

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

SEPTEMBER 4, 1969.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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

REPORT

[To accompany H.R. 9756]

The Committee on Interior and Insular Affairs, to whom was referred the bill (H.R. 9756) 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, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendment is as follows:

Page 1, line 6, after the first "of" insert "the final decree in".

PURPOSE

The purpose of this bill, introduced by Mr. Olsen, is to permit the Flathead Tribes to use a judgment for \$190,399 recovered by the Indians in the Indian Claims Commission and affirmed by the Court of Claims. Money to pay the judgment has been appropriated, but under a provision carried in the annual appropriation act such funds cannot be used until specifically authorized by Congress.

NEED

The tribes propose to use the money to augment their tribal credit program, which has insufficient funds. The credit program is financed entirely from tribal funds, and has been successful. The delinquency rate is only 2 percent.

The credit program is available both to on-reservation and off-reservation members, but loans to off-reservation members are restricted to two categories: education and emergencies. Information requested during subcommittee hearing shows that during the last 2½-year period 27 educational loans were made (14 to on-reservation students and 13 to off-reservation students); 373 emergency loans were made (307 to on-reservation members and 66 to off-reservation members). Most of the remaining loans were for home construction and improvement. Others were for the acquisition of land, businesses, machinery, cattle, and supplies.

A much larger judgment was recovered by the Flathead Tribes, a few years ago, and it was authorized to be distributed by legislation enacted in the 90th Congress (81 Stat. 13). Approximately \$3 million of that judgment was used for per capita payments (\$550 each) and \$1 million was invested. A per capita distribution of the present judgment would not be practical because of the relatively small amount involved and the large tribal membership (5,500 persons).

COMMITTEE AMENDMENT

The committee amendment is a technical and perfecting one.

COST

Enactment of the bill will involve no Federal cost.

RECOMMENDATION

The committee recommends that the bill as amended be enacted.

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. WAYNE N. ASPINALL,
*Chairman, Committee on Interior and Insular Affairs,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request for the views of this Department on H.R. 9756, 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 H.R. 9756.

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 No. 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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