



# State-Tribal Relations Committee

67th Montana Legislature

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TO: State-Tribal Relations Committee  
FROM: Pad McCracken, Committee Staff  
RE: Decennial report bill draft update  
DATE: July 19, 2022

I provided a [memo](#) at your April and May meetings that contains links to other background information that may be useful.

The informal decennial report work group met via Zoom on July 19. Senators Small, Fox, and Webber, and Representative Read attended along with Liane Taylor from the Department of Commerce.

The work group suggested the following changes that are reflected in the attached provisional bill draft, PD 25:

- in the new language regarding ongoing data gathering of the tribes' economic contributions, add the ability of commerce to collaborate with "other partners" and accept contributions and donations to support the data gathering
- remove from statute any references to the positions of "federal grants coordinator" and a "tribal business center coordinator" in the Office of the Director of Indian Affairs
- streamline STEDC's state special revenue account so that:
  - revenue from the bed tax is used to support Indian tourism;
  - other revenue received is used for STEDC administrative costs first and then for any other purposes STEDC sees fit

The work group asked that the full STRC review and discuss these changes on July 27 in Billings and consider seeking input from the budget office, Director of Indian Affairs, Department of Commerce, and STEDC at the committee's final meeting on September 9 in Helena.



1 (4) The governor may appoint an applicant agreed upon by the tribal councils as provided in  
2 subsection (2) whose skills and experience are commensurate with the qualifications set forth in subsection (3).

3 ~~(5) The state director of Indian affairs shall carry out the legislative policy set forth in 90-11-101 and~~  
4 ~~perform the duties assigned under 90-11-102."~~

5

6 **Section 2.** Section 90-1-105, MCA, is amended to read:

7 **"90-1-105. Functions of department of commerce -- economic development.** The department of  
8 commerce shall:

9 (1) provide coordinating services to aid state and local groups and Indian tribal governments in the  
10 promotion of new economic enterprises and conduct publicity and promotional activities within the state,  
11 nationally, and internationally in connection with new economic enterprises;

12 (2) collect and disseminate information regarding the advantages of developing agricultural,  
13 recreational, commercial, and industrial enterprises within this state;

14 (3) serve as an official state liaison between persons interested in locating new economic enterprises  
15 in Montana and state and local groups and Indian tribal governments seeking new enterprises;

16 (4) aid communities and Indian tribal governments interested in obtaining new business or expanding  
17 existing business;

18 (5) (a) study and promote means of expanding markets for Montana products within the state,  
19 nationally, and globally; and

20 (b) provide training and assistance for Montana small businesses and entrepreneurs to expand  
21 markets for made-in-Montana products;

22 (6) encourage and coordinate public and private agencies or bodies in publicizing the facilities and  
23 attractions of the state;

24 ~~(7) starting in 2020, publish a decennial report, to be authored by the bureau of business and~~  
25 ~~economic research at the university of Montana, on the economic contributions and impacts of Indian~~  
26 ~~reservations in Montana based on federal, state, local, tribal, and private inputs. Copies of the report must be~~  
27 ~~provided to the governor, each tribal government in Montana, the state tribal economic development~~  
28 ~~commission, and the state tribal relations committee in accordance with 5-11-210, and the report must be~~

1 ~~published on the department's website in collaboration with the state-tribal economic development commission,~~  
2 ~~tribal governments, and other partners, develop a system for the gathering of data allowing the department to~~  
3 ~~quantify on an ongoing basis the economic contributions of Indian reservations in Montana and the Little Shell~~  
4 ~~Chippewa tribe based on federal, state, local, tribal, and private inputs. The department shall update the state-~~  
5 ~~tribal relations committee on this effort and beginning no later than December 1, 2024, and in a manner~~  
6 ~~beneficial to tribal governments, policymakers, and the public, make readily available on an ongoing basis data~~  
7 ~~on the economic contributions of Indian reservations in Montana and the Little Shell Chippewa tribe. The~~  
8 ~~department may accept contributions and donations from individuals and organizations for the purpose of this~~  
9 ~~subsection (7).~~

10 (8) explore the use of cooperative agreements, as provided in Title 18, chapter 11, part 1, for the  
11 promotion and enhancement of economic opportunities on the Indian reservations in Montana; and

12 (9) assist the state-tribal economic development commission established in 90-1-131 in:

13 (a) identifying federal government and private sector funding sources for economic development on  
14 Indian reservations in Montana; and

15 (b) fostering and providing assistance to prepare, develop, and implement cooperative agreements, in  
16 accordance with Title 18, chapter 11, part 1, with each of the tribal governments in Montana."  
17

18 **Section 3.** Section 90-1-132, MCA, is amended to read:

19 **"90-1-132. Commission purposes -- duties and responsibilities.** (1) The general purposes of the  
20 state-tribal economic development commission include:

21 (a) assisting, promoting, encouraging, developing, and advancing economic prosperity and  
22 employment on Indian reservations in Montana by fostering the expansion of business, manufacturing, tourism,  
23 agriculture, and community development programs;

24 (b) cooperating and acting in conjunction with other organizations, public and private, to benefit tribal  
25 communities;

26 (c) recruiting business enterprises to locate on or invest in enterprises on the reservations; and

27 (d) identifying, obtaining, and coordinating federal, state, and private sector gifts, grants, loans, and  
28 donations to further economic development on the Indian reservations in Montana.

