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TLINGIT AND HAIDA FUNDS

GOVERNMENT

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HEARINGS

BEFORE THE

SUBCOMMITTEE ON INDIAN AFFAIRS

OF THE

COMMITTEE ON

INTERIOR AND INSULAR AFFAIRS

UNITED STATES SENATE

NINETY-FIRST CONGRESS

SECOND SESSION

ON

S. 2628 and S. 2650

TO PROVIDE FOR THE DISPOSITION OF CERTAIN FUNDS
AWARDED TO THE TLINGIT AND HAIDA INDIANS OF
ALASKA BY A JUDGMENT ENTERED BY THE COURT OF
CLAIMS AGAINST THE UNITED STATES

MARCH 17 AND 25, 1970



Printed for the use of the
Committee on Interior and Insular Affairs

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WASHINGTON : 1970



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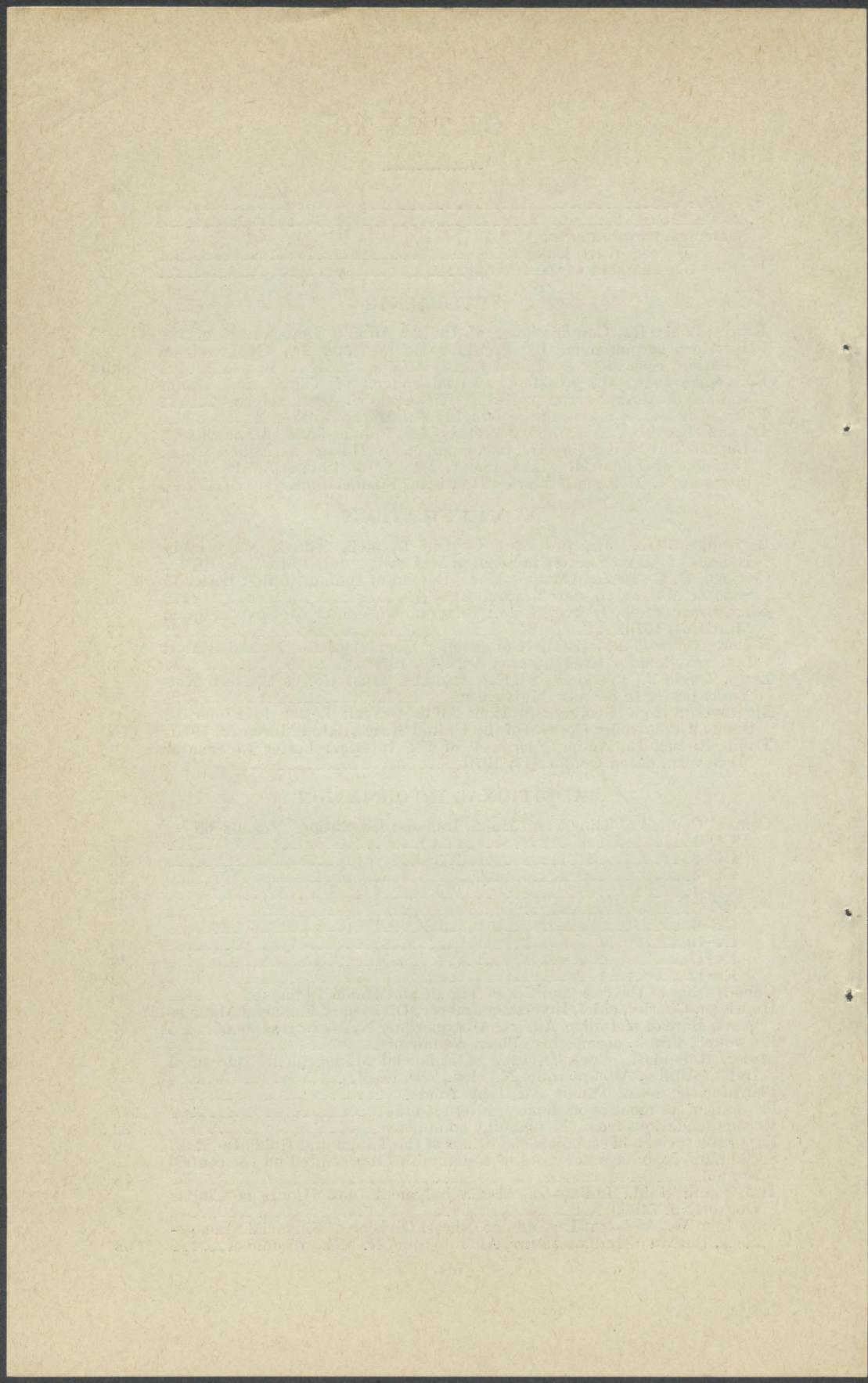
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TLINGIT AND HAIDA FUNDS

TUESDAY, MARCH 17, 1970

U.S. SENATE,
SUBCOMMITTEE ON INDIAN AFFAIRS OF THE
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:05 a.m., in room 3110, New Senate Office Building, Senator George S. McGovern (chairman of the subcommittee), presiding.

Present: Senators McGovern (presiding), Gravel, Fannin, Stevens and Bellmon.

Also present: James Gamble, professional staff member, Dale Shaffer, assistant minority counsel.

Senator GRAVEL (presiding). Could we come to order. I would like to make a statement on behalf of the chairman.

"The primary purpose of our hearing this morning is to take testimony in connection with two bills which provide for the disposition of certain funds awarded to the Tlingit and Haida Indians, of Alaska, by a judgment entered by the court of claims.

"The sum of money involved is approximately \$7 million.

"The two bills, S. 2628, introduced by Senator Stevens, and S. 2650, introduced by Senator Gravel, will be inserted in the hearing record, together with the reports of the departments. I understand the bills are identical, and, therefore, the sponsors may wish to make explanations of their respective measures.

"The first witness is the Honorable Louis R. Bruce, Commissioner of Indian Affairs, and then we will hear from others who are interested in this legislation.

"Time permitting, the subcommittee will take testimony from the departmental witness on several other bills, but I want to make it clear that we will not conclude action on all those measures because of requests from out-of-town witnesses who wish to be heard at a later date."

(A copy of S. 2628 and S. 2650 and the Department report follows:)

[S. 2628, 91st Cong., 1st sess.]

A BILL To provide for the disposition of certain funds awarded to the Tlingit and Haida Indians of Alaska by a judgment entered by the Court of Claims against the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the unexpended funds and interest thereon on deposit in the Treasury of the United States to the credit of and otherwise invested by the Secretary of the Interior for the account of the Tlingit and Haida Indians of Alaska which were appropriated by the Act of July 9, 1968 (82 Stat. 307), to pay the judgment of the Court of Claims in the case entitled The Tlingit and Haida Indians of Alaska, et al. versus The United States, numbered 47900, after payment of attorney fees and expenses, may be

advanced, expended, invested, or used for any purpose and in any manner authorized by the Central Council of the Tlingit and Haida Indians of Alaska and approved by the Secretary of the Interior. Any of such funds that may be distributed under the provisions of this Act shall not be subject to Federal or State income taxes.

