presented to the 2013 legislative session regarding House Bill No. 1338;
- The firm has initiated contacts with South Dakota officials to review the outcome of a land transfer that occurred under the authority of Title VI of the Water Resources Development Act of 1999 and the Blunt Reservoir and Pierre Canal Land Conveyance Act of 2006.
- The firm has prepared a survey that was mailed on January 30, 2014, to 410 producers, organizations, and agencies. Responses are requested by Friday, February 14, 2014.
- Local and general public meetings have been arranged in March 2014 in New Town, Linton, Beulah, and Fort Yates with a final meeting on Wednesday, June 11, 2014, at the State Capitol.

Mr. Gaebe said Eide Bailly will provide a review of all options related to addressing land management and access issues and will provide a summary of each option, including pros, cons, possible methods of

implementation, and potential cost of implementation. He said by Wednesday, October 1, 2014, Eide Bailly will submit a final report to the Legislative Management.

In response to a question from Senator Oehlke, Mr. Gaebe said progress reports can be made available to the committee. He said a number of legislative committees are interested in the progress. He said many people will be involved making decisions following the report. He said the decisions will involve state legislative, congressional, and agency decisions. He said he expects the report to include options and costs involved in implementing those options rather than recommendations. He said the management of the land associated with the reservoirs involves many parties.

In response to a question from Representative Nelson, Mr. Gaebe said it is likely state lands were taken during the Lake Sakakawea and Lake Oahe projects. He said he is not sure if the state has the authority to buy back that land.

DEPARTMENT OF PUBLIC INSTRUCTION

Chairman Johnson called on Ms. Lucy Fredericks, Director, Indian Education, Department of Public Instruction, for testimony ([Appendix D](#)) regarding the status of Indian education issues. Ms. Fredericks said the Department of Public Instruction, in collaboration with the Indian Affairs Commission, is planning a North Dakota Indian education summit on Tuesday, July 22, 2014, at the State Capitol. She said topics of the summit sessions will include Native American education topics and other professional development trainings. She said the summit will be open to all educators in the state. She said the Department of Public Instruction is also working on the development of North Dakota Native American essential understandings and standards. She said each essential understanding would be tribe-specific based on North Dakota Historical Society Indian studies literature. She said the department will get input from elders to adjust and further develop the essential understanding. She said these understandings will represent what is determined essential about the culture, history, language, practice, and lifestyles of the Native Americans in the state. She said the essential understandings will be available for all teachers in the state to use.

In response to a question from Representative Nelson, Ms. Fredericks said the new education formula has been helpful and supportive. She said tribal schools have felt the impact of the federal sequestration.

In response to a question from Chairman McDonald, Ms. Fredericks said it is important for all North Dakota students to know the history of the tribes. She said the essential understandings will be available for all teachers to use. She said teachers will be encouraged to use the essential understandings in their social studies classes. Regarding the status of the Succeed 2020 program, she said, the program is providing many good education activities for Native American students. Succeed 2020 is a program that aims to improve North Dakota's secondary education and workforce development systems and increase students' achievement in middle grades and high school, access to and success in postsecondary education, and preparation for 21st century careers. She said North Dakota's regional education associations are working collaboratively with multiple stakeholders, including state and local leaders, school districts, educational institutions, Native American groups, and business and industry to implement Succeed 2020.

Mr. Davis said each region has its own plan on how to address its educational issues. He said some schools are doing very well, but for others it is a learning curve. He said it often depends on how much is on an administrator's plate. He said New Town has done very well using those funds.

In response to a question from Chairman McCloud, Ms. Fredericks said the department will get input from tribes, principals, superintendents, and the Bureau of Indian Education regarding the topics for the summit which would most benefit their needs. She said this information will be used to determine summit topics and sessions.

In response to a question from Senator Larsen, Ms. Fredericks said there are 11 Bureau of Indian Education schools in the state. She said she was unsure of the number of tribal schools.

Chairman McDonald said it can be difficult to define tribal school. He said there are many public schools with a high Native American population. He said schools receive a higher level of per student impact aid on federal reservations or air bases. He said a request to remain a public school may result in better funding.