1 (2) The state-tribal economic development commission shall:

2 (a) in conjunction with the tourism advisory council provided for in 2-15-1816, oversee use of  
3 proceeds to expand tourism activities and visitation in the Indian tourism region;

4 (b) determine, ~~with assistance from the tribal business center coordinator and the federal grants~~  
5 ~~coordinator in the office of the state director of Indian affairs,~~ the availability of federal, state, and private sector  
6 gifts, grants, loans, and donations to tribal governments, Indian business enterprises, and communities located  
7 on Indian reservations in Montana;

8 (c) apply for grants listed in the Catalog of Federal Domestic Assistance for which the commission is  
9 eligible and which would, if awarded, supply identifiable economic benefits to any or all of the Indian  
10 reservations in Montana;

11 (d) in cooperation with a tribal government, and when allowed by federal law and regulation, assist  
12 the tribe in applying for grants listed in the Catalog of Federal Domestic Assistance for which an appropriate  
13 tribal entity is eligible and which would, if awarded, supply identifiable economic benefits to any or all of the  
14 Indian reservations in Montana;

15 (e) evaluate the apportionment of current spending of federal funds by state agencies in areas  
16 including but not limited to economic development, housing, community infrastructure, business finance,  
17 tourism promotion, transportation, and agriculture;

18 ~~(f) conduct or commission and oversee a comprehensive assessment of the economic development~~  
19 ~~needs and priorities of each Indian reservation in the state;~~

20 (g) notify tribal governments, the governor, the state director of Indian affairs, and the directors of the  
21 departments of commerce, agriculture, and transportation, of the availability of specific federal, state, or private  
22 sector funding programs or opportunities that would directly benefit Indian communities in Montana;

23 (h) assist tribal governments and other tribal entities that are eligible for federal assistance programs  
24 as provided in the most recent published edition in the Catalog of Federal Domestic Assistance in applying for  
25 funds that would contribute to the respective tribes' economic development;

26 (i) work cooperatively with tribal government officials, the state director of Indian affairs, and other  
27 appropriate state officials to help foster state-tribal cooperative agreements pursuant to Title 18, chapter 11,  
28 part 1, that will:

- 1 (i) enhance economic development on the Indian reservations in Montana; and
- 2 (ii) help the department of commerce to fully implement and comply with the provisions of 90-1-105;
- 3 and
- 4 (j) provide to the governor, the legislative council, the state-tribal relations committee, the legislative
- 5 auditor, and to each of the presiding officers of the tribal governments in Montana a biennial report in
- 6 accordance with 5-11-210 that summarizes the activities of the commission."

7

8 **Section 4.** Section 90-1-135, MCA, is amended to read:

9 **"90-1-135. Special revenue accounts.** (1) There is a state special revenue account in the state

10 treasury for the receipt of state and private funds and a federal special revenue account in the state treasury for

11 the receipt of federal funds for expenditure by the state-tribal economic development commission established in

12 90-1-131.

13 (2) Money in the state special revenue account from proceeds distributed under 15-65-121~~(2)(g)~~ and

14 15-68-820 is to be used for activities for the Indian tourism region, defined in 15-65-101.

15 (3) Except as provided in subsection (2), money in the accounts established in subsection (1) must be

16 used to pay:

- 17 (a) the commission's administrative costs;
- 18 ~~(b) the salary, benefits, and administrative expenses of the tribal business center coordinator and the~~
- 19 ~~federal grants coordinator; and~~
- 20 ~~(c) the costs of conducting or commissioning and periodically updating or otherwise modifying a~~
- 21 ~~comprehensive assessment of economic development needs and priorities on each of the Indian reservations~~
- 22 ~~in the state.~~

23 (4) Money in the accounts that is not expended for the purposes identified in subsection (2) or (3) may

24 be used for other purposes that the commission considers prudent or necessary.

25 (5) Interest and income earned on the money in the accounts must be deposited in the accounts for

26 the commission's use."

27

28 **Section 5.** Section 90-11-101, MCA, is amended to read:

1           **"90-11-101. Legislative policy.** The legislature finds and declares that:

2           (1) a considerable portion of the citizens of the state of Montana are American Indians;

3           (2) since statehood, Indian citizens of the state of Montana have lived on reservations set apart for  
4 those purposes by the United States of America, and by virtue of their isolation and supervision by the federal  
5 government, great problems of economic and social significance have arisen and presently exist;

6           (3) the best interests of Montana Indian tribes will be served by engaging in government-to-  
7 government relationships designed to recognize the rights, duties, and privileges of full citizenship that Indians  
8 are entitled to as citizens of this state;

9           (4) because the tribes are domestic dependent nations, agencies of the federal government retain  
10 jurisdiction and a fiduciary duty throughout the state of Montana for the administration of economic, social,  
11 health, education, and welfare programs for Indians;