[S. 2650, 91st Cong., first sess.]

A BILL To provide for the disposition of certain funds awarded to the Tlingit and Haida Indians of Alaska by a judgment entered by the Court of Claims against the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the unexpended funds and interests thereon on deposit in the Treasury of the United States to the credit of and otherwise invested by the Secretary of the Interior for the account of the Tlingit and Haida Indians of Alaska which were appropriated by the Act of July 9, 1968 (82 Stat. 307), to pay the judgment of the Court of Claims in the case entitled *The Tlingit and Haida Indians of Alaska, et al versus The United States* numbered 47900, after payment of attorney fees and expenses, may be advanced, expended, invested, or used for any purpose and in any manner authorized by the Central Council of the Tlingit and Haida Indians of Alaska (not withstanding any other statutory provision). Any of such funds that may be distributed under the provisions of this Act shall not be subject to Federal or State income taxes.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., December 30, 1969.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, New Senate Office Buildings, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your request for the views of the Bureau of the Budget on S. 2628 and on S. 2650, similar bills to provide for the disposition of certain funds awarded to the Tlingit and Haida Indians of Alaska by a judgment entered by the Court of Claims against the United States.

In its report on these bills, the Department of the Interior provides information on the purposes of the proposed legislation and recommends enactment of S. 2628. The Bureau of the Budget concurs with the views of the Department of the Interior and would have no objection to the enactment of S. 2628.

Sincerely yours,

WILFRED H. ROMMEL,
Assistant Director for Legislative Reference.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., December 19, 1969.

HON. HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of this Department on S. 2628 and S. 2650, similar bills "To provide for the disposition of certain funds awarded to the Tlingit and Haida Indians of Alaska by a judgment entered by the Court of Claims against the United States."

We recommend the enactment of S. 2628.

S. 2628 and S. 2650 are identical in providing for the expenditure of Tlingit and Haida judgment funds except that S. 2628 provides that the expenditures will be subject to Secretarial approval and S. 2650 provides that the funds may be expended without such approval. Our preference for S. 2628 is because it is in accord with the language used in previous judgment fund legislation. It enables the elected representatives of the Tlingit and Haida Indian communities themselves to determine imaginative and productive use of funds for social and economic programs while providing a necessary degree of fiscal responsibility in accord with the trust responsibilities of the Secretary of the Interior. Both bills provide that any funds that may be distributed under the provisions of the Act shall not be subject to Federal or State income tax.

The Act of June 19, 1935 (49 Stat. 388), as amended June 5, 1942 (56 Stat. 323), and June 4, 1945 (59 Stat. 231), authorized the Court of Claims to hear

and determine claims of the Tlingit and Haida Indians of Alaska for loss of property rights as a result of actions by the United States. On January 19, 1968, the Court of Claims awarded \$7,546,053.80 to the Tlingit and Haida Indians in Case No. 47900. The award represents payment for 17,235,730 acres of land in southeast Alaska taken from 1891 to 1935 and for damages incurred prior to the taking of the land.

In the same decision, the Court stated that: "The balance of Area 6, comprising 2,628,207.24 acres was not taken by the United States at any time prior to June 19, 1935, and the Indian title of the plaintiffs to such remaining part of Area 6 survived that date." (See enclosed map.)

Funds to cover the award were appropriated on July 9, 1968 (82 Stat. 307), and are presently on deposit in several accounts as shown on the enclosed financial statement.

The 1935 Act, *supra*, was further amended by the Act of August 19, 1965 (79 Stat. 543), to provide for a Central Council to represent the Tlingit and Haida Indians. It authorized the council to plan for the disposition of the judgment funds and also provided for the preparation of a roll of all persons of Tlingit and Haida blood. The Act further provided that none of the funds appropriated to pay any judgment in favor of the Tlingit and Haida Indians should be advanced for any purpose except as may be necessary to pay attorney fees, expenses of litigation, organization, operating and administrative expenses of the official Central Council, and expenses of program planning and roll preparation until after legislation had been enacted that sets forth the purposes for the funds could be used.

A roll of Tlingit and Haida Indians, under criteria set out in the Act of August 19, 1965, *supra*, is being prepared by the Bureau of Indian Affairs. As of July 31, 1969, there had been 17,935 applications issued and 15,020 applications filed. Of the 4,351 applications processed 4,278 applications have been found eligible for enrollment and 73 ineligible. There are 10,669 applications still to be processed.

The Central Council of the Tlingit and Haida Indians of Alaska is presently composed of delegates from 18 communities with representative populations of Tlingit and Haida Indians. Delegates are elected by qualified members of each community on the basis of one delegate for every 100 Tlingit and Haida Indians who reside in the community. The communities are: Anchorage, Angoon*, Craig*, Hoonah*, Hydaburg*, Juneau, Kake*, Ketchikan, Klakock*, Klukwan*, Metlakatla, Petersburg, Oakland (California), Saxman*, Seattle (Washington), Sitka, Wrangell, and Yakutat*. The first meeting of the Central Council was held in Sitka, April 13-16, 1966.

The Program Planning Committee of the Central Council of the Tlingit and Haida Indians of Alaska at a meeting in Juneau in November 1968, formulated plans for the use of the judgment funds designed to promote the economic and social life of the communities. Their "Statement of Plans" was approved by the Executive Committee by Resolution No. 68-69 adopted November 10, 1968. These plans were further modified by a "Supplement to Statement of Plans for the Use of Tlingit and Haida Funds" approved April 26, 1969. (See enclosures.)

Briefly, the fundamental objectives of the plans are to provide maximum benefits which will contribute to the economic and social progress of the Tlingit and Haida Indians and their communities while providing the fullest practicable self-determination by each of the communities and their members.

The plans call for the use of the judgment funds in the following amounts to be applied to the listed areas.

1. Scholarship grants and assistance for education and professional and vocational training-----	\$200, 000
2. Plans for services for the "special" (that is, the elderly) Tlingit and Haida people-----	250, 000
3. Housing guarantee and loan fund-----	500, 000
4. Community development fund-----	1, 000, 000
5. Industrial and commercial development fund-----	1, 500, 000
6. Revolving fund for loans or organization of a Tlingit-Haida bank-----	550, 000
Total-----	4, 000, 000
7. Reserve of invested funds of the remainder of the judgment award (approximately \$2,500,000).	

*Identified as "Native villages" in the proposed Alaska Native Land Claim legislation.

The Central Council emphasizes that changes in the above allocations may be made as experience makes them desirable and as conditions change. They also do not preclude the addition of the projects which will be funded from the reserve of Tlingit and Haida investment funds.

A social and economic profile for southeastern Alaska is enclosed as well as brief profiles of each of the Tlingit and Haida communities represented on the Central Council. In regard to specific needs in the various communities it is also a part of the recommendation of the Planning Committee that emphasis be placed upon pinpointing these needs and then using the resources of the Central Council to motivate action in the various agencies directly interested in the projects. A number of these specific community project recommendations are mentioned in the enclosed socio-economic community profiles.

