

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., July 5, 1978.

HON. CLAIBORNE PELL,
*Chairman, Committee on Rules and Administration, U.S. Senate,
Washington, D.C.*

DEAR MR. CHAIRMAN: The Committee on Armed Services has reported to the Senate, Senate Resolution 504 authorizing an additional \$15,000 for routine expenses for the committee for the remainder of the 95th Congress.

At the beginning of this Congress the Committee requested and was authorized by the Senate to expend \$85,000 in addition to the \$10,000 which is automatically funded for each committee for each Congress for routine purposes. This total of \$5,000 was expected to cover the needs of the committee for the entire Congress, however, only about \$3,800 now remains.

The principal item of expenditure is for transcripts which so far this Congress has amounted to \$80,300, reflecting the very heavy meeting schedule of the committee and subcommittees. Over \$10,700 has been spent on other routine expense items of which \$5,800 has been spent for stationery supplies; \$1,700 for telephone services; \$1,100 for newspapers and \$2,000 for miscellaneous expenditures.

The current balance of less than \$3,800 will not cover the anticipated cost of routine expenses for the months remaining until the beginning of the next Congress, especially since the committee expects to continue a full schedule of hearings.

It is hoped that favorable consideration will be given to this resolution.

Sincerely,

JOHN C. STENNIS,
Chairman.

JOHN TOWER,
Ranking Minority Member.

SISSETON-WAHPETON SIOUX TRIBE LAND
CONSOLIDATION

JULY 13 (legislative day, MAY 17), 1978.—Ordered to be printed

Mr. ABOUREZK, from the Select Committee on Indian Affairs,
submitted the following

REPORT

[To accompany S. 3069]

The Select Committee on Indian Affairs, to which was referred the bill (S. 3069) to provide that members of the Sisseton-Wahpeton Sioux Tribe may request the Secretary of the Interior to acquire certain lands, and to provide that the tribe shall have a preference right to purchase certain lands held in trust by the United States for tribal members, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

The amendments are as follows:

1. On page 2, line 10, strike "(1)".
2. On page 2, line 19, strike "(d)" and insert "(c)".

PURPOSE

S. 3069 amends the Act of October 26, 1974, Public Law 93-491 (88 Stat. 1468), which provides for the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation to consolidate its landholdings in North Dakota and South Dakota. The purpose of the amendments is twofold: (1) It authorizes the Secretary of the Interior to acquire lands within the boundaries of the Lake Traverse Reservation for individual members of the Sisseton-Wahpeton Sioux Tribe as well as for the Tribe itself (under existing law, only the Tribe could acquire land within the reservation); and, (2) It authorizes the Tribe to exercise a first right of purchase with respect to lands held in trust by the United States for tribal members when the lands are offered for sale at public sale or auction.

(1)

BACKGROUND AND NEED

The Lake Traverse Indian Reservation was established by the Treaty of February 19, 1867 (15 Stat. 505). The reservation is V-shaped and lies in the northeast corner of South Dakota with a small portion in the southeast corner of North Dakota. The original reservation contained 918,779.32 acres. The allotment of tribal lands to individual members and the sale of "surplus" tribal land for homesteading purposes has resulted in much of the land passing into non-Indian ownership.

The Indian lands are checker-boarded and scattered throughout the original reservation. Many of these trust allotments are badly fractionated into multiple ownership. Because of these factors, the Tribe and its members has had a very limited opportunity to manage its lands for the common good. To alleviate these problems, the Act of October 26, 1974, Public Law 93-491 (88 Stat. 1468) was passed. This Act authorizes the Tribe to sell, exchange or mortgage tribal lands for the purpose of acquiring other lands within the boundary of the reservation through purchase, gift or exchange. The lands so acquired may, in the discretion of the Secretary of the Interior, be taken in trust by the United States for the benefit of the Tribe. The effect of the Act is to permit the Tribe to consolidate its current tribally-owned lands into manageable units and to eliminate the debilitating effect of the fractionation of individual Indian lands through tribal purchase of the interests.

The existing Act is inadequate to respond to the demands of individual members to acquire land for homesites, businesses or to buy out other heirs. Problems also exist with individually owned Indian trust lands within the reservation passing out of Indian ownership at public sales or auctions as the result of foreclosure proceedings. Jerry Flute, tribal chairperson, has requested the amendments proposed in S. 3069 to alleviate these problems.

LEGISLATIVE HISTORY

S. 3069 was introduced by Senator James Abourezk on May 15, 1978, and referred to the Select Committee on Indian Affairs. The bill was cosponsored by Senator George McGovern.

