

# Ronald Reagan Presidential Library Digital Library Collections

---

This is a PDF of a folder from our textual collections.

---

**Collection:** Blackwell, Morton: Files  
**Folder Title:** Indian Economic Development  
(3 of 7)  
**Box:** 29

---

To see more digitized collections visit:

<https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library inventories visit:

<https://reaganlibrary.gov/document-collection>

Contact a reference archivist at: [reagan.library@nara.gov](mailto:reagan.library@nara.gov)

Citation Guidelines: <https://reaganlibrary.gov/citing>

National Archives Catalogue: <https://catalog.archives.gov/>

- ecology (terrestrial and aquatic)
- field sampling techniques
- ecological data interpretation and assessment
- water quality and water rights
- range and game management
- soil science—plant relationships
- hydrology and geology
- air quality monitoring
- visits to coal mines, and
- discussions on energy resources

Classroom and laboratory studies were combined with frequent field investigations and visits to mining and reclamation sites. In Montana, students visited the



*Upon successful completion of the course, college credits and a certificate were presented.*

Colstrip Mine, Decker Coal Mine, Westmoreland Resources Co., and Knife River Coal Mine. In Wyoming, students visited the Big Horn Coal Mine.

### INDIAN TRAINING FOLLOWUP

After the Montana Training Program was completed, six students were invited back to Argonne National Laboratory for further training in energy resources and land reclamation under Argonne's Affirmative Action Program. An Argonne scientist arranged a work-study program with each student in their area of interest.

### PROGRAM DEVELOPMENT

Participating Indian tribes have been receptive to the program and tribal members have indicated the course was successful in meeting some of their needs. The success of the Assiniboine/Sioux, Crow, and Northern Cheyenne training program is being assessed by Argonne, DOE, Miles Community College, The Crow Central Education Commission, tribal councils, and instructors. Based upon these evaluations, the curriculum is being modified to enhance the effectiveness of future training programs. Because numerous inquiries on the training programs have been received by Argonne, an assessment of the potential training needs of other native Americans is also being considered.

### FOR MORE INFORMATION

Information on the Montana Indian Training Programs is available from: Dr. Roy E. Cameron, Director, Energy Resources Training and Development, or Dr. W. S. White, Deputy Director of the program, Argonne National Laboratory, 9700 South Cass Avenue, Argonne, Illinois 60439. Phone 312-972-2000.

Photos by E. Dettmann, G. Waggoner, W. White.



# MONTANA INDIAN TRAINING PROGRAM



## ENERGY, RESOURCES, TRAINING & DEVELOPMENT

## THE NATIVE AMERICANS AND ENERGY

One-third of the country's low sulfur coal, most of its uranium, and large amounts of oil and natural gas are beneath the reservations in the west and southwest. In Montana, more than 11,300 million tons of coal reserves lie beneath land belonging to Assiniboine/Sioux, Crow, and Northern Cheyenne. In 1975, approximately 17 million tons were strip mined on or near reservation lands. Oil and natural gas leases have been negotiated on some tribal land.

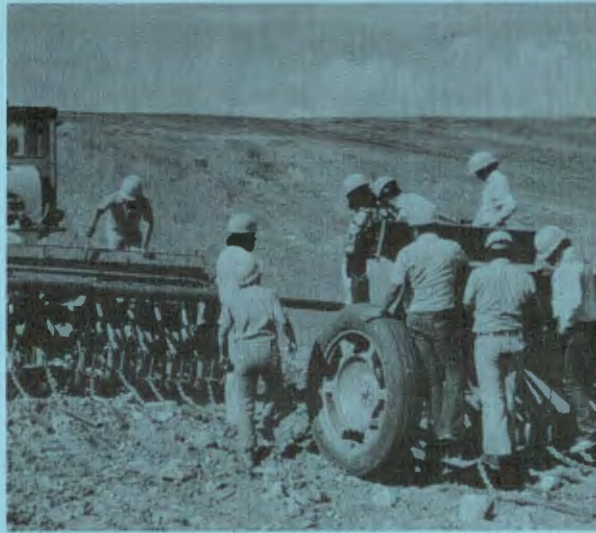
The Montana Indian Tribes are concerned with obtaining "fair" payment for the extraction of coal and other resources, and ensuring that mined land will be effectively reclaimed. There is a growing need for trained Indians who can help tribal leaders reach informed decisions concerning the use of energy and natural resources and protection of the environment.

### COVER PHOTO

*Students in the Montana Training Program were invited to Argonne National Laboratory for further training.*



*Classroom courses were supplemented by field trips.*



*Courses in reclamation included visits to strip mined areas.*

In recognition of these concerns, Argonne National Laboratory has developed an intensive six-week energy, land reclamation/conservation course designed to teach tribal members the scientific principles behind land use and conservation and their application to problems encountered on reservation lands. The course is supported by U. S. Department of Energy (DOE) funds.

### PURPOSE OF ARGONNE'S TRAINING PROGRAM

The course was first offered to Navajo and Hopi Indians during the summer of 1976. Upon completion of the Navajo-Hopi course at Navajo Community College, the Eastern Montana tribes expressed interest in setting up a similar training program. During the summer of 1977, the course was offered to the Eastern Montana Indian tribes and once again to the Navajos and Hopis.

The purpose of the program was to teach the participants the scientific principles underlying energy development, reclamation, conservation and their application to problems faced on Indian lands. Emphasis was placed on identification of natural resources, energy

and land use, and the success of land rehabilitation practices.

Scientists and engineers from Argonne, instructors from local colleges, state officials, and local resource people served as instructors in the course. The air quality presentation, for example, involved an Argonne instructor, a representative from the Montana Air Quality Bureau, and officials from the Western Energy Company at Colstrip, Montana. Lecture facilities, lodging, board, and stipends were provided, and course coordination assistance was through the Crow Central Education Commission. College credit was provided by Miles Community College in Miles City, Montana.

### THE CURRICULUM

In general, the program is designed to meet each tribe's cultural, economic, manpower and resource needs. The subjects stressed field work with emphasis on natural resources, energy development, land use, and reclamation in Eastern Montana. Subjects taught were:



*At Argonne, students learned laboratory techniques.*

Classroom and laboratory studies were combined with frequent field investigations and visits to mining and reclamation sites. The hydrology presentation, for example, was coordinated with a University of Arizona, DOE- and Argonne-sponsored water harvesting program at Peabody's Black Mesa Mine.

In addition to visiting the Black Mesa Mine, students traveled to Pittsburgh and Midway's McKinley Mine and Utah International's Navajo Mine, both in New Mexico, and Peabody's Kayenta Mine on the Black Mesa in Arizona.

## FUTURE PROGRAMS

The success of the Navajo-Hopi Training program in meeting the needs of the two tribes is being assessed once again as it was in 1976 by Argonne, DOE, Navajo Community College, The University of Arizona, tribal

*Field samples were identified upon return to the classroom.*



councils, and the three coal operators involved. Based on these recommendations, the curriculum is being modified to enhance the effectiveness of future training programs and development of an energy and environmental sciences curriculum at Navajo Community College. Technical personnel and qualified students are provided board, room, tuition, fees, books and stipends for the course.

A preliminary assessment of the potential training needs of other American Indian tribes also is being considered, to establish where and how DOE can integrate its energy/land reclamation research demonstrations with applied training programs.

## FOR MORE INFORMATION

Information on the Arizona-New Mexico Program or other Indian training programs is available from Dr. Roy E. Cameron, Director, Energy Resources Training and Development, Division of Environmental Impact Studies, Argonne National Laboratory, 9700 South Cass Avenue, Argonne, Illinois 60439. Telephone: (312) 972-3181. (Photos by J. Matlock.)



# SOUTHWEST INDIAN TRAINING PROGRAM



ENERGY, RESOURCES,  
TRAINING &  
DEVELOPMENT

## THE AMERICAN INDIAN AND ENERGY RESOURCES

One-third of the country's low sulfur coal, most of its uranium, and large amounts of oil and natural gas are estimated to lie beneath the reservations of the American Indians in the west and southwest. The largest reservation, that of the Navajos, covers 15 million acres in the Four Corners region, and is believed to contain 50 billion tons of coal, as well as sizable quantities of the other energy resources—100 million barrels of oil, 25 trillion cubic feet of natural gas and 80 million pounds of uranium. Three surface coal mines are now operating on the reservation, and a fourth is being considered.

The Navajo Nation is concerned both with obtaining "fair" payment for the extraction of coal and other resources, and ensuring that mined land will be effectively reclaimed. A growing need exists for trained Native Americans who can help tribal leaders reach informed decisions concerning the use of energy, natural resources and protection of the environment.

*Data collected on field trips were discussed with the students by the instructor.*



*Visits to coal surface mines were included in the program.*

## PURPOSE OF ARGONNE'S TRAINING PROGRAM

Recognizing this need, Argonne National Laboratory, through Navajo Community College, conducted an intensive six-week energy, land reclamation/conservation course for Navajo and Hopi Indians during the summer of 1976. In 1977 the training program was held once again for eight weeks for Navajos, Hopis and Zunis. These courses were funded by the Division of Biomedical and Environmental Research, U. S. Department of Energy.

The purpose of the program was to teach the participants the scientific principles underlying natural resources, energy, reclamation and conservation and how to apply them to problems faced on Navajo and Hopi lands. Emphasis was placed on practical environmental assessment techniques that can be used to measure the success of land rehabilitation practices.

Scientists and engineers from Argonne (who have conducted extensive land reclamation research), state officials, and local resource people served as instructors. Classrooms, laboratory facilities, and course coordination assistance were furnished by the Navajo Community

College in Tsaile, Arizona. Additional consultation on the course was provided by The University of Arizona's Office of Arid Lands, Tucson, Arizona.

## THE CURRICULUM

The subjects covered during the course were all presented with emphasis on their application to natural resources, energy, mining and land reclamation in the arid Southwest, and included:

- ecology (terrestrial and aquatic),
- field ecological sampling techniques,
- collection, presentation, and interpretation of ecological data,
- geology and geochemistry,
- hydrology,
- water quality,
- air monitoring,
- soil science and soil microbiology,
- agronomy, range and wildlife management,
- forestry and revegetation techniques,
- discussions on energy development and land use.

*Extent of ground cover was determined and vegetation types identified.*



# MOAPA BAND OF PAIUTES

MOAPA RIVER INDIAN RESERVATION

BOX 56

MOAPA, NEVADA 89025

TELEPHONE (702) 865-2787

August 5, 1982

President  
White House  
Washington, D.C. 20500

Attn: Morton Blackwell, Presidential Assistant

Dear Sir:

We received information that there is to be a White House conference bringing prominent Indian Leaders and corporate representatives together, to discuss Economic Development and the creation of jobs on Indian reservations.

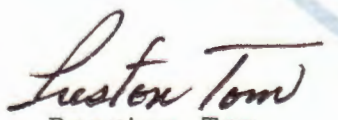
With approximately 71,000 acres of our ancestral land being returned to our tribe and with ten miles of prime frontage property along Interstate 15, twenty miles north of Las Vegas, we feel that we now have the land base to attract corporate enterprises to our reservation. In fact, at the present time, we are currently negotiating with several corporations in leasing our tribal lands. The projected total employment is approximately 400 jobs.

It has been the common objective of the Moapa tribe to improve the economic and social well being of our tribal members.

We feel this conference would give us an opportunity to meet with corporate executives and with other Indian Leaders to study their management plans. Phil Swain, a member of our tribe, who is the business manager and is currently serving as President of the Moapa Valley Chamber of Commerce would like to attend.

Your assistance on his behalf is appreciated.

Very truly yours,

  
Preston Tom  
Tribal Chairman

PT;nm

cc: Rick Spees  
Achel Robison

P. O. Box 56  
Moapa, Nevada 89025

# Moapa Band of Paiutes

BUSINESS COUNCIL



Philbert H. Swain  
Business Manager

Area Code 702  
865-2787

# MOAPA BAND OF PAIUTE INDIANS



POSITIVE  
NO  
SMOKING  
ONLY



The following agencies have provided economic assistance to the Moapa Band of Paiutes: U.S. Dept. of Commerce, Economic Development Administration; U.S. Dept. of Labor; CETA; U.S. Dept. of Housing and Urban Development; Bureau of Indian Affairs; Indian Health Services; Campaign for Human Development; U.S. Civil Service, Dept. of Energy; Save the Children; The Four Corners Regional Commission; The State of Nevada; Intertribal Council of Nevada.

Funding for this publication was provided by the Bureau of Indian Affairs Division of Indian Enterprises, Paul Roessler, Washington, D.C. *CREDITS*: Photography—Stan Mitchell, Steve Hines, Jim Meyers; Narrative—Jacqueline Mitchell; Art Work—Delores Lee; Printing—Graphics West, Inc. of Las Vegas. Special thanks to the Intertribal Council History Project and to the numerous members of the Moapa Band of Paiutes who talked with us and agreed to be photographed.

### TRIBAL COUNCIL

Chairman, Preston Tom  
Louella Tom  
John Lee  
Maureen Frank  
Raymond Anderson  
Agnes Hanks

### PLANNER/GRANT WRITER

Michael Ostanik

### EDUC/HEALTH COMMITTEE

Louella Tom  
Lalovi Miller  
Olivia Tom  
Edith Mike  
Flora Simmons  
Evelyn Samlar

### HOUSING AUTHORITY

Louella Tom  
Loretta Mike  
Maureen Frank  
Thomas Wright  
Olivia Tom

### HEADSTART TEACHERS

Eunice Ohte  
Mary Cortez  
Lalovi Miller  
Stacy Fernandez — Cook

### CENTRAL STAFF

Business Manager . . . . . Fred King  
Finance Officer . . . . . Shirley Anderson

### DIVISION MANAGERS

Leather . . . . . Monte Feasel  
Greenhouse . . . . . Harold Goldsmith  
. . . . . John Lee  
. . . . . Fred Miller  
Farming . . . . . Reuben Tom  
Store . . . . . Louella Tom  
Construction . . . . . Thomas Wright  
. . . . . Dan Johnson  
Health Planner . . . . . James Toner  
Health Coordinator . . . . . Lalovi Miller  
Senior Services . . . . . Maureen Koperon

• • •

Bookkeeping . . . . . Marlene Grayman  
. . . . . Sharlene Wisepirit  
Secretaries . . . . . Ida Mae Benn  
. . . . . Loretta Mike  
. . . . . Leota Fisher



**AUTHOR'S NOTE:**

*The upper Muddy Valley in northeast Clark County, Nevada is the ancestral home of the Moapa Band of Paiutes. To the undiscerning eye, the desert surrounding the Moapa Reservation is dangerously arid; beautiful, but forbidding. Few tourists venture off the highways, and in spite of the steam towers and high wires of a Nevada Power Company less than a mile south of the reservation, there is an awesome quality in the ragged line of the distant ridges and the subtle blaze of colors that deepen or fade from mauve to rust, from turquoise to slate with the imperceptible changes of light. To the Moapa Paiutes, the washes and mesquite slopes, the banks of the warm Muddy River are the heartland: they have long understood how to make the desert fruitful.*

*Now the People are building a community on the reservation that provides the necessities of life: good housing, decent jobs at a fair wage, health care, a center for tribal government, and something more: a demonstration of the Tribe's ability to manage its own financial interests, plan its own social programs, and successfully administer, with its own staff, a variety of federally funded development projects.*

*The Ancient People left stories in petroglyphs on red canyon walls of how, with cleverness and courage, they lived as hunters, as dancers, and as farmers in the drylands. These pages are a small part of the Moapa Paiute story as it continues to unfold. The People hope that their story will be a seed carried to other Indian People, to be planted in their own homelands, to be shaped by their own special nature.*



# THE PAST

In 1973, the History Project of the Nevada Intertribal Council established an archives in Sparks to preserve what history had been recorded of the Nevada Indian People and to promote education in all aspects of Indian culture. Although the archives is open only to Tribe members or with Council permission to non-members, interested persons may arrange for historical programs to be brought to schools, libraries and museums. A growing number of publications may be purchased. The following summary of Moapa Paiute history is based on the well-researched book by ITC entitled *Nuwuvi: A Southern Paiute History*:

Although the Moapa people have preserved a number of legends, songs, and dances, cultural disruption during the 1800's and early 1900's all but destroyed traditional life. Early Spanish and New Mexican Priests and traders provide a scanty written record of the Moapa Paiute Bands who lived and farmed in the Muddy Valley.

The People were noted for their resourcefulness and their initial friendliness towards newcomers. While certain leaders achieved prominence, the Bands were communally governed. They were a culturally well-adapted people who combined farming with hunting and gathering, and used the resources of the land with great ingenuity.

Most of their domestic objects were various forms of intricately designed basketry, including water jars, winnowing and parching trays, cradle boards, cooking baskets, and seed beaters. They had

great skill in the use of animal skins and plants. Cliffrose bark and Yucca as well as leather were used for clothing and shoes. Their knowledge of the nutritional and medicinal uses of plants was extensive.

They were animists who believed that all of Nature is alive and that the elements and animals could be both allies and tricksters of the People.

The History of Moapa following white contact (dating from the 1830 opening of the Old Spanish Trail) is a tragedy. A peaceful people saw their land and water seized, their homes frequently raided by slavers. They were often caught in conflicts among Mormon settlers, the New Mexicans, and the increasing numbers of emigrants. Their own numbers diminished rapidly as they contracted new diseases, especially tuberculosis and measles. Insurrection and raiding for survival were punished brutally by federal troops and white settlers.

The Moapa Paiutes became an armed people. John Fremont records in 1844 an encounter in the Muddy Valley:

*With each bow, each man carried a quiver of 30 to 40 arrows, partially drawn out. Besides these, each held in his hand two or three arrows for instant service. Their arrows are barbed with a very clear translucent stone, a species of opal nearly as hard as the diamond, and shot from their long bows, are almost as effective as gunshot.*

However, such defiance was not enough to stop the intrusion of the whites into Moapa. The People were forced to flee into the desert. With their farming disrupted by unrestricted passage through the Valley, The People often had no choice but to live as low-paid laborers dependent on Mormon settlements.

In 1873, 39,000 square miles were set aside for Tribal Lands by the Federal Government. This was increased somewhat to provide timber in 1874, but in 1875 the set aside land was reduced to a meager reservation of 1,000 acres. This incredible reduction of the homeland was followed by over 60 years of neglect and corrupt practices by white agents.

Tuberculosis and whooping cough epidemics occurred periodically during the 1920's and 1930's, greatly adding to the distress of The People.

In 1941, a Constitution and By-Laws were drawn up and the Tribal Business Council was established as the governing body. Because the individual allotments of the once communal land were too small to farm economically, the Tribe also voted in 1941 to restore the plots to Tribal ownership, and to attempt to farm them cooperatively. However, because of water problems, a shortage of money, a lack of modern equipment, and the difficulties of managing a cooperative venture, the Tribe became discouraged and eventually agreed to lease the farmland to a dairy company — a demoralizing situation that was not to be undone until 1968.

In 1951, the Southern Paiute Tribes filed a suit with the Indian Claims Commission. In 1965, the Claims Commission granted a judgment to the Tribes, including the Moapa Paiutes, who used 60% of the monies awarded to establish a perpetual capital fund for improvements and economic development. This money amounted to \$.28 per acre compensation for Tribal Land confiscated in the 1860's.

Then, in 1968, the Tribe refused to renew the 10-year lease on their arable land to non-members. The Era of Recovery had begun.



A SOUTHERN PAIUTE FAMILY CAMPED NEAR LAS VEGAS:  
Courtesy of Intertribal Council History Project

# THE LEADERSHIP

A key figure in the advancement of the Moapa Band of Paiutes is Tribal Council Chairman, **PRESTON TOM**. Preston has been a Council member for 20 years and the chairman for the last eleven. He is a calm, serious man with a reserved manner, capable nonetheless of a broad smile and a quick joke. He has lived in Moapa all his life.

Until the position of Chairman could be salaried on a full-time basis, Preston Tom worked for the Nevada Power Company and attended to Council matters whenever he could. He says of his leadership:

*Without a full-time chairman and a strong Council, the Tribe was in the financial control of the Bureau of Indian Affairs. We didn't want to live like that. We recognized the need to prepare for the day when the Indian agencies will be phased out. We believed we could manage our own affairs better than the agencies, and in the last 10 years we have demonstrated that we were right.*

*The Council knew the Tribe would have to develop a self-supporting economy in order to employ the People. We had to create jobs so that there was more than farm-labor for people to do. To do this, we would need to supplement Tribal monies, by competing, like other local governments, for federal assistance. We also knew we would have to become skilled managers, something few Indian People have had a chance to do.*

*The Council set its first 10-year goals in 1965 when the Tribe was awarded a settlement from the Indian Claims Commission.\**

*We had much to do. All the housing was bad — no power in most of them, no plumbing, no insulation. People were crowded in shacks. There was one small building for Tribal business. The farm had to be improved; we needed tools and machinery. The poverty was worse than now. There were few services, no store.*

*Our goals were to build homes and a community center, to put in roads, a sewage plant, street lights, to clear away some of the mesquite thicket for a recreation area, to provide fire protection. We have accomplished these. While we worked on housing, we began also to build the businesses.*

*Not every step has been a success. We made mistakes and had to learn together how to correct them. We would not have been ready for the Greenhouse Project even three years ago. We needed the experience of setting up the leather shop, running the farm, the store, and building a central administration.*

*To other Indian People, we stress the importance of these stages. We have not solved all our problems, but we are gaining strength in the management of our own affairs. We extend any help we can and invite our brothers and sisters to visit*



**TRIBAL COUNCIL CHAIRMAN, Preston Tom**

*us for more information than this small magazine can include.*

**\* In 1971, Preston Tom and planner Mike Ostanik went to Washington, D.C. to request that Rogers Morton, Secretary of the Interior, approve the release of Tribal Judgment Funds from Bureau Trust status to Council Management so that the Tribe could act quickly and decisively in financial matters and not have to wait for BIA approval. This request was granted.**

*over-protective. While the Tribes supposedly have the right to make their own decisions, the Bureau's very review process is so cumbersome that it nullifies any sense of independence. While the Indian People may not yet be totally competent in avoiding the exploitation of the general economic marketplace, and while they may need the consulting services of the Bureau to some extent, the Bureau should back off and provide a wider space of freedom so that The People are not confined by such extensive supervision.*

## TRIBAL BUSINESS and the BIA

Mike Ostanik believes all Indian Tribes who are now under the jurisdiction of the Bureau of Indian Affairs could benefit from the Moapa Paiutes example of growing autonomy:

*So often the relationship of the Bureau to the Indian people is paternalistic and*



**TRIBAL COUNCIL MEMBERS (left to right) John Lee, Raymond Anderson, Louella Tom, Agnes Hanks, Preston Tom and Maureen Frank**

# THE LAND

Moapa Valley is the prehistoric flood plain of the Muddy River which flows southeasterly through the 25 mile long valley and drains into Lake Mead. The Valley is characterized by dry washes and rounded hills along the river that gradually rise from the valley floor to the distant ridges of the Arrow Canyon Range, the Muddy Mountains, and the Mormon Mountains. These spiny grey and brown limestone peaks are variously striated with deposits of light grey gypsum, and with sandstone and shale that show a prism of colors from bone white to lavender, yellow to blood-red depending on the iron content in the soils.

The region is famous for its sandstone outcroppings, wind-shaped into domes, pinnacles, caves and face-like cliffs, formations that gather the immense silence of the desert to themselves. They are obviously sacred, as is the nearby Valley of Fire, with its red rock giants and cathedral canyons.

Mesquite is plentiful in the water courses, with sage throughout the slopes and an occasional joshua that beckons man-like to passersby. Other vegetation is sparse but varied, and despite the almost comic range of thorns, bristles, and barbs, the Indian People made use of nearly all the plants, gathering and drying edible roots, seeds, and berries; creating different hems for different weaving tasks, soothing ailments with aromatic teas.