Even though our reports on S. 1830 recommended that these funds be used as a part of the settlement for the Tlingit-Haida Indians, we believe that the fund should be turned over to the tribe at the earliest possible time so that they may begin using them in their development program. Of course, it is understood that the funds will still be considered as a portion of the settlement for the Tlingit-Haida Indians when the Congress takes action on an Alaska Native Claims bill.

As we pointed out in our supplemental report on S. 1830 dated July 25, 1969, the \$7.5 million awarded the Tlingit-Haida Indians in its Court of Claims case, since it is payment for lands of those Indians taken by the Federal Government for forest purposes, should be in lieu of additional acreage of up to 23,040 acres awarded to the other Alaska Native villages listed in S. 1830. We also pointed out that we thought it only fair that the Tlingit-Haida Indians claim to the 2.6 million acres of land referred to in their Court of Claims case be extinguished since the bill requires the extinguishment of the claims of the other tribes that are pending before the Indian Claims Commission on the effective date of the Alaska Native Claims legislation. We will urge the necessary amendments to an Alaska Native Claims bill passed by the Congress to make it clear that this distribution is in lieu of the one proposed in the bill and will have the same effect as if made in the Alaska Native Claims bill.

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

Sincerely yours,

RUSSELL E. TRAIN,
Acting Secretary of the Interior.

Enclosures.

*Tlingit and Haida Indians of Alaska Judgment Fund (Court of Claims
Docket No. 74900)*

Net award (14X7121) Tlingit and Haida Indians of Alaska, judgment fund.....	\$7, 546, 053. 80
4 percent accrued interest (14X7621).....	55, 764. 44
	<u>7, 601, 818. 24</u>

Investments (detailed list attached) :

Manufacturers & Traders Trust Co.....	1, 250, 000. 00
Manufacturers & Traders Trust Co.....	1, 250, 000. 00
Marine Midland Trust Co.....	1, 250, 000. 00
Marine Midland Trust Co.....	1, 250, 000. 00
Marine Midland Trust Co.....	500, 000. 00
FNMA participation certificate No. 12172.....	482, 340. 28
FNMA participation certificate No. 4973.....	522, 990. 63
U.S. Treasury bills.....	49, 320. 43
U.S. Treasury bills.....	39, 625. 97
U.S. Treasury bills.....	79, 209. 00
Federal intermediate credit bank debentures.....	39, 982. 89
5% U.S. Treasury note.....	254, 446. 21

Total investments.....	<u>6, 697, 915. 41</u>
------------------------	------------------------

Redemptions:

Marine Midland Trust Co.....	500, 000. 00
U.S. Treasury bills.....	49, 320. 43
U.S. Treasury bills.....	<u>39, 625. 97</u>

Total redeemed securities-----	\$588,946.40
Total present investment-----	6,378,969.01
Expenditures:	
Attorney fees-----	603,684.30
Expert witness fees-----	86,500.00
Tribal administration and planning-----	150,000.00
Enrollment cost-----	15,000.00
Total expenditures-----	855,184.30
Funds available-----	6,746,633.94
Investment earnings to July 1969-----	402,524.00
Total judgment funds to July 1969-----	7,149,157.94

TLINGIT AND HAIDA INVESTMENTS

On July 22, 1968, Manufacturers & Traders Trust Co., Buffalo, N.Y.; \$1,250,000, 6¼ percent to mature January 22, 1970, compounded quarterly.

On July 22, 1968, Manufacturers & Traders Trust Co., Buffalo, N.Y.; \$1,250,000, 6¼ percent to mature July 22, 1970, compounded quarterly.

On July 22, 1968, Marine Midland Trust Co. of Western New York, Buffalo, N.Y.; \$1,250,000, 6¼ percent to mature January 23, 1970, compounded quarterly.

On July 22, 1968, Marine Midland Trust Co. of Western New York; \$1,250,000, 6¼ percent to mature July 23, 1970.

On July 26, 1968, Marine Midland Trust Co. of Western New York; \$500,000, 6¼ percent matured July 29, 1969.

On August 5, 1968, 1-4.70 percent FNMA participation certificate No. 12172, equals \$482,340.28. 1-6.45 percent FNMA participation certificate No. 4973, equals \$522,990.63 (both in face amount of \$500,000).

On September 23, 1968, purchase of U.S. Treasury bills matured April 22, 1969, equals \$49,320.43 (in face amount of \$51,000).

On October 16, 1968, purchase of U.S. treasury bills, matured May 31, 1969, equals \$39,625.97 (face amount \$41,000).

On April 29, 1969, purchase of U.S. treasury bills, to mature March 31, 1970, equals \$79,209 (face amount \$84,000).

On June 10, 1969, purchase of Federal intermediate credit bank debentures to mature March 2, 1970, equals \$39,982.89 (face amount \$40,000).

On August 5, 1969, purchase of 5 percent U.S. treasury note to mature November 15, 1970, equals \$254,446.21 (face amount \$260,000).

Tlingit-Haida Indians of Alaska (Court of Claims case No. 47900)

Final award-----	\$7,546,053.80
Accrued interest, treasury (as of August 13, 1969)-----	55,764.44
	7,601,818.24
Attorney fees-----	603,684.30
Expert witness fees-----	86,500.00
Other costs-----	165,000.00
	-855,184.30
	6,746,633.94
Status of funds:	
Total available as of August 13, 1969-----	6,746,633.94
Total originally invested (bank time deposits, Treasury notes and bills, bank debentures)-----	6,967,915.41
Redemptions-----	588,946.40
Total present investments-----	6,378,969.01
Earnings on all investments to July 1969-----	402,524.00
Balance, U.S. Treasury-----	369,038.96

Final judgment: Awarded January 19, 1968.

Appropriated: Act of July 9, 1968 (82 Stat. 307).

Disposition of award: After deduction of attorney fees and expenses, funds to be used as authorized by Central Council of Tlingit-Haida Indians and approved by Secretary of Interior.

Legislative proposals:

S. 262 and H.R. 12858—Use of funds as authorized by central council, requiring secretarial approval.

S. 2650—Use of funds as authorized by central council, without requiring secretarial approval

Departmental recommendation on bills:

Recommended enactment S. 2628.

Justification: Requirement for secretarial approval before funds can be advanced, expended, invested or used is in accord with language used in previous judgment legislation.

Planned use of judgment funds: Plans approved by Resolution 68-69 adopted 11/10/68 and modifications approved 5/26/69 include:

Scholarship grants, educational assistance, professional and vocational training	\$200,000.00
Services for elderly	250,000.00
Housing guarantee and loan fund	500,000.00
Community development fund	1,000,000.00
Industrial and commercial development fund	1,500,000.00
Revolving fund for loans or establishment of bank	550,000.00
Total	4,000,000.00

NOTE.—Additional projects may be undertaken, to be funded from reserve of Invested funds (approximately \$2,500,000.00), of the remainder of the judgment money.

