



State-Tribal Relations Committee

67th Montana Legislature

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TO: State-Tribal Relations Committee
FROM: Pad McCracken, Committee Staff
RE: Decennial report and other clean-up progress update
DATE: March 25, 2022

At your January 13-14, 2022, meeting, the committee directed me to work with Senators Webber and Fox on a provisional bill draft addressing the "decennial study" of the economic contributions of the tribes to Montana's economy. This has been a topic of conversation throughout the interim, and in January you were presented with this [background memo](#) I prepared and [these slides](#) from Office of Indian Country Economic Development at the Department of Commerce. There seem to be persistent questions about exactly what the Legislature wanted from the report, the timeline, and the adequacy of the funding provided by the 2019 Legislature—\$48,000.

Senators Webber and Fox and I have met with Director of Indian Affairs Misty Kuhl and Maria Valandra and Liane Taylor from the Department of Commerce twice via Zoom since January.

We will walk through the attached table which provides a concise overview of the issues this informal working group has identified and some options for STRC as a whole to consider as the working group continues its work. While we have developed some preliminary bill drafts reflecting the two options on the table, it seemed more productive to hold off for now on bringing the drafts to the full committee.

The working group is leaning towards recommending the component of option #2 that replaces the existing requirement that Commerce publish a decennial report with a requirement that Commerce develop a system to collect and publish data on the economic contributions of Indian Country on an ongoing basis. Here is the draft language in its current form:

[The department of commerce shall...] in collaboration with the state-tribal economic development commission and tribal governments, develop a system for gathering financial data allowing the department to quantify on an ongoing basis the economic contributions of Indian reservations in Montana and the Little Shell Chippewa tribe based on federal, state, local, tribal, and private inputs. The department shall, beginning no later than December 1, 2024, and in a manner beneficial to tribal governments,

policymakers, and the public, make readily available on an ongoing basis data quantifying the economic contributions of Indian reservations in Montana and the Little Shell Chippewa tribe.

Other Background

This is not a comprehensive timeline of legislation related to Indian Country Economic Development, but it may offer some insight into the way things have evolved over time.

1999 – [HB 670](#) (Eggers) "The Native American Economic Development Act of 1999"

- Created STED; attached to the Governor's Office
- Required STED to conduct a comprehensive assessment of reservations economic conditions (the first two YellowRobe reports were done as part of this)
- Required the Governor's Director of Indian Affairs to report at every STRC meeting on the actions of STED
- Required the Governor's Director of Indian Affairs to hire a "federal grants coordinator" and a "tribal business center coordinator" (these positions were apparently never funded or hired)
- Created state and federal special revenue accounts for STED and transferred and appropriated \$200,000 into the state account
- Required Commerce to assist STED

2005 – [HJ 41](#) (Campbell)

- An interim study resolution on Indian Country economic development; the 2005-2006 STRC reported on this (see chapter four of its [final report](#))

2005 – [HB 2](#)

- The origins of the Indian Country Economic Development (ICED) grant programs administered by STED appear to be in a \$500,000/year OTO appropriation to Commerce; the appropriation was not accompanied by any legislation describing the program and was intended to be designed and implemented by Commerce in consultation with STED

2007 – [SB 173](#) (Juneau):

- Moved STED to Commerce
- Repealed termination dates for STED

2017 – [SB 309](#) (Whitford):

- Carved out a small slice of the "bed tax" for STED to utilize for activities in the Indian tourism region; this money goes to STED's state special revenue account

2019 – [HB 632](#) (Bahr):

- Established the decennial report assigned to Commerce (and BBER) and appropriated \$48,000 to Commerce to pay for the costs of the report

Options for addressing the "Decennial Report" and other statutory issues related to economic development in Indian Country

prepared for STRC, April 2022, by Pad McCracken, STRC staff

DIA – Director of Indian Affairs
STED – State-Tribal Economic Development Commission
SR – Special Revenue account

	Current Law	STRC Option 1 (PD 24)	STRC Option 2 (PD 25)
Tribal business center coordinator and federal grants coordinator in the Office of the State Director of Indian Affairs	DIA required to hire Purpose unclear Never funded/hired (?) Intended to be paid out of SRs in 90-1-134	Eliminate statutory references to positions	Keep one or both positions and clarify one purpose is securing funding in SSRs to pay for position and studies/reports
Decennial report (added 2019)	Duty of Commerce under 90-1-105; insufficiently funded in 2019	Merged with comprehensive assessment and assigned to either Commerce or STED in collaboration with other Simplified to focus solely on economic contributions of tribes	These two reports/studies replaced with charge to Commerce, in collaboration with STED and the tribes, to develop an ongoing data collection process, annually capturing the economic contributions of participating tribes
Comprehensive assessment (STED duty since inception in 1999; original YellowRobe Report was part of this; full assessment never completed?)	Duty of STED under 90-1-132(2)(f) and 90-1-133		
State and Federal Special Revenue Accounts in 90-1-135 for the use of STED	These are supposed to pay STED admin, salaries of the two coordinator positions, and costs of comprehensive assessment. Federal SR has never had funding. State SR received \$200K GF approp in 1999, then nothing until bed tax slice that is restricted to Indian Country tourism promotion by STED (2017).	Revised to reflect current reality; perhaps utilized for revenue stream to fund "decennial study"	Revised to reflect current reality; perhaps utilized for revenue stream to fund development of data collection described above
DIA position and duties	Position established in 2-15-217 not linked with duties described in 90-11-101 and 90-11-102	Link these sections	
LEG policy 90-11-101 DIA duties 90-11-102 STED duties 90-1-132	May not reflect reality/practice	Review and revise as needed	