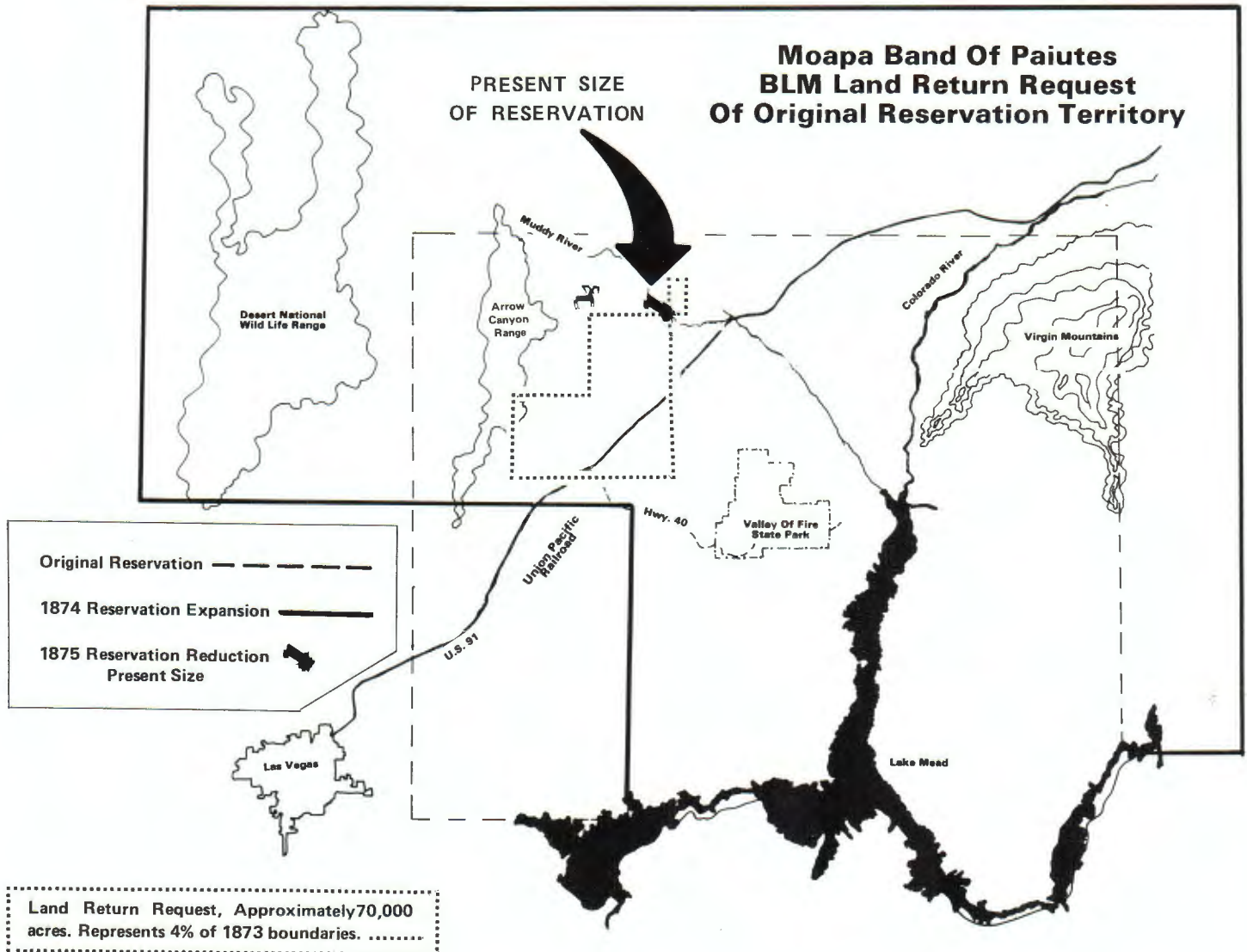
The Muddy River is fed by geothermal springs and averages a balmy 82 degrees. Water for domestic use on the reservation is pumped from 21 warm springs at the north end of the Valley. Research is now underway to determine the potential of the geothermal springs as a supplementary heating source for homes and for the greenhouses.

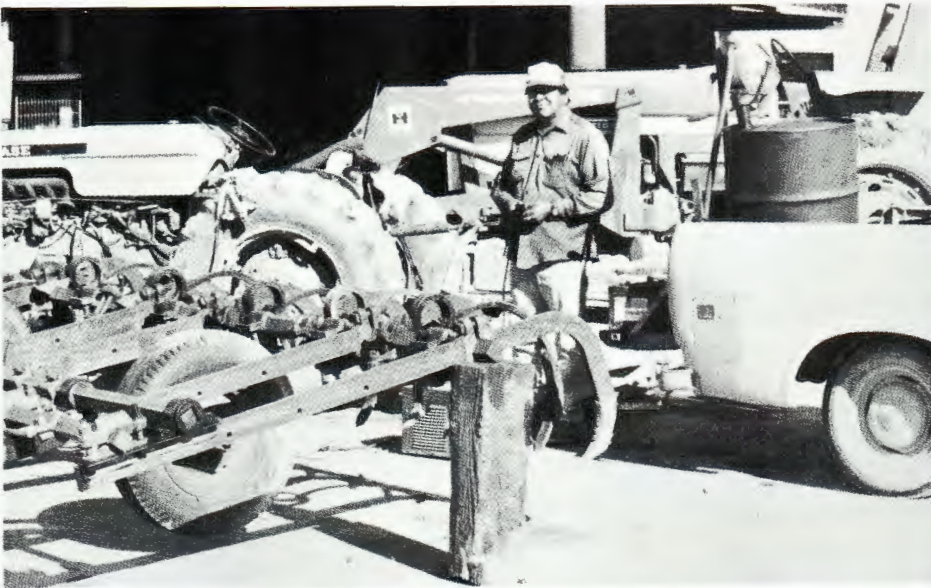
Winters are short and mild in the Valley. The sun shines 95% of the time; summer temperatures reach slightly over 100 degrees. With its green irrigated fields, its cluster of well-built homes, a well-maintained construction and farming equipment yard; its busy community building, leather shop, store, and the impressive glasshouses reflecting the brilliant light,

the reservation serves as an oasis rich with activity in the sun-burned land.

For centuries the Moapa Paiutes had irrigated their corn and bean fields along the Muddy, but with white settlers came conflict over the land and water. The People were displaced and pauperized, their culture nearly destroyed. Now they work towards a new stronghold on their land through the development of their own economy. As part of this self-government, in the Spring of 1979, the Tribe petitioned the U.S. Congress to restore to its jurisdiction 70,000 acres which is 4% of the 2,000,000 acres originally set aside as Tribal Lands in the 1870's.

This 70,000 acres will strengthen the Tribal economy and provide an opportunity for the Tribe's future growth as members and their off-spring return to the reservation. Badly needed grazing ranges will become available; more arable land will be gained for raising grain and alfalfa, and a site will be provided on the U.S. 15 Exit to Valley of Fire State Park where the Tribe intends to build a restaurant, gas station, and small museum in order to benefit from the thousands of tourists who visit the park.





FARM MANAGER — Reuben Tom



*When we were determined to take the Farm back, many people in the Valley said we couldn't do it, that we were incompetent. It WAS hard; we had no equipment, the fields and ditches needed work. It took us three years to put the farm in the black, and it's still a big gamble. Nick the Greek's no gambler compared to the farmer. Any farmer will tell you. You can do everything right and if the market is bad, you'll get busted. Now the farm looks good, but it's always a high risk business.*

— Raymond Anderson  
Council Member, former farm manager



## FIRST, THE FARM

With the formation of the farming cooperative in 1968, the Tribe began the move towards self-determination. According to Preston Tom, BIA officials were not optimistic about the Tribe's ability to succeed. Twenty years earlier the Tribe had attempted to run the farm by themselves, but they had lost money and had to go to the BIA for a loan. In 1968, the Council was determined to try again and not be defeated by the past.

One hundred thousand dollars was allocated by the Council from Judgment monies to purchase farm machinery and begin improvements. This investment was a good start, but additional money was needed to bring the farm to its potential.

Mike Ostanik came to Moapa in 1970. An aggressive advocate of Tribal Interests, Mike was to become the Tribe's planning consultant and grant writer. He is now engaged by the Tribe through the consulting firm of Facilitators, Inc.

With Ostanik's aid, the Council was to become increasingly skilled in the difficult process of acquiring federal grants. In 1973, they were awarded a grant from the Economic Development Administration which helped to pay for continued farm improvements. Much of the work was done by Tribal members and included five miles of concrete irrigation ditches, barbed wire fencing, two quonset huts for storage, and a series of corrals built from scrap metal pipe. The corrals were expanded, and a large machinery shed in

Las Vegas was dismantled and re-erected in Moapa.

Since then, the Tribe has purchased a neighboring ranch, increasing the irrigable land to 725 acres. The original 40 head of cattle have grown to 250. Six to eight tons per acre of alfalfa, in six to seven cuttings, and 500 tons in two cuttings of barley are harvested annually.

The farm was the first testing ground for the Tribe as managers and workers learned to work with the Council in developing this cooperative business that now provides employment for five persons. The successful operation of the farm was to occur gradually and through trial and error.

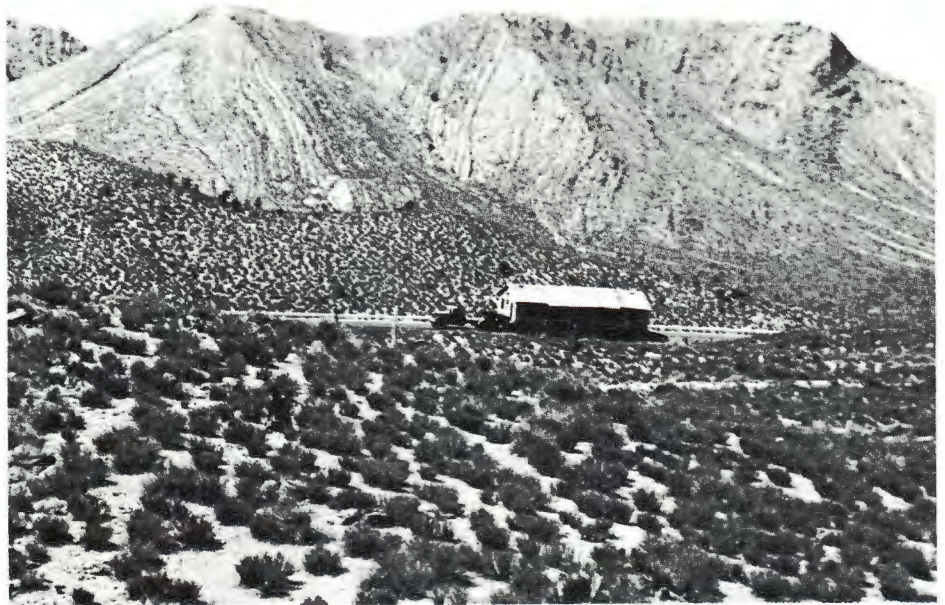
# THE LEATHER SHOP

By 1970, the Tribe was once again farming its own land, but there was still a critical need to improve the quality of life on the reservation and to develop jobs for those who could not afford to travel to Las Vegas to work in the hotels at the minimum wages available. The unemployment rate was 70% for men and nearly 100% for women, with no opportunities in the upper Muddy Valley except for seasonal farm work.

For over 100 years the People of Moapa had suffered the hardships of the dispossessed. Alcoholism was a serious threat to those who sought to escape the defeat and isolation common to oppressed people everywhere. The damage to the spirit of The People was not going to be undone overnight nor would the Claims Settlement automatically solve the problem of putting people to work on the reservation. The Council began planning a wholesale business; a product that could be marketed elsewhere. In 1972, a small leather manufacturing company was started.

In 1973 the Council located three surplus barracks at the Atomic Energy Commission's Nevada Test Site. Two of the barracks were to be converted to the leather shop, the third became the Senior Center. The long negotiations to acquire the buildings were successful, but moving the 28-ft. x 58-ft., three-ton barracks was to prove a grueling task, given the 140 miles of mountainous roads from the Test Site to Moapa.

With help from Jim Herbert of the local Teamsters Union, a volunteer crew transported the barracks by tractor-trailer. The first trip took two days because of problems with jacking and tying down



TRANSPORTING THE LEATHERSHOP FROM NELLIS TO MOAPA

the first building. The next was accomplished speedily, but the third transport was a hair-raising endurance contest for the crew due to five tire blow-outs in the dangerously-narrow passes and temperatures in the truck cab that soared to 140 degrees.

There was much rejoicing over the triumphant transports, and the intrepid

crew was to repeat the achievement the following year when they moved two additional buildings to the Yomba Indian Reservation, a journey of 300 miles.

At first the leather company produced hand-beaded items, hand-tooled vests, hats, wallets, and belts, but they soon encountered the difficulty of getting a fair price for such goods. Then a contract to



DELORES LEE



produce CB radio cases was initiated, and the company began to cover costs.

By mid-1978, the company had handled more than \$100,000.00 in radio case contracts. At that time the Council hired a manager with extensive experience in design. A line of fine quality business accessories was developed and is now being produced and marketed, in addition to the radio cases. Fifteen people are employed full time in leather manufacturing at this time.



# LEARNING BY DOING

Until very recently, few Indian people had an opportunity to acquire the education, administrative, or trade skills needed for the management of their own businesses. A major concern has been the training of workers. Finance Officer, Shirley Anderson's story is typical:

*In 1973, I started here as a secretary trainee. I could type but that's all. I had to learn everything. The grants had started coming in, and we had to have a bookkeeper. Mike Ostanik showed me at first; he really pressured me to learn. Then, as we got into the different programs, each department had to have an account, so I ended up training four other women to do what I had learned . . . Why do I work? Because I don't ever want to be helpless, to be without job skills or experience, to have to take welfare. With all the programs there's no reason for a woman to just stay home if she wants to learn a skill. Too many times I've seen what happens to a woman and her kids if she's abandoned or widowed. That's why I work. Now my husband respects this and says "stick with it" when I get a little discouraged.*

Now the community offers an increasing range of training opportunities. One may learn the building trades, leather craft design and production, irrigation farming and the raising of livestock, greenhouse horticulture, wholesale marketing; the administration of the businesses, social, and health programs, including bookkeeping, accounting, office work, purchasing and retailing for the store, and all facets of operation of the nutrition, pre-school, senior services, and paraprofessional health care programs. The People have also had continuing experience in setting goals, negotiating contracts with local, county, state and federal agencies, and managing the resources of the reservation.

In addition to the Tribal Council, there is the Housing Authority, the Farm, Education, and Save the Children Committees, all of which provide Tribal members with experience in local administration. Without the willingness of those who work hard at acquiring the expertise needed to run the businesses and programs, none of the successes at Moapa could have occurred.



FLORA SIMMONS and customer



*I'm an Indian and proud to be one. I know some things are being lost: we should try harder to teach the children the language. But I wouldn't go back to the old days. For me they were sad days. My mother died when I was 10. Many of The People died too soon. I took care of the household and raised my two sisters and brother. My father worked hard as a farm laborer for \$45.00 a week. We made it but it was a hard life. There were no programs of any kind that would help anyone get along. Now my husband is dead. My sister is dead. I work and take care of my son and my sister's three children. I try to teach the children to have confidence in themselves. I want all The People to have more confidence in themselves.*

— Maureen Frank



KENNY ETSITTY and ALLEN DRYE





CONSTRUCTION CREW AT WORK

## CREATING THE CONSTRUCTION COMPANY

Since the early 1970's the Tribe has employed 10 to 15 men in a variety of construction projects including most of the farm improvements, the Community Building and store, housing construction and rehabilitation, and the Head Start Center. Instead of the formal apprenticeships available in urban areas, the construction workers have received on-the-job training with each project.

The Company's solution to the high cost of the equipment needed for this work was to aggressively seek out good surplus equipment, primarily from the Nevada Test Site. This recycling of used machinery has enabled the Company to acquire a full complement of equipment ranging from a drill rig to a concrete batch plant.

Mike Ostanik recalls the Council's first decision in 1971 to purchase a used front-end loader for \$400.00 from another Tribe:

*Preston said, "Four hundred dollars can't move dirt — the loader can," a remark that was reflective of the Council's progressive and practical attitude to equip the company so that the Tribe could do their own work rather than pay outside contractors.*

In 1976, working with a EDA grant on a force account basis rather than putting it out to bid, the Moapa Company was able to do 90% of the work on the 7,000 square foot Community Building. The Council managed the grant in such a way that they were able to save enough money to add another 1,000 square feet to the original dimensions and to pay for a cement truck.

The Tribe acquired a surplus batch plant which they used to produce the cement needed to construct the building. Then they got a bank loan, purchased a good used nine-yard cement truck and sold themselves cement at a lower price than they could have gotten it through any other supplier. The money thus saved on the construction grant allowed the Tribe to add the extra footage which provided space for the store.

Training for store personnel and donations of certain items was arranged through

a unique agreement with the 7-11 food chain corporation.

Thus the highly resourceful management of this grant rendered the Tribe much more than the structure itself; a more aesthetic building (handsome tile floors, decorative brickwork, a mural design on the inside walls); the store, an important economic asset serving over 1,000 area residents — Indian and non-Indian alike and employing six persons; a better-trained construction crew; a batch plant and a cement truck, and the community spirit of many members who helped however they could.

The Community Building is a symbol of the determination of the Council to use every self-help measure possible in the efficient development of the reservation.

The Construction Company now has a licensed manager and is able to bid on off-reservation contracts. They are also assisting in the specialized construction of the greenhouses. With an increasingly skilled crew, a good selection of equipment, and the management experience of the last decade, the Construction Company promises to continue as a valuable source of training and employment for Moapa residents.

# HOUSING THE PEOPLE

Agnes Hanks, one of three women Council Members, recalls the housing conditions at Moapa before the Tribe began construction of the 42 slump stone and cinder block homes built since 1970.:

*All the homes were one or two room shacks. We put canvas over the windows to keep out the cold. In some there were no floors. We drank the water from the ditch. There was no plumbing, no insulation. We heated with wood. Later there was some electricity. Some homes were very crowded because it is the Indian way to take in the family members who need a place no matter what. We were very poor, but we worked hard to help build the houses and the Community Building, the women alongside the men. We are proud to have these nice buildings. We worked together and we had fun.*

Construction began in 1970 with a grant from HUD of 15 mutual help homes. Each family contributed 500 hours in labor. Then in 1973, 17 more self-help homes were built, and in 1977 the Moapa Construction Company was awarded the bid on another 10 homes. In March of 1979, an additional 42 units were approved by HUD. These will serve single persons, some elderly, and some small families. Sewage collection lines and a settling pond were installed with the first construction in 1970.

Not only did the housing construction involve the labor of many members, it also provided the Moapa Construction Company with a valuable opportunity to become skilled in the building trades and as managers of materials and labor costs. After construction of the first 32 homes, the Tribe received a HUD grant to build additions for nine large families, to provide forced air heaters and additional insulation. The Housing Authority was appointed in 1969 to handle housing concerns and plan for future growth.

John Lee, Council Member and Assistant Manager of the greenhouse, made this observation about the effect of the housing:

*Before we built the homes, people were scattered up and down the valley. The north end feuded with the south end and cooperation was difficult. But we built the homes closer together and after a while, The People forgot the old differences and learned to get along. In many ways, this helped us to cooperate in other efforts.*



MOAPA HOMES 1979



MAUREEN FRANK AT HOME



THE HOUSES ARE 28' x 45' WITH ADDITIONS OF 26' x 12'

# THE CENTER

The Community Center houses the Tribal business offices; a social hall (which has also served as the Head Start Center), a fully-equipped kitchen, a small clinic, and the grocery store. The building was dedicated by former Nevada Governor, Mike O'Callahan, on Labor Day, 1976 — a day of proud celebration for the Moapa Tribe.

Education programs are conducted for adults as well as for children and include classes in cooking and nutrition, accounting and secretarial skills, management training for the Council, parent-student workshops in child guidance, family communication, school problems, grooming and health. There is also a drug abuse and alcoholism prevention program. Many of the older people were forced to leave school early because of poverty; they are strongly committed to improving educational opportunities for the children.

The Tribe sponsors a K-6 summer school, with lunches, for 60 children. The purpose of the summer school is to help resolve the cultural and language problems that Indian children encounter in public schools in Overton to which the children are bussed round-trip 60 miles each day. The Tribe hopes to build a school on the reservation, not only for its own children, but also for the other children in the Valley who have to travel so far from their homes.

A new center was built in early 1979 for the Head Start Program which regularly serves 19 children, and the Education Committee is now seeking funding to build a gymnasium and to provide more recreation for the young people. The committee is also attempting to establish a high school equivalency program.

Health care is offered in cooperation with the Indian Health Service. These include immunization clinics, Women and Infant Care, routine health screening, and a rabies clinic. Some emergency care can also be provided.

Because the nearest full-service hospital is 50 miles away, the Tribal Health Service is essential to the well-being of The People. A mobile dental care unit visits the reservation for two months each year. With funding assistance from the Indian Health Service, the Tribe has hired a health planner who is doing a complete health evaluation of the people so that the Council and the Education Committee may design the best possible services and education.

Also located in the Community Center is the store, which does \$500 to \$600 worth of business each day, employs three full-time and three part-time youth workers, and serves 1,000 area residents. Begun in 1973 in the leather shop, the store has been an increasing success and the Tribe is now planning an enlarged facility.



Left to Right: IDA MAE BENN, MARLENE GRAYMAN, SHARLENE WISESPIRIT, FRED KING, SHIRLEY ANDERSON, JAMES TONER, MAUREEN KOPREN and LEE FISHER

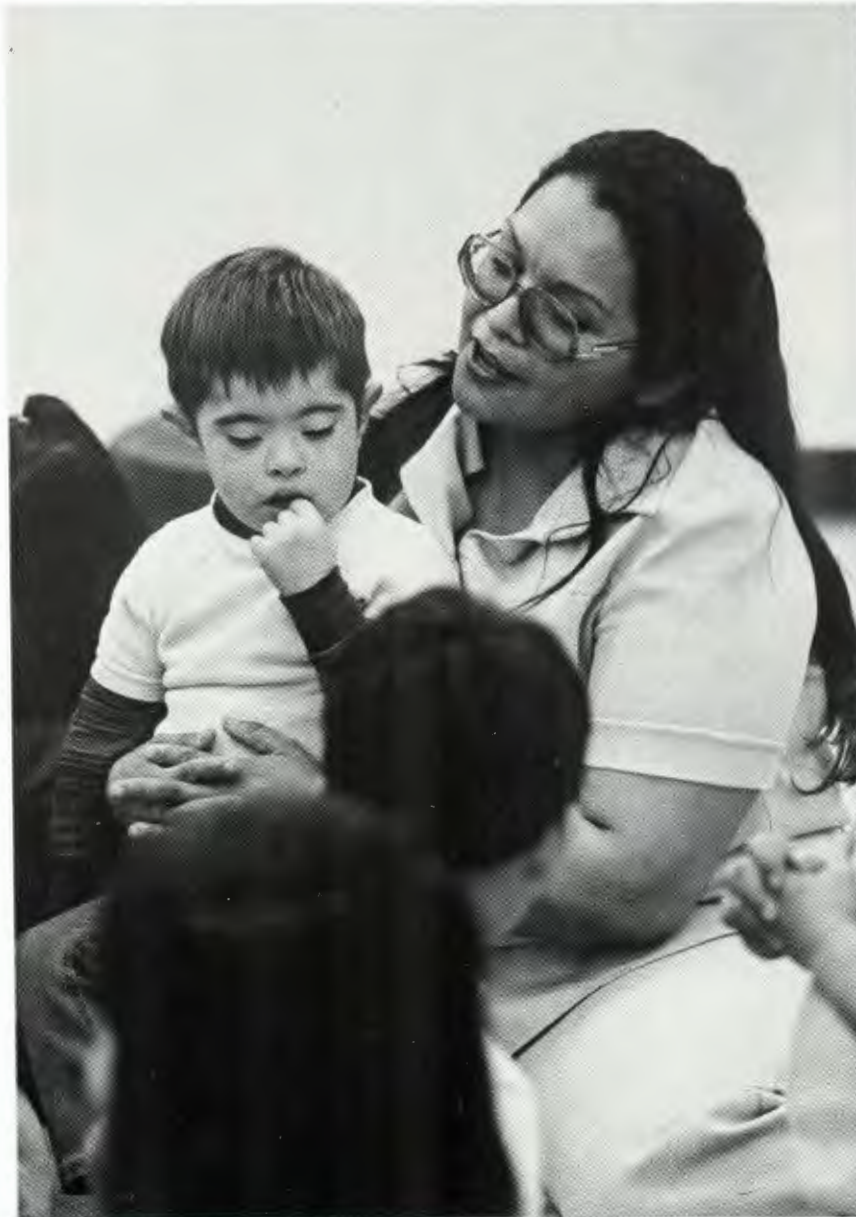


GREENHOUSE DEDICATION BANQUET — FEBRUARY 18, 1979





HEADSTART PROGRAM AT THE CENTER



RAMON PRECIDO and LALOVI MILLER

The Hall is the site of the Tribe's festivities. Community parties, weddings, showers, christenings, dinners, movies and holiday celebrations take place throughout the year.