Chairman Johnson called on Dr. Jim Davis, President, Turtle Mountain Community College, for testimony regarding Indian education. Dr. Davis said at one time there were 65 schools in state with 10 or more Native American students. He discussed the activities of the Governor's 2020 education committee and of a Department of Interior and Department of Education study committee. He said it is difficult to move forward both at the state and federal level. He said governance of schools is complicated with so many boards to work through. He said the education of Native American students is further complicated based on whether the schools are Bureau of Indian

Education, grant, or public schools. He said the state needs to look at all schools that affect Native American children. He suggested the committee might consider requesting that a representative of the Bureau of Indian Education attend a future meeting of the committee to discuss the bureau's plan to address tribal education in the state. He said the education of Native American children is very complex and may need reorganization. He said local control of education systems is what is desired.

In response to a question from Senator Oehlke, Dr. Davis said Standing Rock Community College is a good example of a tribal college that works with the K-12 schools on a regular basis. He said, at the request of Chairman McCloud, there is a similar collaboration at work at the Turtle Mountain Community College as well. He said additional work is needed in the area of collaboration and partnerships between public schools and colleges. He said it can be very difficult to make changes, but it is doable if every party is involved and is willing to find solutions.

TRIBAL COLLEGE GRANT PROGRAM UPDATE

Chairman Johnson called on Dr. Davis for an update on the status of the workforce development grants to tribally controlled community colleges in the state. He provided a performance report ([Appendix E](#)) from Turtle Mountain Community College. He said Turtle Mountain Community College is developing an oilfield operations curriculum. He said in the welding component of the oilfield operations training, the college had 13 welding students enroll in the fall semester, 9 of whom successfully completed the first semester. He said the college has shortened some of the programs, such as the commercial driver's license and heavy equipment operator program, to get students through the program more quickly. He said three students have earned their Class A driver's license, and an additional five students were scheduled to take their examination in early February. He said the second commercial driver's license training session began on February 3, 2014, with 18 students registered and 31 on the waiting list. He said if they actively recruited for the program, they could have 75 on the waiting list. He said the electrical program is adding resources and an extra instructor. He said a year ago, the electrical program had three or four students. Because of new resources, he said, 24 students are enrolled. He said Turtle Mountain Community College has partnered with Minot State University. He said about two-thirds of all students who come to campus are not ready for higher education. He said Turtle Mountain Community College has a program to work on reading and English skills. He said the college has two part-time staff to address these students' needs. He said the college also has a career navigator to prepare students to enter the job market. He said students who complete their program are guaranteed a job.

In response to a question from Representative Johnson, Dr. Davis said students have their commercial driver's license when they finish the program. In the welding program, he said, the student is an apprentice upon the completion of the program. He said the jobs are out there, and students have been placed. He thanked the Legislative Assembly for approving this grant program. He said the program has forced the college to reevaluate its programs. He said the shortening of the programs has created more interest.

Chairman Johnson called on Dr. David Gipp, Chancellor, United Tribes Technical College, for testimony on the workforce development grants to tribally controlled community colleges in the state. Dr. Gipp said the work the Legislative Assembly is doing is appreciated. He said in other states with tribal populations, there is not a history of good relationships between tribes and states. He said the work of this committee is very important, with the Department of Commerce grant program as a good example. He said the tribes are part of the state's economy, and tribal members can contribute to that economy. He said the tribes have several programs up and running because of assistance from the state. He said too often tribal communities have been left out of state matters. He said a suggestion he made to North Dakota's second constitutional convention was the need for compacts between the state and tribes. He said the economic impact of the energy boom in the state has resulted in higher costs for students, such as housing. He said the state will see effective results from this grant program. He said both natives and nonnatives attend the tribal colleges.

