

**RESOLUTION OF THE GOVERNING BODY OF
THE THREE AFFILIATED TRIBES OF THE
FORT BERTHOLD RESERVATION
MARCH 13. 1997**

- WHEREAS,** This Nation having accepted the Indian Reorganization Act of June 18, 1934, and the Authority under said Act; and
- WHEREAS,** The Constitution of the three Affiliated Tribes generally authorizes and empowers the Tribal Business Council to engage in activities on behalf of and in the interest of the welfare and the benefit of the tribes and of the enrolled members thereof; and
- WHEREAS,** A Resolution in support of the BIA to provide financing to the Three Affiliated Tribes that will enable recovery of the Natural Disaster Conditions of 1996 and 1997.
- WHEREAS,** Due to the catastorhic conditions produced by extreme disastrous weather conditons across the state of North Dakota a "**Federal Disaster Declaration**" affecting the state of North Dakota was issued on January 12, 1997 and April 7, 1997 from President Clinton.
- WHEREAS,** The Fort Berthold Reservation was devastated by the impact resulting from the Natural Disaster Conditions.
- WHEREAS,** The Three Affiliated Tribes seeks relief and recovery from this disaster.
- NOW, THEREFORE, BE IT FURTHER RESOLVED,** that the Tribal Council supports the following Bill, (attached in its entirity), to provide financing to the Three Affiliated Tribes in the amount of that will enable recovery from this natural disaster.

C E R T I F I C A T I O N

I, the undersigned, as Secretary of the Tribal Business cou cil of the Three Affiliated Tribes of the Fort Berthold Reservation, hereby certify that the Tribal Business Council is composed of 7 members whom 5 constitute a quorum, 7 were present at a

**THE THREE AFFILIATED TRIBES
of the
FORT BERTHOLD RESERVATION**

**REQUESTED ADD-ON TO PRESIDENT CLINTON'S
ADMINISTRATIVE DISASTER BILL**

March 17, 1997

The Three Affiliated Tribes of the Fort Berthold Reservation of North Dakota respectfully requests the addition of the following amounts to President Clinton's Administrative Disaster Bill:

\$ 617,500	Snow Removal/ Rebuilding and Up-Grading
\$ 543,000	Human Services Program
\$ 500,000	Dams and Fencing
\$1,087,500	Livestock Replacement (Death Loss)
\$1,500,000	Indian Business Development Program
\$1,500,000	Bureau of Indian Affairs Direct Loan Program
\$4,000,000	Ceiling on Bureau of Indian Affairs Guaranteed Loan Program

TOTAL ADD-ON REQUEST **\$9,748,000**

Additionally, the Three Affiliated Tribes respectfully requests related changes to the Bureau of Indian Affairs' administration of Credit and Finance.

**The Three Affiliated Tribes' Add-On Request
To President Clinton's
Administrative Disaster Bill**

Snow Removal

Add-on Request: \$367,500

Our estimated snow-removal cost, based on the following estimation of costs incurred, is \$367,500.

	<u>Rate</u>	<u>Hours</u>	<u>Totals</u>
Personnel	\$25	2,000	\$ 50.0
Equipment	65	2,000	130.0
Fuel/Operating	30	2,000	60.0
Special Equipment	65	1,000	65.0
Sand/Salt	25	2,500	62.5

Funds expended for the emergency situation resulting from natural disaster conditions were budgeted for normal governmental functions. Should we not recover the majority of these funds, the effects will be far-reaching.

Re-building and up-grading

Add-on Request: \$250,000

The road system on the Fort Berthold Reservation has been severely damaged as direct result of the accumulation of snow. If funding need is not met, roads will continue to deteriorate.

In the process of budgeting for normal governmental functions of road maintenance, we have been unable to meet the need to up-grade and re-build damaged roads. As a result, our road system

continues to pose a threat to the safety of residents and tourists to this Area.

Rebuilding of tribal roads to homes is an area of immediate need to which the Three Affiliated Tribes is obligated to address for the benefit of its membership.

Add-on request will provide funding for rebuilding and upgrading approximately 50-road miles damaged as a direct result of the natural disaster conditions.

HUMAN SERVICES

Add-on Request: \$543,000

The estimated need for our add-on request is based upon 400 eligible applicants in need of fuel and energy assistance. The applicants are representative of households numbering 6 to 8 people.

The Tribally-contracted P.L. 93-638 program was funded at \$257,000 this year. Distribution of funding was at 28 percent of applicant's need. Prior to the natural disaster declaration, the severely under-funded Program funding was exhausted, with expenses outstanding, prior to the natural disaster declaration.

The rate of propane more than doubled within the period in which the needs of Tribal members were most critical. Also, the condition resulting from the North Dakota storms prompted Propane Distributors to require a minimum amount of purchase. The required minimum amount of purchase was a restrictive criteria to many of our enrolled members, which simply meant that they could not afford and therefore would not have propane.

The severity of the temperatures resulted in an emergency situation for the Three Affiliated Tribes in order to meet the needs of enrolled and eligible applicants who sought assistance. Our request for Add-on to the President's Administrative Disaster Bill is to assist us in meeting the shortfall.

Repair/Replacement of Fencing/Dams Request: \$500,000

Add-on request will enable the Three Affiliated Tribes to address the need to repair and replace 200 miles of fencing damaged by the natural disaster conditions and to construct and reconstruct dams.