Eligibility to Share: All persons of Tlingit or Haida Indian blood whose names appear on a roll being prepared by BIA pursuant to criteria set out in act of August 19, 1965 (79 Stat. 543), which amended the act of June 19, 1935 (49 Stat. 388), as amended by the acts of June 5, 1942 (56 Stat. 323), and June 4, 1945 (59 Stat. 231).

Enrollees:

Applications issued (as of 7/31/69)	17,935
Applications filed	15,020
Applications processed:	
Eligible	4,278
Ineligible	73
Applications pending	10,669

Organization: Most common form of political organization among Alaskan Natives is on basis of village residence. Organizational pattern is around autonomous village councils, operating informally. Indian Reorganization Act of 1934 applicable to Alaskan Natives, except sections relating to tribal lands and reservations, which are largely inapplicable in Alaska.

Act of August 19, 1965, *supra*, provided for creation of a Central Council to represent Tlingit-Haida Indians in disposition of judgment funds and provide for preparation of roll. Central Council of Tlingit-Haida Indians presently composed of delegates from 18 communities, elected on basis of one delegate from each community for 100 Tlingit-Haida Indians or fractions thereof.

Land

Reservations:

Metlakatla, 867.41 acres.¹

Klukwan, 894.70 acres.

Restricted—Title township lots: 388 lots.

Allotments: 3,000 acres (46 allottees).

Resident population: Present BIA estimate, Tlingit-Haida Indians, Southeast Alaska: 12,000.

Income and employment: No income figures available. Bulk of Native family cash income is earned during a few months of the year and is not an annual

¹ Inhabited primarily by Tsimshian Indians.

constant. Main source of cash income is fishing. Season is short, whether in canneries or on boats. State, Federal agencies, especially BIA, major employers of Natives.

BIA employment assistance, fiscal year 1968

Adult vocational training:	
Single individuals.....	77
Family units.....	14
Individuals.....	46
Direct employment:	
Singles.....	23
Family units.....	9
Individuals.....	36

Social services (Southeast Alaska as a whole, fiscal year 1968)

Child welfare cases:	
Per month.....	40
Total cost.....	\$59,382
Social services:	
Average cases.....	179
Persons per month.....	552
General assistance:	
Average cases.....	161
Persons per month.....	628

Health

PHS general hospital: Mount Edgecumbe (300 bed).

PHS outpatient clinics:

Juneau.

Annette Island (Metlakatla).

PHS dental services:

Juneau.

Mount Edgecumbe.

Ketchikan.

Contract services:

Haines.

Ketchikan.¹

Petersburg.

Wrangell.

Nursing services:

Sitka.

Juneau.

Ketchikan.

PHS health center: Juneau.²

Alaska Native Health Area Office in Anchorage sponsors a four-point training program, "Alaska Native Community Health Aid Training," to produce trained community health aides. Part I completed in March, 1969, trainees present from southeastern Alaska villages of Angoon, Craig, Hydaburg, Kaka, Klawock, Klukwan, Hoonah and Yakutat.

EDUCATION

Average educational level of Alaskan natives 14 years and over, 8.1 years.

*Taken from 1960 Census, most recent statistical data available. The same source indicated that of nearly 15,000 rural Natives over the age of 25, nearly 21 percent were without schooling, 25 percent had completed no more than the fourth grade, and less than one percent had graduated from college.

Number of public schools:

Elementary.....	6
High.....	3
Native enrollment.....	616

¹ Dental team at Ketchikan serves villages of Hydaburg, Metlakatla, Craig, and Klawock. Wrangell served on itinerant basis, contract dental services provided at Haines.

² Facility physically located in St. Ann's Hospital, where inpatient services are available through contract arrangement. Outpatient clinic services provided by PHS physician; dental services also available. BIA boarding school students at Wrangell serviced by School Health Center.

Independent school districts:	
Elementary(+)	7
High	5
Native enrollment	834
Number in BIA elementary day school	24
Number in BIA boarding schools, Alaska and elsewhere	113
Number in Haskell Institute (posthigh school)	28
Number in colleges, universities on BIA scholarship grants	26

Above data cover only 11 of 18 communities represented on Central Council. Enrollment figures not known for Ketchikan and Sitka, although data include number of schools in those villages. Saxman has no school facilities and number of children, if any attending school elsewhere is not known. Anchorage and Juneau, Alaska; Oakland, California; and Seattle, Washington are represented on Central Council but we have no information on school attendance of Tlingit and Haida children in those cities.

In addition to above data, Wrangell Institute, a BIA boarding school at Wrangell has an enrollment of 240 students in grades 1 through 9 but we do not know how many of these are Tlingit and Haida children.

BIA and State educational needs are being coordinated through "The Overall Education Plan for Rural Alaska," a measure providing for (1) long-range plans for rural education; (2) gradual consolidation of State and BIA-operated schools into a single State school system; and (3) continual study and revision so plan may be updated and adjusted to changing education needs and conditions of State.

HOUSING

Estimated number native dwellings in southeast Alaska	1,850
Number needing replacement	1,682
Number needing renovations	70
Number new units needed	345
Total new units and replacements needed	2,027

NOTE.—Corollary needs in villages are electric power, adequate and sanitary water supply systems and sewage and garbage disposal systems.

Non-BIA and USPHS Government programs

Programs of immediate benefit to Alaskan Natives:

 Neighborhood Youth Corps.

 Headstart.

 Individual family loans under title III, Economic Opportunity Act.

 Elementary and Secondary School Act.

Agencies most involved with Alaskan Natives:

 Federal:

 FHA.

 REA.¹

 OEO.

 SBA.

 Bureau of Commercial Fisheries, Economic Development Agency,
 Department of Commerce.

 State:

 Department of Economic Development.

 Department of Commerce and Natural Resources.

 Rural Development Agency.

 University of Alaska.

Readiness of Indians to Manage Own Affairs: Tlingit and Haida Indians have had longer period of contact with outside civilizations than other Native groups in Alaska. Their leaders have shown a willingness and ability to press toward acculturation, evidenced by their long struggle on the Tlingit-Haida land claim and foresight in planning for use of judgment claims. However, there

¹ REA engaged in "Village Power Study," on problem of bringing electricity to more Native villages under an Alaskan Native Village Electrification Cooperative.

is prevailing poverty in many Native villages, with astronomically high unemployment rates. Most Natives live in overcrowded, often unsanitary conditions in small, delapidated houses. Their living conditions are further aggravated by unbalanced diets and allow average educational level. They are often culturally and occupationally immobile, lacking opportunity for economic advancement.

The program as outlined by the Central Council of Tlingit-Haida Indians for use of their judgment funds seems to be well thought out and adapted to problems faced by individuals and communities in southeast Alaska. The program is calculated to involve the people in the process of planning for use of these funds.