Chairman Johnson called on Dr. Cynthia Lindquist, President, Cankdeska Cikana Community College, for testimony ([Appendix F](#)) regarding workforce development grants to tribally controlled community colleges in the state. Dr. Lindquist said this committee is vital to the tribes and the state. She said of the \$5 million appropriated for the five tribal colleges in the state, four of those colleges have been awarded \$1 million grants. She said the colleges are reporting and being accountable. She said the program is a great investment for the state. She said Cankdeska Cikana Community College is launching an entrepreneur program and a law enforcement training program. She said colleges need to have good relationships with K-12 schools. She said her college has four feeder high schools. She said the average reading ability of incoming students is eighth grade level in the science, technology, engineering, and mathematics (STEM) classes. She said there are dual-credit and weekend and summer academies to prepare students for college. She said this committee could be creative in developing other pilot projects, such as the training of more native teachers. She said the college is also a grant recipient for Head Start, which includes training, teachers, and facilities. She said adult general educational development (GED) program money also comes from the state via passthrough dollars. She said last year, the GED program's funding

was \$75,000. This year, she said, the program's funding was cut to \$50,000 and must be subsidized by the tribe. She said the tribe does not have resources to subsidize if the program's funding is reduced to \$35,000. She said Indians are state citizens who pay taxes. She said it is important to invest in the tribes.

In response to a question from Chairman McCloud, Dr. Lindquist said the GED program is completely computerized. She said many of the students do not know how to use a computer. She said the students must be trained to use a computer before they can begin the GED studies. She said there is only one staff person for the program that has about 20 students per week. She said many homes do not have an Internet connection, and many still have dial-up service. She said the GED population not only needs technology training, but it often needs to develop reading and writing skills as well.

Chairman McCloud said he would be willing to assist Dr. Lindquist's entrepreneur class by sharing some of his business knowledge.

In response to a question from Representative Trottier, Dr. Lindquist said GED is important because it helps an individual to improve his or her life. She said many of her people are fearful of education. She said education is often viewed as a coercive tool, due in part to the tribe's history of Indian boarding schools. She said the GED graduation ceremony helps to reinforce that earning this degree is a good thing. She said tuition waivers are given for GED graduates to attend the college.

Chairman Johnson called on Chairman McDonald for comments regarding the workforce development grants to tribally controlled community colleges in the state program. He said there are great disparities between the tribes and the rest of the state in the percentage of individuals with bachelor's degrees. He said the tribal colleges play an important role in reducing that disparity. He said education must be viewed as skill-building and credential-building.

MEDICAID EXPANSION UPDATE

Chairman Johnson called on Ms. Julie Schwab, Director, Medical Services Division, Department of Human Services, for testimony ([Appendix G](#)) regarding Medicaid Expansion. Ms. Schwab said in January 2014 approximately 1,594 individuals were enrolled for coverage in Medicaid Expansion and approximately 3,109 individuals in February 2014. She said the Department of Human Services will finalize and trend the age, gender, and location cohorts over the next three months. She said the early data indicates that most enrollees are childless adults, slightly over half of the Medicaid Expansion enrollees are female, a little more than half are aged 19 to 44, and most are rural. She said Burleigh and Cass Counties are the only urban areas in the state. She said while the enrollment number is less than the 20,500 the department estimated as being potentially eligible, the department did not have any expectations about enrollment for January 1 coverage. She said the department anticipates that enrollment will grow over time. She said the contract for Medicaid Expansion was awarded to the Sanford Health Plan.

Ms. Schwab said the coverage for the Medicaid Expansion population, known as the alternative benefit plan, is the Sanford Health Plan, plus the essential health benefits and any required Medicaid services, such as nonemergency medical transportation. She said the alternative benefit plan also complies with the federal Mental Health Parity and Addiction Equity Act. According to final rules issued by Centers for Medicare and Medicaid Services, she said, on July 15, 2013, individuals who were determined to be medically frail cannot be required to enroll in an alternative benefit plan that does not contain all of the services available under the state's Medicaid program. She said the department continues to finalize the process to identify and approve individuals as medically frail and ensure their coverage meets all requirements.

Ms. Schwab said in November 2013 the department conducted stakeholder meetings across North Dakota for the purpose of informing grass roots organizations and advocacy organizations about the Medicaid Expansion and how they can assist individuals with learning about coverage and applying for coverage. She said the department has also produced brochures, flyers, and public service announcements, all of which are available on the department's website at <http://www.nd.gov/dhs/>. She said the department continues to collaborate with the Indian Affairs Commission to ensure eligible American Indians are aware of the expanded coverage. She said there are no copays for the native population.

In response to a question from Senator Warner, Ms. Schwab said Indian Health Service would be a payer of last resort. She said Medicaid would pay first.

