

**FINAL REPORT OF THE STATE-TRIBAL  
RELATIONS COMMITTEE  
2001-02**

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***PART ONE:***  
***ORIGIN AND RESPONSIBILITIES OF THE COMMITTEE***

***Introduction***

The State-Tribal Relations Committee (Committee) was created in 1977 as the Committee on Indian Legal Jurisdiction. The purpose for creating the Indian Legal Jurisdiction Committee was to meet with the various Indian tribes in Montana to identify common bonds between Indians and non-Indians and to propose legislation for the mutual benefit of both groups. The Indian Legal Jurisdiction Committee's major recommendation to the 1979 Legislature was the creation of a select committee on Indian affairs. The Indian Legal Jurisdiction Committee further recommended that the 1981 Legislature create a permanent Indian affairs committee if the select committee proved valuable in improving Indian/non-Indian relations.

The 1979 Legislature accepted the recommendation and created the Select Committee on Indian Affairs. However, although subsequent Legislatures recognized the importance of the Indian Affairs Committee in acting as a liaison between Indian people and the Legislature, there was a reluctance to create a permanent Indian affairs committee. Finally, in 1989, the Committee on Indian Affairs was established as a permanent, statutory committee.

In 1999, the Legislature passed Senate Bill No. 11 (SB 11) that reorganized the interim committee structure by consolidating committees and establishing permanent interim committees with membership drawn from specific session standing committees. SB 11 eliminated the Committee on Indian Affairs and folded its responsibilities into the newly created Law, Justice, and Indian Affairs Interim Committee (LJIAC). The LJIAC was selected to serve as the forum for state-tribal relations because many of the issues affecting state-tribal relations would most likely be addressed by the House and Senate Judiciary Committees. The membership of the LJIAC was drawn from these committees. At the same time, the Coordinator of Indian Affairs was circulating a proposal to create a Commission on Indian Affairs that would be attached to the Executive Branch. This proposal eventually became a study resolution assigned to the LJIAC.

It seemed appropriate, then, for the LJAC to assume state-tribal responsibilities in light of the possibility that a commission would be created.

At the end of the 1999-2000 interim, the LJAC recommended, after months of study, that because of a lack of general support for the idea, the proposal for a Commission on Indian Affairs be tabled. In its place, the LJAC recommended to the Legislative Council and the 57th Legislature that a separate State-Tribal Relations Committee be created that would assume the LJAC's state-tribal liaison responsibilities.

During the 2001 legislative session, the Montana Legislature passed Senate Bill No. 10 that made significant changes to the legislative interim committee structure. One of the changes was the creation of a State-Tribal Relations Committee with the following responsibilities:

1. to act as a liaison with tribal governments;
2. to encourage state-tribal and local government-tribal cooperation; and
3. to conduct interim studies as assigned.

### **Committee Administration**

At the first meeting of the Committee on August 2, 2001, Senator Chris Christiaens was elected Presiding Officer and Representative Rick Ripley was elected Vice Presiding Officer. The Committee was staffed by Connie Erickson, research analyst; Eddy McClure, attorney; and Lois O'Connor, secretary.

Over the interim, the Committee met six times:

- ▶ August 2, 2001
- ▶ September 20-21, 2001 (Rocky Boy Reservation)
- ▶ January 9, 2002
- ▶ March 27, 2002
- ▶ June 11-12, 2002 (Flathead Reservation)
- ▶ September 16, 2002 (telephone conference call)

## ***PART TWO: LIAISON WITH TRIBAL GOVERNMENTS***

One of the most important responsibilities of the Committee is to act as a liaison between the state and the eight tribal governments of Montana. This responsibility has been part and parcel of the work of the Committee since its inception in the 1970s. In order to fulfill this responsibility, the Committee visits at least one Indian reservation each interim. This past interim, the Committee was privileged to visit two reservations: Rocky Boy Reservation and Flathead Reservation. These visits were particularly important this interim because five of the eight Committee members were first-time legislators.

### ***ROCKY BOY INDIAN RESERVATION***

#### **Background**

Rocky Boy Reservation is nestled in the foothills of the Bear Paw Mountains in north central Montana. The reservation is mainly in Hill County, but part of it is in Chouteau County. The Reservation is marked with mountain peaks, deep canyons, and prairie lands. The altitude ranges from 2,000 feet to 6,000 feet. The Reservation is 30 miles south of Havre and 25 miles north of Big Sandy. Rocky Boy is the smallest reservation in Montana with about 122,000 acres, all of it tribally owned.

Rocky Boy Reservation is home to the Chippewa Cree Tribe, an amalgamation of Chippewa and Cree Indians. The Chippewa Indians were originally from North Dakota. As a result of the 1892 "Ten-Cent Treaty", a band of Chippewa was forced off of the Turtle Mountain Reservation in North Dakota. Under the leadership of Rocky Boy, the band came to Montana. The Cree Indians were Canadian in origin but moved back and forth across the border. The original leader of the Cree was Big Bear, who was succeeded by his son Little Bear. As the years passed, both the Chippewa and Cree bands wandered all over Montana from town to town and reservation to reservation. As they wandered, they became more destitute and disenfranchised. Many proposals were put forth to deal with these Indians. There were attempts to deport the Crees to

Canada. There was a movement to settle them on established reservations. Proposals were also made to create a new reservation either in Valley County or north of the Blackfeet Reservation. All of these attempts failed for a variety of reasons. By 1914, both bands had taken up semipermanent residence on the Fort Assiniboine military post south of Havre. After some negotiations, President Woodrow Wilson signed an executive order on September 17, 1916, creating Rocky Boy Reservation on the southern and western portion of Fort Assiniboine. The Reservation started with about 55,000 acres. In the 1930s, an additional 46,000 acres were added. More acreage was added over the years, bringing the reservation to its current size of 122,000 acres.

Although the Reservation is aesthetically pleasing, there are few natural resources of significant economic consequence. The major resources are natural gas, timber, agricultural land, and wildlife. Principal use of the lands is restricted to dry land farming and grazing. However, even grain production is limited by a lack of irrigation and rolling terrain. Timber cutting was an important economic activity in the early history of the Reservation. However, devastating fires in 1984 and 1988 consumed a significant portion of the tribe's commercial forests. Currently, there are no post-and-pole or lumber mills on or near the Reservation.

In the 1930s, the Bureau of Indian Affairs (BIA) entered into some mineral leases on the Reservation. Although the leases required the companies to pay royalties, no royalties were ever paid, and the leases were eventually canceled in 1945. Natural gas has been discovered on the Reservation, and the tribe has entered into contracts that include royalty payments. These contracts generate the majority of the tribe's income. There is most likely oil on the Reservation and additional gas reserves. The tribe is currently engaged in natural gas exploration, but developing this resource will be difficult because the tribe does not operate a pipeline.

One of the most abundant resources on the Reservation is wildlife. The tribe has worked diligently to conserve this resource through the enactment of a Wildlife Code in 1990. Deer, elk, and antelope numbers have increased significantly since that time. There are two reservoirs on the Reservation with rainbow and brown trout and pike. Recreational resources include the Bear Paw Ski Bowl at Baldy Butte, which is currently leased to a ski club in Havre, and Beaver Creek Park in the Bear Paw Mountains.