REPORT ON SOCIAL AND ECONOMIC CONDITIONS OF THE TLINGIT AND HAIDA INDIANS OF SOUTHEAST ALASKA

THE NATURAL HABITAT

The mountainous southeastern portion of Alaska is frequently referred to as the "Panhandle." Its 37,566 square miles consist of numerous islands and a narrow belt of adjacent mainland. All of the region of southeast Alaska lies within the area of maritime influences, and is in the path of most storms that cross the Gulf of Alaska. Consequently, the region has relatively little sunshine, generally moderate temperatures, and abundant precipitation. In response to favorable moisture and temperature conditions, a lush and varied vegetation has developed. Below timberline is a dense forest, commonly termed a "rain forest." A large variety of grasses and berry-producing plants are generously and widely distributed.

Four mainland rivers dissect the coastal mountains, the Unuk, Stikine, Alek, and Taku. Access to the region is via these valley routes. The numerous waterways within the region all afford easy avenues of travel and dispersal of the population, as well as a corridor to the coastal region south of Alaska. From the coasts bordering the Pacific Ocean, maximum terrain elevations tend to increase until reaching the summit of the coast mountains on the mainland. Some 16 million acres of southeast Alaska consists of the Tongass National Forest, the largest in the Nation's forest system.

The fauna of southeast Alaska is rich and varied both on land and in the sea. Large land mammals include deer, moose, goats, both black and grizzly bears, fox, wolves, wolverine and lynx. Smaller species are squirrel, mink, hare, muskrat, marten and land otter. Marine mammals include whales, hair and fur seals, sea lion, sea otter and Dall and harbor porpoises. The region is rich in fishery resources, particularly salmon, halibut, herring, and clams. Along the edges of the sea are edible algae, crabs, sea urchins, mussels, and cockles. The avifauna include the bald eagle, raven, owl, and migratory waterfowl which summer in the area.

ABORIGINAL BACKGROUND

Two groups of Indians, the Tlingits and the Haidas, occupied southeastern Alaska at the time of initial European contact with the region. The Tlingit Indians first migrated into southeastern Alaska many generations before the first arrival of a White man. The movement of the Haida Indians into this territory did not take place until years later but before any part of this area had been visited by any White man.

Among northwest coast Indians, the Tlingit and Haida Indians each formed distinct groups. Each represented a high level of development of northwest coast Indian culture. Each spoke their own language and neither was intelligible to the other, nor to any other people. They stand as one of the more complex socio-cultural developments in North America which was not based on horticulture.

The Tlingit Indians, as of 1867, had no chief or other political body to govern them as a group. Technically, the terms Tlingit and Haida refer only to two separate Native languages. All of these Indians were divided into two phratries or moieties. Among the Tlingit, one was called Wolf and the other Raven, and among the Haidas, one was called Eagle and the other likewise Raven. Similarly, neither moiety had any social or political organization.

Each moiety was in turn divided into a number of clans based on matrilineal membership. Marriage within the clan was forbidden. Originally there were approximately 55 of these clans, which, again, had no social or political structure.

Indians of these various clans which settled at a certain site became known as a local clan. Thus, a clan was often distributed or divided among several villages, some of the larger clans being widely scattered while other clans were localized in a single community.

The local clan divisions in a village were made up of house groups. Some houses were large enough to shelter a dozen families. Each house had a local clan designation. Its nucleus was the men of that clan. The house had its highest ranking man, or chief, usually the eldest. Also, each local clan in the village had its highest ranking house, the chief of which was recognized as the highest ranking local clan chief. Thus any semblance of social or political organization was the local clan subdivision. These local clans owned or claimed, in accordance with the Indian manner, large areas adjacent to the village. In some of these areas so owned or claimed, there were two or more villages, sometimes not distantly separated, in which case the Indians of all these villages, were known as a tribe. While there was no head of a tribe as such, nevertheless there was a sense of tribal unity and a community feeling of belonging to a particular geographic unit.

This Native culture, during the aboriginal phase of their history, was oriented primarily toward marine resources which could be easily harvested without devices such as firearms. Furs were not of major importance. Total resource utilization was not extensive and the people enjoyed an abundance of all resources essential to their livelihood. They were regarded as having reached a level of culture, comparable to that of the Iroquois, second only to those of the Aztec and the Incas, although agriculture was not a significant part of their lives.

Tradition states that totem-carving originated among the Haidas, and it is generally conceded that they excelled in this art. They are also noted for their fine slate carvings and the precise and delicate working of articles of wood, bone and shell. In addition, the southeastern Alaska Indians carved and painted the fronts of their houses with elaborate designs and made many baskets, mainly from spruce and grass fibers, nearly all of which were ornamented.

Some anthropologists have indicated that there were as many as 10,000 Tlingit and Haida Indians at the time of the historic contact, but this figure may not be reliable.

HISTORICAL BACKGROUND

The history of the Tlingit Indians began with explorations of the Russians who sought to determine whether the Asian and North American land masses were continuous. The first contacts were made during the Second Kamchatkan Expedition under the leadership of Vitus Bering in 1741. From 1799 to 1867 Russian Alaska was governed by the Russian American Company. Long before its purchase American traders had been interested in Alaska, and from 1824 to 1834, a right to trade with the Natives was given to Americans by treaty. In 1839, the Russian American Company, with the approval of the Russian government, leased to the Hudson's Bay Company the exclusive right of trading on the coast of southeastern Alaska—an arrangement which continued until the sale of Alaska to the United States.

Alaska was purchased from Russia under the Act of April 9, 1867, with Congress appropriating \$7,200,000 for the territory under an Appropriations Act of July 27, 1868 (15 Stat. 198). The United States was slow to extend its laws to the new possession, and for the first ten years 1867-1877, administration was in the War Department. By the Act of July 27, 1868, the laws relating to commerce and navigation and the creation of Alaska as a customs district were passed.

In the Organic Act of 1884 (23 Stat. 24), Congress provided that "the Indians or other persons * * * shall not be disturbed in the possession of any lands actually in their use or occupation or now claimed by them." It reserved for future legislation by Congress the terms under which such persons might acquire title to such lands.

Little effort was made to develop Alaska until the discovery of gold on the Klondike in the Canadian Yukon in the late 1890's focused the interest of the rest of the Nation upon it. Under an Act of May 7, 1906, Alaska was empowered to elect a Delegate to Congress, and by the Second Organic Act of August 24, 1912, the incorporated Territory of Alaska was created, with a bicameral legislature convening biennially. The Act of July 7, 1958, provided for the admission of Alaska into the Union and on January 3, 1959, Alaska officially became our 49th State.

TRIBAL ORGANIZATIONS

Although the purchase of Alaska occurred while the United States still was making treaties with Indian tribes, no attempt was made to enter into treaties with the Alaska Natives. The reasons leading to treaty-making by the Federal Government with the American Indians were not present in Alaska, where there was plenty of land and little danger of serious hostilities. Alaska was not considered "Indian country" until 1873 when sections 20 and 21 of the Trade and Intercourse Acts, prohibiting liquor traffic in Indian country and with the Indians, were extended to include this territory.