Louella Tom is the manager of the store and the coordinator for activities held in the Community Center. She is a member of the Western Nevada and Phoenix Area Health Board, former Clark County Chairperson for Indian Education, and chairperson of the Moapa Housing Authority. An extremely busy and competent woman, Louella Tom says this about the Tribe's aspirations:

*We are trying to work towards a time when we don't need to go away from the reservation for employment. We want to stress education for our young people so that they may become the managers of these programs.*

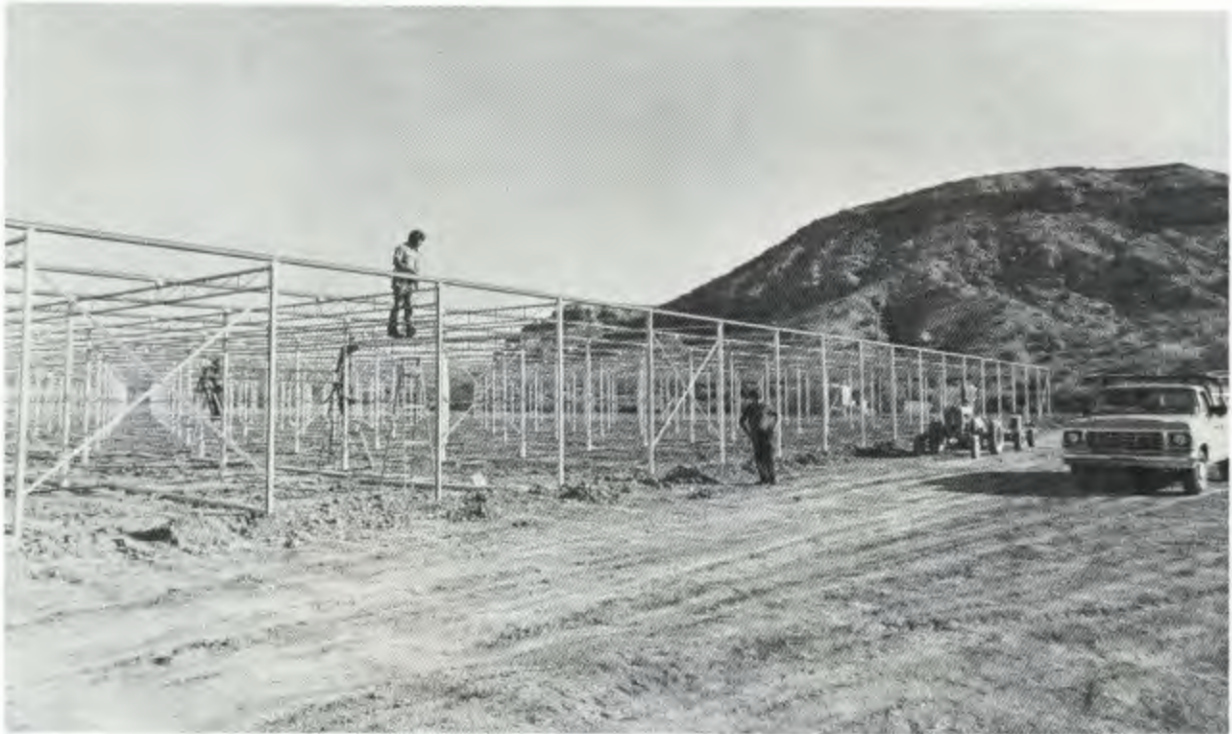
Of her own commitment to the welfare of the Tribe, Louella says:

*If you think you are the kind of person who can do what is needed, you have to step forward. We all must do this, not just to survive, but so that we may live well together.*

Louella is one of three women elected to the Council. She provided this insight into the leadership roles played by women:

*During the 1950's, many men — and many babies — died. We don't know from what because there was no health service then, probably diphtheria and pneumonia. The widows had to work very hard in the onion fields to provide for the children and the old ones. They had to be willing to speak out and try to work together to help make the reservation a better place. Equality in marriage among the Indian People depends on individual personalities, but many women have been respected for their wisdom.*

# THE GREENHOUSES



SECOND GREENHOUSE UNDER CONSTRUCTION



SOME OF THE WORKERS — Sandra Bushhead, Alberta Lee, Maxine Etsitty,  
VISTA Worker Laura Colter, Tony Zubia and Agnes Hanks



By 1976, the Tribe had succeeded in creating jobs in leather manufacturing, construction, the store, and in the administration of the social and health services, but this was still not enough. The Council began serious explorations to find a permanent, year-round employment opportunity that would have a good chance to become profit-making in a reasonable time and still be compatible with the existing way of life. Because farming was traditional with the Moapa Paiutes and many had been employed in field cropping during the 1950's and 1960's, agriculture was a logical choice.

Through friends of the Tribe, the Council was introduced to a young horticulturalist named Harold Goldsmith — a man who was to play a major role in the events of the next few years. Mr. Goldsmith had just returned to Nevada from Israel where he had studied and participated in the development of a successful greenhouse tomato growing and packing enterprise. With his assistance, the Tribe began studying the adaptability of the greenhouse concept to Moapa.

Conditions were favorable: abundant sunlight, moderate climate, the possibility of a heating source in the geothermal reserves, the location of a near-by power plant, a labor force that understood growing and harvesting, and a potential market in the Las Vegas area of 45 tons per week.

However, the undertaking was a major one in that planning would have to be done for an eight to ten year period during which some *15 acres under glass* would have to be put into production in order for the Tribe to realize the goal of a self-sustaining business with the capacity to employ 75 people year round.

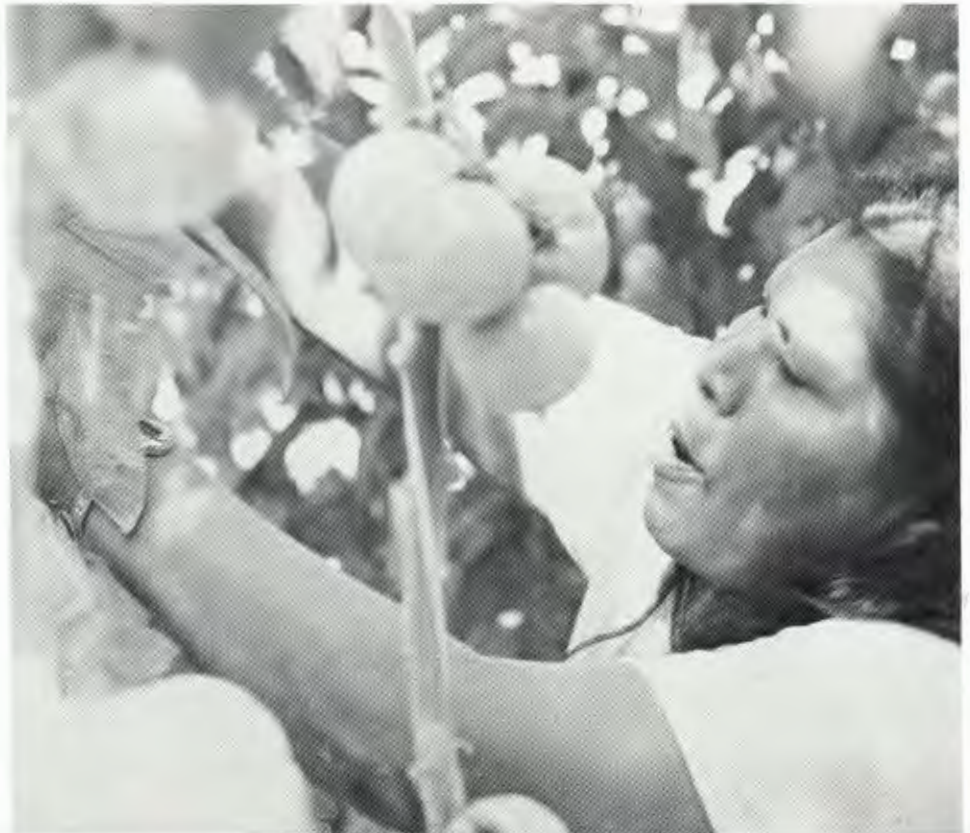
In addition, the training of a work force in the specialized technique of cultivation would have to occur simultaneously with construction. Funding assistance would be needed in the first stages of construction of seven and a half acres of glass houses scheduled for the initial three-year period.

By this time, the Tribe had benefitted from past errors and successes in the other enterprises. In 10 years they had developed a trained and well-working central staff, and on the basis of this cumulative experience, the Council was prepared for the long-term endeavor of the glass house industry.

Then, in the Fall of 1977, the Department of Labor offered grants on a competitive basis nationwide to initiate self-sustaining Indian enterprises. The Tribe decided to apply to DOL for a two-year training program for 35 persons. This application was funded and the training began in February, 1978, even though funding for construction of the first seven and a half acres of glass houses could



SANDRA BUSHEAD



ASSISTING IN THE TOMATO HARVEST — MAXINE ETSITTY



**PRESTON TOM, Tribal Council Chairman and  
MIKE OSTANIK, Tribal Planner**

**THE GROWERS SAY:**

*It's a quiet place to work . . . the physical work has been good for me, not so strenuous that I am dead at night. I am in better shape than I have been in years . . . The green plants over my head make me feel at peace . . . The greenhouse is a living being!*



**HAROLD GOLDSMITH, JOHN LEE, LORETTA MIKE (Secretary)  
and FRED MILLER**

not be secured through a grant from the Department of Housing and Urban Development until the Fall of 1978.

Harold Goldsmith was hired as instructor/grower, John Lee, a respected Tribal member known for his industriousness, was selected as assistant manager.

The Tribe had to decide in the Spring of 1978 whether to proceed on its own with the financing and ordering of the first half-acre greenhouse or to delay until the awards could be announced for the HUD competitive grants. A delay would have had serious consequences to both the training program and the long-term schedule for the business to become self-sustaining.

The Tribe committed itself and made the arrangements to finance the first half-acre house through a commercial bank loan without guarantees that HUD would actually cooperate in the project. Mike Ostanik then wrote the proposal for HUD funding of the subsequent development of seven acres. The Tribe was funded for 1.47 million dollars — one of only two three-year comprehensive economic development grants awarded in California, Nevada and Arizona.

After a lengthy debate, Council Member Maureen Frank summed up the risk:

*Life is a gamble; we gambled when we started our leather shop; we gambled when we started our construction company and our store. Now we are faced with another choice and what can we do? We are betting on ourselves and we have to go ahead.*

Harold Goldsmith and John Lee traveled to Europe (funded by Tribal monies) to study the innovative peat-bag system of growing tomatoes. Meanwhile, Council Members, the business manager, the planner, and the trainees toured various greenhouse projects in California and Arizona. As fragile as glass at first, the greenhouse concept was rapidly becoming a reality.

The components for the first greenhouse arrived in July to be assembled on the Moapa site by the Moapa Construction Company with assistance from two expert Irish glaziers and a Dutch welder who supervised the installation of the pipe-heating system. Construction was completed in the Fall of 1978.

Having seen the success of the peat-bag method of cultivation in a number of Irish and English glass houses, Harold Goldsmith instigated its use at Moapa. The system results in a 20% to 40% higher yield over other methods and eliminates both disease build-up and the expense of soil sterilization because new bags are used annually. Each bag is approximately three feet long by 12 inches wide and is filled with sterilized peat. Three plants are put in each bag and fed through a drip irrigation method. Goldsmith believes Moapa is the first greenhouse in the U.S. to use this method, first developed in Ireland in 1973.

While the greenhouse construction was underway, some 6,400 plants had been propagated in a temporary shed. Then one afternoon in late October, at quitting time, with a storm-menacing sky above, workers hurriedly transferred all 6,400 plants into the nearly completed house. The violent storm that ensued would have dissolved the peat blocks and destroyed the first seedlings, now safe in the greenhouse: the adventure had truly begun.

By January 1979, the first crop of Jackpot Brand Tomatoes was being harvested, and construction had begun on the second glass house (an imposing two and a half acres). The Tribe engaged a nationally-recognized firm to detail a specific marketing plan. On February 18, 1979, over 300 Tribal members and well-wishers gathered at Moapa for a banquet and dedication ceremonies of the Greenhouse Project. Senator Howard Cannon, a long-time supporter of the Tribe, was the guest of honor. The triumph was in the high-climbing red fruit of the bright green vines.



**GREENHOUSE OPENING CEREMONIES: PHILBERT SWAIN, COLLETTE SWAIN and NEVADA SENATOR HOWARD CANNON**



**WORKER TONY ZUBIA – OUTSIDE VIEW OF COMPLETED GREENHOUSE**



# THE FUTURE

While the Moapa Paiutes stand proudly in the light of their accomplishments, they are not a boastful people. Members speak openly of problems yet to be solved. Many are deeply concerned over the effect of Indian General Assistance, a federally-funded welfare program administered by the BIA which is not subject to the Council's control.

The intent of the program was to assist those who are unemployable or in crisis, but Raymond Anderson points out that it is so easy to qualify that some persons take IGA instead of trying to work at existing jobs or taking part in the creation of new ones. Critics believe that IGA serves as a financial crutch that aggravates the problems of those susceptible to alcoholism.

Also, while there are growing opportunities on the reservation, some members feel their jobs are too dependent on federal programs such as CETA.

Everyone agrees there is a need to provide more activities and recreational choices so that The People may find ways of entertaining themselves besides drinking. And sometimes the old ways seem better.

Irene Benn regrets that so few children speak the Indian language. Ray Anderson recalls his childhood as a time when, in spite of extreme poverty, there was more solidarity among the members than he now sees. Some feel too much may be happening too soon.

So there are heartaches and questions on the Moapa Paiute reservation, but no one denies that the old people are well-cared for, that all the children are cherished, that the homes are comfortable and well-kept, that the staff cooperates with dedication to work well-done, and that more and more of those who have left the reservation return now with their children to join in the restoration of the life of the Moapa Paiute People on the banks of the warm Muddy River.



## TRIBAL MISSION STATEMENT

*OUR MISSION IS TO ADVANCE THE MOAPA BAND OF PAIUTES AND PRESERVE THEIR HOMELAND BY BUILDING AN INDEPENDENT AND SELF-GOVERNING COMMUNITY THAT PROVIDES AN OPPORTUNITY FOR ALL PEOPLES WHO HAVE MADE A COMMITMENT TO THIS MISSION.*



SHAWNA KAY SIMMONS



CANDACE GRAYMAN, BRYSON DRYE, NICHOLE JOHN  
and LALANIA BENN



IRENE BENN



JERRY SEGUNDO



ANTHONY FRANK



MONTE SAMSON, URAL BEGAY, DENNIS BEGAY



VERMA LEE and TOPSY SWAIN



CLYDE LEE



AGNES HANKS



1st row, left to right: JERRY TOM, FERLIN GRAYMAN, NICKI JACKSON, ROBERT DABODA, FREDINA DRYE, ONA SEGUNDO, and SELOND ROW.

2nd row: ARLAND LEVI, DARRIN DABODA, LAURA MIKE and FRANKIE DABODA.

3rd row: ROGER LEVI, MARIO MARTINEZ, LEE LEVI, MONTE SAMSON, RICHARD FISHER and MICHELE GRAYMAN.





**GREENHOUSE DEDICATION 2/19/79**



**BELINDA ANDERSON**



**KENNY ETSITTY, ROBERT TOM,  
ALLEN DRYE**



**FARM WORK**



**LUNCHTIME DAYCARE**



QUILT MAKING



NATALIE DAWAHOYA



PAST & PRESENT



## Why the North Star Stands Still

All of the stars in the sky are living beings. These stars are called poot-see by the Indian people. They are restless and travel around and around the heavens. Some are birds who go away for a long time and then come back. Some are animals who are hunting better grass as they roam the sky trails following the feed and the good weather.

But one great star does not travel. He is Qui-am-i Wintook, the North Star. He cannot travel. There is no place that he can go. Once he was Na-gah, the mountain sheep, on Tu-weap, the Earth. He was the beloved son of the great God Shinob. He was daring, brave, sure-footed, and courageous. Shinob was proud of him and made him look dignified and commanding with great curling horns.

Na-gah was always climbing and climbing. He hunted out the roughest and highest mountains, and there he lived and was happy. One day very long ago Na-gah found a very high peak that reached far into the sky. Na-gah looked up and said, "I wonder what is up there? I will climb to the highest point." The cliffs were very sheer all around. Na-gah thought and went round and round the mountain.

At last he found a crack in the rock that went down and not up. Down into the crack he went. Finally he found a hole that turned up and his heart was glad. Up and up he went in the darkness. He slipped often and bruised and skinned his knees. He was afraid. Never had he seen such darkness. He grew tired and tried to go back. He said, "I am not afraid of the open cliffs, but this dark hole fills me with fear." But the rocks had crushed behind. He could not go back the way he had come.

At last he saw a little light above him and knew he was coming out.

He climbed and climbed and when he came out he was on the very top of a very high peak. There were great cliffs all around and only a very small space for him to move around. The cliffs were too sheer for him to climb down and the cave was closed on the inside.

"Here," he said, "I must die, but I have climbed my mountain." He was higher than all the mountains and he could look down over Tu-weap, the Earth.

Na-gah's father, Shinob, was walking all over the sky searching for his son. He called loudly and at last Na-gah answered him from the high peak. Shinob was sorrowful for he knew Na-gah could never come down.

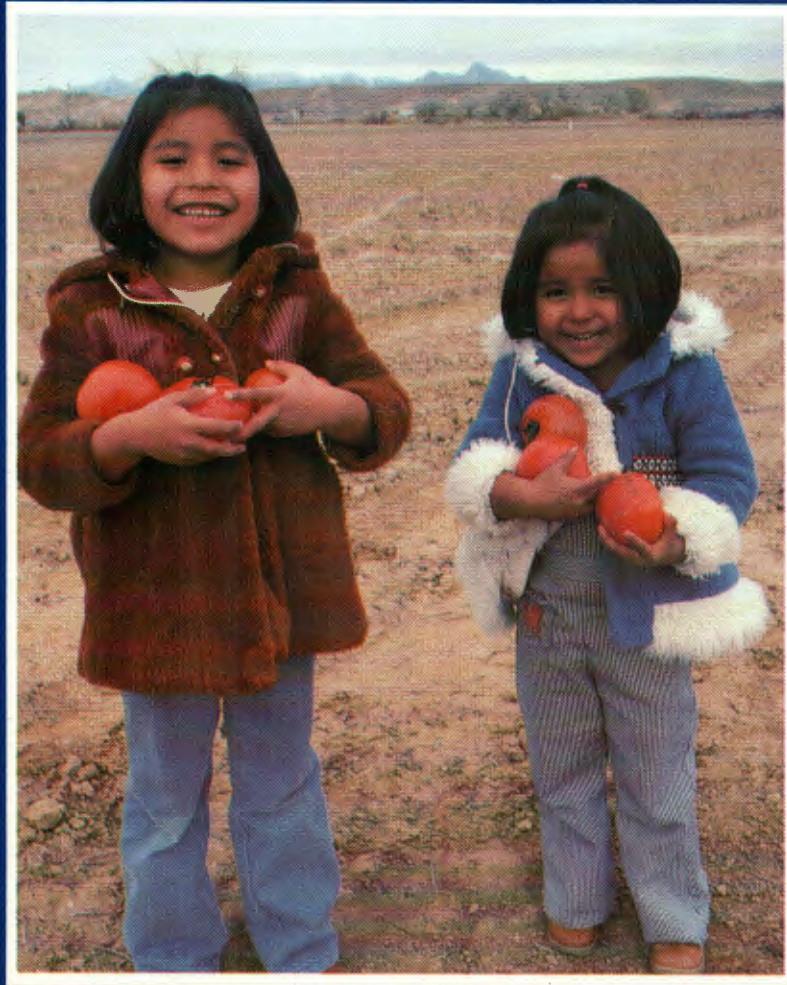
"My brave son can travel and climb no more. He must stand on that little spot. I will not let my brave son die. I will turn him into poot-see, a star, and he can stand there and shine where everyone can see him. He shall be a guide mark for all the living things upon the earth and in the sky."

It was even so. Na-gah became a star that every living thing can see and the only star that will always be found in the same place. Always he stands still. He does not move around as the other stars do and because he is in the true north, the Indians call him Qui-am-i Wintook Poot-see, the North Star.

\* \* \* \* \*

This is an abbreviated version of the legend as it was recorded by Dr. William Palmer in *Why the North Star Stands Still and Other Indian Legends*. The book is now available in paperback through the Zion Natural History Association, Springdale, Utah 84767, \$2.50 each (or \$1.75 each for 10 or more). Dr. Palmer was adopted as a member by the Coal Creek Band of Paiutes in 1926 and spent over 20 years collecting and recording the stories of the Paiute People.







## INDIAN AND NATIVE AMERICAN EMPLOYMENT & TRAINING

Clay LaCount  
Affiliation of Arizona Indian Centers  
2721 North Central Ave. Suite 910  
Phoenix, Arizona 85004

June 5, 1982

Ms. Maiselle Shortley  
Office of Morton Blackwell  
Special Assistant to the President  
for Public Liason  
Old Executive Office Building  
Room 191  
17th and Pennsylvania Ave. N.W.  
Washington, D.C. 20500

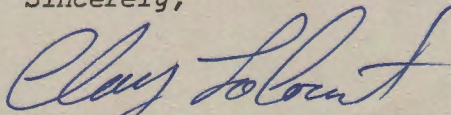
Dear Ms. Shortley:

Please be advised that I am in receipt of the attached letter from President Reagan which will be placed in the Conference Program Book for our up-coming August Conference.

On behalf of the National Planning Committee for the Third National Indian and Native American Employment and Training Conference I wish to express to you our deep appreciation for assisting us in obtaining this welcome letter.

I personally thank you as well, and if there is ever anything I might be able to assist you with I hope that you will feel free to call upon me.

Sincerely,

  
Clay LaCount



THE WHITE HOUSE

WASHINGTON

June 1, 1982

COPY

I wish to extend my best wishes and warm regards to everyone attending the Third National Indian and Native American Employment and Training Conference.

Over the years you have played an important role in heightening national awareness of the special needs and problems of Indians living on and off the reservation. You have also promoted the social and economic self-sufficiency of American Indians and Alaskan Natives by providing thousands of jobs while simultaneously furthering appreciation of the unique culture of their tribes and villages.

As this Administration seeks to implement our New Federalism, your leadership can play an important role in reaching the goal of returning responsibilities and resources to the people. As you know, my Administration is committed to upholding the trust responsibility and maintaining a government-to-government relationship with Indian tribes. I am also aware of the need to secure job opportunities for Native Americans who live on and off the reservation. Your support of our efforts to restore this nation's economic well-being will help lay the foundation for realizing the hopes and dreams of all Americans.

You have my best wishes for a most fruitful and enjoyable conference and for every success in the years ahead.

COPY

Ronald Reagan

## Membership Requirements

- Registered Republican
- American Indian descent
- Support the special sovereign nation relationship between the United States and American Indian tribes and nations
- Support the treaties and trust relationship between the United States and American Indian tribes and nations (i.e., government-to-government relationship)
- Support the concept of self-determination as enacted in PL 93-638
- Support the goal of economic self-sufficiency and social development for Indian tribes and nations
- Support the basic philosophy of the Republican Party

Dues: \$15 per year (individual)

## 1981-82 Officers

### PRESIDENT

TED BRYANT  
CHOCTAW - CHEROKEE

### FIRST VICE-PRESIDENT

LOUIS R. BRUCE  
OGLALA SIOUX - MOHAWK

### SECOND VICE-PRESIDENT

GRACE GOODEAGLE  
QUAPAW - POTAWATOMI

### SECRETARY

JEANNE WASILE  
BLAKFEET - WYANDOTTE

### TREASURER

ANDREW AKINS  
PENOBSCOT



## American Indian National Republican Federation

National  
Republican  
Heritage  
Groups  
Council

## The New Beginning

For the first time, American Indians are banding together for the express purpose of taking part in the political process at the national level. In 1981, at the National Convention of the National Republican Heritage Groups Council, the American Indian National Republican Federation (AINRF) was formed. Officers were elected and bylaws established.