Due to the noncontroversial nature of S. 3069, no hearing was held. The bill has the support of the Administration and the Governor of South Dakota, Richard F. Kneip.

A companion bill, H.R. 13096, was introduced in the House of Representatives on June 12, 1978, by Congressman Larry Pressler of South Dakota.

COMMITTEE RECOMMENDATION AND TABULATION OF VOTES

The Senate Select Committee on Indian Affairs, in open business session on June 29, 1978, by unanimous vote of a quorum present recommends that the Senate pass S. 3069, if amended as described herein.

COMMITTEE AMENDMENTS

S. 3069 was amended to correct two technical errors.

SECTION-BY-SECTION ANALYSIS

The section (a) amendments would allow individual members of the Sisseton-Wahpeton Sioux Tribe the same authority as the Tribe to acquire land for homesites, businesses or to buy out other heirs. This would permit consolidation and reacquisition of Indian land for individual members as well as for the Tribe. And, by reducing the fractionated ownership of allotted land, it would allow the land to be developed and used more efficiently. This land consolidation would rely on voluntary sales and purchases. The lands acquired under these amendments would be held in trust by the United States Government for the Indians.

The section (b) amendment would provide the tribe with a first right of purchase when individual trust land is offered for sale at public sale or auction. This allows the Tribe the first option to buy in the event of a mortgage foreclosure proceeding against a tribal member. This proposed amendment will help prevent Indian land from passing out of Indian ownership as well as providing the Tribe with another mechanism for acquiring the land base needed for self-sufficiency. The intent of section (c) is clear.

COST AND BUDGETARY CONSIDERATIONS

The Congressional Budget Office has reviewed the bill and reported that no additional cost to the government would be incurred as a result of the enactment of S. 3069.

EXECUTIVE COMMUNICATIONS

The legislative report received by the committee from the Department of the Interior setting forth Executive agency recommendations relating to S. 3069 is set forth below:

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., June 29, 1978.

HON. JAMES ABOUREZK,
Chairman, Select Committee on Indian Affairs,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for our views on S. 3069, a bill "To provide that members of the Sisseton-Wahpeton Sioux Tribe may request the Secretary of the Interior to acquire certain lands, and to provide that the tribe shall have a preference right to purchase certain lands held in trust by the United States."

We recommend that S. 3069 be enacted.

S. 3069 would amend the Act of October 26, 1974, Public Law 93-491 (88 Stat. 1468), which provides for the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation to consolidate its

landholdings in North Dakota and South Dakota. The amendments authorize (1) the Secretary of the Interior to acquire and hold in trust for individual members of the Sisseton-Wahpeton Sioux Tribe lands within the boundaries of the Lake Traverse Reservation (Under Public Law 93-491 land may only be acquired in trust for the tribe), and (2) a first right of purchase in the tribe with respect to lands held in trust by the United States for tribal members when the lands are offered for sale at public sale or auction.

The Lake Traverse Indian Reservation was established by the Treaty of February 19, 1867 (15 Stat. 505). The original reservation area is V-shaped and lies in the northeast corner of South Dakota with a small portion in the southeast corner of North Dakota. The original reservation contained some 919,000 acres. The allotment of tribal lands to individual members and the sale of "surplus" tribal land for homesteading purposes resulted in much of the land passing into non-Indian ownership.

Currently, some 10,777 acres are held in trust for the tribe, and some 97,180 acres are held in trust for individual tribal members. The remaining Indian trust lands are scattered throughout the original reservation area. Many of these are trust allotments with highly fractionated multiple ownership. Because of these factors, the tribe has had a very limited opportunity to manage its lands for the common good. To alleviate these problems, the Act of October 26, 1974, Public Law 93-491 (88 Stat. 1468), was enacted. That Act authorizes the tribe to sell, exchange, or mortgage tribal lands for the purpose of acquiring other lands within the boundary of the reservation through purchase, gift, or exchange. The lands so acquired may, in the discretion of the Secretary of the Interior, be taken in trust by the United States for the benefit of the tribe. The effect of the Act is to permit the tribe to consolidate its current tribally owned lands into manageable units.

The existing Act is inadequate to respond to the needs of individual members to acquire land for homesites or businesses or to buy out other owners of fractional interests. Moreover, individually owned Indian trust lands within the reservation are passing out of Indian ownership at public sales or auctions as the result of foreclosure proceedings.