Section 19 of the Indian Reorganization Act of June 18, 1934, provided that Eskimos and other aboriginal peoples of Alaska should be considered Indians for the purpose of the Act. Section 13 provided that provisions relating to tribal organizations, loans for economic development and for tuition in vocational schools, and preference to Indians for positions in the Indian Service would apply to the Territory of Alaska. The Act of May 1, 1936 (49 Stat. 1250), extended to Alaska all the remaining sections except those relating to tribal lands and reservations, which were largely inapplicable in Alaska. The type of political organization authorized by the 1934 IRA was that of Indian bands or tribes or of Indians residing on a reservation. Since most of the Natives of Alaska did not fit these categories, the 1936 Act provided for recognizing Alaskan groups for the exercise of political jurisdiction who could show a common bond of occupation, association, or residence within a well-defined neighborhood, community, or rural district.

The most common form of political organization among Alaskan Natives has been on the basis of village residence. The organizing group acts as a unit and includes at the outset all those Natives who belong to the group, although individuals may withdraw later from the organization. The organizational pattern is around autonomous village councils operating informally. They are weakened by a lack of outside communication lines brought on by their isolation.

Since World War II, an influx of population, and the achievement of Statehood, a whole new set of influences entered the picture, foremost of which was an emphasis on education and the ability of individual Natives to handle the English language in dealings with the many outsiders who came. In some communities the indigenous leadership is being continually reduced due to reduction in size of the functioning family units, which, as work groups, are becoming more and more individualistic. The most obvious village leader is the council president although the importance of other types of new leaders should also be underscored: lay preachers, ministers, bosses of work crews, school teachers, sanitation and health aides, and store managers.

A strong implementation to Native village government has been provided by the Alaska Native Brotherhood. The ANB was organized in the fall of 1913 with the announced objective of preparing the Natives of Alaska to exercise the rights and duties of citizenship. It is governed by an annual convention composed of delegates from its "local camps." The Executive Committee exercises power between conventions. Its members are primarily southeastern Alaska Natives although it has attempted with some success to expand its membership beyond the southeast. Its woman's auxiliary is the Alaska Native Sisterhood. Today, with the exception of Klukwan, all of the Traditional Tlingit and Haida villages are also organized as "cities" under the laws of the State of Alaska. Membership in the "city" organizations is, of course, not limited only to the Native residents.

POPULATION AND MEMBERSHIP

Population figures for Alaskan Natives have often been fragmentary and generally unreliable. The 1960 United States Census used the figure of 12,000 to cover Tlingit, Haida, and Tsimshian Indians in southeast Alaska. Bureau present estimates for Tlingit-Haida Indians in southeast Alaska would approximate 12,000. January 1969 estimates for each village are listed in the individual socio-economic reports accompanying this report.

The Alaska Native population is younger on the average than the rest of the State's population, and the balance between the sexes is more nearly even. The median age of the Native population is 16.3 years or about eight years lower than the median age of the White population of the State. The youthfulness of the Alaska Native is the result of a high birth rate. The crude rate of natural increase in the Alaska Native population—36 to 37 per thousand annually—is about half again as great as that of the non-Alaskan Native population and

twice as great as that of the United States as a whole. It is estimated that 65 percent of the Native people of southeast Alaska reside in communities where they constitute half or less of the community population.

A Tlingit and Haida roll is being prepared under the Act of August 19, 1965 *supra*. The statutory purpose of the roll is to facilitate the prompt use and disposition of the judgment funds under present consideration by Congress.

Preparation of the roll of Tlingit and Haida Indians began on July 1, 1966, and interested persons had until December 31, 1967, to file applications for enrollment. The roll is being prepared by the Juneau Area Office of the Bureau of Indian Affairs. As of July 31, 1969, there had been 17,935 applications issued and 15,020 applications filed. Of the 4,351 applications processed 4,278 applicants have been found eligible and 73 applicants found not eligible. There are 10,669 applications pending.

Regulations governing the enrollment of the Tlingit and Haida Indians are outlined in Title 25, Code of Federal Regulations Section 41.3(b) as follows:

(b) Tlingit and Haida Tribes in Alaska: All persons of Tlingit or Haida Indian blood residing in the various local communities or areas in the United States or Canada on August 19, 1965, shall be eligible for enrollment provided they were legal residents of the Territory of Alaska on June 19, 1935, or prior thereto, or they are descendants of persons of Tlingit or Haida Indian blood who were legal residents of the Territory of Alaska on June 19, 1935, or prior thereto. Applications for enrollment must be postmarked no later than December 31, 1967.

LAND CLASSIFICATION

The Natives of south east Alaska are primarily Tlingit or Haida Indians although a majority of the inhabitants of the Metlakatla Reserve on Annette Island are Tsimshian Indians. The Metlakatla Reservation of 86,741 acres and a small 894.70 acres reservation created by Act of Congress at Klukwan are the only reservations as commonly defined in southeast Alaska.

A total of 388 restricted-title townsite lots have been issued in Angoon, Haines, Hoonah, Hyدابurg, Juneau, Kake, Ketchikan, Klawock, Saxman, Sitka, Wrangell, and Yakutat. These, together with over 3,000 acres held as allotments by 46 allottees, constitute the known Native ownership of land in the region.

ECONOMIC ASPECTS

The economy of southeastern Alaska is heavily dependent on government and distributive activities. The major share of the State's entire timber industry and a large proportion of its fishing activity are also based in the region. Commercial fishing is the most important occupation of the Native people, while the subsistence economy is less important here than it is elsewhere in the State.

A significant factor in village economy are the higher prices that one must pay for commodities and services than in other states. It is estimated that even considering subsistence products, especially foods, and lower living standards, a minimum cash income for the typical Indian family in the villages is \$5,000 or more a year. Even then, they will not be able to purchase items available in other states at this income level. There is widespread poverty among the Alaska Natives as is shown in the socio-economic reports of the various villages that are a part of this report.

Fishery resources.—The economic health of the State's commercial fisheries is of prime importance to all of Alaska. The livelihood of thousands of Alaskan fishermen and the very existence of many Alaskan communities depends upon the State's commercial fisheries operations. In numerous coastal communities, commercial fishing provides the sole means of obtaining the economic necessities of life.

The first year of commercial fisheries production in Alaska was 1878 and the output expanded year after year until it reached a peak in 1936. There seems to be no single reason for the decline since that date. The State of Alaska assumed responsibility for the management of its own fisheries resources in 1960. Each year since the resource has been under State and management, except for 1963, the salmon pack has increased substantially.

Alaska ranks third in the Nation in both fishery landings and volume of landings. Kodiak, Alaska, is the third ranking fishing port in the United States. The export of Alaska fishery products for 1967, mainly salmon and herring roe, was valued at \$6.5 million representing 13 percent of the total United States fishery exports.

The Federal Power committee for developmental Planning in Alaska state in 1968 that "Today in all of Alaska, with all its resources, it is the fishery resource alone which offers any significant broad commercial economic base to the Alaska Native."

Fishing has a psychological aspect as applied to the Native of southeast Alaska which cannot be ignored. It is the crucial activity for the male Native. It is an activity in which he can validate his pride, courage, skill and status while insuring himself of economic security. In brief, no other occupation has as high a value to the Native. This emphasis does not allow for flexibility in employment opportunities. There is a heavy dependence upon the fishing industry for income. The problem with that as the Native population grows, the salmon population seems to decline. This makes it all the more imperative for the Southeast Native to have alternative ways of making a living.