AINRF's members provide a consistent Indian voice in Republican Party policy councils. Make your voice heard by joining AINRF today. The original Americans have been silent too long. This is your opportunity to take part in the decision making process that can affect all of our futures, as Indians and as Americans.

AINRF objectives include the development of an administration Indian Policy and the implementation of that policy with the assistance of an "American Indian Advisor". Further, we uphold

- The special sovereign nation relationship between the United States and American Indian tribes and nations;
- The treaties and trust relationship between the United States and American Indian tribes and nations (i.e., government-to-government relationship);
- The concept of self-determination as enacted in Public Law 93-638,
- The goal of economic self-sufficiency and social development for Indian tribes and nations.

## Voting Strength

The latest count of the American Indian nations shows almost a million and a half Americans of Indian heritage who would be eligible for AINRF membership. There are concentrations in a handful of states — California, Oklahoma, Arizona, New Mexico, North Carolina, Alaska, Washington, South Dakota, Texas and Michigan — but there are Indians in virtually **every** American city.

## Involvement

AINRF's aim is to help the Indian peoples become involved in the political process. As your involvement increases, politics will be less of a mystery and more of a tool to reach your goals.

AINRF will provide resource people to the National Republican Heritage Groups Council, the Republican National Committee, internships for Indian youth, and outreach to Indian peoples nationally with focus on voter registration and election information, and general assistance and referral to the Indian constituency.

Annual meetings will be held each spring to keep AINRF in tune with the changing needs of the community it represents.

Yes! I'd like to join the American Indian National Republican Federation  
Yes! I'd like to receive the NRHG Publication, COP Nationalities News.

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_ Tribe: \_\_\_\_\_  
Remarks: \_\_\_\_\_

**Mail to:** Jeanne Wasile, Secretary  
American Indian National Republican Federation  
NRHG Council  
310 First Street, S.E.  
P.O. Box 28327  
Washington, D.C. 20005

# QUAPAW TRIBE OF OKLAHOMA

P. O. BOX 765 QUAPAW, OKLAHOMA 74363

August 18, 1982

Mr. Morton C. Blackwell  
Special Assistant to President Reagan  
White House  
Washington, D.C. 22025

Re: White House Meeting of Tribal  
Leaders and Industrial Companies

Dear Mr. Blackwell:

This letter is in regard to your proposed "White House Meeting of Tribal Leaders and Industrial Companies."

Congressman Mike Synar of Oklahoma relayed information to me that our tribe should write you stating, "the Quapaw Tribe of Oklahoma wishes the Chairman of the tribal business committee to attend the above referenced meeting."

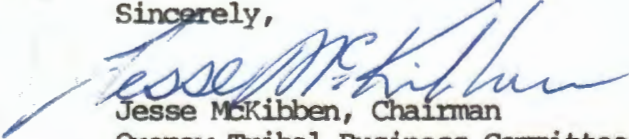
The Quapaw Tribe has a industrial tract located northeast of Miami, Oklahoma. We are currently in the process of leasing the tribe's industrial building, which was constructed through an LPW II grant, to a local industry for a period of at least ten years. Upon final approval by the Bureau of Indian Affairs, on the lease, will become the first industry to occupy our building, since negotiations with several other firms began two and one-half years ago.

Our industrial tract has sewer lines, sewer lagoons, a water storage tank with a capacity of 270,000 gallons, also, water lines installed in all of the industrial tract lots. We have a total of 110 acres in the industrial tract which can be expanded.

It is my understanding this meeting will take place in early September. We would indeed be honored, if you would consider the Quapaw Tribe of Oklahoma, as one of the participants at this meeting.

If you have any further questions please contact me at the Quapaw Tribal Office. (918-542-1853)

Sincerely,

  
Jesse McKibben, Chairman  
Quapaw Tribal Business Committee



**NORTHERN CHEYENNE PLANNING COMMITTEE  
NORTHERN CHEYENNE PLANNING OFFICE**

P.O. Box 128  
LAME DEER, MONTANA 59043  
(406) 477-6284 • 477-6703

August 13, 1982

Morton Blackwell  
Room 191  
OEOB  
White House  
Washington, D.C. 20500

Dear Mr. Blackwell:

I have been informed of a White House conference bringing Indian leaders and certain Corporation representatives together to discuss economic development and the creation of jobs on Indian reservations scheduled in last August.

I would like to be put on the invitation list for this conference.

Presently, I am the Assistant Director for the Northern Cheyenne Planning Office. Our Tribe is engaged in a nation wide mail campaign inviting Corporations to our reservation for the purpose of bringing jobs to the reservation for the Northern Cheyenne people.

Sincerely,

Sandra P. Spang  
Assistant Director

SP/wy

**COMPUTER DEPARTMENT**  
Herman Bearcomesout, Coordinator

**PLANNING DEPARTMENT**  
Jennie LaFranier, Coordinator

**ECONOMIC DEVELOPMENT DEPARTMENT**  
Bertha Medicine Bull, Coordinator

**RESOURCE AND DATA DEPARTMENT**  
Doris Beaumont, Coordinator

**ENVIRONMENTAL AFFAIRS DEPARTMENT**  
William Sullivan, Coordinator

# COUSHATTA TRIBE OF LOUISIANA



P. O. BOX 100  
ELTON, LOUISIANA 70532  
(318) 584-2242  
(318) 584-2243

**ERNEST SICKEY**  
Chairman

July 30, 1982

Mr. Morton Blackwell  
Special Assistant to the President  
The White House  
Washington, D.C.

Dear Mr. Blackwell:

I am very interested in being a part of the proposed conference on economic development and the creation of jobs on Indian reservations.

The Coushatta Tribe is exploring ways now to plan and develop their own resources for its membership and this meeting would be timely in gathering ideas and planning accordingly.

My interest also is to represent the Inter-Tribal Council of Louisiana, representing four other tribes and groups within our state. The conference will allow me to return and share the information on how we may deal with our interests as individual tribes or collectively.

I look forward to hearing from you as you proceed on your planning for this conference.

Sincerely,

Ernest Sickey  
Tribal Chairman

ES/prl

**"JOURNEY OF PROGRESS"**



**FAIRBANKS NATIVE ASSOCIATION, INC.**

310½ First Avenue  
Fairbanks, Alaska 99701

Phone: (907) 452-1648 / 456-5151

July 30, 1982

Mr. Morton Blackwell  
Presidential Assistant  
The White House  
Washington, D.C.

Dear Mr. Blackwell:

We noted in the Bureau of Indian Affairs' Indian News Notes that there will be a White House conference in late August concerning Indian economic development, to be coordinated by you. FNA has just been funded for two projects in economic development, one for long-range planning and one for business development. If the opportunity exists for FNA to participate in the conference, we would be interested; if not, we would be very interested in copies of any reports from the conference.

Thank you.

Sincerely,

Elizabeth L. Morris  
Executive Director

ELM:cac

ADMINISTRATION  
452-1648 or 456-5151

ACCOUNTING  
452-1648

JOHNSON O'MALLEY  
EDUCATIONAL PROGRAM  
452-1648

SOCIAL SERVICES  
452-1648

Counseling Services  
452-1648

Child Welfare  
452-1648

Work Experience Counselor  
452-1648

Family Focus  
452-1648

ALCOHOL AND DRUG ABUSE SERVICES

Director  
452-1648

CAP Detox Center  
456-1053

CAP Treatment Center  
456-1045

CAP Halfway House  
452-8761

Drop-In Center  
456-7948

Out-Patient Services  
456-1041

Court Counter-Measures Program  
456-1101

Youth Drug Abuse Program  
452-5085



**MOTOROLA INC.**

**Government Electronics Division**

July 28, 1982

Ms. Maiselle Shortley  
White House  
Washington, D.C. 20500

Dear Ms. Shortley:

Thank you for taking time on the phone with me today. I will try to describe for you our several involvements with the local Indian Community.

Firstly, to sort of scope things for you, we are the Government Electronics Group of Motorola Inc. This Group, with headquarters in Scottsdale, Arizona, is involved almost totally in Defense and Aerospace electronics. We have nearly 6000 employees in several plants in this area.

To the east of us, only a block or two away, is one boundary of the reservation of the Salt River, Pima-Maricopa Indian Community. This is a 55,000 acre reservation that is said to be the largest in the United States that is contiguous with urban areas.

We have three programs going with this Indian Community, and I will briefly describe each.

1. Lease of 50,000 Square Foot Warehouse

We had always leased warehouse space and knew that we probably always would do so. About two years ago in looking at our existing leases and needs, we thought it would be great if we could have a single warehouse instead of several scattered small ones. We also were seeking ways to increase our spending with disadvantaged groups in order to meet our obligations under Public Law 95-507. These two desires came together in an idea to approach the Indian Community and see whether they would build a warehouse for us on their nearby land and enter into a long-term lease. Everything worked out and we have been using the warehouse for about a year. I believe both sides are pleased and I know that the structure is a source of pride to the Indian Community.





Ms. Maiselle Shortley

Page 2  
July 28, 1982

2. Antenna Testing Range

Because of the rapport due to the warehouse, we recently signed a lease on 16 acres of Indian land to use as an antenna test range.

3. Job Training

Again because of the rapport we have, we asked the Indian Community to select a slate of applicants for training for entry level technical positions with us. We were amazed at the quality of applicants and have since increased our needs.

I have only highlighted each of these situations. Behind each is much more information and "color." For example, the warehouse groundbreaking is a story in itself with speeches, prayers in the Indian language, and a reception with local food, etc.

Any contact you may wish to make with the Indian Community should be to:

Mr. Herschel Andrews  
President, Community Council  
Salt River Pima-Maricopa Indian Community  
Route 1, Box 216  
Scottsdale, AZ 85256

My previous contact from Washington had been Mr. Vince Lachelli. I realize he is no longer associated with the conference project and the basic conference theme may also have changed. At the time, however, we had been discussing our role as giving a brief presentation with appropriate visuals to demonstrate what can be done even in a small way.

If I can be of any service, please advise.

Very truly yours,

MOTOROLA INC.

Robert F. Kline  
Director  
Support Operations Staff

ac

To MORTON

Date 5/17 Time \_\_\_\_\_

**WHILE YOU WERE OUT**

M Richard Selzer

of Consulting ECONOMIST

Phone 913 539 3565  
Area Code Number Extension

TELEPHONED	PLEASE CALL	
CALLED TO SEE YOU	WILL CALL AGAIN	
WANTS TO SEE YOU	URGENT	

RETURNED YOUR CALL

Message PSI


Development

PLANNING

RESEARCH ASSOCIATES

MANHATTAN KANSAS

WANTS TO BE <sup>Operator</sup> INVOLVED

 AMPAD EFFICIENCY® IN INDIAN ECONOMIC MEETING 23-020 IF POSSIBLE

Probably not  
unless invited by  
BIA or  
someone

---

## In this issue:

UNITED NUCLEAR CORP. announced Apr. 30 it is suspending uranium production at its two Church Rock mines and mill located on the eastern sector of the Navajo Reservation, laying off over one hundred Navajo workers. . . . . Page 1

DIRECT COMMERCIAL TIES between Taiwan and CERT energy tribes may be in the offing as a result of a March series of meetings in Taiwan between government officials there and a delegation of CERT tribal representatives. . . . . Page 2

THE 1982 WORLD'S FAIR in Knoxville, Tenn. includes 'A Time of Opportunity,' a full-color exhibit depicting the story of American Indian resource tribes. . . . Page 3

ASSESSING TRIBAL ECONOMIES with their strengths and weaknesses and the need for capital development was the focus of special hearings in the capital Apr. 29 before the Senate Select Committee on Indian Affairs, and the testimonies are condensed here and printed for their significance. . . . . Page 4

INTERIOR SOLICITOR WILLIAM COLDIRON has rejected Nevada Sen. Paul Laxalt's initiative for revoking Interior's approval of a comprehensive tax ordinance enacted by the Pyramid Lake Paiute Tribal Council of Nevada. . . . . Page 13

INDIAN WATER DEVELOPMENT is a key component in the economic development plans for many Indian reservations, and particulars of these plans are discussed by Jonathan P. Deason, acting chief of the Division of Water and Land Resources for the Bureau of Indian Affairs. . . . . Page 15

REP. JAMES HANSEN of Utah, a freshman congressman who briefly toyed with the idea of the abrogation of Indian treaties, has apologized by letter to the Uintah and Ouray Business Council of Utah and also by letter has withdrawn his request for a fresh Interior review of the treaty abrogation proposal. . . . . Page 17

---

TEXTS OF HANSEN LETTERS . . . . . Pages 18, 19

---

IN BRIEF . . . . . Page 20  
White House Meeting on Indian Employment  
CERT Offers Summer Studies  
Tribal Tax Policy Forum May 17  
BPA Seeks Northwest Tribal Proposals  
Isleta Pueblo Mulls Arco Bid  
Federal Role in Tribal Taxation?

LEGAL NOTICES . . . . . Page 21

OPPORTUNITIES . . . . . Page 23

---

# THE CERT REPORT

---

Council of Energy Resource Tribes

---

Vol. 4, No. 6

May 17, 1982

---

## UNC Will Close Church Rock Uranium Mine on Navajo Reservation in N.M.

CHURCH ROCK, N.M.—United Nuclear Corp. (UNC) announced Apr. 30 it is suspending uranium production at its two Church Rock mines and mill located on the eastern sector of the Navajo Reservation in New Mexico's McKinley County within the Grants Mineral Belt.

Tom Bailey, general manager of UNC's New Mexico operations, said it was "significant that this is a stand-by operation and not abandonment of the property. This will allow us to bring back the property as rapidly as possible."

One of the major factors in the UNC decision to place the Church Rock properties on stand-by was the low spot market price of uranium, which is now at \$22.50 per pound, coupled with the rising costs of production. The Church Rock properties will continue to be maintained so that they can again become active when market conditions improve, said Bailey.

UNC spokesman Richard Ross told *The CERT Report* that the UNC Church Rock mines and mill employed 550 workers, of which about 110 were Indian employees of various tribes.

Ross said the phasing-down of the mining operation would take several months, and will retain between 75 to 135 workers before the actual shutdown of operations. Ross said an additional four to five months will pass for clean-up activities.

Keith A. Cunningham, UNC president and chief executive officer, disclosed the Church Rock shutdown at the company's annual shareholders meeting in New Orleans, La. on Apr. 30.

Cunningham said uranium market prices are well below industry production costs and below UNC's contract prices. "We have continued to operate under near break-even conditions for many months," Cunningham told the shareholders, "seeking to maintain a functioning uranium mining operation until the market recovers. In view of our present analysis of the uranium market, this course is no longer supportable. We are confident that uranium prices will eventually recover, and this move allows us to preserve our uranium assets for production under more favorable market conditions."

According to the 1981 *Annual Report of the Chairman of the Navajo Nation*, a total of 148,444 acres of the Navajo Reservation are involved in seven separate uranium leases, five of which are currently in production. And negotiations are underway with Energy Fuels Ltd. in the Marble Canyon region and Exxon Minerals Co. in the eastern area of the reservation, the report said. During 1981 a total of 1,159,907 lbs. of uranium ore were produced, with combined royalties of \$2,715,990 accruing to the Navajo Nation, the report stated.

The Church Rock uranium mining area is about 10 miles north of the community of Church Rock and 15 miles northeast of Gallup, N.M. The UNC mine is located in T 16N R16W Section 17. It was mined from a

vertical shaft from 1960 to 1962 by Phillips Petroleum Co.

UNC's Church Rock mine produces through two shafts in order to achieve a production capacity of up to 3,000 tons of ore per day. The property contains about 20 million tons of ore having an average grade of .15 percent U<sub>3</sub>O<sub>8</sub>, according to the 1979 publication *An Overview of the New Mexico Uranium Industry* prepared by the New Mexico Energy and Minerals Department.

Active uranium mines in Navajo country include the Enos Johnson Mine operated by the Ray Williams Mining Co., the four Ruby Mines managed by Western Nuclear Inc., the Mariano Lake Mine operated by Gulf Mineral Resources Co., the Crownpoint Project managed by Nufuels Corp., and two mines managed at Church Rock by the Kerr-McGee Corp. All lie within the Grants Mineral Belt. The Navajo government estimates that a total of 1,357 Navajo tribal members are employed by the uranium industry on the reservation in 1982.

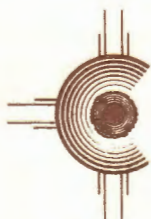
## American Indian-Taiwan Direct Commercial Ties May be in Offing

TAIPEI, Taiwan—A variety of opportunities exist for the establishment of direct commercial ties between the Chinese of Taiwan and member tribes of the Council of Energy Resource Tribes (CERT) in the wake of a visit here by CERT tribal delegates from Mar. 22 through Mar. 31.

The CERT delegation included Ute Mountain Council Member Judy Knight of Towaoc, Colo., Nez Perce Councilman Gordon Higheagle of Lapwai, Ida., Spokane Councilman Clifford Sijohn of Wellpinit, Wash., Paige Baker, a member of the Mandan-Hidatsa and CERT's director of planning and management services, Floyd Correa of New Mexico's Laguna Pueblo and spokesman for the group, and Theodore Smith, chief operations officer of CERT's Technical Assistance Center in Englewood, Colo.

The CERT delegation was hosted by the Chinese Land Reform Training Institute and the American John C. Lincoln Institute of Cambridge, Mass. Purpose of the trip was to secure firsthand information on the Formosan approach to economic development. Discussions were also held regarding the marketing of tribally-owned energy resources and the establishment of reservation-based industrial assembly facilities for Formosan exports to the U.S.

The trip commenced with a visit to the Land Department of the Taiwan Provincial Government



*The CERT Report* is published twice a month by the Council of Energy Resource Tribes (CERT), a non-profit organization representing 29 American Indian tribes owning a significant share of energy resources in the West. Address: 1140 Connecticut Avenue, N.W., Suite 310, Washington, D.C. 20036. Telephone: (202) 887-9155. Subscriptions: non-profit organizations, \$22; profit-making institutions: \$57.

**Editorial Staff:**

Richard V. LaCourse, Editor  
Ed Gabriel, Executive Director

**Contributors, Policy Analysis Staff:**

John Butler  
Louise Linkin  
Ellen Brown

**Support Staff:**

Cindy Cleveland  
Karen Rice

where the CERT group learned about the organization and implementation of Taiwan's land reform. There was also a visit to the Taiwan Provincial Farmers' Assn. and the provincial government center in Taichung.

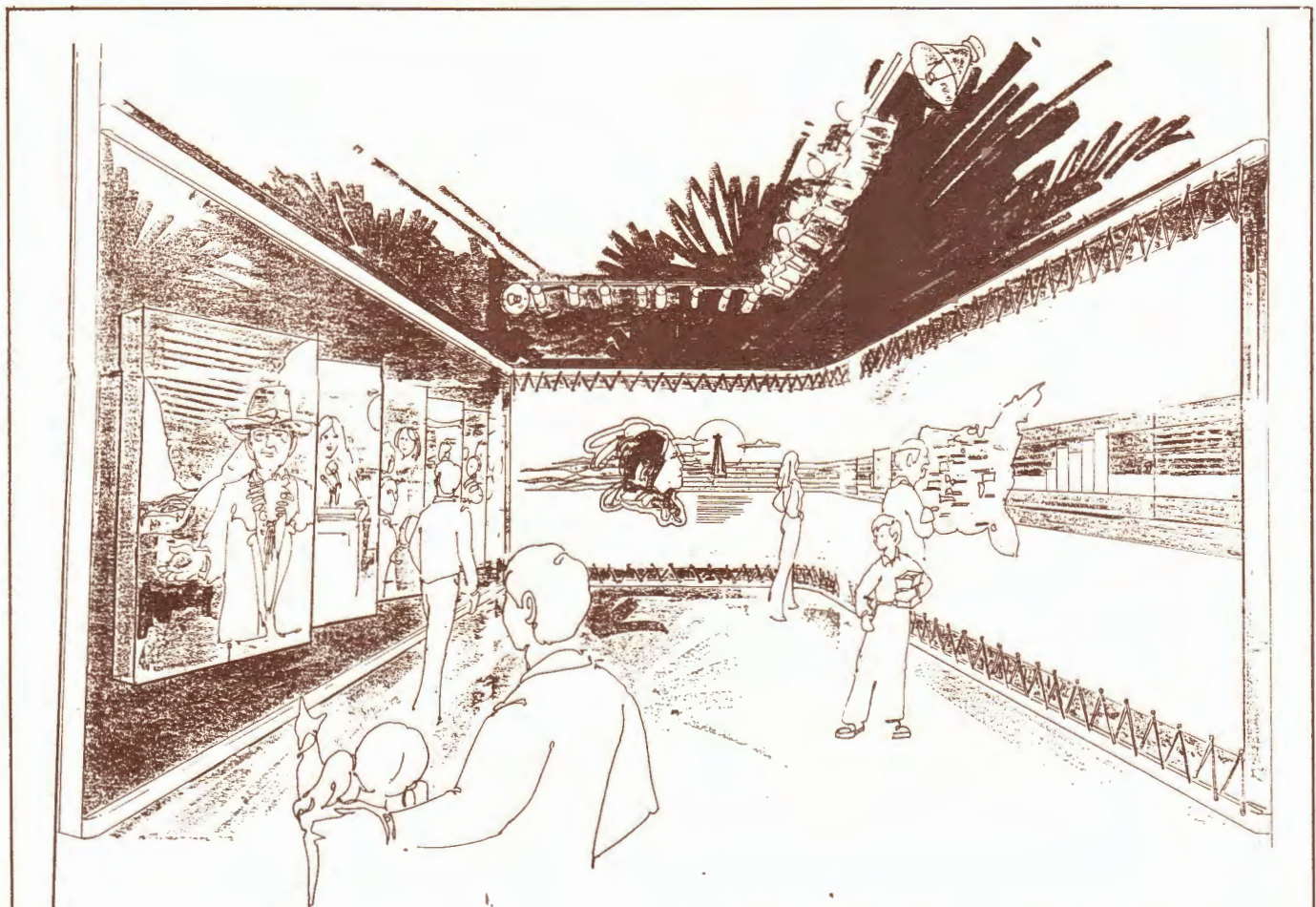
The group studied the land consolidation program of Taiwan in which irregular parcels of land have been assembled and ownership patterns restructured so that the land can be farmed to secure the maximum level of agricultural production.

In Taipei the delegation visited with the Council for Agricultural Planning and Development where they learned about the planning process with respect to improving Taiwan's agricultural productivity.

The CERT group also met with the Council for Economic Planning and Development in order to learn

how Taiwan approaches industrial and economic planning at the provincial level, then visited the Taiwan Sugar Corp. where they examined the organization and operation of the government-owned entity. The sugar corporation, one of the most successful activities in Taiwan, is presently diversifying into several markets other than sugar. Management personnel of the corporation expressed a willingness to participate with American Indian people in the development of management training programs and other forms of technical cooperation.

The group studied Taiwan's export activities by means of a tour of the Taiwan External Trade Development Council and its Exhibition Hall, providing them a view of the type of economic activities available to Indian tribes



'A TIME OF OPPORTUNITY' is the exhibit of the energy and natural resource tribes at the 1982 World's Fair in Knoxville, Tenn., opening last May 1 with the theme "Energy Turns the World." The 430-square-foot exhibit depicts the story of the resource tribes, including a nationwide map of all federal and state Indian reservations and a sequence of light boxes portraying the resource-related decisions made by the tribes which affect all tribal people. The exhibit portrays success stories of tribal natural resource development and depicts opportunities for the tribes, the federal government and industry. The exhibit was designed by Carter, Cosgrove & Co. and is located in the fair's largest structure, the Technology and Lifestyle Center, in space donated by the fair to the tribes. The exhibit is cosponsored by the Department of Energy, Bureau of Indian Affairs, Administration for Native Americans and Council of Energy Resource Tribes.

in the area of assembling semi-finished goods which have been exported from Taiwan to the U.S.