In response to a question from Representative Nelson, Ms. Schwab said transportation is part of the coverage. She said the department has provided education for the counties for the implementation of Medicaid Expansion but has not provided additional funding.

In response to a question from Senator Larsen, Ms. Schwab said all who are enrolled can get services. She said about 680 of the 3,109 enrolled individuals indicated they were Indian/Alaskan.

In response to a question from Senator Larsen, Mr. Davis said the Indian Affairs Commission has been doing outreach for Medicaid Expansion. He said a member of his staff is a navigator. He said the navigator can do outreach by training the trainer. He said a local hospital is also willing to provide outreach. He said two Native American navigators are being hired for the Bismarck/Mandan area.

In response to a question from Mr. Davis, Chairman McCloud said public meetings have been held at the Turtle Mountain Reservation. He said the local Indian Health Service office is also providing assistance.

Chairman McDonald said the Spirit Lake Sioux Tribe has received assistance through a navigator grant. He said other opportunities for outreach have included public service announcements and information provided at general meetings. He said Medicaid Expansion gives tribal members options to go off-reservation if they can get better services elsewhere.

Mr. Hall said Three Affiliated Tribes has been promoting Medicaid Expansion by public service announcements and other outreach work. He said just understanding the process can be a problem. He said an aggressive push would be helpful.

TRIBAL-STATE TAX AGREEMENTS

Chairman Johnson called on Mr. Mark Fox, Director, Tax Commission, Three Affiliated Tribes of the Fort Berthold Reservation, for testimony ([Appendix H](#)) regarding tribal-state tax agreements. Mr. Fox said the successful efforts between the state and the tribes in the tribal-state oil and gas tax agreement demonstrated how concerns and issues can be resolved in a productive manner. He said the Tribal and State Relations Committee played a significant role in bringing about a more equitable change to the previous oil and gas tax agreement between the two governments. He said agreements between the tribes and the state can serve a number of valuable purposes, including the lessening of expensive litigation, simplifying tax procedures and administrative burdens, and avoidance of duo-taxation. He said it is the tribe's position to seek practical means to resolve tax issues through the use of agreements. He said like the state and federal governments, tribes have a dire need for tax revenue to provide essential government services, regulate economic activity, and protect their lands and people. He said the tribal-state motor fuels and special fuels agreement should be amended or a new agreement should be formulated to include bulk or wholesale exchanges. He said other potential areas in which the tribes and the state may want to consider agreements include alcohol beverage sales, general retail sales or sales and use tax, and possessory interest tax. He said other areas for possible agreement, cooperative regulation, or mutual understanding include environmental, industrial, and water regulation; Department of Transportation and highway regulation; and law enforcement.

In response to a question from Representative Nelson, Mr. Fox said the question of which branch of government has the authority to enter agreements with the tribe is an issue.

In response to a question from Representative Johnson, Mr. Fox said the maintenance of both state and tribe roads on the reservations continues to be an issue. He said the tribe is also struggling with what activities to allow on fee lands. He said it will be a problem if the state permits people to dispose of waste on fee lands. He said to provide water for home, the tribe is trying to create income from the use of lake water for industry. He said the tribe wants to get water to every home.

In response to a question from Senator Oehlke, Mr. Fox said the Attorney General is seeking input from the tribes in dealing with the oil industry. He said the oil industry is unsure as to whether to work with the tribes or the state on industry-related issues. He said if the tribes and the state work together, it makes it clear that both must be included. He said the state is an essential partner of the tribe.

In response to a question from Representative Nelson, Mr. Fox said under federal law, the tribe's taxing authority is limited to within existing reservation boundaries. He said with regard to off-reservation trust lands, but within the boundaries of the state, the issue is unsettled.