The Chippewa Cree Tribe was one of the first tribes to organize under the Indian Reorganization Act. The Act was passed in 1934, and the Chippewa Cree organized in 1935. The tribe is governed by a Tribal Business Committee (TBC) composed of eight members elected at large from the Reservation. In addition, there is an elected chairman. All of the offices are elected for 4-year staggered terms in order to provide stability and continuity to the tribal government. Each TBC member also serves on various committees that oversee tribal programs and activities. The current Tribal Chairman is Alvin Windy Boy, Sr. The members of the TBC are Bruce Sunchild, Sr., Jonathan Windy Boy, Raymond "Jake" Parker, Charles Gopher, Pete Lamere, Brian "Kelly" Eagleman, Duncan Standing Rock, and Tony Belcourt.

The Indian Self-Determination Act of 1975 established an office of self-governance within the BIA. Tribes can enter into compact agreements with the Department of the Interior to operate programs on their reservations that were previously administered by the BIA. What a self-governance compact does is essentially eliminate the BIA from the daily oversight operations of a tribe except within the BIA's overall trust responsibility. A self-governance compact allows more money to flow to tribes and gives them far more authority and power to govern as lawmakers rather than as administrators. Under normal operations, about 25 cents of every dollar allocated to the BIA actually reaches tribes. Of this amount, 12 1/2 cents appears as services. Under self-governance, 60 cents of each dollar is applied to services on a reservation. Self-governance also eliminates BIA jobs on a reservation and creates new jobs for tribal members. The Chippewa Cree Tribe was the first tribe in Montana to sign a self-governance compact. Work began in 1991, with full implementation of the compact occurring in 1994.

Developing a stable economy on Rocky Boy Reservation is an elusive goal. The natural resources are limited because of the small land base. Attempts at manufacturing have been futile. Probably the best avenue for improving the economy is small tribally or individually owned businesses. Current businesses on the Reservation are Chippewa-Cree Meat, Inc., which is a retail meat market and grocery store. The Chippewa-Cree Development Company operates a casino, café, propane company, and video store. These are all tribally owned.



As is true with all Indian tribes, education is very important to the Chippewa Cree. There is an active Head Start program on the Reservation. The Reservation is served by Rocky Boy Public Schools located at Rocky Boy Agency and Box Elder Public Schools located just off the eastern edge of the Reservation. The on-reservation schools were operated by the BIA for many years. In 1960, the elementary school became part of the public school system, and in 1970, an all-Indian school board assumed responsibility for the elementary district. In the late 1970s, Rocky Boy High School District was established, bringing secondary education to the Reservation for the very first time.

Stone Child College was chartered by the Chippewa Cree Tribe on May 17, 1984. The College is accredited by the Commission on Colleges of the Northwest Association of Schools and Colleges. Stone Child is currently housed in a series of buildings and trailers at Rocky Boy Agency. However, a new campus is currently being developed between the Agency and Box Elder. There will be a cultural center, community library, academic/administration building, student union building, and amphitheater. Construction has begun, and the campus is projected to be completed by the end of 2004. Seventy percent of the funding for the new campus has already been secured. Rocky Boy Public Schools hope to eventually relocate the high school to the new Stone Child campus to better strengthen the ties between the high school and the college. The average student at Stone Child is Indian, a first generation college student, 30 years of age, from a poverty level home, and most likely a single parent. To accommodate its students, the College provides transportation and childcare services to its students. Stone Child offers associate of arts degrees in General Studies and Human Services; associate of science degrees in Business, Office Administration, Computer Science, and Natural Resources; and certificates of completion in Chemical Dependency and Office Technologies. The College also offers a College Introductory Program that provides a bridge between high school and college. The courses offered in the program are precollege level and concentrate on general academic knowledge and basic skills development and do not satisfy credit requirements toward graduation.

Medical services are available on the Reservation at the Chippewa Cree Health Center. The Health Center is administered by the Chippewa Cree Tribe under a self-governance compact and is a fully accredited institution. The Health Center has medical, dental, and optometry clinics; laboratory and x-ray services; mental health

services; and specialty clinics. The specialty clinics include diabetes, well child, ENT (ear, nose, and throat), acupuncture, and chiropractic. The staff includes physicians, dentists, optometrists, medical technologists, registered nurses, family nurse practitioners, physician assistants-certified, and community health educators. The Health Center contracts with health care providers and health care facilities in nearby communities to provide more specialized services to tribal members.

### **Visit to Rocky Boy Reservation**

On the morning of September 20, 2001, the Committee gathered at Box Elder Public Schools to begin a tour of Rocky Boy Reservation. From Box Elder, the Committee toured, in order, the construction site for Stone Child College, Stone Child College, Senior Center, Tribal Social Services, Rocky Boy Public Schools, Head Start, Chippewa Cree Health Center, Chippewa Cree Meat Market and Grocery Store, and 4 C's Casino and Café.

In the evening, following dinner with tribal officials, the Committee held a public hearing in the TBC chambers. Tribal officials and tribal members took the opportunity to bring forth issues and concerns that they had with the state and its various programs. On September 21, the Committee again convened at the TBC chambers to meet with tribal officials and continue the discussions from the previous evening. The major issues of concern to the Chippewa Cree Tribe were welfare reform and social service programs for the elderly and low-income individuals. Specifically, the tribe asked the Committee to address the following issues:

1. Is the food commodities program administered by the Department of Public Health and Human Services (DPHHS) being disbanded?
2. The tribe would like information on reductions in the food stamp program.
3. Is DPHHS eliminating the FAIM Community Operating Plans? This is the only means of providing program accountability to recipients and services to reservations.
4. Are FAIM sanctions being unfairly imposed? Are children being sanctioned?
5. There are no Indian representatives on the Hill County FAIM Advisory Committee even though 80% of the welfare caseload is on Rocky Boy

Reservation. Are there Indian representatives on other committees in counties where reservations are located?

6. The tribe is unable to get Indian children enrolled in the Chaffee Independent Living Skills Program even though 28% of the state foster care caseload is Indian children. Only one or two Indian children statewide have been accepted.
7. There are excessive administrative costs associated with the Area VII Agency on Aging that cuts into funding for services. The tribe wants the Aging money to come directly to the tribes.
8. Tribes are experiencing tremendous frustration over negotiations with DPHHS for the Low Income Energy Assistance Program (LIEAP) funding. Indians receive less funding per person than non-Indians.

Other issues brought up by tribal officials and members included:

1. There is a need to revisit the tobacco settlement funds to make sure that tribes get their fair share. How much was the original settlement? What is the current status of the settlement funds? What would be the tribal allocation? What is the status of the Tobacco Settlement Advisory Council?
2. Why does the State Water Court have to approve a reserved water right compact that already has the approval of the tribe, Legislature, Congress, and President? The barriers to the compacting process needed to be removed.

The Committee agreed to review and investigate each of the issues presented by the tribe and to make a written report to the tribe on the Committee's findings. The Committee's response may be found in Appendix A of this report.

In addition to the above-listed concerns, the tribe and the Committee discussed the need for more American Indians on state boards, commissions, and councils; the siting of a prerelease center on a reservation; the proliferation of methamphetamine labs in the state; education; the increase in juvenile crime; health care; economic development; and gaming.