12           (5) unique differences exist between the tribes, their reservations, customs, and treaties, and their  
13 respective relationships with the federal government, all of which influence the relationships among tribes and  
14 between the tribes and the state;

15           (6) there are sizeable numbers of off-reservation enrolled and unenrolled Indians residing in our state  
16 whose needs for social, environmental, educational, and economic assistance are borne in part by state and  
17 local agencies;

18           (7) programs of the state of Montana should not duplicate those supported by agencies of the federal  
19 government or tribal governments with regard to jurisdiction of Indian people, because state responsibility  
20 includes off-reservation Indians and because those Indians require assistance to coordinate their affairs with  
21 various tribal groups and federal agencies where they have no official recognition;

22           (8) the state and the tribes working together in a government-to-government relationship and  
23 engaging in compacts and other cooperative agreements for the benefit of Indian and non-Indian residents will  
24 promote economic development, environmental protection, education, social services support, and enduring  
25 good will;

26           (9) to facilitate the discussion and resolution of issues and concerns that Indian tribes have in relation  
27 to the state, the federal government, and among themselves, the state director of Indian affairs, established in  
28 2-15-217, shall:

- 1 (a) maintain effective tribal-state communications;
- 2 (b) assess tribal and individual Indian concerns and interests to seek ways and means of
- 3 communicating these concerns and interests to relevant state agencies and to the legislature and actively
- 4 assist in organizing these efforts; and
- 5 (c) act as a liaison for tribes and Indian people, whether the Indian people reside on or off
- 6 reservations, whenever assistance is required;
- 7 (10) the state director of Indian affairs shall endeavor to assist tribes to seek agreements between the
- 8 state and tribes and to work toward a consensus among the tribes and other parties on shared goals and
- 9 principles."

10  
11 **Section 6.** Section 90-11-102, MCA, is amended to read:

12 **"90-11-102. Duties and assistance.** (1) It is the duty of the state director of Indian affairs, established

13 in 2-15-217, to carry out the legislative policy set forth in 90-11-101.

14 (2) The state director shall:

- 15 (a) meet at least quarterly with tribal governments and become acquainted with the problems
- 16 confronting the Indians of Montana;
- 17 (b) meet with executive branch directors on issues arising between Montana's Indian citizens, tribes,
- 18 and state agency personnel and programs;
- 19 (c) report to the governor's cabinet meeting concerning issues confronting Indian people and tribal
- 20 governments;
- 21 (d) advise the legislative and executive branches of the state of Montana of those problems and
- 22 issues;
- 23 (e) make recommendations for the alleviation of those problems and issues;
- 24 (f) serve the Montana delegation in the federal congress as an adviser and intermediary in the field of
- 25 Indian affairs;
- 26 (g) act as a liaison for representative Indian organizations and groups, public and private, whenever
- 27 the state director's support is solicited by tribal governmental entities;
- 28 (h) serve on the state-tribal economic development commission established in 90-1-131; and



1 (i) report in detail at every meeting of the state-tribal relations committee those actions taken by the  
 2 state-tribal economic development commission established by 90-1-131 to carry out its duties; ~~and~~  
 3 ~~(j) hire, with the concurrence of the other members of the state-tribal economic development~~  
 4 ~~commission, a tribal business center coordinator and a federal grants coordinator, and subsequently provide~~  
 5 ~~administrative support for both positions.~~

6 (3) All executive and legislative agencies of state government may within the area of their expertise  
 7 and authority provide assistance to tribal councils or their official designees requesting assistance on any  
 8 matter relating to education, health, natural resources, and economic development on Indian reservation lands."

9  
 10 **NEW SECTION. Section 7. {standard} Repealer.** The following sections of the Montana Code  
 11 Annotated are repealed:

12 90-1-133. Comprehensive assessment on reservations.

13  
 14 - END -

15  
 16 "90-1-133. Comprehensive assessment on reservations. (1) The state-tribal economic development  
 17 commission shall conduct an accurate, comprehensive, detailed, and objective assessment of economic  
 18 conditions on each of the Indian reservations in the state. In addition to an initial assessment, the commission  
 19 may also require periodic updates of the data and analysis contained in the assessment, mainly for the purpose  
 20 of monitoring progress toward goals and objectives set forth by the commission.  
 21 (2) The commission, the state director of Indian affairs, or the governor may issue a request for  
 22 proposals and, on the basis of a competitive bidding process, select a qualified researcher or research team  
 23 from the private sector or a college or university to conduct the assessment and report findings and conclusions  
 24 to the commission.  
 25 (3) If the commission has adequate financial resources, the commission may, at its discretion,  
 26 conduct or commission subsequent followup studies or assessments to obtain updated information.  
 27 (4) An assessment of economic conditions on the Indian reservations in Montana must include the  
 28 consideration of multiple dimensions of economic development, including reservation demographics, economic

- 1 development strengths and weaknesses, salient factors relating to economic development, natural resources,
- 2 conditions in the natural environment, human resources, financial resources, business assistance programs,
- 3 job training programs, education curriculum, the availability of technical training and assistance, and relevant
- 4 tribal, state, and federal policies."

DRAFT