S. 3069 will alleviate these problems by allowing individual members of the Sisseton-Wahpeton Sioux Tribe the same authority as the tribe to acquire land for homesites or businesses or to buy out other heirs. The bill would permit consolidated land ownership for individual tribe members as well as the tribe. By reducing the fractionated ownership of allotted land, the provisions of the bill would allow the land to be developed and used more efficiently and would simplify administration of the Federal trust responsibility for the land. Land consolidation under the bill would rely on voluntary sales and purchases. Any lands thus acquired would be held in trust by the Secretary of the Interior.

The amendment to section 2(b) of the act would provide the tribe with a first right of purchase when individual trust land is offered for sale at public sale or auction. This is especially desired to allow the tribe the first option to buy in the event of a mortgage foreclosure

proceeding against a tribal member. It will help prevent Indian land from passing out of Indian ownership and provide the tribe with another mechanism for acquiring the land base needed for increased self-sufficiency.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

FOREST J. GERARD,
Assistant Secretary.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the standing rules of the Senate, changes in existing laws made by the bill S. 3069, as ordered reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

ACT OF OCTOBER 26, 1974; 88 STAT. 1468

To authorize the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation to consolidate its landholdings in North Dakota and South Dakota, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized, at his discretion and upon the request of the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation or its designated agent in the States of North Dakota and South Dakota, or upon the request of any member of the tribe to acquire through purchase, gift, or exchange for the tribe or member thereof any lands or interests in lands within the boundaries of the Lake Traverse Reservation in North Dakota and South Dakota for the purpose of consolidating landholdings, eliminating fractionated heirship interests in Indian trust lands, providing land for any tribal program for the improvement of the economy of the tribe and its members through the development of industry, recreational facilities, housing projects and the general rehabilitation and enhancement of the total resource potential of the reservation.

For the purchase of such lands or interests in lands the use of any funds available to the tribe or member thereof from any sources authorized and title to any land acquired under the authority of this Act shall be taken in the name of the United States in trust for the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation in North Dakota and South Dakota or for the individual member for whom the land is acquired.

Sec. 2(a). Notwithstanding any other provision of law, the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation, acting through its governing body or its designated agent, is authorized with the approval of the Secretary of the Interior to exchange or sell any tribal real property not needed or suitable for use by the tribe or so situated or located that it would be to the economic advantage of the

tribe to sell or exchange the property; except that (1) any such sale shall be by competitive sealed bidding, and a preference shall be given to enrolled members of the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation to match the high bid; (2) the amount or exchange value received for the property shall not be less than the fair market value thereof as determined by the Secretary of the Interior or his duly authorized representative; (3) if lands involved in an exchange are not of equal value, the difference in value shall be paid in money; (4) any proceeds from the sale of land under this authority or money received to equalize an exchange shall be used exclusively for the purchase of other land on the reservation; (5) title to any land acquired for the tribe under this authority shall be taken in the name of the United States in trust for the tribe; and (6) if an enrolled member of the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation acquires land from the tribe under this Act, title may, with the approval of the Secretary of the Interior, be taken in the name of the United States in trust for the use and benefit of such member.

(b) *Notwithstanding any other provision of law, the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation, acting through its governing body or its designated agent, shall have a preference right to purchase any land held by the United States in trust for any member or members of the Sisseton-Wahpeton Sioux Tribe offered at public sale or auction. The tribe shall have thirty days from the date bidding is closed to match the high bid and the terms of the notice of sale.*

(c) All of the foregoing provisions of this Act shall be construed to be exclusive to resident United States citizens enrolled as members of the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation.

SEC. 3. All lands acquired by the United States in trust for the tribe or members thereof under the authority of this Act shall be exempt from State and local taxation.

SEC. 4. Any tribal land may, with the approval of the Secretary of the Interior, be encumbered by a mortgage or deed of trust, and shall be subject to foreclosure or sale pursuant to the terms of such mortgage or deed of trust in accordance with the laws of the State in which the land is located. For the purpose of the foreclosure or sale proceeding, the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation shall be regarded as vested with an unrestricted fee simple title to the land. The United States shall not be a necessary party to the foreclosure or sale proceeding, and any conveyance of the land pursuant to such proceeding shall divest the United States of title to the land. Title to any land redeemed or acquired by the tribe at such foreclosure or sale proceeding shall be taken in the name of the United States in trust for the tribe, and title to any land purchased by an individual member of the tribe at such proceeding may, with the approval of the Secretary of the Interior, be taken in the name of the United States in trust for the use and benefit of the individual Indian purchaser.

SEC. 5. The Secretary of the Interior is authorized to take such action as may be necessary to carry out the purposes of this Act.

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