Committeeman Parker stated that more American Indians need to be appointed to state boards, commissions, and advisory councils. Bruce Meyers, Coordinator of Indian Affairs and an enrolled member of the Chippewa Cree Tribe who attended the evening meeting, said that he could provide tribes a list of upcoming appointments and how to apply. He said that letters of support accompanying an application are very beneficial. The Committee could request legislation that would require that an American Indian or a tribal representative be appointed to some of the more important boards or commissions, such as the Board of Regents or the Transportation Commission.

Sandra Murie, Superintendent of Rocky Boy Public Schools, brought up a number of issues relating to education. Rocky Boy Public Schools are struggling with the issue of teacher shortages and teacher salaries. It is especially acute at Rocky Boy because of the isolation and lack of housing. Funding for school buildings is critical for on-reservation school districts that have very little taxable property. Ms. Murie stated that some sort of construction funding from the state must be made available.

Committeeman Windy Boy asked about the proposed siting of a prerelease center on a reservation. Senator Christiaens replied that the 2001 Legislature directed the Department of Corrections to accept proposals for the placement of a prerelease center on an Indian reservation. Bill Slaughter, the new Director of Corrections, is very committed to the idea. However, the siting process is complicated because a prerelease center needs to be located in an area where jobs are readily available, and this may make siting on a reservation, where jobs are in short supply, problematic. In order for it to work, the state must look to some economic development initiatives in the area to provide jobs.

Committeeman Windy Boy also expressed concern about the recent increase in juvenile crime on Rocky Boy Reservation. He thought that there should be more rehabilitation programs as opposed to incarceration for these juveniles. This led to a brisk discussion of the need for more vocational education in public schools. Some Committee members and tribal members advocated a return to the "tracking" system in which students are steered towards a vocational track or a college preparatory track, depending on their interests. One tribal member, however, voiced opposition to tracking, claiming that it would lead to Indian students being denied college preparatory courses because some teachers do not believe that Indian students have the aptitude

to go to college. The tribal member stated that all students need to learn critical thinking skills and be encouraged to seek their own way, not the way chosen for them.

Committeeman Gopher asked about the proliferation of methamphetamine labs in the state and what can be done about them. He felt that people who make and sell methamphetamine to children need to be severely punished. He asked about help from the state to train tribal law enforcement officers on how to deal with methamphetamines. Senator Christiaens replied that this is fast becoming a major problem in Montana. Right now, Montana officials have to bring in experts from Idaho to handle the cleanup when these labs are "busted". In addition, there are currently no in-state treatment programs for methamphetamine addicts. Senator Christiaens suggested that the tribe contact the Board of Crime Control for assistance.

Luanne Belcourt of the Chippewa Cree Community Development Corporation gave the Committee an overview of economic development on Rocky Boy Reservation. The Chippewa Cree is the smallest tribe in the state, and Rocky Boy Reservation has the smallest land base and the fewest resources. This makes economic development very difficult. The Reservation suffers from a 71% unemployment rate, which fluctuates depending upon the season of the year. The Corporation's task is to find economic development opportunities on the Reservation. The greatest barriers to economic development are a lack of capital and infrastructure. The Corporation is currently working to provide a community building so that the tribe can start a tourism center. It is also attempting to build a complex near the industrial site that the tribe can designate as an enterprise zone and fill with small businesses. The Corporation is applying for federal empowerment zone (EZ) status. Only nine such projects will be funded in the United States: two rural and seven urban. When an area receives EZ status, the federal government will provide funding for infrastructure. An EZ designation also opens the doors to other federal departments for grants and assistance.

Pete Lamar of the Chippewa Cree Gaming Board spoke to the Committee about gambling on the Reservation. Currently, the tribe operates a casino at Rocky Boy Agency. Unfortunately, it only attracts tribal members because of its isolation. The tribe would like to expand the operation by building a casino along U.S. Highway 87. The tribe's current compact with the state is renewed every 2 years. The tribe would like to renegotiate the compact with terms more favorable to the tribe. Committeeman

Parker stated that gaming is not the long-term answer to Rocky Boy's economic difficulties, but right now, it is all the tribe has, and it wants to be treated fairly by the state.

**Summary**

The Chippewa Cree Tribe is a progressive, independent nation, as evidenced by its early adoption of a self-governance compact with the Department of the Interior. At the same time, it is a tribe struggling to improve the way of life of its members despite tremendous obstacles. Tribal officials and members alike expressed their gratitude over and over again to the Committee for coming to visit and listen to their issues and concerns. The Committee left Rocky Boy Reservation tremendously impressed with the resolve of the Chippewa Cree people to improve life on their Reservation and with the pride that they have in their heritage and culture.

## ***FLATHEAD INDIAN RESERVATION***

### **Background**

Flathead Reservation is located in northwestern Montana on the western slope of the Continental Divide. It encompasses portions of four counties: Flathead, Lake, Missoula, and Sanders. The Reservation is in a beautiful setting, with the Mission Mountains to the east, the Cabinet Mountains to the west, Flathead Lake to the north, and the Rattlesnake Mountain Wilderness to the south. The snowcapped peaks of the Mission Range rise 9,000 feet above the fertile valley. The western land is rolling prairie used primarily for grazing, while the eastern land is mostly agricultural and forested. There are approximately 1.2 million acres within the Reservation, including 69,000 acres of surface water. About 58% of the acreage is tribal land. Missoula, 50 miles to the south, is the major off-reservation trade center. Kalispell, 30 miles to the north, is an important secondary trade center.

The Reservation is home to the Flathead, Pend d'Oreille, and Kootenai Tribes. The term "Salish" actually refers to the linguistic character of the Flathead and Pend d'Oreille Tribes that occupied the Columbia Plateau. The Flathead and the Pend d'Oreille eventually made their way eastward into Montana. The Kootenai have always been located in Montana. The Flathead settled in the Bitterroot Valley, while the other two tribes lived in the area of the present-day reservation. In 1855, the federal government signed an agreement with the Pend d'Oreille and the Kootenai to establish a reservation from Flathead Lake down through the Jocko Valley. The federal government also wanted the Flathead to settle on the Jocko Reservation, as it was called, but they preferred to remain in the Bitterroot. Reluctantly, the government established a separate reservation for the Flathead. Over the next 40 years, tremendous pressure was exerted on the Flathead to move to the Jocko Reservation. The pressure came from the federal government and from the white settlers who were moving into the Bitterroot Valley. Eventually, different bands of Flathead moved until only Charlo and his band remained. Finally, in 1891, Charlo led his people out of the Bitterroot to the Jocko Reservation (to be known thereafter as Flathead Reservation). In 1908, the Reservation was allotted, with each tribal member receiving either 80 acres of agricultural land or 160 acres of grazing land. Two years later, the surplus lands, about 1 million acres, were opened to homesteading. The sale of surplus lands was

temporarily halted in 1919 in order to allot lands to eligible Indians who had not received land previously. The sale of surplus lands continued sporadically until 1934 when the Indian Reorganization Act (IRA) ended the practice of allotment. By then, over half of the land within the Reservation was owned by non-Indians, and it was mostly the rich agricultural lands of the Mission Valley. In recent times, the tribal government has embarked on a land reacquisition program. Because the price of land in the valley has skyrocketed, the reacquisition process is slow, but the tribe is determined to increase its holdings.

The population of the entire Reservation is about 26,000. Of that number, only 18% are enrolled members of the Confederated Salish and Kootenai Tribes. The Flathead Reservation is the only reservation in Montana where Indians are in the minority. This has resulted in numerous conflicts with non-Indians over the administration of lands and the political processes within Reservation boundaries.