Forest resources.—The value of timber products in Alaska in FY 1966 was about \$73 million placing it second in importance to the fishing industry. Some 2,400 persons were employed in timber harvesting and processing.

Southeast Alaska has the highest developed timber economy in the State. Alaska's two pulp mills, one at Ketchikan and one at Sitka, produce over 1,100 tons of high quality dissolving pulp per day. Large sawmills operate at Haines, Wrangell, and Ketchikan in addition to smaller mills, oriented toward local use, at several other communities.

The timber economy of southeast Alaska is slowly increasing and is, relative to other areas of the State, very stable. This is primarily due to the multiple-use and sustained yield policies of the United States Forest Service. This Federal agency administers the Tongass National Forest, which comprises some 16 million acres, or nearly all of the land area of southeast Alaska. The major species composing the southeastern forest are Sitka Spruce, some 40 percent, and Western Hemlock, some 60 percent.

Agriculture resources.—Alaska, as our largest State, has the smallest acreage devoted to agriculture although there is potential for growth. In southeast Alaska in 1965 only 200 acres were in cultivation, with an additional 20,000 acres suitable for commercial cropland, and 15,000 acres marginal because of excessive steepness, shallowness, or wetness. Southeast Alaska agricultural production in 1965 was approximately \$134,000 or 3 percent of the Alaska total.

Recreation and tourism resources.—The Federal Field Committee feels that recreation may be Alaska's most promising long-term renewable resource. Nowhere else in the United States can be found such a variety and quantity of outstanding recreation resources as exist in Alaska.

In addition to its magnificent scenery is its wildlife resources. It is also known throughout the world for its fine sport fishery both freshwater and saltwater. Because of its far-north location the opportunities for winter sports are also unlimited. Mountain climbing is an important recreational activity partly because of the location of Mount McKinley as the highest mountain in North America. In a 1964 study of tourism it was found that 52 percent of the tourists visited southeast Alaska.

Related to tourism and of direct impact upon the Native economy is the development and use of an arts and crafts industry. Alaska arts and crafts production will probably never be large but it can have a significant place in the cash economy of the Natives. In addition arts and crafts provide income in winter when cash and employment are scarce and when both are sorely needed in the Native villages.

Village recreation needs to be encouraged and aided by the construction of community buildings. In many instances the villages are severely handicapped by inadequate facilities for village or council meetings, movies and social gatherings. Community buildings have an additional use in outdoor recreation, in providing living accommodations for visitors—tourists, hunters, and fishermen.

There is a growing need for fulfilling the personal recreation needs of the Native people. Their number in 1960 is expected to increase drastically by 1980 and present sites and facilities are inadequate. Some cities and villages may need to obtain land for docks, parks and playgrounds, historic sites and like purposes. Local villages should make tourism and recreation a basic part of all land planning.

Income and employment.—The bulk of the Native family cash income is earned during a few months of the year and is not an annual constant. The main source of cash income and employment for Natives is fishing. The season is short whether the work is in the canneries or on the boats.

Government, State or Federal, especially the latter, is a major employer of Natives. The Bureau of Indian Affairs is a major employer of Natives. Other Federal agencies providing employment include the Native Health Service, Department of Defense, Alaska Railroad, Post Office Department, etc. Most departments of State government employ Native workers.

The private economic sector, in addition to the fishing industry, employs many Native people. Most jobs with private firms relate to construction, retail and service trades including tourism and transportation.

Employment assistance.—Most available employment is seasonal, often in areas far from the village. For those who wish to relocate to seek jobs, the BIA operates an employment assistance service, which includes job counseling, vocational education and training, transportation for the job seeker and his family, and job placement.

Figures for FY 1968 for the southeastern Alaska area show that 77 single individuals and 14 family units consisting of 46 individuals were placed in Adult Vocational Training while 23 single individuals and 9 family units consisting of 36 individuals were placed in Direct Employment by the Bureau of Indian Affairs. At present there are 13 BIA sponsored training courses available in Alaska under the Adult Vocational Training Program.

SERVICES TO INDIANS

Social services.—The dependence of the Alaska Native upon State and BIA welfare programs has been substantial in the past and shows no signs of decreasing. The absence of employment opportunities, the ever-decreasing availability of subsistence items, and increased acculturation, all contribute to this welfare dependence. Exposure to the White man's way of life has generated in the Native needs he had never known while giving him few means for their realization.

A village by village breakdown of BIA expenditures or caseload in its social service program is not available other than for southeast Alaska as a whole. For this region in FY 1968 Child Welfare cases averaged 40 per month at a total cost of \$59,382. Social services averaged 179 cases or 552 persons per month for the same period. Employables receiving General Assistance averaged 161 cases or 628 persons per month. In this last category, studies of welfare caseloads in Alaska reveal that many recipients of general assistance receive help for comparatively short periods of time. The BIA estimates that 60 percent of its Native caseload is with cases of less than three months duration. Welfare officials estimate that were employment available, the number of Natives on general assistance would be cut by 75 percent. It is evident that the Natives use their limited resources and do everything they can to take care of themselves before asking for help. Financial assistance supplied to Alaskan Natives in need has not yet generated a dependence philosophy.

The problems faced by a poverty-oriented people can perhaps best be illustrated by the following welfare priorities established by the Bureau of Indian Affairs for the Alaskan Native: (1) Services to children, those in need of special education, the care of the dependent, and intensified services to unwed mothers and fathers; (2) attention to selected caseloads in the specific area of marital and drinking problems, and (3) involvement of more villages in the administration of the general assistance program.

It is worth noting also that positive results of welfare aid have been to increase the social utility of old age and the feeling of independence created in elderly people by receipt of welfare support, as well as allowing widows with children to be less dependent upon remarriage for economic support. Welfare income has become an important factor in helping stabilize the economic situation in Native Alaska where dependence upon it has increased markedly since World War II.

Health.—The United States Public Health Service has been making strenuous efforts to provide comprehensive medical care to the Alaska Natives since 1955 when they took over the activities of the Bureau of Indian Affairs in this area. Many of the Natives in southeast Alaska are isolated from medical facilities and skilled medical personnel. Poverty and a lack of understanding of good health practices aggravate the situation. In addition there is an extraordinary close link between the Native's housing conditions and the diseases that afflict Native life. For instance Dr. Martha Wilson, Service Director of Alaska's Public Health Service, states that "the high death rate due to respiratory diseases is a direct result of overcrowding."

The Public Health Service operates a 300-bed general hospital at Mount Edgecumbe to meet the needs of the southeast Alaska Natives. They also operate an outpatient clinic in Juneau and one on Annette Island, where Metlakatla is located. Public Health Service dentists serving the Native people are located in Juneau, Mount Edgecumbe, and Ketchikan. In addition, contract medical care services are provided through the Public Health Services at Haines, Ketchikan, Petersburg, and Wrangell, utilizing local physicians and dentists.

