

PROVIDING FOR THE DISPOSITION OF A JUDGMENT RECOVERED BY THE CONFEDERATED SALISH AND KOOTENAI TRIBES OF FLATHEAD RESERVATION, MONT., IN PARAGRAPH 11, DOCKET NO. 50233, U.S. COURT OF CLAIMS, AND FOR OTHER PURPOSES

AUGUST 12, 1969.—Ordered to be printed

Mr. METCALF, from the Committee on Interior and Insular Affairs, submitted the following

REPORT

[To accompany S. 1766]

The Committee on Interior and Insular Affairs, to which was referred the bill (S. 1766) to provide for the disposition of a judgment recovered by the Confederated Salish and Kootenai Tribes of Flathead Reservation, Mont., in paragraph 11, docket No. 50233, U.S. Court of Claims, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill (as amended) do pass.

The amendment is as follows:

On page 1, line 6, after the word "of", insert the words "the final decision in".

PURPOSE

The purpose of S. 1766 is to provide for the disposition of an award in the amount of \$190,399.97 granted on December 18, 1967, by the U.S. Court of Claims to the Confederated Salish and Kootenai Tribes of the Flathead Reservation in Montana. Funds to cover the award were appropriated by the act of July 9, 1968 (82 Stat. 307), and the judgment funds are on deposit in the U.S. Treasury to the credit of the tribes. The Court of Claims allowed attorney fees of 10 percent of the total award, or \$19,039.99. No attorney expenses have been reported to date. Through December 31, 1968, accrued interest on the funds on deposit in the Treasury amounted to \$3,352.29, so, as of that date, the tribes had a balance of \$174,712.27 available from the total award granted.

NEED

Under a provision carried in each annual appropriation act for the Department of the Interior, appropriations to pay Indian claims

judgments cannot be expended until after legislation has been enacted setting forth the purposes for which the funds may be used. The enactment of S. 1766 will provide such legislation.

The award to the Salish and Kootenai Indians represents recovery on \$190,399.97 of tribal funds that were unlawfully used by the United States to pay the expenses of the survey, classification, appraisal and opening of the reservation lands under the act of April 23, 1904.

S. 1766 provides that the judgment funds may be used for any purposes that are authorized by the tribal governing body and approved by Secretary of the Interior. The Confederated Tribes adopted a resolution on May 14, 1968, to apply all of the judgment funds in Court of Claims case No. 50233 to the tribal credit program in order to meet pending loan applications for which there are insufficient funds.

This credit program is financed entirely from tribal funds and its resources are available to all enrolled tribal members, regardless of the availability to them of credit from other sources.

COST

Enactment of this legislation will not result in the expenditure of any Federal funds.

DEPARTMENTAL REPORT

The favorable report of the Department of the Interior is as follows.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., July 22, 1969.

HON. HENRY M. JACKSON,
*Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request for the views of this Department on S. 1766, a bill to provide for the disposition of a judgment recovered by the Confederated Salish and Kootenai Tribes of Flathead Reservation, Mont., in paragraph 11, docket No. 50233, U.S. Court of Claims, and for other purposes.

We recommend the enactment of S. 1766.

On July 7, 1964, the Court of Claims held that the tribes were entitled to recover on \$190,399.97 of tribal funds that were unlawfully used by the United States to pay the expenses of the survey, classification, appraisal and opening of the reservation lands under the act of April 23, 1904 (33 Stat. 305). An appeal taken to the Supreme Court on August 9, 1966, requesting an allowance of interest on the sum awarded, was denied on October 24, 1966. On December 18, 1967, the Court of Claims entered a final judgment in the amount of \$190,399.97 in paragraph 11, Court of Claims case numbered 50233, after denying defendant's claimed offsets of approximately \$38,000.

Funds to cover the judgment were appropriated by the act of July 9, 1968 (82 Stat. 307). Attorneys' fees have not yet been determined by the court. In view of the recent date of the act appropriating covering funds, no interest warrants have accrued to the credit of the tribes; however, the judgment funds on deposit in the U.S. Treasury accrue interest at the rate of 4 percent per annum.

The proposed bill provides that the judgment funds may be used for any purposes authorized by the tribal governing body and approved by the Secretary of the Interior. The Confederated Salish and Kootenai Tribes adopted a resolution on May 14, 1968 (a copy of which is enclosed), to apply all of the judgment funds in Court of Claims case No. 50233 to their tribal credit program to meet pending loan applications for which there are insufficient funds. The loan program has been highly successful on the reservation and has made an outstanding contribution to the economic advancement of the individual tribal members who reside on the reservation.

A previous judgment in the amount of \$4,431,622 was awarded to the Confederated Tribes in Indian Claims Commission docket No. 61. Authority to make disposition of that award is governed by the act of April 22, 1967 (81 Stat. 13). The tribes propose to invest \$1 million of that award and to expend \$3 million in per capita payments of \$550 to tribal members for use in family plan programs. The Confederated Salish and Kootenai Tribes have four claims pending in Court of Claims case No. 50233 and one claim in docket No. 156 pending before the Indian Claims Commission.

The Confederated Tribes are organized under the act of June 18, 1934. Their constitution was approved on October 28, 1935. The tribal governing body is a council of 10 members who elect a chairman and vice chairman from within its membership. The council also is authorized to appoint other officers.

The tribal membership as of June 30, 1966, was 5,360. Of that number, 2,847 resided on the reservation. The remainder lived in other parts of Montana or elsewhere within the United States.

A socioeconomic report on the Confederated Salish and Kootenai Tribes was furnished in connection with the act of April 22, 1967, *supra*.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

RUSSELL E. TRAIN,
Under Secretary of the Interior.

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