In 1936, the three tribes formally organized under the IRA as the Confederated Salish and Kootenai Tribes (CSKT). The governing body is a 10-member Tribal Council elected from eight districts. The Arlee and St. Ignatius districts have two members each. The members are elected for 4-year staggered terms. From the council membership are elected a Chairman, Vice Chairman, and Secretary. The current members of the Tribal Council are:

Donald "Frederick" Matt, Chairman

Jamie Hamel, Vice Chair

Carole Lankford, Secretary

Mary Lefthand

Elmer "Sonny" Morigeau

Lloyd Irvine

Joel Clairmont

Ron Graham

Denny Orr

Maggie Goode

In the mid-1970s, the CSKT asked for and received permission to move from the Billings Area BIA Office to the Portland Area Office. Tribal officials felt that the Portland Office was more enlightened on issues of self-governance and tribal compacts. Since



that time, the CSKT have become a Public Law 638 tribe, meaning that they are self-governing tribes under the Indian Self-Determination Act of 1975.

The Flathead Reservation is endowed with a wealth of natural resources unlike any other reservation in Montana. The Reservation boasts abundant water, timber, and rich soils that are critical assets for the CSKT. Most of the prime agricultural land belongs to non-Indians. What agricultural land is tribally owned is mainly in hay production. However, 80% of the Reservation's forested acreage is in tribal ownership and supports a very lucrative timber industry as well as a healthy Christmas tree industry. Intensive timber harvesting is not allowed because of the CSKT's commitment to protect the water quality, fish, wildlife, and other aesthetic values on the Reservation. There has been some minimal oil and gas exploration on the Reservation, but no significant discoveries have been made.

Water resources on the Reservation include a number of lakes and rivers and the southern half of Flathead Lake. Bolstered by a U.S. Supreme Court case, the CSKT have asserted ownership of the bed and banks of the lake up to 9 feet above the high-water mark. The Tribal Shoreline Protection Board, made up of Indians and non-Indians, was formed to preserve the beauty and the quality of the lake. The water resources on the Reservation are viewed by the CSKT as a primarily recreational resource. In 1928, the CSKT negotiated a lease with the Montana Power Company (MPC) for the construction of Kerr Dam on the Flathead River. The annual rental payments have proved to be a significant source of revenue for the CSKT. In the 1980s, when the operating license for the dam came up for renewal, the CSKT decided to apply. After a series of negotiations between the CSKT and the MPC, an agreement was reached. For the first 30 years of the license, the MPC will operate the dam and pay the CSKT \$9 million each year for rent, adjusted annually to the cost-of-living index. In 2015, the CSKT will take over the operation of the dam for the remainder of the licensing term or 20 years.

Over the last 10 years, economic development has been the number one priority for tribal leadership. Through effective planning, the CSKT have identified various strategies that have proved very successful in helping the CSKT become self-reliant and fairly prosperous. Early on, the CSKT determined that economic development should enhance, not destroy, natural resources and must be consistent with tribal

values. Current tribal economic enterprises include S&K Holding Company (a for-profit development corporation), KwaTaqNuk Resort, S&K Electronics, S&K Technologies, and Native Ed-Ventures. In addition, the CSKT have been successful in producing as many goods and services as possible for tribal consumption. These enterprises include the Tribal Credit Program, Forest Management Enterprise, CharKoosta Print Shop, PATCORE (a reservation building program), and Mission Valley Power. A final strategy identified by the CSKT is to control as many economic resources coming into the Reservation as possible. This strategy led to their seeking control of Kerr Dam and the ownership of the bed and banks of the southern half of Flathead Lake.

Most Indian students on the Reservation attend public schools in Arlee, St. Ignatius, Polson, and Ronan. The CSKT operate a very active Head Start program on the Reservation with five centers at Polson, Ronan, St. Ignatius, Dixon, and Arlee. In addition, the CSKT operates Two Eagle River School in Pablo, which is an alternative high school accredited by the State of Montana.

Salish Kootenai College (SKC) began as a branch of the Flathead Valley Community College (FVCC) in 1977 in space donated by the Polson School District. The Tribal Council soon realized the value of having a higher education institution on the Reservation and passed a resolution to formally establish a tribal college on the Flathead Reservation. In the meantime, the college outgrew its Polson location, so the campus was relocated to Pablo. In 1981, SKC ended its relationship with FVCC and was formally established as Salish Kootenai College. SKC began as a 2-year community college, but now offers baccalaureate degrees in Human Services, Business/Entrepreneurship, Environmental Science, and Nursing. In addition, SKC has entered into a collaboration with the University of Montana-Western to offer a baccalaureate degree in elementary education. Students enrolled in this program complete their 2-year associate degree at SKC. They remain on the SKC campus for the next 2 years but follow the Western catalog and graduation requirements. In addition to the baccalaureate degrees, SKC offers six Associate of Arts degrees, seven Associate of Science degrees, two Associate of Applied Science degrees, and seven Certificates of Completion. Some of the areas in which students can major include dental assisting Technologies, food service management/culinary arts, chemical dependency counseling, medical office clerk, and computer science. SKC currently enrolls about 850 full-time students with another 300 attending part-time. About 25%

remain to complete a baccalaureate degree, while others transfer to another college or university. There are currently 38 full-time instructors and 50 part-time. SKC also offers a special admissions program for high school seniors who wish to supplement their educational program with college level coursework. As part of its commitment to the community, SKC operates KSKC-CA, a public television station with local as well as PBS programming.

As part of its self-governance status, the CSKT operate the Community Health Clinic at St. Ignatius. The Clinic offers a number of medical services and then contracts with health care providers on or near the Reservation.

### **Visit to Flathead Reservation**

On June 11-12, 2002, the Committee made its second reservation visit this interim when it traveled to Pablo to meet with the Confederated Salish and Kootenai Tribal Council and tour Flathead Reservation. The Committee began its visit by meeting with the Tribal Council on the afternoon of June 11. Issues that were most important to the CSKT were economic development, water rights, funding for nonbeneficiary students attending SKC, and the budget reductions in social services proposed by Governor Martz.

Councilman Lloyd Irvine reported on a Reservationwide economic development summit held in early June. The Tribal Council is scheduling a 2-day work session to discuss the summit's recommendations. One of the things that the Tribal Council wants to work on is bringing together all of the tribal and Indian-owned businesses on the Reservation to discuss some common goals and objectives and develop a common vision for the future. Councilwoman Lankford asked what other reservations are doing in the area of economic development. Representatives Juneau and Bixby and Senator Pease offered information from each of their respective reservations. The Blackfeet Tribe is negotiating a gaming compact with the state, reviewing the possibility of building a resort near St. Mary's, exploring the possible operation of its own TANF program, and tying education to economic development. The Crow are pursuing coal bed methane development and wind generation. The Northern Cheyenne have built a new casino and are renegotiating their gaming compact with the state, reviewing the possibility of

reopening their sawmill and building a waste disposal plant, and implementing their master plan for economic development.