The Fort Berthold Reservation is made up of 98 range units, each ranging from 200 to 1,200 acres. The total range acreage is approximately 225,000. Rangelands are a major resource to the farming and ranching industry upon which many of our families represented by the 110 Producers, rely. The damage resulting from the natural disaster conditions to this resource, has been devastating.

LIVESTOCK REPLACEMENT (Death Loss) \$1,087,500

The Native American livestock owners of the Fort Berthold Reservation have an estimate loss of 700 cattle (with 65% loss count through the BIA complete) from the three day blizzard of April 4, 5, & 6 where weather conditions also included wind chills of 60 degrees. Due to the extreme weather conditions, calves were either prematurely birthed or froze due to not being effectively dried.

Since the high snow conditions have devastated all foragable places, grain and hay supplies were very minimal, due to the short season. Cattle losses were high due to being stranded through snow bounded and non-availability 1,350 was verified by the BIA Land Management office (with only 65% counted) as losses due to the four year low of livestock prices, owners are further put in jeopardy of losing their operations which are under loans.

The Three Affiliated Tribes are respectfully request an additional add on of 1,087,500 for the recovery from the death loss.

INDIAN FINANCING ACT

Total Request: \$7,000,000

The Indian Financing Act of 1974 was intended to provide Native American Tribes and their membership an opportunity to move toward self-sufficiency—an opportunity to step into the business world—an opportunity to be a part of the job-creating force. If there was ever a point at which job-creation on Reservation is so drastically needed, the time is now. The fort Berthold Reservation was devastated by one of the worst sequence of winters and some form of recovery is critical.

Coupled with the natural disaster is that with Reforms to Welfare, people are to move from welfare-dependency to self-sufficiency within a very short time-frame. For the Fort Berthold Reservation, located in rural North Dakota, one of the most isolated and remote areas of the Nation—where employment opportunities are virtually non-existent—that move for Three Affiliated Tribes' members will not be an easy one.

Add-on request of \$7,000,000 will provide financing to address the need for the need for the development of Indian business, Bureau of Indian Affairs direct Loan and guaranteed loan programs. The accounts predominantly serviced through the Tribes' Credit and Finance Office, are BIA Direct Loans, Guaranteed Loans and grants funded through the Indian Financing act. Agricultural loans represent the majority.

Natural disaster conditions in the past few months and those that are undoubtedly to come, resulted in a confirmed loss and impact on the fort Berthold Reservation. Those losses affect approximately 85 percent of clientele in direct loss and the other 15 percent, indirectly. As an example, the loss of livestock represents about 20 percent of the total Indian-owned cattle on Reservation. (Actual losses could far exceed this estimate). Dispersion sales show an open-dry cow rate of 16 percent, translating to a 30 percent reduction in sales as a result of the livestock rendered non-productive because of frozen udders and reproductive organs; aborted calves; low weaning weights and performance of those that will be born.

Also to be considered is the fact that the cattle-price cycle is in a ten-year low as opposed to operations that are at break-even points under ideal conditions. Calves were selling at \$.06 per pound last fall compared to \$1.03 in the fall of 1993. These figures represent a 42 percent reduction in gross sales.

The absence of funding in Fiscal Year 1996 and loan approval time through the Indian Financing Act provisions resulted in many accounts going without necessary operating capital to help with the production of feed and placement of insurance to counteract losses before they occurred.

Local banks are reluctant to work with tribal members if the loan involves a BIA guaranteed loan because of the untimely manner in which the process is concluded. These loans are being phased in bank portfolios because of untimeliness in BIA servicing.

If relief is not provided, the environment in which farmers and ranchers operate could, and would, account for more foreclosures. Foreclosures to the federally-guaranteed loans represent a loss to the United States government. Relief to curtail the potential loss in defaulted loans, will be less costly and will allow Reservations to retain autonomy.

Aberdeen Area Tribes have been met with bankers, Aberdeen Area Administrators, livestock organizations, and local businesses for information to help with this bill and its proposals. Reference has been made to the findings of Provost, 1992, that a capital investment of almost \$16 million dollars is needed by the BIA per year for the 1990's to finance entrepreneurial activities, agricultural and commercial ventures, for individual Native Americans and tribal organizations in the Aberdeen Area.

Additional Requests for Administrative Changes

- 1) All loan approval and administration for funding of Indian Financing Act transactions will be performed at Agency level
- 2) Add-on requests to President Clinton's administrative disaster bill will be specific to the three Affiliated Tribes.

Funding will be used for direct Loans, Guaranteed Loan Ceiling and Indian business Development grant in accordance with the amounts specified on Page 1 of this document.

- 3) the Administrative disaster enactment will also specific waivers to the Indian Financing Act of 1974.

The enactment will allow interest assistance to 100 percent for new and existing operations, equity requirements, payment deferrals and loan rescheduling in time of emergency declarations by County, Tribal, state, or Federal Agencies.

- 4) The enactment will allow approval or disapproval of debt cancellations and write-downs to current market values of remaining assets at local Federal Agency level.

The enactment of the above requests would help in stabilizing the economy on reservation by providing necessary credit sources in a timely manner to service operations.

Regular Meeting thereof duly called, noticed, convened, and held on the 8th day of April, 1997; that the foregoing resolution was duly adopted at such meeting by the affirmative vote of 6 members, 0 members opposed, 1 members abstained, 0 not voting, and that said Resolution has not been rescinded or amended in any way.

Dated this 8th day of April, 1997.

Daylon Spotted Bear
Secretary, Tribal Business Council

ATTEST:



Chairman, Tribal Business Council