In the area of resource marketing, the delegation met with members of the Atomic Power Department of Taiwan Power Co. During the meeting it was learned that a substantial market exists for the export of uranium to Taiwan, starting in the late 1980s. The group also visited the Industrial Development Bureau of the Ministry of Economic Affairs to study the future energy needs of Taiwan. The CERT group also visited the Formosan version of the U.S. Geological Survey and discussed the types of information required for Taiwan to evaluate the source of energy supplies coming from American Indian reservations.

During the stay in Taiwan, the host provided by the Land Reform Training Institute was James P.T. Lee, director of the research and counseling division.

**FOLLOW-UP:** In a subsequent written report by Correa to CERT following return from Taiwan, Correa described the potential links in a chain of direct commercial ties perhaps in the offing between Indian tribes and the government of Taiwan. Wrote Correa:

"Strong mutual interest in the export of Indian-owned uranium, coal and molybdenum resources was expressed in our meetings with officials of the Energy Committee and Taipower. A tentative meeting with Taiwanese officials will be held in Denver in late May with on-site visits to various mines on Indian land to be scheduled. If negotiations seem likely, a specialized team of mineral analysts will be sent from Taiwan to obtain specific geophysical information. If the assessment proves positive, negotiations will hopefully begin soon thereafter.

"Other potential business relationships between tribes and Taiwanese business interests are most promising for import of products in light industry, assembly plants and manufacturing. Further correspondence and discussion will be held regarding this matter with possible negotiations occurring at the end of this calendar year or the first months of 1983. The Ministry of Economic Affairs will be the government agency assisting Taiwanese business interests and Indian tribes in this effort.

"Another possible working relationship may develop through assistance of agricultural experts from the Ministry of Interior. Specifically, the Land Reform Training Institute and specialists from the Taiwan Sugar Corp. have indicated a willingness to conduct in-house training or possibly send a team of specialists to the United States. The team would assist tribes in developing agribusiness and livestock operations either solely owned by the tribes or via joint venture."

Tah-Tsung Feng, executive secretary of the Taiwan Energy Committee, will be visiting the U.S. in late May or early June and is also set to attend an energy symposium at the 1982 World's Fair in Knoxville, Tenn., where Taiwan has a large exhibit on display.

## Assessing the State and Needs of Reservation Economies

WASHINGTON—"Tough times," observed Sen. William Cohen, R-Maine, "put people up against the wall to come up with new ideas." As chairman of the Senate Select Committee on Indian Affairs (SSCIA), Cohen opened a special hearing Apr. 29 on the economies of American Indian reservations and heard coordinated testimony from three major national Indian organizations.

The National Congress of American Indians (NCAI), National Tribal Chairmen's Assn. (NTCA) and the Council of Energy Resource Tribes (CERT), together representing virtually every American Indian tribe in the U.S., articulated problems which cripple the economies of tribes, the effects of current major budget reductions by the Reagan administration, and major proposals to remedy the ills which plague tribal economies.

Observed Sen. Mark Andrews, R-N.D. as the hearing opened: "It's time to listen to Indian economists for new, fresh and workable ideas."

Following are condensed testimonies on the economies of reservations presented by Atty. Alan Parker of Karl Funke & Associates, CERT, NTCA and NCAI:

### I. Troubled Reservation Economies

*ALAN R. PARKER, counsel to the Washington, D.C. firm of Karl A. Funke & Associates Inc., coordinated the joint testimonies for the Indian organizations. His experience includes being staff attorney with the Interior Solicitor's Office, co-founder of the American Indian Lawyer Training Program, chairman of the task force on tribal government for the American Indian Policy Review Commission, chief counsel of the Senate Select Committee on Indian Affairs, and Director of the Energy Department's Office of Indian Affairs. A member of the District of Columbia Bar and the American Bar Assn., he is immediate past president of the American Indian Bar Assn.*

**CURRENT ECONOMIC CONDITIONS:** There is really no room for debate over the fact that American Indians and Alaskan Natives experience poverty and unemployment along with the associated incidences of social pathologies, to an extent unequalled by any other group in America. These findings have been documented by every major task force and report on the subject and

the Bureau of the Census. Despite occasional and isolated examples of economic progress, Indian reservation resident per capita income, unemployment percentages and other relevant standard of living criteria show that the gap between the economic standard of Indian and non-Indian society has been increasing rather than decreasing in recent years.

For example, in a recent report prepared in January 1982 by the Navajo Nation entitled "A Matter of Life," the official BIA unemployment rate for the reservation was estimated to be 75 percent and projected to exceed 80 percent by 1983. In 1979 the Bureau of Economic Analysis, Department of Commerce, estimated that rural Indian income per capita was \$3,246 compared to the U.S. average \$8,773. While the 1980 census data on such items is not yet available, there is little doubt that it will confirm the presence of extremely depressed economic conditions in Indian country on a nationwide basis.

In the face of these conditions of severe economic distress, it is clear that there are no rich or poor tribes, small or large tribes, the suffering and need is the same for all. These conditions have, of course, only been exacerbated by dramatic reductions in the level of federal assistance provided to Indian Tribes in fiscal years 1981 and 1982. However, the attention focused on these problems has had the unintended but beneficial effect of shedding light on the underlying causes of the depressed tribal economy. That is, the level of dependency on federal program assistance which has developed in Indian country has been demonstrated in stark terms as a result of these federal budget cuts, particularly in such areas as CETA, EDA and HUD.

Indeed, as forcefully pointed out in the Navajo report, such federal programs have created and sustained the foundations for the economy on most reservations and the traumatic withdrawal of such assistance has not only undermined tribal efforts to create a visible private sector economy but also crippled their ability to provide essential government services. Because the level of non-federally subsidized industrial and commercial activity on the reservations has been minimal, there are no real employment alternatives to such federal programs and, in the face of such staggering levels of unemployment, the market for goods and services produced by the fledgling tribal private sector is itself depressed.

Finally, the absence of a viable private sector on the reservation has greatly constrained the ability of Indian tribal governments to generate local tax revenues needed to support those essential government services and physical infrastructure construction necessary to attract private business and industry.

**FUNDAMENTAL OBSTACLES:** In study after study commissioned by the Congress, the GAO, executive branch agencies and the tribes themselves, there is clear agreement regarding the fundamental obstacles to balanced economic growth in Indian country:

the lack of access to development capital and sources of commercial credit for the Indian business enterprise development; the lack of effective control over the development and management of Indian natural resources by the Indians themselves; and the absence of an experienced cadre of Indian managers and technicians.

**CRITIQUE OF PAST AND PRESENT FEDERAL POLICIES:** "Too little and too late" accurately describes past and present federal efforts to stimulate and support Indian economic development. Lacking sufficient internal capital and effectively cut off from conventional sources of private financing, Indians have found themselves almost totally dependent upon the federal government as their primary source of capital for development.

Since the 1950's, the federal government has provided capital in the form of categorical grants, subsidized loans, loan guarantees and interest subsidies. The record of the federal programs providing assistance to reservations has been mixed, and the impact of federal assistance has been diminished, according to several congressional studies conducted over the past decade, because of a number of deficiencies in the administration of these programs. They include inadequate project review and monitoring, inadequate technical assistance, lack of effective coordination between agencies and inadequate funding.

The failure of these efforts to achieve meaningful and tangible progress has served to discourage many tribes and their friends in the Congress. Despite this discouragement, the experience gained over the past decade has served to identify the steps that can be taken to overcome many of these deficiencies and shortcomings in the administration of federal economic development assistance programs. An essential and vital role for such federal assistance must be part of any rational and carefully formulated economic policy for Indian affairs. Indeed, any attempt to build tribal economies which can, eventually, be truly self-sustaining, must be premised on continued assistance for physical infrastructure, development training, investment incentives and development financing to name only a few elements.

**THE TRUST RESPONSIBILITY:** A sound economic policy for Indian country can only be based on adherence to the U.S. trust responsibility which includes as its essential elements such legal protections for the Indian land and natural resources as preservation from sale or financial encumbrance, exemption from federal and state taxation, and freedom from state control and regulation.

All too often, the trust status of Indian lands and resources is characterized as a negative influence on Indian economic development potential in the sense that the trust status is a constraint on using these assets as collateral and security for financing. However, such an argument not only ignores the fact that viable

alternatives to such security interest protection mechanisms are well established, but also overlooks the positive aspects of the trust status in relation to economic development potential.

For example, tribally owned business enterprises enjoy significant tax advantages and reservation based commercial activities may be eligible for federally and tribally sponsored incentives and protections which can serve to enhance their economic status. Thus, maintenance of the trust responsibility will serve to protect the tribal status of the reservation homelands and provide a distinctive Indian nature to the tribal economy itself. At the same time, it can be expected that the regulatory and bureaucratic nature of the federal trust agency will diminish as tribes assert a greater level of control over the development and management of their own natural resources.

## II. Tribal Self-Sufficiency

*GOVERNOR HARRY EARLY of New Mexico's historic Laguna Pueblo, together with a group of tribal officials and staff members of the Council of Energy Resource Tribes in both Englewood, Colo. and Washington, D.C. coordinated testimony for the comprehensive strengthening of tribal governments.*

CERT, a coalition of 34 Indian tribes with substantial energy resources, is keenly aware of the failure of many past federal policies to foster the development of stable and sound reservation economies. We are in agreement with the conclusion of the Task Force on Reservation Development and Resource Protection in its 1976 report to the American Indian Policy Review Commission that the three necessary conditions for true long-term economic development are: (1) tribal control of reservation resources; (2) access to capital; and (3) effective tribal management of economic affairs. Policies which do not serve to provide sound structural change and which do not address all three of these conditions simultaneously—control, capital and management—are doomed to the failures of the past. This principle applies to *all* Indian reservations, not just those which have an endowment of energy resources.

We would like to begin our presentation by discussing three major obstacles to tribal economic development that could be reduced with *passage of legislation* currently pending before this Congress: the need to strengthen tribal governments, as addressed in S. 1088; the need for equitable tax treatment of tribal governments as embodied in the Indian Tribal Governmental Tax Status Act, and the need to authorize the approval of minerals agreements negotiated by tribes, provided in S. 1894. We will then turn briefly to certain *administrative steps* that could be initiated in a relatively straightforward manner by the federal

government to meet tribal economic development needs, including regulatory reform in natural resource management and development, assistance to tribes in marketing their resources and improving the current techniques for evaluating the conditions of tribal economies. Finally, we would like to briefly discuss the applicability of the enterprise zone concept to Indian reservations.

**STRENGTHENING TRIBAL GOVERNMENTS:** Tribal experience has shown us that the cornerstone of true economic development on Indian reservations is through the establishment of stable tribal governments with the management and structural capacities to carry out their responsibilities effectively. The importance of strong and effective tribal governments associated to long-term economic advancement cannot be over-emphasized. In fact, we believe that without federal support to help tribal governments build strong foundations, all other policies attempting to foster economic development will be destined to fail.

Why is such great emphasis placed on tribal government? The answer is that a stable, strong and effective government is one of the important foundations for both successful economic enterprises and a supportive social and economic infrastructure. Appropriate federal policies are critical to help break down the numerous obstacles to the enhancement of tribal economies. Yet by their very nature such policies cannot be applied rigidly to all reservation situations. The tribes themselves must have the capabilities to establish their economic development objectives appropriate to their individual cultures, socioeconomic conditions, natural resource endowments and the myriad other factors that cannot possibly be evaluated from Washington, D.C. And they must have the management tools to effectively govern consistent with these objectives.

For these reasons, CERT has worked extensively with the Administration for Native Americans (ANA) in carrying out its tribal government capacity-building programs. With the assistance of ANA, tribal governments are gaining the tools they need to effectively manage their own affairs, consistent with their own affairs, consistent with their own objectives.

We believe that the capacity-building programs of ANA have proven to be among the most cost-effective tribal economic development activities ever attempted by the federal government. Capacity-building expenditures for this program should be viewed as a cost-effective investment, and not as simply another discretionary federal program ripe for budget cutting. This is particularly true given the relatively small budget of the agency. Yet, ANA's budget was cut by 17 percent last year, and is targeted for an additional 17 percent in the President's proposed budget for FY'83. These cuts must be viewed against the fact that from FY'76 through



FY'81 ANA had been funded at a static level of 33.8 million dollars. Thus, with inflation taken into account, the real budget of ANA has been cut about 50 percent during this period.

We firmly believe that the small budget savings realized by these cuts do not come close to the negative impact that a reduced ANA program will have toward the objective of long-term tribal economic self-sufficiency.

**EQUITABLE TAX TREATMENT:** A major obstacle confronting tribal governments attempting to generate revenues is that they do not currently have a number of federal tax advantages enjoyed by every other government in the United States, including state, county and municipal governments. We therefore strongly support the Indian Tribal Governmental Tax Status Act, currently pending in both Houses of Congress (S. 1298; H.R. 3760), which would remedy this inequitable situation. We support the bill, first, as a matter of equity; second, because the bill would strengthen tribal economic self-sufficiency by strengthening the abilities of tribal governments to provide public goods and services for their people; and third, because the bill recognizes the appropriate role of tribal governments.

The bill would remedy the effects of a series of Internal Revenue Service rulings issued during the late 1960's and early 1970's which held that, as Indian tribes are neither states nor political subdivisions of states, they are not eligible for certain benefits given states and their political subdivisions under the Internal Revenue Code.

As a result, revenue raising and saving mechanisms available to and commonly used by other governments are foreclosed to Indian tribal governments. This discriminatory treatment is unfortunate inasmuch as tribal governments are faced with the task of bringing their people, among the poorest in the nation, into economic prosperity. This task is made more difficult, at least in part, because tribal governments are not given the same benefits as other governments in the Internal Revenue Code.

The Act would: allow deductions from federal income taxes for charitable contributions to Indian tribes, allow deductions from federal income taxes for taxes paid to tribal governments, exempt from federal income taxes interest paid on certain bonds issued by tribal governments, allow deductions from federal income taxes for contributions to tribal political campaigns, exempt tribal governments from certain excise taxes including those on special fuels, manufacturers excise taxes, highway use taxes and communications excise tax, and allow tribal governments to offer tax-exempt annuities to certain employees.

**ALTERNATIVE MINERALS AGREEMENTS:** Given the vast wealth of mineral resources on Indian lands, it would appear that those tribes such as minerals could become economically self-sufficient by

using the development of their minerals as a base for developing sound, stable economies. Sadly, this has not been the case. Although energy production has taken place on Indian reservations for many years, and has been particularly significant over the past three decades, it has resulted in very little economic return or monetary benefit to the producing reservations.

These tribes, lacking the in-house management capability and the financial resources to obtain their own expertise to evaluate, plan and negotiate their own agreements with minerals companies, have had to rely upon the Bureau of Indian Affairs (BIA) as their trustee to negotiate on their behalf. All too often, the BIA-negotiated agreements have turned out to be very detrimental to the economic and other interests of the respective tribes.

The benefits from minerals production on Indian reservations have therefore flowed off the reservation. The royalties that the tribes have received have not been adequate to meet the needs of tribal governments, and the tribes continue to remain among the poorest of America's poor. Unemployment rates, even among the energy resource tribes, are several times above the national average.

Realizing that they were not receiving long-term benefits from development of their depletable mineral resources, a number of tribes during the 1970's decided to take matters into their own hands, and go directly to the bargaining table themselves to engage in active negotiation with mineral companies. Instead of the traditional BIA approach to selling leases with cash bonus and fixed royalty rates, tribes have begun to explore innovative approaches, such as participation in joint ventures, production sharing and service contracts enabling them to maintain full or partial ownership and to have a role in management decisions. Since 1975 at least a half dozen such agreements have been negotiated by the tribes. Yet, in 1980 the Interior Department itself raised questions about its authority to approve such agreements, particularly for oil and gas agreements that were not sold under public auction.

The inability of the DOI to approve alternative minerals agreements negotiated by the tribes is a major obstacle to tribal economic development. There is currently a bill pending before this Committee, S. 1894, which would remove any questions about the Department's authority in this area. Simply stated, it would provide the Secretary the authority to approve minerals agreements, whether they are leases, joint venture arrangements, or any other forms of agreements provided that he does not make a finding that such agreements are not in the best interests of the respective tribe.

During hearings held on S. 1894 by this Committee, a number of tribal leaders expressed concerns over specific parts of the bill, and recommended changes to address

these concerns. We urge you to take these recommendations into account, and to favorably report a bill responsive to them.

**REGULATORY REFORM:** In conjunction with our discussion on the Interior Department's lack of authority to approve alternative minerals agreements we would like to briefly address the regulatory framework under which DOI manages tribal natural resources. Regulatory reform is needed throughout the federal government to correct the deficiencies in the treatment of Indian tribes. Very few rules currently on the books provide the proper mechanism for tribal consultation and concurrence in federal programs. In the case of BIA regulations, steps should be taken to put the tribal government in the lead role, with the BIA providing technical support and trust protections.

The unfortunate fact is that federal policies designed to provide tribal governments with more say in their own affairs have been undermined by bureaucratic inertia, poor administration and controversy. For example, even the Indian Self-Determination Act of 1975, which was intended to turn the control and administration of Indian programs over to tribal governments, is administered by over 100 pages of BIA regulations. These rules maintain heavy federal involvement and a perpetuated perception of tribal dependency.

Unfortunately, our experience has shown that reform of BIA's regulatory framework is a very long and cumbersome process. In 1977, the BIA proposed revising its Indian mineral development regulations but they never were promulgated. In 1980, over three years later, the regulations were re-proposed but again were not promulgated. When and if the BIA does promulgate new regulations, we believe that they must include provisions for tribal participation and control in minerals development and management, provided that the individual tribes desire and have the capabilities to assume these responsibilities. The challenge for BIA is to develop a regulatory framework that promotes tribal involvement in the process without the BIA losing the regulatory capability to fulfill its trust responsibility to assure that the tribes truly benefit from minerals development.

To meet this challenge—to assure that the BIA fully protects the interests of those tribes which have not fully developed their own minerals management capabilities while at the same time not unduly burdening those tribes which have these capabilities—the BIA must develop a regulatory framework that incorporates the following two philosophies.

*First*, if a tribe demonstrates that it has performed a given task or tasks required by BIA regulations, the BIA should substitute the tribe's efforts for its own. This would apply, for example, in such areas as pre-sale, economic and environmental assessments, development

of environmental and production stipulations, as well as lease site production management which is now being carried out by Interior's Minerals Management Service (MMS).

*Secondly*, the respective tribe should be offered a consultation and concurrence role in major decisions made by the BIA under its regulations. If the tribe does not have the capability to exercise an option to concur, it should be offered the option to waive the concurrence requirement. However, in all cases the BIA should consult with the tribes prior to making substantive decisions under its regulations.

**RESOURCE MARKETING ASSISTANCE:** The member tribes of CERT have a substantial amount of energy resources which potentially could provide a base for the development of stable reservation economies. We have found, however, that while many of the tribes are interested in developing their resources they are often unsure of how to proceed. At the same time, there is not an established and convenient method for potential resource customers to become familiar with the resources of Indian tribes.

We strongly believe that support is needed to assist tribes in obtaining information that they need regarding the potential marketability of their resources, to help them come into contact with appropriate potential markets and to provide a clearinghouse of information regarding agreements which have been made among buyers and sellers of comparable resources. We believe that assistance in the development of such marketing services would be a valuable tool to enable the tribes to effectively participate in the private sector.

**ASSESSING ECONOMIC CONDITIONS:** It is extremely difficult at this time to measure the impacts of economic development policies due to the lack of a systematic means to measure the economic conditions on individual reservations. For this reason, in recent years some development specialists have proposed that it would be useful to have leading economic indicators for Indian reservations analogous to the national accounts of the United States. In place of Gross National Product, for instance, one could have Gross Reservation Product (GRP).

Such a system of economic indicators would also allow us to record progress in achieving economic self-sufficiency. Baseline data is needed so that both tribal governments and the federal government can measure changes in reservation economies.

We believe that the development of such data and indicators can serve to provide a framework against which the effects of economic development policies can be assessed where they really count—at the reservation level.

**ENTERPRISE ZONES:** The basic premise of the enterprise zone concept is that with appropriate economic incentives and reduction of regulatory

impediments in specifically targeted economically depressed areas, a climate will be created in these areas which will induce private sector investment. Legislation implementing this concept was introduced in Congress in 1980 and 1981, and the Reagan administration in March introduced its version of this concept.

The administration's proposal, as embodied in S. 2298 now before the Congress, provides for the Secretary of Housing and Urban Development to designate up to 25 targeted areas per year over the next three years as enterprise zones. Such designation would entitle businesses locating in these zones to special federal tax incentives, including certain tax credits and elimination of federal capital gains taxes. In addition, federal regulatory bodies would be given discretionary authority to relax or eliminate certain non-statutory regulatory requirements within enterprise zones, upon the request of the respective local governing bodies.

We are pleased that Indian reservations are recognized in S. 2298 to be eligible for enterprise zone designations. The incentives provided by such designation may well induce certain industries to locate on reservations, and thus to contribute to long-term economic advancement.

At the same time we must caution against any notion that enterprise zones can by themselves be viewed as a major solution to the economic problems on reservations. To begin with, since only 75 areas will be designated over the next three years, the competition for designation among states, municipalities and tribes will be very intense, and it is highly likely that no more than a small handful of reservations will win out in the competition. But beyond this problem, there are more fundamental obstacles to tribal economic development that cannot be remedied with enterprise zone designation alone.

The enterprise zone concept does not address the need for physical infrastructure on reservations as a precondition to private sector investment. The sad fact of economic life on the reservations is that there is an almost total lack of infrastructure to support economic enterprises, including adequate roads, sewers and public utilities. On Indian reservations, however, enterprise zone incentives are not likely to attract major investment unless the tribes can demonstrate that an adequate infrastructure is in place or that they are taking steps to build the needed infrastructure. For this reason we believe that it would be a major mistake to believe that private sector incentives by themselves will solve the problem of establishing lasting stable economies on Indian reservations.

We believe that enterprise zones can work on certain reservations, provided that the other necessary factors for economic development are in place. However, the enterprise zone concept must be viewed as only a part of a total tribal economic development policy and cannot work in a vacuum without such policies.

### III. Involving the Private Sector

*PHILLIP MARTIN, elected Chief of the Mississippi Band of Choctaw Indians and president of the National Tribal Chairmen's Assn. (NTCA), delivered testimony in behalf of NTCA's 150 federally recognized tribes and added "wholehearted endorsements" of testimonies by CERT and the National Congress of American Indians.*

**OVERVIEW:** The National Tribal Chairmen's Association would like to discuss the economic issues of most immediate impacts on our tribes, namely *infrastructural development* on our reservations; greater access of our Indian industries to *defense contracting* and procurement opportunities to stimulate reservation development; and the proposed *Economic Development Strategy* of the Bureau of Indian Affairs for Fiscal Year 1983 and beyond.

We are constantly reminded by our federal trustee that we must seek financial investment and industrial relocation for reservation development from the private sector, because of the present national policy of federal budget cutbacks and the shift of responsibility from the federal level to local governments. Indeed, the proposed enterprise zone concept—the Reagan administration's sole initiative to offer relief to the economically-distressed areas—is designed precisely to attract private sector investment and involvement to hard-hit areas, including Indian reservations. Yet, a recent study on the applicability of enterprise zones to Indian country revealed that any incentives offered by tax or regulatory relief are largely negated by the limited infrastructural attributes on most Indian reservations.

**INFRASTRUCTURE DEVELOPMENT:** Many ideas have surfaced within recent months concerning relationships between Indian tribes and the private sector. While the concept is good, some attention must be focused on the reality of bringing Indian tribes and private industry together for mutual benefit. If tribal leadership were surveyed today, 49 out of 50 tribal leaders would not know a chief executive officer of a major corporation. Indian country needs very desperately to be joined in a beneficial relationship with the private sector, but this will not happen without some means of communicating with the private sector.

This will not happen if tribal governments do not possess the financial resources by which to enter into economic development ventures with private industry. Technical assistance, loans, and loan guarantees are needed if tribal governments are to develop economic projects on a self-sustaining basis. Bridging the gap between Indian tribes and the private sector cannot occur through the proposed enterprise zone legislation when only three or four tribes might possibly benefit from that concept.

Application for enterprise zone status challenges local governments to offer infrastructural commitments for municipal services and physical improvements within the distressed area. Impacted as our tribal governments are by the loss of federal assistance, few tribes could even provide a guarantee against *deterioration* of local municipal services, let alone the improvement of them. This is why the NTCA so strongly supports the provisions of S. 1088. That legislation, including the Section 7 provision for an additional \$50 million for maintenance and improvement of tribal governmental services, is essential to any hope of tribal self-sufficiency in the future.