Councilman Clairmont said that education is the first building block in solving the Reservation's unemployment problems. He asked the Committee to support funding for non-Indian students who attend SKC. Joyce Silverthorne, Tribal Education Director, also supported state funding for non-Indian students attending tribal colleges. She also asked the Committee to encourage the implementation of the "Indian Education for All" initiative that the Legislature approved in 1999. She felt that the high dropout rate for Indian students could be positively impacted by the implementation of this initiative. Councilman Irvine spoke of the need for more Indian teachers. On the Flathead Reservation, there are several school districts that do not have any Indian teachers even though they have a significant Indian enrollment. One of SKC's priorities is to train more Indian teachers for Reservation schools.

Councilman Graham asked the Committee's assistance in the CSKT's water negotiations with the state. During the 2001 legislative session, the Reserved Water Rights Compact laws were amended to prohibit interim water compact agreements while permanent agreements are being negotiated. The CSKT may come to the 2003 Legislature asking for a reversal of that amendment. The Committee responded that if the CSKT want legislation allowing interim agreements, Committee staff will work with them.

With regard to the budget reductions in social services, Councilwoman Lankford asked why across-the-board reductions were not made in all departments. Senator Christiaens explained that there are various mixes of funding among the departments. For example, the Department of Labor and Industry's entire budget is 15% state general fund money and 85% federal funds. Because the reductions are being made to programs that are funded from the state general fund, a department such as Labor and Industry will not be as deeply affected. In addition, DPHHS has been very creative in leveraging federal funds for its programs, resulting in a 70(federal)-30(state) match. As a result, when state funding is reduced, it impacts federal funding.

### Salish Kootenai College

Following the meeting with the Tribal Council, the Committee visited SKC where Bob Peregoy, Director of Institutional Research, arranged for the Committee to meet with several nonbeneficiary students. A nonbeneficiary student is either a non-Indian or a person of American Indian descent who is not eligible to be a member of a federally recognized tribe. SKC receives funding from the Tribally Controlled Community College Assistance Act of 1978 for enrolled tribal members who attend SKC, but no federal funding is received for nonbeneficiary students. SKC has an open enrollment policy and does not turn away nonbeneficiary students. In order to keep costs affordable for them, SKC has been subsidizing nonbeneficiary students. SKC is raising its tuition by 10% for the next academic year. Peregoy spoke of the importance of the funding for nonbeneficiary students that the State of Montana has provided intermittently over the last few years. He urged the Committee to support funding for these students because the CSKT cannot continue to subsidize these students and SKC will be forced to either raise tuition to a point at which college is no longer affordable or end its policy of allowing all nonbeneficiary students to attend.

The vast majority of SKC's students are nontraditional (over age 25), and about one-half of those are single mothers. About 35% of SKC's enrollment is made up of nonbeneficiary students. The nonbeneficiary students who spoke with the committee each talked about the importance of SKC in their educational experience. Each one said that if it was not for SKC, they probably would not have been able to go to college. Most of these students were non-Indians.

Following the meeting, Peregoy and Juan Perez, SKC Director of Student Life, led the Committee on a tour of the SKC campus. The SKC campus consists of 15 buildings with a new science building under construction. In addition, SKC offers a limited amount of student housing on campus. The most recent additions to the campus are a new art building and a nine-hole golf course.

### KwaTaqNuk Resort

The Committee began its Reservation visit on June 12 with breakfast and a tour of the KwaTaqNuk Resort on Flathead Lake. Owned by the CSKT, the resort is governed by a board of directors. The only tribally operated casino on the Reservation is located at KwaTaqNuk. The resort operates tour boats on Flathead Lake and has meeting and

convention facilities. The resort is working to become a destination resort. It has made arrangements with local golf courses and ski areas to offer recreational and accommodations packages.

#### S&K Electronics/S&K Holding

S&K Electronics is another tribally owned business that specializes in electronics Technologies. The business employs college-trained engineers as well as certified electronics technicians. S&K recently opened a branch office in Houston where it does contract work for NASA. Other clients of S&K include Jore Corporation, Northrop Grumman, Hewlett-Packard, Raytheon, Siemens Medical Systems, and Sun Mountain Sports. S&K Electronics gives a hiring preference to qualified tribal members. The tour of S&K Electronics was led by Larry Hall, President and General Manager of the company.

The Committee's next stop was S&K Holding, a company that helps develop new businesses on the reservation. KwaTaqNuk Resort began under the auspices of S&K Holding. Joe Durglo described some of the new projects being undertaken. Currently, S&K operates a wood processing business that makes "stickers" or wooden sticks used between piles of lumber to help in the drying process. The stickers can also be used as survey sticks and sign sticks. The business developed when area lumber mills had to pull workers off the production line to make these stickers, resulting in a loss of production time. S&K Holding saw a niche to be filled. S&K Holding is also in the process of developing a marina on some tribally owned land on Flathead Lake.

#### Department of Human Resources Development

Following lunch at SKC, the Committee met with Teresa Wall-McDonald, Director of the Department of Human Resources Development (DHRD). The DHRD is responsible for administering the tribal TANF program on Flathead Reservation. The CSKT implemented their tribal TANF program in 1998, one of only 26 tribally controlled programs across the nation. The program is very service-oriented. As each client is enrolled, the client is tested for drugs and takes the Test of Adult Basic Education to determine the client's educational level. The results of both tests help caseworkers design a plan that provides the best services for that family.

The DHRD has worked very hard to identify areas in which clients need services. Two of those identified were computer training and transportation. As a result, the DHRD has created a computer-training program that uses a mobile computer training lab and an adult drivers' education program that will lead to a driver's license.

Emphasis is also placed on breaking the welfare cycle by working with children and youth. School attendance is monitored with provisions for rewards as well as penalties. Clients are required to engage in literacy activities with their children for 10 hours a week. Youth employment is a priority. If young people can have a successful work experience, they are less likely to become TANF clients as adults.

The DHRD has also established a "one-stop shop" concept for supportive services. Almost all of the supportive services that a family needs are available in a single building on the Reservation. For services such as food stamps and LIEAP that the tribe does not administer, Lake County provides a worker on the Reservation. The DHRD has an excellent working relationship with Lake County.

Although the federal TANF 5-year restriction does not apply to American Indians on reservations, the CSKT have implemented a 60-month limit on the Reservation. There are exceptions, but the DHRD works very hard to make its clients self-supporting.

In addition to its work with clients, the DHRD also has established good working relationships with Reservation employers and day-care operators. For example, the DHRD worked with S&K Holding to get a welfare-to-work grant. Day care is a key component to a successful TANF program, and the DHRD provides training and resources to day-care operators on the Reservation.

The DHRD has been very successful at partnering with other agencies to obtain grant funding for many of its TANF programs. Some of its partners include the Ronan School District, SKC, the AFL-CIO, the Montana Job Training Partnership, and the State of Montana.

### S&K Technologies

The final stop on the tour was S&K Technologies in St. Ignatius where Rhonda Whiting, Vice President, spoke to the Committee. S&K Technologies is a spinoff of S&K

Electronics. Its speciality is information technologies, such as software development, data conversion and migration, support services for natural resource information and coastal engineering, website design, electronic technical publishing, and space operations support. S&K Technologies has branch offices in Washington, Texas, Ohio, and Georgia, in addition to its St. Ignatius office. Like S&K Electronics, S&K Technologies gives a hiring preference to qualified tribal members. In addition, the Tribal Council requires that for every six jobs created off the Reservation, S&K Technologies has to create one job on the Reservation.

