

EXHIBIT

DATE 3/7/07

HP 301

The Chippewa Cree Tribe of the Rocky Boy's Reservation

Phone: (406) 395-4478 or 4210 - Finance Office
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March 5, 2007

House Appropriations Committee
Members of the House of Representatives State Capitol
Helena, MT 59620

Dear Mr. Chairman:

As an organization actively involved in economic development in Montana, I want to express my concern for the actions that have been taken within the House Appropriations Committee that negatively impact the economic development capability of the State of Montana.

The Montana Department of Commerce is an integral part of the economic development activities at the local level throughout the state of Montana. We have had the opportunity to work with the Department of Commerce and find their efforts to be professional and effective.

The budget recommendations submitted to the Legislature by the Governor of Montana have my support and that of others in the economic development community. Reductions in the appropriations submitted in House Bill 2 will be harmful to the economic development activities of the State and its local areas. We depend upon a strong State level effort to help us be successful at the local level. Economic development is about partnerships and stripping away capacity at any level will cause serious loss of effective action.

We are particularly concerned about the deductions in the Department of Commerce, which will reduce biennial economic development funding as follows:

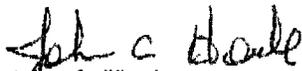
- . State Tribal Economic Development Commission - \$79,288 in cuts.
- . New Worker Training Funds - \$4,000,000 in cuts
- . Main Street Montana* - \$247,044 in cuts
- . Made in Montana Program - \$200,000 in cuts
- . Indian Country Economic Development funding - \$400,000 in cuts
- . Fund of Funds (Venture Capital) funding - \$217,139 in cuts
- . Community Technical Assistance Program* - \$332,196 in cuts

* 100% elimination of program

All of these programs contribute to the fabric of a strong economic development program effort for the State. These reductions will be harmful on the main streets of every Montana City or town, including ours.

We cannot support the reduced economic development spending levels for the Department of Commerce that are presently in House Bill 805. We urge the committee, and if necessary, the members on the floor of the House of Representatives, to resurrect the Department of Commerce Economic Development funding embodied in the original House Bill 2 by the Governor. Only by doing that can we insure that the active and effective partnership economic growth that currently exists will remain productive for the good of the citizens of the state and its communities.

Sincerely,



John C. Houle
Chairman!