Infrastructural development assistance is needed, and we ask that you view such assistance as an investment in the future of Indian tribes as self-sufficient entities in the American future.

Indian tribal governments do not have a tax base from which to obtain revenues to support and maintain their social and economic structures. And few tribes currently have sufficient enterprise development from which to support essential tribal governmental functions and services. An examination of the methods by which states, counties, and municipalities support governmental services, physical development, maintenance, and capital improvement reveals a wide range of revenue sources. Without a tax base, Indian tribes do not have these options. Tribes are unable to take advantage of general obligation bonding because of IRS rulings. Consequently, we have few resources from which to support the development and maintenance of reservation infrastructure. This situation again points up the need for the American Indian Tribal Government Tax Status Act embodied in S. 1298, and that is why the National Tribal Chairmen's Association supports that legislation.

There are few remaining federal assistance programs on which we can depend to assist us in our efforts toward economic self-sufficiency; and those programs and strategies are clearly biased toward natural resource development. We do not decry that assistance to those tribes with natural resources. However, the tribes that do *not* possess significant natural resources feel at a great disadvantage to develop their industrial and business potential. Even tribes *with* significant extractive resources of energy and minerals desire to expand their employment opportunities and to retain their earnings on the reservation through industrial diversification.

Through the 1960's and 1970's, in the era of relative affluence in federal economic development assistance, the opportunities for industrial development was largely lost to Indian country; and the bureaucracy administering those federal assistance programs must bear much of the blame. The private sector and the tribes themselves are not without blame in the general failure of the reservation industrial development. But we are now in different times, and industrial development for Indian

tribes warrants a fresh review.

We do not mean to say that the federal programs for economic development were a complete waste. The much ridiculed EDA-financed industrial parks on reservations are now providing many tribes their only hope for development. Many of these industrial parks are now taking off now that tribes are gaining experience at marketing them in the private sector. The loss of this type of federal assistance for infrastructural development on reservations is seen by many tribal leaders as among the most devastating.

**DEFENSE CONTRACTING:** Tribal governments need assistance to overcome the impediments of isolation and underdevelopment in order to attract industry and private sector investment. With the loss and the unlikely restoration of significant funding assistance programs, federal assistance to tribes in their economic development efforts could come from a policy of preferred access for tribal industry in federal procurement and contracting. One such opportunity is in the challenge faced by the American defense industry to meet the administration's defense build-up requirements over the next several years.

Between now and 1987, the Reagan administration proposes to spend more than \$1.5 trillion in defense. Some economists project major problems in the ability of the U.S. defense industry to meet America's needs defined in the arms build-up proposals. The squeeze on domestic suppliers, it is projected, will send more defense procurement overseas, making the U.S. more dependent on foreign sources and more vulnerable.

There is also concern in the Congress over the U.S. industry's capability to meet the country's defense build-up requirements. This past February, Rep. James Blanchard of the House Committee on Banking, Finance and Urban Affairs, introduced the *Defense Industrial Base Revitalization Act* (H.R. 5540). That bill calls for a number of measures, several of which could directly apply to Indian economic development needs. First of all, that bill calls for federal assistance in the form of loans, loan guarantees for small and medium sized businesses. That type of assistance could greatly enhance the capability of Indian industry to compete in the defense contracting arena.

Secondly, the Blanchard proposal offers provisions for training and retraining workers for a quality defense industrial work force. The need for quality skilled labor on the reservations is essential to the development of Indian-owned business and for the attraction of outside industry to the reservations.

Thirdly, the Blanchard proposal calls for greater domestic capability to produce critical and strategic materials, significant reserves of which are to be found on Indian reservations. The tribes with these resources could rightfully demand a greater opportunity for participation in the extraction and processing of such

critical and strategic materials.

We hope that this type of legislation gains congressional support, and that Indians are given special inclusion in the bills. Any initiative to secure equitable or preferred access for Indian industry to defense contracting, however, must *not* be looked upon as a movement to convert "guns to butter," as it were. Reservation industries have shown that they can deliver high quality goods on time and at budgeted costs. There are successful defense and non-defense contracts in reservation-based industries now; but all too few of them.

The idea of promoting greater Indian industrial participation in defense procurement is relatively new. In the FY 1982 *Department of Defense Appropriations Act*, Sen. Peter Domenici, R-N.M., included a provision for Indian preference in defense procurement. The Defense Department is in a quandary over how to apply Indian preference and is currently studying the matter. However, given their lack of experience and knowledge in Indian affairs, it is not likely that a creative policy will be forthcoming.

We urge the administration to study this matter creatively, and we request the Congress to take necessary measures to assure equitable or preferred access of Indian industry to defense contracting and procurement.

It is our understanding that Sen. Mark Andrews, R-N.D., is working to exempt Indian defense contractors from certain time restrictions inherent in the Small Business Administration's 8(a) provisions. We commend the Senator, for this is the type of assistance needed to advance our industrial capacity on the reservations.

We would also like to focus attention on other issues related to the Small Business Administration. SBA administers a number of programs to assist small and, in particular, minority business firms. The programs administered by this agency are for the most part unavailable to Indian tribes, because Indian tribes operate under the jurisdiction of tribal constitutions and bylaws, and are not chartered through state chartering processes, and SBA cites ownership and control as a major problem in providing assistance to tribal enterprises. The SBA's Small Business Set-aside Program (8(a)), Small Business Investment Company Program, and local development company program could provide many short-range benefits of a private sector nature to Indian tribal governments. However, tribal governments will not benefit through the SBA programs, unless there is Congressional involvement to amend regulations of the Small Business Act of 1958.

**BIA ECONOMIC STRATEGY:** Finally, we would like to comment on the Bureau of Indian Affairs' *Economic Development Strategy* which is proposed for FY 1983 and beyond. This strategy was devised over the past year to finally meet the longstanding demand of the House Appropriations Committee. We commend this

administration for finally giving some direction to their economic development assistance efforts; but we must note that the funding levels to implement the strategy are inadequate and the time is late.

The BIA Strategy requests appropriations of \$10 million to provide conditional grants to tribal projects for the development of natural resources, the encouragement of private sector involvement and investment, and the promotion of sound business principles.

Restricting the proposed economic development grant program to natural resource development projects eliminates a great majority of tribes and does not address the need for multifaceted economic development efforts desired by most tribes—even those tribes with abundant natural resources. According to the Assistant Secretary, the objectives of the program will be accomplished through the extension of "seed grants" from the \$10 million, reducing internal bureaucratic obstacles and barriers, taking the lead across the federal structure in coordinating economic development assistance, and searching out and stimulating opportunities for tribes.

We are aware that the BIA strategy totally reflects the administration's policy of fiscal austerity. We are aware that the Assistant Secretary's hands are strapped in this matter; for he knows, as we do, that \$10 million is totally inadequate to provide the assistance our tribes need to pursue their goals of economic self-sufficiency. The burden of dependency is staggering and shrinks that amount to an ineffective level. An amount more significant, effectively administered, would mean a true *investment* in the future of Indian country, and in the nation as a whole.

We therefore request an additional appropriation of \$5 million to provide "small tribes" a baseline of governmental support; presumably to enhance their efforts to attract industry. The BIA also proposes to seek from Congress new authorization for the Indian Business Development Fund and loan-guarantee program embodied in 25 U.S.C. 451—The Indian Financing Act of 1974.

We commend the Bureau's plan to seek reauthorization and reinfusion of the Indian Financing Act, but there is massive evidence to suggest that the BIA or other federal agencies are not efficient lending entities. By their very nature, they do not function in a banking relationship, and they tend to subsidize inefficiencies. As such, a great many federal programs which are dependent upon the appropriations process for funding, suffer themselves from inconsistencies which affect their ability to promote, administer, and monitor a portfolio of loans and loan-guarantees.

The SBA has recently extended its guarantee and authority to commercial banks because it could not efficiently make sound lending decisions. Thus, the Indian community cannot assess the impact of the

proposed reauthorization legislation at this time to ascertain their assurances to make the Bureau's program efficient and functional.

The Indian Financing Act was enacted in recognition of the private capital markets' inaccessibility to reservation enterprises. That situation still exists, and we direly need the Indian Financing Act—there must be no question about that. But the BIA must be made to put into place an effective mechanism to administer that program.

#### IV. American Indian Financial Development Corporation

*JOSEPH DE LA CRUZ, president of the Quinault Nation of Washington state and president of the National Congress of American Indians (NCAI), delivered the NCAI proposal for an American Indian Financial Development Corporation in behalf of the 400 federally and non-federally recognized tribes who constitute NCAI and linked his testimony with that of CERT and NTCA.*

**CAPITAL SCARCITY:** The National Congress of American Indians will focus . . . on those issues which are critical to an economic development strategy over the long run. Although we have limited our comments to generally one factor of production—capital—we are aware of the importance of other factors of production such as land, labor, materials and markets to the development and investment process. However, the existing constraints we face in accessing sufficient capital for development clearly points to capital scarcity as the most important factor limited productive investment throughout Indian country.

We believe that such a scarcity is the result of certain structural conditions that prevent effective investment from occurring. Like small business in general, new Indian business is restricted from gaining open access to the nation's structure of financial institutions and markets. A recent Department of Commerce report, *Small Business and Capital Markets*, showed that existing financial markets do not reach small business with capital because the markets are: (1) risk-averse; (2) they avoid conditions where there exists high information and transactions costs; (3) there exists increasing market and asset concentration throughout the financial market structure; (4) conscious and unconscious prejudice for small business in general; and (5) government regulation places a higher cost burden on small businesses than large scale enterprise.

Investment in Indian country is further restricted and constrained by a unique and extraordinary condition. I refer to the absolute nonexistence of any Indian community-based financial institutions operating to encourage indigenous savings or acting as a link between

tribal communities and regional and national financial institutions. This lack of local Indian financial intermediation has prevented Indian savings, thereby fostering the need to have federal agencies fill the primary role of financial intermediation for investment.

We call such intermediation "non-bank federal intermediation" and its track record, as you are aware, has been inefficient and ineffective. This form of federal financial assistance, as questionable as its record is, has been almost completely eliminated by the Reagan administration and Congress.

Because of the above conditions, NCAI now believes it is timely to recommend . . . a strategy which will begin to establish the foundations for real financial intermediation throughout Indian country. Without a mechanism whereby investment capital can flow to venture and development projects, it is unlikely that economic development will be self-perpetuating. We believe there is a justifiable need for an independent finance institution which can overcome the barriers to capital which I outlined above. By mobilizing capital and technical assistance for Indian business development, such a financial institution would increase the rate of Indian capital formation and productivity while lying an important cornerstone in the building of financial market structure in Indian country. I would like to add also that President Reagan in his Program for Economic Recovery provided that financial assistance would remain available to those communities "that truly lack access to financial markets."

The NCAI Economic Committee working with the American Indian Development Corporation (AIDC), after two years of intensive study, has developed a blueprint for the creation of an independent financial institution to serve American Indian communities. AIDC recommends the Institution have the following characteristics: (1) it be a mixed ownership federally chartered corporation; (2) it have regional branches to serve the widely dispersed Indian population; (3) it be able to extend long-term equity capital to Indian businesses, and tribes; (4) it be able to raise its own equity and debt funds through the sale of tax exempt bonds; (5) it be able to invest surplus to generate income; (6) it be able to charge rates of interest sufficient to defray costs, and earn a reasonable rate of return.

The Institution, to be successful, must have the capacity to provide and coordinate the use of long-term capital, working capital, technical assistance and training for Indian businesses. It must be an independent institution where investment decisions are based on objective financial and market criteria. The Institution at the onset will require financial support from federal sources, Indian tribes, private business and the financial community.

Equity capital for the Institution would be generated from the sale of common stock to the federal

government, Indian tribes and the private sector. The Institution would seek long-term, low-interest federal financing. Capital would also be generated from portfolio sales and earnings. The Institution would raise capital through debt instruments such as bonds and notes. To enhance the marketability of Institution debt, bondholder's interest earnings should be exempt from taxation. Federally chartered commercial banks should be authorized to purchase debt instruments and federal law should authorize the use of Institution debt instruments by banking institutions to satisfy federal reserve requirements.

On the investment policy side, long-term venture capital would be provided to Indian businesses in the form of equity, with the Institution retaining the option to sit on the Board of Directors of the enterprise to insure proper management practice. The Institution would establish upper limits on the size of its equity position in any one enterprise; the share of the Institution's equity and loans in a project's total cost; and on the proportion of the Institution's total funds invested or loaned to any one enterprise. Investment policy would be to diversify its investments among different projects such as natural resources, agriculture, light manufacturing and commerce. Eligible borrowers would be tribal government, tribal enterprises, Indian cooperatives, partnerships, corporations and individuals.

To complement its direct loan and equity investments, the Institution should be able to provide loan guarantees and to engage in co-financing with existing financial institutions. The Institution will assist its borrowers with brokering and underwriting services. In summary, the Institution should serve as the financier, investor, lender, loan packager, guarantor, underwriter, and broker for Indian enterprises.

My final observation is that we believe the Institution will foster private sector participation. This is critical as the private sector can bring important infusions of technical expertise and technology to venture projects. The Institution can become the vehicle which can reduce the uncertainties of reservation investments in the mind of the private sector. The Institution will stimulate the growth of sound business management practice within tribal communities by generating clear messages that investments will only be made after rigorous financial investment criteria have been met on a project by project basis. Such objective criteria will encourage tribes to develop tribal business codes which protect all business ventures and commercial enterprise as well as tribal integrity during the transformation of tribal communities towards economic self-sufficiency.

## Interior Solicitor Coldiron Blocks Laxalt Request to Invalidate Nevada Tribe's Tax Ordinance

by Richard La Course



WILLIAM COLDIRON  
*Tribal ordinance review*

WASHINGTON—The Interior Department cannot "revoke" its own legal approval of any tax code adopted by an American Indian tribe, and Interior is now working on a policy for the future review of tribal ordinances affecting non-Indian residents of Indian reservations.

That was the thrust of an Apr. 13 letter from Interior Solicitor William H. Coldiron to Sen. Paul Laxalt, R-Nev., who had asked the Interior Department to "revoke the approval" by Interior of a tax ordinance adopted by the Pyramid Lake Paiute Tribe of Nevada on Sept. 5, 1980.

In the Apr. 13 letter obtained by *The CERT Report*, Coldiron wrote: "We are aware that non-Indians residing or doing business on Indian reservations are concerned about the exercise of tribal taxing and regulatory authority over them and that their concerns are often based on their inability to participate in tribal government.

"We are attempting to develop a policy for the future review of certain tribal ordinances affecting non-members and plan to enunciate that policy in regulations or guidelines, which will require, among other things, that tribes seek significant input from, and afford adequate due process guarantees to, all persons affected by their ordinances. I will see that you receive a copy of the regulations and/or guidelines when they are developed."

**TAX ORDINANCE:** The 29-page Pyramid Lake Indian Reservation Tax Ordinance No. 21 was adopted unanimously by the Pyramid Lake Paiute Tribal Council on Sept. 5, 1980. It was approved by Bureau of Indian Affairs Supt. Robert L. Hunter on Sept. 10, 1980, then by the BIA Area Director's Office in Phoenix, Ariz. In November of 1981 the Tribal Council adopted "administrative provisions" for the imposition and collection of taxes.

The Pyramid Lake Tax Ordinance imposes a business

and occupation tax, a leasehold interest tax and an easement tax on non-Indians who operate businesses and ranches within the boundaries of the reservation. But public notification of the new tribal tax ordinance was not made until the U.S. Supreme Court this past Jan. 25 ruled affirmatively in *Merrion et al. v. Jicarilla Apache Tribe* and *Amoco et al. v. Jicarilla Apache Tribe* that Indian tribes have inherent powers to impose taxes on non-Indian businesses as part of their powers to govern and to pay for the costs of self-government.

Laxalt's Mar. 16 letter to Watt followed receipt of taxation notices by non-Indian businesses located on the reservation distributed by the Pyramid Lake Tax Committee.

Besides taxing non-Indian enterprises, the tribe is also levying an easement tax for telephone and utility lines, railroad tracks and pipelines. Owners of the easements are to be taxed at a rate of two percent of the annual assessed value of the easement and any structure occupying it.

Also subject to tribal taxation under the new ordinance are extractors of "mines, quarries, . . . coal, oil, natural gas, ore, stone, sand, gravel, salt, clay, mineral or other natural resource product," as well as "generation or production of electrical energy for resale or consumption outside the reservation," according to Chapter II of the ordinance.

The rationale for the new Pyramid Lake Tax Ordinance is contained in an opening statement of tax policy:

"The Pyramid Lake Paiute Tribe of Indians has existed as an independent, sovereign nation since time immemorial. Historically the Tribe held sole and absolute jurisdiction over Pyramid Lake and its surrounding area. Today the Tribe continues to govern the Pyramid Lake Indian Reservation limited only in its authority by its Constitution and By-Laws and the Constitution and laws of the United States.

"The Pyramid Lake Tribal Council is the governing body of the Pyramid Lake Tribe in accordance with the authority of its Constitution and By-Laws. The Council is responsible for Reservation economic growth and seeks to ensure that residents of the Reservation enjoy adequate employment, health care, educational opportunities and social services.

"There currently exists on the Pyramid Lake Reservation a number of non-members of the Tribe who are engaged in businesses for profit. These non-members therefore receive the benefits of doing business on the Reservation without contributing toward any of the costs. In order to correct this inequitable situation, the Pyramid Lake Tribal Council deems it necessary to enact this Tax Ordinance."

The Pyramid Lake Paiute Reservation covers 476,668 acres in Nevada's Washoe County. The reservation was established by Executive Order of President Ulysses S. Grant in 1874. The tribe is organized under the Indian

Reorganization Act of 1934 with a constitution and by-laws adopted on Jan. 15, 1936. The reservation, governed by a 10-member Pyramid Lake Paiute Tribal Council, today has about 900 Paiute residents and between 200 and 300 non-Indian residents, including businesses and ranchers.

Laxalt served as Nevada's lieutenant governor from 1963 to 1966 and as governor from 1966 to 1970, during which time he became a close friend of now-President Ronald Reagan. Nevada has a total of 24 separate Indian reservations. In 1966 while governor, Laxalt proposed cutting in half the total size of Pyramid Lake itself which lies across the center of the Pyramid Lake Reservation, but the plan was defeated. Laxalt presently sits on the Senate Appropriations Committee and Senate Judiciary Committee and holds seats on a number of subcommittees.

Laxalt's press secretary, Thomas Loranger, refused to release the original Mar. 16 Laxalt letter to *The CERT Report* on the grounds the letter was a "confidential communication."

The Pyramid Lake Tax Ordinance itself was drafted between January of 1979 and summer of 1980 by Tribal Atty. Michael Thorpe, a former Justice Department lawyer now with the law firm of Eisenhower, Carlson, Newlands, Reha, Henriot & Quinn of Tacoma, Wash.

Thorpe told *The CERT Report* the stimulus for preparation of the Pyramid Lake ordinance was tribal interest in a minerals severance tax ordinance adopted by the Jicarilla Apache Tribe of New Mexico in 1976, which stood at the heart of the high court's affirmative decision this past Jan. 25.

Thorpe said the Pyramid Lake Tribal Council submitted the draft document to "lengthy detailed review" and amendments before final adoption. "It's part of an overall effort of the tribe to come to terms with jurisdiction on the reservation," said Thorpe. The Pyramid Lake governing body is also preparing a land zoning code, and plans to take control of the sale of liquor on the reservation, as well as adopting a business licensing code.

Thorpe said a total of 21 tax notices were mailed Feb. 23 following the Supreme Court decision. There are an estimated 200 non-Indian residents on the reservation who collectively own about 2,700 acres of fee lands within the exterior borders of the 476,668-acre tribal domain.



# The Outlook for Indian Water Resource Development

*JONATHAN P. DEASON, acting chief of the Division of Water and Land Resources for the Bureau of Indian Affairs in Washington, D.C., prepared the following remarks for presentation before the 1982 National Specialty Conference of the American Society of Civil Engineers in Lincoln, Nebr. on May 20. The text has been slightly abbreviated for publication here. Deason's BIA Division handles irrigation construction, irrigation operation and maintenance, water resource planning, agriculture and range programs on Indian reservations in the U.S. Deason is a West Point graduate with an engineering degree. He holds an MBA from Golden State University, San Francisco, and a master's in science degree in environmental engineering from Johns Hopkins University. He is currently working on a doctoral dissertation in water resource systems engineering at the University of Virginia.*

by Jonathan P. Deason

In recent years, the 262 federally recognized Indian reservations in the United States have begun to move toward self-determination and away from dependency on the federal government. This movement has come at a time when the federal government is experiencing a growing inability, in the face of rapidly mounting deficits, to provide for all of the needs of the reservations. These changes have spawned a search for ways in which to assist Indian tribal governments in attaining economic self-sufficiency for their reservations.

In the arid and semi-arid regions in the 17 Western states, where the largest reservations are located, a new look is being taken at opportunities for water resources development as a key component in the economic development plans for many reservations.

**HISTORIC TRIBAL WATER USE:** The development and beneficial use of water resources on Indian reservations is not a new idea. In fact, the Hohokam Indians of central Arizona are known to have irrigated 140,000 acres of land with 135 miles of main canal over 2,000 years ago. The use of captured rainwater for irrigation was practiced at Chaco Canyon, N.M., and Mesa Verde, Colo. at least as early as 1000 A.D.

It has recently been confirmed that bottom lands on the Nambe Pueblo, N.M. have been irrigated since 1350 A.D. The Tewa Indians diverted irrigation water from a tributary to the Rio Chama at Sapawe, near El Rito, N.M. at least as early as 1475 A.D.

The first federal assistance in Indian water

development occurred in 1867 when the U.S. Congress appropriated money for the construction of an irrigation canal on the Colorado River Indian Reservation in Arizona. Since that time, federal involvement in Indian water development has steadily increased.

Today, a total of 91 irrigation projects on Indian reservations have been constructed and are operated by the federal government. These range in size from the 149,820 acre Wapato Irrigation Project on the Yakima Reservation in Washington to very small subsistence units in California and New Mexico. As indicated by Table 1 (below), these 91 projects served 676,784 acres of land with irrigation water in 1981, producing crops valued in excess of \$178 million.

In addition to benefits from irrigated agriculture, Indian water projects also provide flood control, hydropower, municipal and industrial, rural domestic, recreation, fish and wildlife enhancement and environmental quality benefits.

Four projects operated by the Bureau of Indian Affairs (BIA) have power generation and distribution features. Although the installed generating capacity is small (14.22 MW hydro plus 2,175 HP for direct irrigation pumping), the projects served over 27,000 accounts in 1981, mostly with purchased power.

**FUTURE WATER DEVELOPMENT:** Despite the developments that have occurred, many Indian reservations still have large development potentials. Together, the BIA and the Bureau of Reclamation (BuRec) have existing plans for the irrigation of an

**Table 1**  
**INDIAN WATER DEVELOPMENT**  
(as of December 31, 1981)

*Irrigation Projects Operated by the Federal Government*

Number of Projects:	91
Acres Irrigated:	676,784
Annual Value of Irrigated Crops:	\$178,062,616
Annual OM&R Collections:	\$12,300,000

*Power Projects Operated by the Federal Government*

Number of Projects:	4
Accounts Served:	27,163
Generating Capacity:	14.22 MW + 2175 HP for pumping
Annual OM&R Collections:	\$17,000,000

*Irrigation Units Operated by Others*

Acres Irrigated:	198,078
Annual Value of Irrigated Crops:	\$48,746,246

additional 274,000 acres of Indian land. There also exists a very large potential for irrigation development on Indian lands that have not yet been subjected to planning studies. Furthermore, a number of reservations have large potential water needs for future mineral and energy development and for other purposes.

**COMPREHENSIVE PLANNING:** To insure that these needs and development potentials are pursued in an orderly and rational manner, the BIA established a comprehensive water resources development planning program in fiscal year (FY) 1980. Under this program, comprehensive reconnaissance-level water planning studies are being conducted on each reservation according to a set of standard specifications that have been developed by the BIA.

Plans developed under these specifications will be used by the tribes to guide their long-term planning and to identify water uses and areas that warrant more detailed feasibility-level planning, possibly leading to design and construction.