Both S&K Electronics and S&K Technologies stressed the independence of these entities from the CSKT. In fact, the Tribal Council holds only a single share of stock in each corporation.

### **Summary**

The CSKT are among the most prosperous and self-reliant of all of the Indian tribes in Montana. The CSKT have made excellent use of the natural resources on the Flathead Reservation. They have been successful despite their position as a minority on their Reservation and all of the conflicts and difficulties such a position engenders. The Committee members were unbelievably impressed with what they saw during their 2-day visit to the Reservation. The visit helped them to realize the potential that tribes have for positively impacting the economic well-being of the entire state.



**PART THREE:**  
**ENCOURAGE STATE-TRIBAL COOPERATION**

The second major responsibility of the Committee is to encourage cooperation between the state and the eight tribal governments in Montana. This interim, the Committee fulfilled this responsibility by visiting with some state agencies as well as learning about individual programs in an attempt to address issues of mutual concern to both governments and to seek solutions when possible. Because of the number of new members (five) on the Committee, staff arranged for presentations on some state programs that have a direct impact on tribes. Other presentations were made based on members' interests or issues brought to the Committee by interested persons.

**Reserved Water Rights Compact Commission**

At the very first meeting of the interim on August 2, 2001, Susan Cottingham, Program Manager of the Reserved Water Rights Compact Commission, spoke to the Committee about the history of the Commission and the status of the various compacts with the tribes. To date, the Legislature has approved compacts with the Fort Peck Tribes, the Northern Cheyenne Tribe, the Chippewa Cree Tribe, the Crow Tribe, and the Fort Belknap Tribes. The Commission has begun negotiations with the CSKT, but this will be a very difficult compact to negotiate because of the jurisdictional issues involving fee land owned by non-Indians and nontribal members on the Flathead Reservation and a long history of litigation. The Department of Natural Resources and Conservation and the tribes have been to the Montana Supreme Court three times over the issue of whether the state can continue to issue water permits on Flathead Reservation before the tribes' water rights are quantified. The Blackfoot Tribe opposed the Fort Belknap compact because Blackfoot Reservation is located at the headwaters of the Milk River and the tribe had some legitimate concerns. Some preliminary discussions with the Blackfeet have begun.

**Indian Gaming**

A second area in which staff arranged for an informational presentation for the Committee was Indian gaming. Gene Huntington, Administrator of the Gambling Control Division, provided an overview of the Indian Gaming Regulatory Act (IGRA) and

how Montana law comports with the federal law. Currently, the only tribe without a gaming compact with the state is the Blackfeet Tribe. The Committee listened to the concerns of a member of the CSKT who complained of a lack of parity between non-Indian and Indian bar owners on Flathead Reservation. When asked the reason for the disparity, Sarah Bond, Assistant Attorney General, responded that under IGRA, all gaming on a reservation that is operated by a tribal member is regulated by the tribe. An enrolled tribal member is precluded from getting a state gaming license if the member wants to operate a gaming establishment on a reservation.

### **Corrections**

One area in which the Committee expressed great interest was corrections. As a result, Bill Slaughter, Director of the Department of Corrections, spoke to the Committee on two different occasions. There were a number of issues that the Committee was interested in vis-a-vis American Indians in the correctional system: a prerelease center on an Indian reservation, an American Indian liaison within the Department, and the spiritual needs of American Indian inmates.

During the 2001 legislative session, Representative Juneau introduced a bill calling for a study of the feasibility of establishing a prerelease center on a Montana Indian reservation. Although the bill was tabled in the Senate, Director Slaughter told the Committee that he was committed to finding a way to place a center on a reservation. However, there were some issues that needed to be addressed before that could happen: employment opportunities, community safety, law enforcement jurisdiction, and educational and counseling services. Inmates in a prerelease center have to be employed, and so the ability to find jobs is critical. Right now, this is a major stumbling block to establishing a center on a reservation where there are few employment opportunities. Safety is an issue in any community where a center is located, and a reservation community is no different. The Department and the selected tribe would have to have a memorandum of understanding or a cross-deputization agreement to allow tribal law enforcement to detain and extradite offenders. Access to educational services and drug and alcohol counseling is of utmost importance. All reservations have tribal colleges that offer GED, associate degree, and certificate programs, but drug and alcohol counseling varies greatly from reservation to reservation. One avenue that the Department may pursue is establishing a center in a community near a

reservation where access to employment and services is greater. A set number of beds would be designated for American Indians, Indians would be employed within the center, and center programs would be designed to address the cultural needs of Indian inmates. Although the Committee recognized the stumbling blocks that prevent a center from being located on a reservation, the members also wanted the Department to move forward as quickly as possible. The members also felt that there were reservations where a center could be successful.

The 2001 Legislature directed the Department of Corrections to designate one of its current employees to serve as a liaison with the Montana tribes and the Department regarding American Indian inmate issues and concerns. In March, Director Slaughter introduced Nancy Knight as the new Department liaison. Ms. Knight has the responsibility to review policy and training issues and staff development as they affect American Indian inmates. She will also be working with the Indian groups at the various correctional facilities to address the spiritual needs of the Indian inmates.

With regard to the spiritual needs, some of the concerns expressed by the Committee to Director Slaughter included a sweat lodge at the Montana Women's Prison and an American Indian spiritual adviser on the Corrections staff. With regard to the sweat lodge, the issue was seeking a burning permit from the city of Billings. Director Slaughter said that the Department would continue to seek the permit. With regard to the spiritual adviser, the Department hoped to work with the current chaplain to bring in Indian spiritual leaders as needed to minister to the Indian inmates.

### **Indian Education**

In the area of Indian education, a presentation was made by Lynn Hinch, Office of Public Instruction (OPI), on the implementation of House Bill No. 528 (HB 528), more commonly referred to as the "Indian Education for All" initiative. The impetus for the passage of HB 528 was the constitutional provision calling for recognition of the cultural heritage of American Indians and preservation of Indian cultural integrity in the state's educational goals. Although this provision has been implemented in school districts on or near reservations, HB 528 calls for all school districts statewide to integrate American Indian studies into their curricula. OPI had asked the 2001 Legislature for \$60,000 to implement HB 528, but the request was denied. OPI is seeking federal

grants for implementation. Representative Bixby stated that HB 528 was important because it will help Indian children achieve success when they see themselves within the curriculum. The discussion on HB 528 led to a further discussion of the problem of the school dropout rate for Indian students. The Committee expressed interest in why the rate is so high, what can be done to lower the rate, and what happens to students who do drop out of school. The Committee asked that a resolution be drafted to request a study of Indian student dropouts.

The Committee also engaged in a lively discussion over state funding for nonbeneficiary students attending tribal colleges. The state first provided funding for these students in 1995 through a separate legislative appropriation of \$1.4 million. In 1997, the Legislature passed legislation statutorily requiring the Board of Regents to provide financial assistance to resident nonbeneficiary students attending tribal colleges (20-25-428, MCA). The Regents, however, were successful in getting the legislation amended to require the financial assistance only upon a specific appropriation of funds for that purpose. In 1997, no money was appropriated. In 1999, \$834,000 was appropriated. In 2001, \$100,000 was appropriated but only for fiscal year 2002, and this was reduced by \$3,500 as a result of the budget reductions in the summer of 2002. During the discussion, some Committee members questioned why the state should provide funding for students attending a tribal college. During the visit to Flathead Reservation, SKC made a presentation to the Committee on the importance of state funding for nonbeneficiary students that included the testimony of students who had been assisted by the state funding. As a result of the presentation, the Committee asked staff to draft legislation providing funding for nonbeneficiary students.