Chairman Johnson called on Mr. Jerod Tufte, Governor's office, for a report ([Appendix I](#)) on the implementation of the oil and gas tax agreement with Three Affiliated Tribes. Mr. Tufte said leading up to the 2013 legislative session, Three Affiliated Tribes argued the division of tax revenue which was in place was unfair. He said discussions before and during the legislative session resulted in the passage of House Bill No. 1198, which included amendments to the statutory authorization for the state's tax agreement with Three Affiliated Tribes. He said the most significant change was the requirement that the allocation of oil and gas production and extraction on

nontrust land must be 50 percent for the state and 50 percent for the tribe. He said following the passage of the bill, he negotiated with the tribe on behalf of Governor Jack Dalrymple to develop revisions to the tax agreement that would bring it into compliance with the new law. He said these discussions resulted in a new tax agreement that was signed by the Governor and Chairman Tex G. Hall on June 21, 2013, and went into effect on July 1, 2013. He said in addition to the equal division of revenue, the tax agreement was amended to acknowledge the \$100,000 per well "spud fee" that the tribe had been imposing under the previous agreement. He said the new tax agreement reflects a commitment by the tribe to report annually to the Governor and the Budget Section on topics to include tribal investment in essential infrastructure as well as the taxes and fees the tribe imposes on the oil and gas industry. He said the tribe's first annual report is expected later this year.

In response to a question from Representative Nelson, Mr. Tufte said the agreement provides for the division of revenues collected.

In response to a question from Senator Oehlke, Mr. Miles Vosberg, Tax Commissioner's office, said about \$19 million to \$20 million per month has been going to the tribes. He said because the revenue is split, all exemptions apply equally.

In response to a question from Chairman McCloud, Mr. Tufte said the agreement requires the tribes to report to both the Governor and the Budget Section. He said under the state's open records laws, information on state expenditures is an open record.

Chairman Johnson called on Mr. Fox for testimony regarding the oil and gas tax agreement. He said the 10 percent reporting requirement in the agreement caused a great rift among the tribe. He said, however, the long-term benefits of the agreement exceeded concerns of the tribe on the reporting requirement. He said under the current pattern of \$19 million to \$20 million per month, the 10 percent reporting requirement will require the tribe to report on the use of \$20 million to \$25 million for the year. He said the tribe is on track on those expenditures. He said the projects include a clinic, housing, various road projects, spill remediation, emergency services, law enforcement, and fire protection. He said the tribe will report more at the committee's next meeting.

In response to a question from Senator Oehlke, Mr. Fox said more information on the monthly tax revenue that goes to the tribes can be found on the treasurer's website. He said passing the agreement has been a good thing for the tribe. He said it was made possible with the help of the Tribal and State Relations Committee and Mr. Davis. He said Mr. Davis is instrumental in facilitating communication with the state.

In response to a question from Senator Larsen, Mr. Fox said each tribe in the state is a separate tribal sovereignty. He said the tribe is working to get a handle on issues facing the tribe. He said there are a number of nontribal members and nontribal companies working on the Three Affiliated Tribes Reservation. He said many of the workers and companies are tribal but are not members of Three Affiliated Tribes. He said his tribe is also working to help the other tribes in the state by helping to fund classrooms at United Tribes Technical College.

Chairman McCloud said it is important that Three Affiliated Tribes works to build up its own tribe before trying to help others. He said he would not expect Three Affiliated Tribes to carry the load at the Turtle Mountain Reservation. He said he is happy Three Affiliated Tribes is able to provide more for its people. He said Three Affiliated Tribes has provided employment opportunities to members of his tribe.

Mr. Davis said in light of the business climate at Three Affiliated Tribes, other tribes can work to develop their own businesses related to the oil industry, such as trucking companies.

Mr. Hall said Three Affiliated Tribes has held energy summits. He said the dialogue at those summits has included discussions about nation-to-nation trades. He said the discussions included working with Crow Nation to get lumber for his tribe's housing needs. He said there are nontribal members from out-of-state tribes working on the Three Affiliated Tribes Reservation. He said a number of enrolled members from tribes all over the country are benefiting from the industry at Three Affiliated Tribes.

Chairman McDonald said his tribe is seeing indirect benefits from Three Affiliated Tribes. He said those benefits are in the form of employment, the sharing of curriculum, and education. He said Mr. Fox has been working with the Spirit Lake Sioux Tribe to help the tribe understand its taxing ability.

In response to a question from Representative Trottier, Mr. Fox said construction of the new refinery is progressing daily. He said Phase 1 is well into development. He said the project manager has reported that it will take 14 months to 18 months for Phase 1 to be fully operational.