An additional benefit of the planning program is that it may help to promote negotiated settlement of water rights claims among tribes and states. In the past, many Indian tribes have been reluctant to negotiate their claims, preferring instead to rely on litigation. One of the main obstacles to negotiations has been a lack of technical data and expertise on the part of the tribes to enable them to adequately substantiate their claims. Tribes have been reluctant to negotiate from such weak bargaining positions.

Recently, however, it has been more widely recognized that litigation is both costly and time-consuming, and a number of tribes are actively seeking negotiated settlements. The BIA is making an effort to assist these tribes by concentrating the majority of the water resources development planning program efforts on reservations where negotiations are underway or appear likely to occur in the near future.

Since the water planning program was initiated in FY 1980, a total of \$10 million has been appropriated to carry it out. Last year (FY 81), the BIA conducted a total of 47 studies on 32 reservations. Seventeen of these studies were conducted by private contractors, 23 were conducted by other federal agencies, six were conducted by tribes and one was conducted by BIA personnel. In FY 82, the Bureau plans to conduct 57 studies and continue 22 studies on 29 reservations.

**IRRIGATION FUNDING PRIORITIES:** Major Indian water projects, such as the 110,630-acre Navajo Irrigation Project in northwestern New Mexico, or major projects with significant Indian participation, such as the proposed 79,000-acre Animas LaPlata Project (13,860 acres of which are on Indian lands) in southwestern Colorado and northern New Mexico, will continue to be planned, designed and built by the BuRec with the participation of the BIA.

In general, feasibility determinations for the Indian portions of such projects will be based on special Indian water project feasibility criteria that were approved by the Secretary of the Interior in 1980. These criteria take into account local economic and social impacts of the projects on Indian lands, in addition to the national economic impacts.

The bulk of water project work on Indian lands, however, will probably continue to involve the extension and rehabilitation of existing works, and the development of relatively small projects. These works are constructed under the authority of the Snyder Act of Nov. 2, 1921 (42 Stat. 208; 25 USC 13). Future construction priorities for these projects will be based on an irrigation funding priority system which is being developed at the request of the House Appropriations Committee's Subcommittee on Interior and Related Agencies.

The development of a funding priority system for Indian water projects is a challenging task, as the objectives of Indian water resources development are not confined only to economic efficiency. The BIA is using recent developments in the field of multicriteria decision-making techniques to develop a decision support system that will enable BIA decision-makers to handle the complexities involved with multiple objectives. The nature of the problem and the efforts of the BIA to address the problem are described below.

To illustrate the difficulties involved with multiple objective problems, suppose that two noncommensurable criteria are used to evaluate potential investments in Indian water development: economic return to Indians (measured in dollars) and the number of Indian beneficiaries (measured in number of people).

If, at one extreme, it was decided to invest all available funds in the most economically efficient alternative (in terms of dollar returns to Indians), then the former objective might be well served at the expense of the latter. That is, if one particular reservation were situated with easy access to a stable supply of high quality water, a large expanse of level, highly arable land, a year-round growing season, convenient access to markets, and similar attributes, then it is possible that maximum economic return would be achieved by investing all available funding on that reservation alone. However, the number of Indian people benefiting from the investment might be relatively small. This scenario is represented by policy  $x_1$  in Figure 1.

On the other hand, if it were decided to invest all available funds in the most widely dispersed fashion, then the latter objective might be well served at the expense of the former. This situation is represented by policy  $x_2$  in Figure 1.

The problem at this point is to decide how much to dilute the investment geographically such that the most desirable mix of objective accomplishment is attained.

Fig. 2 Illustration of preferred solution

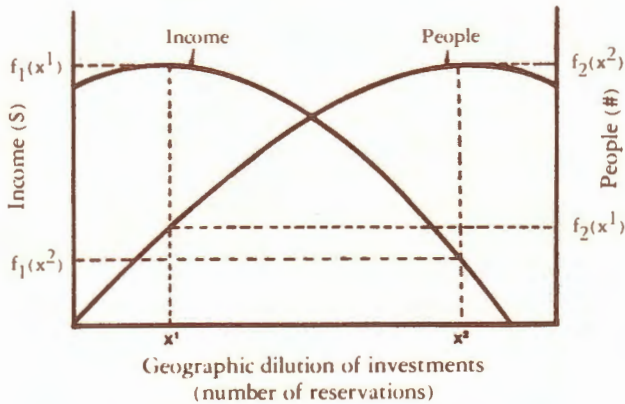


Fig. 1 Income and people objectives as functions of the decision variable

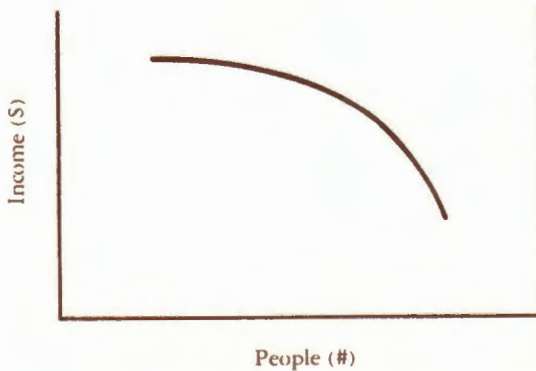
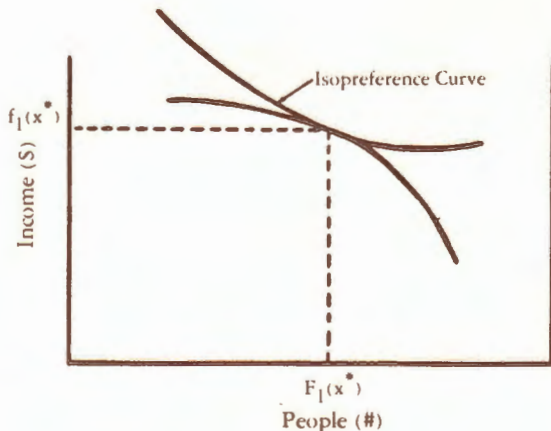


Fig. 2 Income and people objectives as functions of each other



The trade-offs available between the two objectives are illustrated in Figure 2. The curve in Figure 2 represents what is commonly called the noninferior or nondominated set or the Pareto optimal frontier. Any point below the curve represents a solution that is inferior to at least one point on the Pareto optimal curve in terms of both criteria. Therefore, the preferred solution will be on the Pareto curve, but further identification of that point cannot be made without the introduction of value judgments.

The irrigation funding priority decision support system that is under development by the BIA currently contains fourteen criteria to evaluate the desirability of potential investments. These are: total estimated cost of the project, ultimate annual OM&R costs, time until attainment of self-sustaining status, extent of Indian operations, condition of project, number of Indians affected, availability of adequate water supply, enhancement of environment, conservation of water, protection of water rights, cost-effectiveness ratio, Indian employment effects, provision of means for subsistence, and proper water management. These criteria were developed by professional irrigation personnel in six of the BIA's Area Offices in conjunction with BIA policymakers in Washington, D.C.

**CONCLUSION:** As the history of Indian water resources development has evolved from the works of the Hohokam over 2,000 years ago to the extensive federal works of today, the complexity of these activities has increased markedly. The optimal attainment of beneficial effects from future investments in Indian water resources development presents a great challenge to federal water planners. However, recent advances in multicriteria decision support systems provide hope that future investments will be made in the most efficient manner possible, despite the complexity of the federal role in Indian water resources development.

## Utah's Rep. Hansen Apologies to Utes, Withdraws Watt Letter

WASHINGTON—Utah's freshman Republican Rep. James V. Hansen on Apr. 15 apologized in writing to the Uintah and Ouray Tribe of Utah for use of "negative and defamatory language" and "unforgivable stereotyping of American Indians in general" in a Mar. 9 letter Hansen had written to Interior Secretary James Watt seeking Watt's views on the abrogation of all American Indian treaties.

Hansen also on Apr. 15 sent a separate letter to Watt withdrawing his original request for the Interior Department to assess Indian treaty abrogation legislation introduced in the U.S. Congress in September of 1977 (see next page).

Former Rep. Jack Cunningham, R-Wash., originally introduced H.R. 9054, euphemistically called the Native American Equal Opportunity Act, which empowered the President to abrogate unilaterally all 371 treaties negotiated between the U.S. and Indian tribes, to close all Indian reservations and shut down the Bureau of Indian Affairs (BIA). Rep. Mike Lowry, D-Wash., defeated Cunningham in 1978 by upholding treaties as the "supreme law of the land."

Hansen told Uintah and Ouray Chairman Homey Secakuku that numerous "contacts" with various Indian groups since Mar. 9 convinced him the concepts of treaty abrogation were not supportable. ". . . Part of my disadvantage in this area," wrote Hansen, "has been my lack of in-depth understanding of the needs and desires of the American Indians. This recent experience has given me a better, though far from complete, appreciation for your desires to preserve your tribal identity and cultural background and heritage. I want you to know that your attorney, Martin Seneca, has been particularly helpful in thus educating me."

Seneca, former Indian Commissioner and now legal counsel for the Uintah and Ouray Tribe since 1980, met

**Congress of the United States  
House of Representatives  
Washington, D.C. 20515**

April 15, 1982

Mr. Homey Secakuku  
Chairman, Ute Indian Tribe  
Ute Tribal Business Office  
Box 190  
Fort Duchesne, Utah 84026

Dear Chairman Secakuku:

I was grateful for the opportunity to talk by telephone with you and the other members of the Ute Business Committee. As I indicated I would do, I am following up on our conversation with this letter.

In regards to my correspondence with Secretary Watt of March 9, 1982, I would like to make two points:

First, I sincerely apologize for what may be construed to be negative and defamatory language. I now realize that my letter may be interpreted as a most unfavorable stereotyping of American Indians in general, and the Ute Tribe in particular.

I have strong positive feelings for the American Indian people. I never intended to denigrate the American Indian; rather, I was attempting to describe the conditions that I believe the Federal Government, and specifically the Bureau of Indian Affairs, have imposed on the American Indian through its present policies. I believe these policies could be typified as being ones of broken treaties, welfare, isolation and neglect, and such policies have led to the conditions that presently exist on many Indian reservations.

The second point I would like to make is that I have never proposed, nor intended to propose, a bill similar to H.R. 9054, the Cunningham Termination bill. That bill came to my attention quite by accident. Prior to having my staff spend time looking into it, I thought I would obtain the observations of Secretary Watt regarding it. Nothing more was intended.

Subsequent to my March 9, letter requesting Secretary Watt's comments, my own research, and the information I received from my contacts with various Indian groups, have convinced me that the concepts embodied in H.R. 9054 are not concepts that I could ever endorse. Accordingly, I have sent a letter to Secretary Watt withdrawing my request for his comments so as to avoid wasting his office's valuable time. A copy of that letter is attached.

As I said to you on the telephone, part of my disadvantage in this area has been my lack of in-depth understanding of the needs and desires of the American Indians. This recent experience has given me a better, though far from complete, appreciation for your desires to preserve your tribal identity and cultural background and heritage. I want you to know that your attorney, Martin Seneca, has been particularly helpful in thus educating me.

I intend to continue to address what I perceive to be problems in our dealings with the American Indians. My commitment is to do what is right for this country's first Americans, and at the present time, I feel that the best way to do this is to remove the heavy-hand of the BIA and to maximize Indian self-determination.

I hope that you will be willing to communicate with me on this or other matters at any time.

Sincerely yours,

James V. Hansen  
Member of Congress

Congress of the United States  
House of Representatives  
Washington, D.C. 20515

April 15, 1982

The Honorable James G. Watt  
Secretary of the Interior  
Department of the Interior  
C Street between 18th and 19th Streets, N.W.  
Washington, D.C. 20240

Dear Jim:

On March 9, 1982 I sent to you a letter requesting your counsel on a bill introduced in Congress on September 12, 1977, H.R. 905-4. This bill came to my attention shortly before I wrote to you. I had not looked at the bill in detail and before asking my staff to allot time to do so, I sought your comments so as to decide whether it was worth our time. On March 16, your office sent a reply indicating that you would examine the issue and respond.

Subsequent to my letter to you, I have studied further the ramifications of H.R. 905-4. Additionally, I have benefited greatly from numerous contacts with representatives of various Indian groups. It has become clear to me that the concepts embodied in H.R. 905-4 are not concepts that I could endorse. Accordingly, in order to avoid the unnecessary use of your staff's valuable time, I am withdrawing the request for your comments on H.R. 905-4.

This is not to say that I intend to end searching for ways to solve what I perceive to be problems in our dealings with this country's first Americans. It is my desire to insure that they be treated fairly and that we maximize their possibilities for independence and self-determination, and I intend to continue seeking those goals.

Sincerely,

James V. Hansen  
Member of Congress

several times with Hansen since Hansen's original letter was made public. Also meeting with Hansen in the capital were Suzanne Harjo of the Native American Rights Fund (NARF) and Executive Director Elmer Savilla of the National Tribal Chairmen's Assn. (NTCA). Numerous Indian journalists contacted Hansen's office, and Hansen's Mar. 9 letter was printed verbatim in Wisconsin's *Lac Courte Oreilles Journal*, South Dakota's *Lakota Times*, Washington state's *Yakima Nation Review*, *The CERT Report* and other American Indian newspapers.

"I intend to continue to address what I perceive to be problems in our dealings with the American Indians," Hansen told Secakuku. "My commitment is to do what is right for this country's first Americans, and at the present time, I feel that the best way to do this is to remove the heavy hand of the BIA and to maximize Indian self-determination."

**WATT REACTION:** In his Apr. 15 letter to Watt,

Hansen said he had not examined the treaty abrogation legislation in detail before he wrote his first confidential letter to Watt, which was subsequently leaked to the national Indian community. Hansen said he had also not assigned any of his staff to examine the bill in detail.

Hansen, stating he did not wish to waste the time of Watt's staff on a venture he now found unworkable, formally withdrew his request for Interior's comments on the treaty abrogation legislation.

Concluded Hansen: "This is not to say that I intend to end searching for ways to solve what I perceive to be problems in our dealings with this country's first Americans. It is my desire to insure that they be treated fairly and that we maximize their possibilities for independence and self-determination, and I intend to continue seeking those goals."

Hansen is a member of the House Interior Committee which reviews most legislation affecting American Indian people.

## In Brief . . .

### WHITE HOUSE SESSION SET ON INDIAN EMPLOYMENT

WASHINGTON—The Indian affairs staffer in the Reagan White House is putting final touches for a "presidential meeting" in late May to assess the process of widening the job market on Indian reservations amid a reservation employment emergency developing as a result of Reaganomics.

Morton C. Blackwell of the White House Office of Public Liaison and the Presidential Task Force on Private Initiatives in mid-April sent letters of inquiry to a limited number of Indian leaders and organizations seeking information concerning the most successful tribal economic ventures on reservations, and sought a list of the top Indian business leaders across the country as well as a suggested list of corporate and business leaders who have played a major role in those successful reservation economic enterprises.

The Blackwell letter indicated that about 50 Indian economic leaders and 50 major "corporate decision-makers" would be assembled for the White House meeting. Either President Ronald Reagan or Cabinet officers would address the conference.

### CERT OFFERS SUMMER PROGRAMS

ENGLEWOOD, Colo.—The Council of Energy Resource Tribes is sponsoring a summer academic program at two college campuses in Colorado and Washington state called "Tribal Institute in Business, Engineering and Science."

The institute will be held at the Colorado College in Colorado Springs, Colo., June 13 to Aug. 5; and at Washington State University, Pullman, Wash., June 21 to Aug. 13.

Both campuses will feature eight-week summer programs designed to enhance the academic skills of recently graduated American Indian high school students interested in careers in business, engineering and science.

Students successfully completing the courses in mathematics, science, engineering and computer science will receive up to 10 and a half semester hours of college credit at Colorado College and up to nine hours at WSU.

In addition to academic courses, the students will have opportunities to visit personalities from industry and meet American Indian professionals who work in the fields of energy and power.

During the eight-week period, the students can assess their academic foundation to pursue college courses and they can receive assistance to enter the college or university of their choice.

Qualified American Indians will be selected and supported by CERT. Costs for tuition, room and board

and books and supplies will be paid for by CERT. Transportation to the campus is the students' responsibility. Interested students should contact CERT, Colorado College, or WSU without delay:

—CERT, Office of Education in Human Resource Development, 5600 S. Syracuse Circle, Plaza North, Suite 206, Englewood, Colo. 80111, or call (303) 779-4760;

—Dr. Val Rhoades Veirs, Colorado College Summer Session, Armstrong Hall, Room 125, Colorado Springs, Colo. 80903, or call (303) 473-2333, Ext. 647 or 575;

—Dr. William Willard, Director, Native American Studies, Washington State University, Pullman, Wash. 99164, or call (509) 335-8676.

### CERT TRIBAL TAX FORUM MAY 17

DENVER, Colo.—An intensive one-day Tribal Taxation Policy Forum will be held here May 17 at the Stapleton Plaza to advise and assist tribal governments in implementing tribal taxation authority recently affirmed by the U.S. Supreme Court.

The day-long session will provide information on tribes' powers to tax and the legal, economic and administrative ramifications associated with alternative tribal tax policies.

In the morning session Atty. Marvin Sonosky will assess the broad field of taxation and tribal sovereignty. Then the mechanisms and economics impacts of mineral taxation will be presented by Thomas K. Tulk, CERT director of the office of resource assessment and development, and CERT Financial Analyst Frank Long.

The afternoon session will examine the legal issues of tribal taxation, then explore the administrative workload of tribal mineral taxation.

The CERT Tribal Policy Forum was created by resolution of the CERT Board of Directors during a board meeting last Mar. 4. A host of Indian law attorneys and Indian economics specialists will assist throughout the presentations and questions.

### ISLETA PUEBLO CONSIDERS ARCO BID

ALBUQUERQUE, N.M.—Isleta Pueblo of New Mexico is considering a \$1.2 million bonus bid by Arco Exploration to lease 62,000 acres, according to the May 7 edition of *Platt's Oilgram News*.

*Platt's* said the Arco bid represented the only offer for the entire Block B, including 124 tracts in Bernalillo and Valencia counties which Isleta Pueblo has proposed to lease as one unit.

Arco's \$20 per acre bid topped the minimum \$16.75 set by the Bureau of Indian Affairs (BIA), said the publication.

### FEDERAL ROLE IN TRIBAL TAXATION?

DENVER, Colo.—Mineral severance taxes levied by Indian tribes on non-Indian leases are subject to public

comment and judicial review, the Rocky Mountain Oil and Gas Assn. (RMOGA) has asserted in contacts with Interior Secretary James Watt, according to the Apr. 26 edition of *Federal Lands*.

RMOGA asked Watt that tribal severance tax ordinances be run through the federal administrative review process, including publication in the *Federal Register*, comment periods and the opportunity for judicial review before the taxes themselves are levied.

RMOGA's initiative followed a request by the Southern Ute Tribe of Colorado for Interior's approval of a severance tax on non-Indian mines on the Southern Ute Reservation in Colorado's La Plata, Archuleta and Montezuma Counties. The Southern Ute request for approval is the first since last Jan. 25 when the U.S. Supreme Court upheld the right of tribes to impose mineral extraction taxes.

RMOGA said it believed Interior approval of mineral severance tax ordinances also required compliance with routine federal administrative procedures.

## BPA SEEKING NORTHWEST TRIBAL PROPOSALS

PORTLAND, Ore.—Northwest local governments and Indian tribes which want to plan local conservation efforts in electric energy can apply to the Bonneville Power Administration (BPA) for planning funds now through July 2, according to BPA Conservation Manager Steve Hickok.

"We have budgeted \$524,000 this year for conservation-related related planning actions by local govern-

ments and Indian tribes," Hickok said. "These activities could include developing zoning or building codes, devising local conservation or renewable resource action plans, or creating innovative approaches to conservation."

Hickok said the funding program is part of the agency's strategy to develop long-range energy conservation resources by stimulating activities which lead to cost-effective conservation.

"Local governments, by virtue of their authorities in zoning, building codes, and other community issues, are uniquely able to effect conservation in many areas. A small investment in conservation planning at the local level can have large payoffs in the long run through more efficient energy uses in the community," Hickok said.

This is the second BPA solicitation for conservation planning efforts by local governments under the regional power act. In October 1981, BPA awarded \$700,000 to 18 local governments, Indian tribes, and coalitions of local governments for similar planning activities.

"The responses to our 1981 solicitation were of excellent quality, and have enabled BPA to sponsor pioneering conservation planning work in a number of Northwest communities," Hickok said. "I hope and expect the responses to this year's solicitation will be even more creative."

Further information on the program can be obtained from Terry Oliver by calling (503) 230-5311. Copies of the solicitation are available from Rosa Leon (503) 230-5192. Refer to number DE—RP79-82BP35496.

# Legal Notices

## ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 122

[FRL 1946-5]

### Underground Injection Control Program

Agency: Environmental Protection Agency

Action: Proposed rule.

**SUMMARY:** The Environmental Protection Agency (EPA) is proposing an amendment to its Consolidated Permit Regulations (40 CFR Part 122), as promulgated on May 19, 1980, to allow more flexibility to the Agency in prescribing Class II Underground Injection Control programs for Indian lands under the Safe Drinking Water Act.

**DATE:** EPA will accept public comments on the proposed amendments until June 7, 1982, either in writing or the informal public hearing to be held at the time and place listed below.

**ADDRESS:** Written public comments should be sent to the Comment Clerk, UIC Program Regulations, Office of Drinking Water (WH-550), EPA, Washington, DC 20460.

**PUBLIC HEARING:** A public hearing will be held in Washington, D.C., at the U.S. Environmental Protection Agency, 401 M St. SW, Room 3908 M, on June 2, 1982. The Agenda for the hearing is as follows:  
Registration, 8:30 am-9:00 am

Proposed amendment—9:00 am-5:00 pm or until all speakers have been heard.

**FOR FURTHER INFORMATION CONTACT:** Thomas E. Belk, Chief, Ground Water Protection Branch, Environmental Protection Agency, (202) 426-3934.

**SUPPLEMENTARY INFORMATION:** An issue which has arisen as a result of the enactment of the Safe Drinking Water Act, section 1425 (the "Waxman amendment") is what kind of program pursuant to section 1422(c) of the Act should EPA prescribe for Class II wells on Indian lands located in a State which does not have jurisdiction over the Indian lands or which does not have an approved Class II program.

The Agency's position with regard to a State's assertion of jurisdiction over Indian lands was set forth in the preamble to 40 CFR Part 123 as follows:

"EPA will assume that a State lacks authority unless the State affirmatively asserts authority and supports its assertion with an analysis from the State Attorney General. Thus, the State will not be forced to take a position unless it chooses to assert jurisdiction." (45 FR 33378).

As a result, EPA will prescribe and implement Underground Injection Control (UIC) programs on Indian reservations and lands except in cases where a State has chosen to assert and has demonstrated the requisite jurisdiction. Under the current Consolidated Permits Regulations, when EPA prescribes a program, whether for a State or Indian lands, it will do so in conformance with the requirements of 40 CFR Parts 122, 124 and 146, insofar as they apply to UIC programs (see e.g. 40 CFR 122.1(b)(1)(i) and (iii)).

The amendment proposed here today is not intended to suggest a change in the Agency's position concerning State assertion of jurisdiction over Indian lands. EPA believes that its approach, as expressed in 40 CFR Part 123, is still

correct. However, EPA does wish to raise the question of whether the Class II (oil and gas-related injection wells) UIC programs prescribed by the Agency for Indian lands should invariably follow 40 CFR Part 122, 124 and 146 or whether the Agency should be more flexible and take a number of considerations into account in designing an appropriate Class II UIC program for a particular Indian reservation.

The Agency's original approach would have assured that whenever EPA was responsible for implementing an UIC Program, only one set of Federal standards based on 40 CFR Parts 122, 124 and 146 would have applied. The existence of only one basic Federal program could have benefited not only EPA in administering the program but also owners and operators who would have had to learn but one set of requirements. This could be an important consideration since Class II operators also operate other types of injection wells, for example Class III. The existing regulations already provided some degree of flexibility to allow local circumstances to be taken into consideration. They did not, however, have the degree of flexibility that section 1425 provides for Class II wells. Thus the Agency is proposing to be more flexible and to take a number of considerations into account in designing a Class II program for Indian lands. In designing such a program it should be recognized that EPA is limited by Federal statutory authority in the types of requirements it can establish, and these limits will have to be taken into account when prescribing specific programs.