### **Workforce Investment Act**

At the January 2002 meeting, the Committee heard from Ernie Big Horn who operates a program in Miles City that helps off-reservation Indians find employment and educational services. Mr. Big Horn had some concerns about how the Department of Labor and Industry was implementing the federal Workforce Investment Act of 1998 as that Act pertains to American Indians. He felt that off-reservation Indians were not receiving the services that they previously received under the old federal law, the Job Training Partnership Act. At that same meeting, Representative Juneau expressed concerns over how the Department was reporting unemployment statistics on Montana

Indian reservations. She felt that the state was underreporting the statistics, and that resulted in an incorrect unemployment picture of the reservations. Senator Christiaens asked for a report on Indian participation in the Jobs for Montana Graduates program. As a result of these concerns, the Department was invited to attend the next meeting of the Committee and address these issues.

On March 27, 2002, the Department made a presentation to the Committee on the Workforce Investment Act of 1998 (WIA) and the reporting of labor statistics. Ingrid Childress gave an overview of the workings of the WIA, how it works at the state and local level, and how American Indians are served. Section 166 of the WIA addresses programs specifically for American Indians, both on- and off-reservation. Section 166 programs have a separate funding stream and report directly to the federal Department of Labor. There is no state or local oversight of these programs. However, local management boards may contract with Section 166 programs. Although Montana recognizes Indians as a special needs population in its WIA enabling legislation, the WIA does not recognize such categories; WIA requires a universally accessible system. The Department is trying to make the state's enabling legislation and the federal statute work together. The Department and Mr. Big Horn agreed to continue working together to resolve their differences. The Committee asked Mr. Big Horn to report back to the Committee if he had any further concerns.

### **Reservation Unemployment Statistics**

Bob Rafferty, Office of Research and Analysis, spoke to the Committee on how unemployment rates in Montana, including reservations, are calculated. The unemployment rate is calculated by dividing the number of unemployed by the number of people in the civilian labor force. This methodology is the official methodology recognized by the federal government for a variety of purposes, such as federal program funding, grant awards, and economic development activities. For that reason, it is important to be consistent. The BIA uses a different methodology that may account for the discrepancies between the Department's rate on reservations and the BIA's rate. The BIA's definition of "unemployed" includes discouraged workers and workers who have not actively sought employment in the previous 4 weeks. Both methodologies are valid and correct, but only the Department's methodology is accepted by the U.S. Congress. Rafferty stated that even though the Department's methodology shows a

lower unemployment rate than does the BIA's methodology, the rate is still too high on the reservations, indicating that economic development must become a priority.

### **Jobs for Montana Graduates**

Lorelee Robinson, State Coordinator for Jobs for Montana Graduates (JMG), provided the Committee with information on what the program is, who it serves, how it operates, what schools offer the program, and what have been the results. JMG is offered in nine high schools on Indian reservations. In fact, Montana was the first state to offer JMG on reservations. Indian participants in the program experience an 86.6% graduation rate. As an example of the program's impact, Plenty Coups High School has found the JMG program so successful that school administrators want to expand the program to all 10th, 11th, and 12th grade students. The biggest challenge facing JMG on reservations is finding meaningful jobs for high school graduates who do not seek postsecondary education or join the military.

## ***PART FOUR:*** **COMMITTEE RECOMMENDATIONS**

### **LEGISLATION**

During its visit to Flathead Indian Reservation in June of 2002, the Committee requested staff to draft the following bills for consideration by the Committee at its final meeting:

- ensure funding for nonbeneficiary students;
- establish business information centers at the three community colleges; assist Tribal Business Information Centers to expand services;
- establish a prerelease center on a reservation using Facility Finance Authority money for the actual construction;
- require the Department of Corrections to hire an American Indian traditionalist to serve the spiritual needs of American Indian inmates;
- mandate that one position on the Board of Pardons and Parole be held by an American Indian; and
- conduct a study of the problem of American Indian dropouts.

The Committee met on September 16, 2002, by telephone conference call to discuss the bill drafts and make recommendations.

#### **LC 177: Business Information Centers at Community Colleges and Funding for Tribal Business Information Centers**

Staff reported that the Department of Commerce operates a Small Business Development Center (SBDC) program that focuses upon the creation and maintenance of viable small and micro businesses by providing assistance with business plan development, financial management, marketing, taxes, and cashflow analysis. This assistance is provided through small business development centers in Kalispell, Helena, Havre, Wolf Point, Butte, Great Falls, Billings, Missoula, Bozeman, and Colstrip. The centers are funded primarily with federal funds through the Small Business Administration. The centers work with the Tribal Business Information Centers (TBICs) by offering classes on reservations and assisting individual Indians

wishing to begin small businesses. Staff also reported that federal legislation is now working its way through Congress that will restructure the TBICs and give them greater access to funding. After some discussion, the Committee decided that drafting legislation to establish small business development centers at the community colleges would be a duplication of the Department of Commerce program. In light of the financial situation that the Legislature will be facing in January, funding for new programs or additional funding for existing programs will not be feasible.

**LC 178: Mandate American Indian on Parole Board**

Current law states that one of the members of the Board of Pardons and Parole, regular or auxiliary, must be knowledgeable about Indian culture and problems. The bill draft required that one of the regular or auxiliary member be an American Indian. After some discussion, the Committee approved LC 178 with the following revision: one of the members, regular or auxiliary, must be a qualified American Indian. If a qualified American Indian is not available, then a person knowledgeable about Indian culture and problems must be appointed.

**LC 179: American Indian Religious Traditionalist in Department of Corrections**

This bill draft addressed the spiritual needs of Indian inmates in the state's correctional institutions by requiring the Department of Corrections to provide a person with expertise in traditional Indian religious practices to minister to Indian inmates on the same basis as other religious chaplains are provided. The current practice of bringing in religious traditionalists as needed has not worked because when they go to the prison now, their religious articles are subjected to an intensive search. Many have refused to return to the prison because they feel the search is demeaning. This legislation will prevent such searches from occurring. The Committee approved the bill.

**LC 180: Interim Study of Problem of Indian Student Dropouts**

This bill draft requested an interim study of the problem of the high dropout rate of Indian students. The study also called for public hearings and the development of a remediation plan. The Committee chose not to request this bill.



### **LC 181: Establish Prerelease Center on Reservation**

In 2001, the Legislature considered House Bill No. 627 that instructed the Department of Corrections to conduct a study on the feasibility of establishing a prerelease center on a Montana Indian reservation. The bill failed passage, but Director Slaughter agreed to move ahead with the study. In conducting the study, the Department was to visit all seven reservations and the Little Shell Band of Chippewa to discuss the issues, note the concerns, and ascertain interest in developing a center. At each site, the Department met with tribal officials and discussed the following issues: employment opportunities on the reservation; community safety; jurisdiction, especially regarding law enforcement; and availability of educational and counseling services. If a tribal government wants to operate a center and if the Department requests an appropriation for additional prerelease beds, specific legislation to establish a prerelease center on a reservation may not be necessary. The Committee deferred a decision on LC 181 until the Department issues the results of the feasibility study.