GOVERNMENT-TO-GOVERNMENT RELATIONS

Mr. Sitting Bear discussed the propane shortage situation on the Standing Rock Sioux Reservation. He said the tribe has been working with the Congressional Delegation to get funding for additional propane. He said that funding was supplemented with tribal funds. He said the tribe had a death as a result of the lack of propane. He said the tribe has enough funding for propane through mid- to late March.

Chairman McDonald said his tribal council passed a resolution regarding the propane shortage. He expressed his condolences to the Standing Rock Sioux Tribe regarding the death that occurred on that reservation. He said the Spirit Lake Sioux Tribe addressed the propane issue by using money set aside for a loan program. He said the increased cost of propane has been a problem for those on fixed incomes who do not meet the income requirements to be eligible for assistance. He said the income requirements for that particular population should be expanded to make them eligible. He said he is also concerned about the increased amount of methamphetamine coming into his communities from other states. He said this is also concern of local Bureau of Indian Affairs officers.

Chairman McDonald said his top priorities are to address substance abuse and housing. He said with remodels and new construction, he hopes about 40 tribal members will become homeowners. He said he would like to get out of the rental business and give tribal members the opportunity to become first-time homeowners.

In response to a question from Representative Johnson, Chairman McDonald said he recently hired a director for the housing project. He said the project will require the buyers to get financing from an outside agency, such as a bank or a federal program. He said the proceeds from those sales will be used to fund additional homes.

Chairman McCloud said the Turtle Mountain Reservation has undertaken a similar housing project. He said they are working with tribal members to improve their credit ratings.

Mr. Sitting Bear said the Standing Rock Sioux Tribe also has a similar housing project. He said it is working to establish its own natural resource ordinance. He said the tribe is working with North Dakota and South Dakota to establish an agreement under the Uniform Commercial Code to address lending issues. He said the tribe wants to help its members become landowners.

In response to a question from Representative Trottier, Chairmen McDonald and McCloud said they each have about 50 Federal Emergency Management Agency (FEMA) trailers on their lands.

Mr. Hall said Three Affiliated Tribes has a similar housing program as well. He said the tribe has a home mortgage loan program. He said the lack of infrastructure, such as water and sewer, is a problem. He said New Town has up to 5,000 trucks per day passing through its downtown area. He said once the highway bypass is in place, New Town plans to rebuild Main Street. He said the tribe has been purchasing lots on Main Street in New Town for its people to open businesses when the rebuilding occurs.

Mr. Sitting Bear said his tribe is pushing for the federal government to release funding for the low-income energy assistance program.

Chairman McCloud said he has declared a war on poverty at the Turtle Mountain Reservation. He said he witnesses a lot of enabling. He said more funds should be put into job training programs rather than direct assistance. He said as a state, we need to look at what the dollars are doing--helping or hurting? He said if more funds are used for job training and other programs, all communities would benefit, not just the tribal communities.

Mr. Hall also expressed his condolences to Standing Rock regarding the death that occurred there. He said his tribe has also taken measures to help with the propane situation. He said it is the responsibility of the tribe to take care of its enrolled members, and often it is for the most basic needs like heat and water. He said Three Affiliated Tribes is very blessed. He said trying to address the tribe's immediate needs while working to invest in the future is a balancing act. He said the more the state and the tribe can collaborate the better.

Mr. Davis said when he looks at how blessed the state is, he also recognizes the many challenges of the tribes. He said everyone recognizes that the tribes' needs must be addressed. To do that, he said, there must be a plan. He said the tribal college bill is an example of a project that resulted from a plan. He said even if a proposed plan is not perfect, it creates a dialogue. He said once a plan is created, it can be presented to the Governor and the Legislative Assembly. He said the citizens of the state are fortunate in that they have access to any of the three branches of government. He said with the resources of his office, he will do what he can to help the tribes succeed.

Chairman Johnson said this committee creates a good line of communication between the tribes and the members of the Legislative Assembly.

Representative Nelson said it would be helpful if the committee received information from the Department of Transportation and the Upper Great Plains Transportation Institute regarding how tribal roads fit into the state highway plan.

No further business appearing, Chairman Johnson adjourned the meeting at 2:15 p.m.

Vonette J. Richter
Committee Counsel

ATTACH:9