There are, however, two reasons why EPA believes that it may be appropriate to change its approach and the Agency wishes to invite comments on the proposed changes from interested parties. First, subsequent to the promulgation of the Consolidated Permit Regulations, Congress amended the Safe Drinking Water Act (SDWA). New section 1425 allows a State to make an alternative demonstration in order to gain EPA's approval for its Class II program. Whereas previously under section 1422 of the SEWA the State had to demonstrate that its UIC program met the requirements of the Consolidated Permit Regulations and Part 146, under section 1425 a State may choose to demonstrate that its Class II UIC program meets the requirements of section 1421(b)(1a)(A)-(D) and represents an effective program to prevent endangerment of underground sources of drinking water.

Prior to the enactment of section 1425, EPA expected all programs, whether adopted by States or prescribed by EPA, to share a certain degree of consistency since they would all be based on the Consolidated Permit Regulations and Part 146. Under section 1425, however, EPA expects to approve a number of State Class II UIC programs which, while effective, may vary significantly from the program the Agency would prescribe pursuant to the Consolidated Permit Regulations and Part 146.

The opportunity for an alternative demonstration under section 1425 raises the possibility, if EPA retains its current approach, that the State (within its jurisdiction) and EPA (for Indian lands) will establish inconsistent requirements for the regulation of oil and gas-related injection wells. This possibility is compounded by the fact that Indian lands cross State boundaries.

The Agency is mindful of the admonition of the Safe Drinking Water Act that, to the extent feasible, EPA regulatory actions designed to protect underground sources of drinking water should not unnecessarily interfere with or impede underground injections in connection with oil and natural gas production and recovery. In this regard, the Agency is aware of the possibility that special circumstances may exist in certain cases where the presence of two inconsistent Class II programs within a given State, within a given reservation, or perhaps between a reservation and an adjoining State, might create an undue burden on affected oil and gas producers.

The second reason for this proposal is that the Agency is mindful of the responsibilities and interests of tribal governments having authority over Indian lands. In keeping with the special "government-to-government relationship" which generally exists between such tribes and the Federal Government, it is appropriate to give special consideration to the expressed interests and desires of the affected tribal government when prescribing a Federal program for the Reservation.

The amendment proposed here today would allow EPA to prescribe the most appropriate Class II program for individual reservations or Indian lands where it is responsible for the UIC program. In determining the appropriate program in each case, the Administrator would take into account: (1) The interests and preferences of the responsible tribal government or nation; (2) the goal of simplifying regulatory requirements applicable to producers of oil and gas; and (3) the authorities and responsibilities conferred upon EPA by the Safe Drinking Water Act to protect underground sources of drinking water.

The Agency proposes to consider these factors in each case, based upon the facts pertaining to the individual reservation. The Agency anticipates that as a result of the proposed amendments some of the programs it prescribes for

Indian lands and reservations may be patterned after State programs in States which have primacy under Section 1425.

In States where EPA has jurisdiction, the Agency may prescribe a unified Federal Program pursuant to the Consolidated Permit Regulations and Part 146. Alternatively the Agency may prescribe a program different from either of these approaches, which may be suggested by the affected tribal government or other interested parties if that approach is deemed more appropriate and satisfies the requirements of the Safe Drinking Water Act. However, the Agency would in all cases take into consideration the desires of the tribal governments in establishing the specific programs.

Each specific Class II program prescribed for Indian lands or reservations, as all UIC programs prescribed by EPA, will be prescribed through formal rulemaking, with further opportunity for public comment and public hearing.

The Agency is requesting public comment on this amendment, specifically whether other pertinent factors have been overlooked which should be considered by the Administrator when prescribing Class II UIC programs for Indian reservations and lands. The Agency particularly welcomes comment from Indian tribes, oil and gas producers and others on the issue of tribal input into the Administrator's determination and the issue of consistency between programs in adjoining jurisdictions.

#### Impact on Small Businesses

Under the Regulatory Flexibility Act an agency is required to prepare an initial regulatory flexibility analysis whenever it is required to publish general notice of any proposed rule, unless the head of the agency certifies that the rule, if promulgated will not have a significant economic impact on a substantial number of small entities. This amendment is proposed in order to provide increased regulatory flexibility; therefore, the Administrator certifies that this regulation will not have a significant impact on a substantial number of small entities.

#### Executive Order 12291

Under Executive Order 12291, EPA must judge whether the proposed rule is major and therefore subject to the requirements of a regulatory impact analysis. The proposed amendment would provide increased flexibility to the Administrator and does not set any specific requirement for the regulated community. It does not constitute major rulemaking.

This amendment was submitted to OMB for review as required by Executive Order 12291.

(Secs. 1421, 1422, 1423, 1431, 1445, 1447, 1450, Safe Drinking Water Act, as amended 42 U.S.C. 300(f) et seq.)

Ann M. Gorsuch,  
Administrator.

#### List of Subjects in 40 CFR Part 122

Administrative practice and procedure, Air pollution control, Hazardous materials, Reporting and recordkeeping requirements, Waste treatment and disposal, Water pollution control, Water supply, Confidential business information.

40 CFR Part 122 is amended as follows:

**Part 122—EPA Administered Permit Programs: The National Pollutant Discharge Elimination System; The Hazardous Waste Permit Program; and the Underground Injection Control Program**

1. Add §122.46 which reads:

#### §122.46 Promulgation of Class II programs for Indian lands.

Notwithstanding the requirements of this Part of Parts 124 and 146, when the Administrator prescribes a Class II program for an Indian reservation or for Indian lands, he or she may do so in a manner that he or she deems appropriate for the individual reservation or Indian lands. In prescribing such programs the Administrator shall consider the following factors:

- (a) The interest and preferences of the tribal government having responsibility for the given reservation or Indian lands.
- (b) The consistency between the prescribed program and program or programs in effect in adjoining jurisdictions.
- (c) Such other factors as are necessary and appropriate to attain the purposes of the Safe Drinking Water Act.



# Opportunities

## HELP WANTED

**DIRECTOR, American Indian Bilingual Education Center (AIBEC),** College of Education, University of New Mexico, Albuquerque, N.M. 87131.

**Qualifications:**

1. Doctorate preferred with specialization in the areas of American bilingual education and educational administration.
2. Minimum experience (3-5) in administration of, and working with American Indians with emphasis on Navajo, Pueblo, and Oklahoma American Indian education programs.
3. Knowledge and experience in the area of American Indian teacher training, i.e. planning, coordinating and implementing workshops and technical assistance activities.
4. Fluency in English and an American Indian language of the target service area (Navajo, Apache, Pueblo, or Oklahoma American Indian languages).
5. Knowledge of the American Indian cultures and educational systems included in the target service area.
6. Knowledge of, and experience with federal project administration and university structure.
7. Minimum of three years classroom teaching experience (bilingual education preferred).
8. Knowledge of the Bilingual Education Title VII Network.
9. Experience in developing and writing proposals.

**Duties and Responsibilities (partial listing):**

1. Administers Center according to proposal specifications in providing services to Title VII American Indian bilingual projects and LEAs requesting service within service area.
  2. Selects and supervises qualified personnel necessary to achieve the goals and objectives of the Center.
  3. Assumes responsibility for the Center's budget, preparation and submission of interim and final reports, and evaluation of Center's activities.
  4. Works closely with Title VII target programs, SEAs, BESC's, other Title VII Network agencies, and Tribal groups in the service area to promote effective service development for target area bilingual projects.
  5. Represents Center within UNM structure and establishes and maintains a sound public relations program with all agencies.
- Employment: Position to be filled on or after June 30, 1982 and to exist for a three (3) year period contingent on continued federal funding.

Salary Range: \$25,043-\$27,000—commensurate with training and experience and UNM Personnel Policies.

Closing Date for Application: April 30, 1982.

For more information contact: Dr. Ignacio R. Cordova, Director, Multicultural Education Center, College of Education, University of New Mexico, Albuquerque, N.M. 87131, Telephone: (505) 277-5961.

Submit Applications to: Personnel Office, University of New Mexico, 1717 Roma, N.E., Albuquerque, N.M. 87131.

**STAFF ATTORNEY.** Southern Tier Legal Services seeks to fill a staff attorney position. The program is a five attorney program serving a largely rural population in Steuben, Allegany and Cattaraugus Counties in southwestern New York State. The practice is primarily in the areas of housing, public benefits, health and education law. The position is located in our main office in Bath, a small community in the western Finger Lakes area about one and one quarter hours south of Rochester. The area is exceptionally beautiful and has a variety of outdoor recreation activities.

There is a possible opportunity for concentration in one or more of the program's priority areas. An experienced attorney is preferred, although an exceptionally well qualified law school graduate will be considered. Applicants should send a resume, a sample of their legal writing, and the names, addresses and telephone numbers of three references to Southern Tier Legal Services, 56 Liberty Street, Bath, New York 14810 (Attn: Gerald A. McIntyre, Executive Director). The salary range for an experienced attorney is from \$19,626 to \$29,277, depending on the level of experience and tenure with the program. The starting salary for a law school graduate is

\$17,844. Members of the bar of another jurisdiction may practice in New York State for an 18 month period while working with a legal services office. In addition persons practicing five years or more in another jurisdiction may generally be admitted without taking the bar examination.

Southern Tier Legal Services is an equal opportunity employer, and will not discriminate on the basis of age, race, color, religion, sex, sexual preference, marital status, parental status, handicap or disability, national origin or prior criminal record not related to job performance. Minorities, women and handicapped are encouraged to apply. There is an especially strong need for black, Native American, and women attorneys in this area.

**SUMMER JOBS FOR COLLEGE STUDENTS:** Hewlett-Packard's Summer Employment and Educational Development (SEED) Program seeks out those highly motivated college students who want to broaden their education and advance their career with a practical co-op or summer work experience in a sophisticated technological environment. Once accepted in SEED, these students are viewed as potential permanent Hewlett-Packard employees. Openings are available in Research and Development, Manufacturing, Marketing, Finance, and Personnel.

HP recruits at over 200 U.S. campuses. Check with your placement office for HP's campus recruiting schedule, and sign-up for an interview. Or, you can apply directly to: SEED, Hewlett-Packard Co., Mail Stop 20AD, Hanover Street, Palo Alto, CA 94304.

## PUBLICATIONS

**POSTER AVAILABLE.** The 20" x 30" full-color poster features "The Flag Carrier," depicting the prologue to Crow tribal council ceremonies, by celebrated Crow artist Kevin Red Star. The limited edition was printed to commemorate *Night of the First Americans*, the March 4 CERT-sponsored Kennedy Center performance in Washington, D.C. to raise funds for Indian education programs in engineering, the sciences and business management. All posters are signed personally by the artist; proceeds from sales will benefit the education program as well. To order, please send \$30 (plus \$2.50 for postage and shipping) to: Attention Julia Nichols, Council of Energy Resource Tribes, 1140 Connecticut Avenue, N.W., Suite 310, Washington, D.C. 20036. Checks payable to: Night of the First Americans (CERT).

**CREEK CALENDAR:** The Creek Indian Calendar Co. is offering an 11" x 19" size, poster-type calendar, printed in the Muscogee and English languages. It retails at \$1.00 per calendar and can be ordered from the address below. There will be an additional charge of \$1.50 per order to cover postage costs. Creek Indian Calendar Co., P.O. Box 307, Stillwater, OK 74076.

**CAPITAL INDIAN GUIDE:** New 1981 D.C. Directory of Native American Federal and Private Programs at \$5.00 per copy. Directory lists contact names, title, mailing address and phone number of White House, U.S. Congress, federal government, Indian organizations, Indian interest groups, Indian business and professional groups, religious organizations, research sources, arts and crafts. Indian media, points of Indian cultural interest and general information on airlines, night spots and frequently used hotels and motels in D.C., Md., and Va. near IHS and BIA offices. Available for \$5 by ordering from D.C. DIRECTORY, American Indian Program, Phelps-Stokes Fund, 1029 Vermont Ave. NW, Suite 1100, Washington, D.C. 20005.

**ENERGY STUDIES:** Now available free of cost, *Publications of the Geological Survey, 1980*. 352 pp. Cumulative listing of publications advertised monthly in New Publications of the Geological Survey during 1980. Free on application to Eastern Distribution Branch, Text Products Section, U.S. Geological Survey, 604 S. Pickett St., Alexandria, VA 22304.

---

# THE CERT REPORT

1140 Connecticut Avenue, NW  
Suite 310  
Washington, DC 20036

---

---

## The CERT Calendar

<i>Sponsor</i>	<i>Subject</i>	<i>Date</i>	<i>Location</i>
House Interior Committee	Hearing on H.R. 5856, Indian Land Consolidation Act of 1982 by Udall	May 20, 1982	Room 1324 Longworth HOB Washington, DC 9:30 a.m.
Latin American Institute	American Indian International Conference	May 24-26, 1982	University of New Mexico Albuquerque, NM 87131 Dr. David Warren (505) 227-2961
National Congress of American Indians	Mid-Year Conference with focus on BIA realignment and reorganization.	May 26-28, 1982	Town & Country Hotel San Diego, Cal. Coordinator: Roanne Robinson (202) 546-1168
House Interior Committee	Hearing on H.R. 5425, H.R. 5426 and H.R. 5989, Osage Nation Reorganization Act and bills to define membership of Osage Tribe.	May 27, 1982	1324 Longworth HOB Washington, DC 9:30 a.m.
Native American Public Broadcasting Consortium	Sixth Annual National Indian Media Conference with workshops in print journalism, radio, TV and film	June 6-9, 1982	Old Town Sheraton Hotel Albuquerque, N.M. Frank Blythe (402) 472-3522
Senate Select Committee on Indian Affairs	Oversight hearings on BIA, tribal and FBI law enforcement on Indian lands with possible bill on Federal Magistrates.	June 9, 1982	Room 6226 Dirksen SOB Washington, DC 9:30 a.m.

---

# Electronic Industries Association



March 29, 1982

Mr. Vincent P. Lachelli  
1919 Pennsylvania Avenue, N.W.  
Suite 301  
Washington, D.C. 20006

Dear Mr. Lachelli:

I enjoyed our recent meeting, and was intrigued by your work on behalf of the Indian population in the U.S. The economic strategy which you have developed, and the consequent administration policy, make a great deal of sense to me; I look forward to discussing them further with you. To that end, I have set up a luncheon meeting on Wednesday March 31 for you, me and Jim Burge, Vice President of Personnel for Motorola, Inc. We will meet at noon at the Shoreham Hotel, in the main lobby.

In addition to a general discussion of your project and EIA's interest in it, I would like to discuss two items which occurred to me upon reflection of our meeting on Friday. First, one major assumption of your policy position is that high technology industries will be expanding and building new plants and facilities. I believe this should be substantiated and would recommend a study to collect such information. To the extent that this regards economic development of Indian tribes and reservations, I would expect the Department of Interior to be a funding source for such a study. The second item, which is related to the first, regards White House involvement in your project. There are numerous policy matters relevant to your work which fit very nicely into the Reagan administration -- for example, private sector involvement, and economic development in depressed areas of the U.S. (interprize zones). Inasmuch as this activity deals with growth of high tech industries, it may be very useful to involve the President's science and technology policy advisor, Mr. George Keyworth.

Let's discuss these matters further on Wednesday. I look forward to seeing you.

Sincerely,

Thomas B. Patton  
Director, Human Resources Council

cc Jim Burge, Motorola

WILLIAM S. COHEN, MAINE, CHAIRMAN

BARRY GOLDWATER, ARIZONA

JOHN MELCHER, MONTANA

MARK ANDREWS, NORTH DAKOTA

DANIEL K. INOUE, HAWAII

BLADE GORTON, WASHINGTON

DENNIS DE CONCINI, ARIZONA

TIMOTHY C. WOODCOCK, STAFF DIRECTOR

PETER S. TAYLOR, GENERAL COUNSEL

# United States Senate

SELECT COMMITTEE ON INDIAN AFFAIRS

WASHINGTON, D.C. 20510

WITNESS LIST FOR APRIL 29, 1982

## OVERSIGHT HEARING

### INTRODUCTORY REMARKS

Alan R. Parker, Counsel, Karl A. Funke & Associates.

### National Congress of American Indians

✓ Joe DeLaCruz, President  
Chairman, Quinault Indian Nation

Joe Baca, Chairman, NCAI Economic Development Committee  
Member Tewa and Santa Clara Pueblo Tribes

✓ Robert McLaughlin, Committee Member and Special Assistant  
to the Chairman; Member Standing Rock  
Sioux Indian Tribe

✓ Ted Bryant, Committee Member  
Member of Deloit, Haskins and Sells Accountants

### Council of Energy Resource Tribes

✓ Harry Early, Chairman, CERT Economic Development Committee;  
Governor Laguna Pueblo

Ronald Gutierrez, Committee Member;  
Councilman, Spokane Indian Tribe

Caleb Shields, Committee Member,  
Councilman, Ft. Peck Indian Community

### National Tribal Chairman's Association

✓ Phillip Martin, President  
Chief, Mississippi Choctaw Indian Tribe

Ernest Tiger, Economic Development Specialist,  
Mississippi Choctaw Indian Tribe

Charles Trimble, President  
Charles Trimble Co.,  
Member Oglala Sioux Indian Tribe

### American Indian National Bank

William Yallup, Member of AINB Board of Directors;  
Councilman, Yakima Nation

✓ Conley Ricker, Chief Executive Officer, A.I.N.B.

Statement of Alan Parker  
Counsel, Karl Funke & Associates  
Before the Senate Select Committee on Indian Affairs  
Oversight hearing on Indian Economic Development

Mr. Chairman, members of the Select Committee on Indian Affairs, I wish to express my appreciation on behalf of the Indian tribes and organizations represented here today for your agreement to schedule this hearing on Indian economic development policies and issues. It is my privilege to begin the testimony of Indian witness appearing before this committee by providing a brief overview of those economic conditions currently prevailing in Indian Country which have prompted the leaders of the major national Indian Organizations represented to request this hearing. The National Congress of American Indians, Council of Energy Resource Tribes and National Tribal Chairman's Association will be presenting testimony which summarizes a joint Indian position regarding long term, mid range and short term or immediate objectives and needs. Taken together, their statements address Indian tribal economic needs and goals on a comprehensive, coherent basis. Their recommendations for legislative, administrative and tribal initiatives constitute, in our view, a historic first in terms of the formulation of a realistic and achievable economic policy for Indian Affairs. This joint Indian testimony is based on the longstanding positions of Indian tribal leaders, as well as recommendations which have consistently been identified by the Congress, the GAO and leading experts in the field of Indian Economic Development and we are convinced that it effectively outlines the range of strategies and tasks needed to achieve real progress toward the goal of Indian economic self-sufficiency..

### Current Economic Conditions

There is really no room for debate over the fact that American Indians and Alaskan Natives experience poverty and unemployment along with the associated incidences of social pathologies, to an extent unequalled by any other group in America. These findings have been documented by every major task force and report on the subject and the U.S. Bureau of the Census. Despite occasional and isolated examples of economic progress, Indian reservation-resident per capita income, unemployment percentages and other relevant standard of living criteria show that the gap between the economic standard of Indian and non-Indian society has been increasing rather than decreasing in recent years. For example, in a recent report prepared in January 1982 by the Navajo Nation entitled "A Matter of Life", the official BIA unemployment rate for the reservation was estimated to be 75% and projected to exceed 80% by 1983. In 1979 the Bureau of Economic Analysis, U.S. Department of Commerce, estimated that rural Indian income per capita was \$3,246 compared to the U.S. average \$8,773. While the 1980 census data on such items is not yet available, there is little doubt that it will confirm the presence of extremely depressed economic conditions in Indian Country on a nationwide basis. In the face of these conditions of severe economic distress, it is clear that there are no rich or poor tribes, small or large tribes, the suffering and need is the same for all. These conditions have, of course, only been exacerbated by dramatic reductions in the level of federal assistance provided to Indian Tribes in FY '81 and 82. However, the attention focused on these problems has had the unintended but beneficial effect of shedding light on the underlying causes of the depressed tribal economy.

That is, the level of dependency on federal program assistance which has developed in Indian Country has been demonstrated in stark terms as a result of these federal budget cuts, particularly in such areas as CETA, EDA and HUD. Indeed, as forcefully pointed out in the Navajo report, such federal programs have created and sustained the foundations for the economy on most reservations and the traumatic withdrawal of such assistance has not only undermined tribal efforts to create a viable private sector economy but also crippled their ability to provide essential government services. Because the level of non-federally subsidized industrial and commercial activity on the reservations has been minimal, there are no real employment alternatives to such federal programs and, in the face of such staggering levels of unemployment, the market for goods and services produced by the fledging tribal private sector is itself depressed. Finally, the absence of a viable private sector on the reservation has greatly constrained the ability of Indian tribal governments to generate local tax revenues needed to support those essential government services and physical infrastructure construction necessary to attract private business and industry.

#### Fundamental Obstacles to Indian Economic Progress

In study after study commissioned by the Congress, the GAO, executive branch agencies and the tribes themselves, there is clear agreement regarding the fundamental obstacles to balanced economic growth in Indian Country: the lack of access to development capital and sources of commercial credit for the Indian business enterprise development, the lack of effective control over the development and management of Indian natural resources by the Indians themselves, and the absence of an experienced cadre of Indian managers and technicians. The testimony of

the three Indian organizations will identify and recommend tasks and strategies which can and should be taken to overcome these obstacles. For now it is sufficient to point out that these interrelated problems can be effectively dealt with through a systematic and multifaceted approach the substance of which constitutes the economic policy being recommended on a joint basis by the Indian leaders themselves.

#### Critique of past and present federal policies

"Too little and too late" accurately describes past and present federal efforts to stimulate and support Indian economic development. Lacking sufficient internal capital and effectively cut off from conventional sources of private financing, Indians have found themselves almost totally dependent upon the federal government as their primary source of capital for development. Since the 1950's, the federal government has provided capital in the form of categorical grants, subsidized loans, loan guarantees and interest subsidies. The record of the federal programs providing assistance to reservations has been mixed, and the impact of federal assistance has been diminished, according to several Congressional studies conducted over the past decade, because of a number of deficiencies in the administration of these programs. They include inadequate project review and monitoring, inadequate technical assistance, lack of effective coordination between agencies and inadequate funding. The failure of these efforts to achieve meaningful and tangible progress has served to discourage many tribes and their friends in the Congress. Despite this discouragement, the experience gained over the past decade has served to identify the steps that can be taken to overcome many of these deficiencies and shortcomings in the administration of federal economic development assistance programs.



As the following testimony will point out, an essential and vital role for such federal assistance must be part of any rational and carefully formulated economic policy for Indian Affairs. Indeed, any attempt to build tribal economies which can, eventually, be truly self-sustaining, must be premised on continued assistance for physical infrastructure, development planning, investment incentives and development financing to name only a few elements.

#### Indian Economic Development and the Trust Responsibility

A sound economic policy for Indian Country can only be based on adherence to the U.S. Trust Responsibility which includes as its essential elements such legal protections for the Indian land and natural resources as preservation from sale or financial encumbrance, exemption from federal and state taxation, and freedom from state control and regulation. All too often, the trust status of Indian lands and resources is characterized as a negative influence on Indian economic development potential in the sense that the trust status is a constraint on using these assets as collateral and security for financing. However, such an argument not only ignores the fact that viable alternatives to such security interest protection mechanisms are well established, but also overlooks the positive aspects of the trust status in relation to economic development potential. For example, tribally owned business enterprises enjoy significant tax advantages and reservation based commercial activities may be eligible for federally and tribally sponsored incentives and protections which can serve to enhance their economic status. Thus, maintenance of the trust responsibility will serve to protect the tribal status of the reservation homelands and provide a distinctive Indian nature to the tribal

economy itself. At the same time, it can be expected that the regulatory and bureaucratic nature of the federal trust agency will diminish as tribes assert a greater level of control over the development and management of their own natural resources.

In closing, I would like to again express my thanks to you, Mr. Chairman, for your sincere interest in these matters which are of such vital importance to the Indian tribes and their people. The priority and urgency which is ascribed to these questions of Indian Economic Policy by the leaders of the major Indian Tribal organizations' is attested to by their unprecedented efforts to formulate the joint position to be presented to this committee. This concludes my statement.