### **LC 182: Funding for Nonbeneficiary Students at Tribal Colleges**

This bill draft required the Board of Regents to provide funding for nonbeneficiary students at tribal colleges even if a separate appropriation for this purpose was not made. The funding would come out of the lump-sum amount appropriated to the Board of Regents by the Legislature. The Committee raised the amount for each student from \$1,500 to \$2,000 and then approved the bill.

A copy of each piece of legislation can be found in Appendix B of this report.

## **TRIBAL NATIONS OF MONTANA**

In 1995, the Committee on Indian Affairs published *The Tribal Nations of Montana: A Handbook for Legislators*. The purpose of the Handbook was to educate legislators about Montana's Indian tribes, Indian law, and the relationship between the tribes and the State of Montana. Since then, court decisions have rendered some portions of the Handbook invalid. In addition, the Handbook was missing a chapter on reserved water rights and how they are negotiated.

At its first meeting on August 2, 2001, the Committee directed staff to update the Handbook by incorporating the court decisions and by adding a chapter on the Reserved Water Rights Compact Commission.

**PART FIVE:**  
**ACCOMPLISHMENTS AND FUTURE STUDY ISSUES**

The following is a summary of the work of the Committee on issues identified in the initial work plan for the 2001-02 interim. Items marked "partially completed" or "no work completed" will serve as a guide to the 2003-04 Committee in setting its work plan.

**Education**

1. Follow up on action plans for implementation of HB 528, "Indian Education for All".  
STATUS: Partially completed. Report was given to Committee by OPI at March meeting.
  
2. Assess progress of implementation of School Accreditation Standards as they pertain to HB 528.  
STATUS: No work completed.
  
3. Review report on Indian education in Montana from Montana Advisory Committee to U.S. Commission on Civil Rights.  
STATUS: Partially completed. Report distributed to Committee members.
  
4. Review low high school graduation rates of American Indian students and develop legislation that addresses issue.  
STATUS: Partially completed. Interim study requested by Representative Juneau.
  
5. Monitor House Joint Resolution No. 40 study on use of Pre-Professional Skills Test (PPST) in teacher certification.  
STATUS: Completed. Board of Public Education has eliminated use of PPST in teacher certification.
  
6. Propose funding for nonbeneficiary students at tribal colleges.  
STATUS: Completed. LC 182 approved by Committee.

## **Corrections**

1. Monitor proposal to site prerelease center on Indian reservation.  
STATUS: Partially completed. Committee engaged in dialogue with Department of Corrections. Committee to review results of Department's feasibility study.
2. Monitor progress in establishing American Indian liaison position within Department of Corrections.  
STATUS: Completed. Nancy Knight hired by Department.
3. Gather data to develop up-to-date profile of American Indian inmates in state correctional institutions, both juvenile and adult.  
STATUS: No work completed.
4. Look at racial profiling.  
STATUS: No work completed.
5. Provide greater access to traditional religious practices by American Indian inmates within correctional institutions.  
STATUS: Completed. LC 179 approved by Committee.
6. Promote greater understanding of Indian culture by Board of Pardons and Parole.  
STATUS: Completed. LC 178 approved by Committee.

## **Welfare**

1. Report on issues on reservation.  
STATUS: Partially completed. Heard reports from Chippewa Cree Tribe and CSKT.
2. Monitor progress of federal reauthorization of Personal Responsibility and Work Opportunity Reconciliation Act of 1996.  
STATUS: No work completed.

### **Economic Development**

1. Monitor progress of Indian Economic Development Commission.  
STATUS: Partially completed. Heard report from Lloyd Irvine, Tribal Council member, at March meeting.
  
2. Review economic assessment of reservations prepared by RJS, Inc.  
STATUS: No work completed.
  
3. Report from Tribal Economic Task Force on followup on goals and objectives.  
STATUS: No work completed.
  
4. Report from Governor's Office of Economic Opportunity.  
STATUS: No work completed.
  
5. Onsite review of tribal economic development activities.  
STATUS: Partially completed. Committee visited economic development projects on Rocky Boy Reservation and Flathead Reservation.

### **Energy**

1. Review EIS process for coal bed methane development on or near reservation.  
STATUS: No work completed.
  
2. Discuss ways for encouraging tribes to develop energy resources.  
STATUS: No work completed.

### **Driver's Licenses**

1. Use of tribal identification cards as documentation when applying for driver's licenses.  
STATUS: Completed. Department of Justice now accepts digital tribal ID cards at drivers' licensing stations.

### **Office of Indian Affairs**

1. Pursue issue of Coordinator as official member of Governor's cabinet.  
STATUS: Completed. Governor Martz has stated that she does not favor this proposal.
  
2. Revitalize effort to establish Indian Flag Circle on Capitol grounds.  
STATUS: No work completed.

### **Agriculture**

1. Monitor beef checkoff lawsuit.  
STATUS: Partially completed. Staff following issue.

### **Funding for Tribes**

1. Amount of state funding expended on Indian reservations.  
STATUS: No work completed.
  
2. Amount of federal funding received by state to which Indian tribes have access.  
STATUS: No work completed.

### **Labor/Employment**

1. Include reservation statistics in state unemployment data.  
STATUS: Partially completed. Heard report from Department of Labor and Industry at March meeting.
  
2. Monitor implementation of amendments to House Bill No. 87 to determine if communication between state and Indian programs that are part of federal WIA has been strengthened.  
STATUS: Completed. Heard report from Indian program operator and Department of Labor and Industry at March meeting. Facilitated meeting between program operator and Department to iron out disputes.

3. Research ways to allow young Indian men and women (ages 12-16) to gain work experience.

STATUS: No work completed.

4. Participation of American Indian students in Jobs of Montana Graduates program.

STATUS: Completed. Heard report from program coordinator at March meeting.

**PART SIX:  
AVAILABLE MATERIALS**

The following materials relevant to the State-Tribal Relations Committee are available from the Legislative Services Division or on the Committee's website at [http://leg.mt.gov/Interim\\_Committees/StateTribalRelations/index.htm](http://leg.mt.gov/Interim_Committees/StateTribalRelations/index.htm).

Minutes of Meetings (including exhibits)

August 2, 2001	March 27, 2002
September 20 -21, 2002 (Rocky Boy Reservation)	June 11 - 12, 2002 (Flathead Reservation)
January 9, 2002	September 16, 2002

Staff Reports and Memoranda

*Chronological History of the Committee on Indian Affairs*, June 2001, Connie Erickson, Legislative Services Division

*State-Tribal Cooperative Agreements Act*, July 2001, Connie Erickson, Legislative Services Division

*Suggestions for Study Issues for State-Tribal Relations Committee*, September 2001, Connie Erickson, Legislative Services Division

*Legislation Affecting Indians Considered by the 2001 Montana Legislature*, October 2001, Connie Erickson, Legislative Services Division

*Staff Proposal for Study Topics and Agenda Items for Remainder of Interim*, January 2002, Connie Erickson, Legislative Services Division

*The New Trail of Tears: Broken Promises and Broken Trust*, May 2002, Connie Erickson, Legislative Services Division

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## **APPENDIX A**

## **APPENDIX B**



# **TO ENCOURAGE COOPERATION**

Final Report of the State-Tribal Relations Committee

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