Full-time public health nursing services are available at Sitka, Juneau, and Ketchikan. Other communities are serviced on an itinerant basis. For these services the State receives some reimbursement from the Federal Government. A dental team at Ketchikan serves the villages of Hydaburg, Metlakatla, Craig, and Klawock. Wrangell is served on an itinerant basis while contract dental services are provided at Haines.

The Public Health Service operates an Alaska Native Health Center at Juneau. This facility is physically located in St. Ann's Hospital, where inpatient services are available through a contract arrangement. Outpatient clinic services are provided by a PHS physician. Dental services are also available. The BIA boarding school students at Wrangell are serviced by a School Health Center.

The Alaska Native Community Health Aid Training is a four-part training program to produce trained community health aides sponsored by the Alaska Native Health Area Office in Anchorage. Part I was completed in March 1969 with trainees present from the southeastern Alaska Villages of Angoon, Craig, Hydaburg, Kake, Klawock, Klukwan, Hoonah, and Yakutat.

Education.—Education is the most effective means by which Native people can be equipped with the capacity to adjust to a new environment. The school itself, in most Native communities serves many functions. It is a hostel for visitors, a community center, often a meeting hall, recreational area, political forum, and medical clinic. In addition, the problem of school lunches for children is an invaluable adjunct to educational programs. The teacher is, often inadvertently, a community leader, although his effectiveness varies naturally from one place to another.

Though precise and accurate statistical data on education levels completed by Alaska Natives is lacking, the 1960 United States Census indicated that the average years of school completed by the Alaskan Native 14 years of age and over was 8.1 years. The same source found that of nearly 15,000 rural Natives over the age of 25, almost 21 percent were without schooling, 25 percent had completed no more than the fourth grade, and less than one percent had graduated from college.

Kindergarten or preschool programs for Native students have never been funded by Bureau operation. As a result a six-year-old Native child spends the first or beginning year learning English. Thus, the Native child is often already behind as he begins school in the first grade curriculum. Despite the many problems educational levels are rising as educational opportunities increase.

Bureau of Indian Affairs and State educational needs are being coordinated through "The Overall Education Plan for Rural Alaska." This plan provides for (1) long-range plans for rural education, (2) gradual consolidation of the State and Bureau-operated schools into a single State school system, and (3) continual study and revision so that the plan may be updated and adjusted to the changing educational needs and conditions of the State.

The BIA educational operation in Alaska in a sense determines the extent of success and failure of all related programs. If the student becomes adequately educated and motivated in elementary and secondary schools, he can proceed to post-high school education or training and assumption of a useful place in society. If the adult receives sufficient adult education, he can enter prevocational training and vocational training to upgrade his skills. If the education level of the Native adult is too low for such programs, he must survive by subsistence activities or by learning simply through chance opportunities in on-the-job training. Thus, BIA activities such as employment assistance, social services, economic development, community development, etc., are geared to the educational and training levels of the people.

The Bureau of Indian Affairs operates only one day school in southeast Alaska, this consisting of a single classroom in the village of Klukwan. Other day schools within the area are either independent school districts or State-operated schools. However, most, if not all, of these schools receive Federal assistance through Public Laws 874 and 815.

Many of the villages now have their own high schools, but where they are not available students attend boarding schools operated by the Bureau of Indian

Affairs at Wrangell and Mount Edgecumbe in south east Alaska or at Chemawa, Oregon. A few students also attend such boarding high schools because of the social situation in their homes. A total of 113 southeast Alaska students attended these boarding schools in 1967-1968. Five additional students attended the Washington State School for the Deaf under a contract paid by the Bureau of Indian Affairs.

Twenty-eight post-high school students from southeast Alaska attended Haskell Institute in Lawrence, Kansas, during the same period. Twenty-six additional students from this area attended colleges and universities under the BIA grant-in-aid scholarship program. In order to qualify for financial aid, the Native student need not have an outstanding high school record, but he must have financial need and the ability to do work at the college level.

In 1969 HEW announced the award of a \$40,000 contract to the Alaska Native Brotherhood to conduct "Operation Talent Search" in southeast Alaska. The purpose is to conduct a talent search designed to identify and counsel students on educational opportunities, to publicize information on available financial aid, and to encourage high school and college dropouts of demonstrated aptitude to re-enter educational programs.

In general, there has been a great deal offered in the way of adult educational programs in southeast Alaska. Notable exceptions include the offering of courses pertaining to fishing by the cooperative extension service of the University of Alaska in some of the villages. A similar fisheries training course extending over a longer period of time has been offered recently under an MDTA program.

Housing.—Native housing in Alaska is generally considered to be the most primitive, dilapidated, and substandard of any occupied by Indians and Eskimos of the United States. Overcrowding, lack of sanitation and water facilities, poor insulation, and inadequate construction—all contribute to this description.

Of the total estimated number of 1,850 Native dwelling places in southeast Alaska, 1,752 or almost 95 percent are classified as substandard. Some 1,682 need replacement while 70 need renovation. As of June 30, 1969, a BIA Alaska field estimate placed the new units required in southeast Alaska in addition to the replacement figure as 345 for a total of 2,027 units needed.

Corollary problems to housing needs are provisions in the villages for electric power, an adequate and sanitary water supply system, and sewage and garbage disposal. In addition an adequate economic base is required so that minimum standards of housing may be maintained.

Non-BIA and USPHS Government Programs.—The Federal establishment is Alaska's major industry. The impact of these Federal programs is of critical importance for all of Alaska's citizens no less than for the Native population. Federal agencies most immediately involved with the Alaskan Native, in addition to the BIA and USPHS, are the Farmers Home Administration, Rural Electrification Administration, Office of Economic Opportunity, Small Business Administration, Bureau of Commercial Fisheries, and the Economic Development Agency of the Department of Commerce. Important adjuncts of the State structure are Alaska's Departments of Economic Development, Commerce and Natural Resources, Rural Development Agency, and the University of Alaska, in particular its cooperative Extension Service and Institute of Social Service, and Government Research.

In the past these agencies, in their work with the Native, have suffered from lack of coordination among their programs as well as from lack of continuity. The major criticism, however, was that most of Alaska is too sparsely settled and underdeveloped for the sophisticated type of programs utilized in other states.

On the basis of the cooperative efforts of the State of Alaska and the Federal Government to counter the impact of the Alaska earthquake of 1964 the Anderson Commission recommended the establishment of a joint Federal-State planning committee. The resultant Federal Field Committee for Development Planning in Alaska was established to conduct long-range economic and resource development planning in Alaska.

A significant aspect of all government programs directed to the Alaskan Native is that the Native villages and individuals for the most part, have no tax base; and little, if any, capacity to raise local participation funds to qualify for or stimulate loans from most sources.

Of immediate benefit to the Alaskan Native have been such programs as the Neighborhood Youth Corps, Head Start, individual family loans under Title III of the Economic Opportunity Act, and Public Law 89-10, the Elementary and Secondary School Act. Approved projects for Alaska under this law include a

special elementary program, a community school development plan, and an in-service training for teachers, administrative staff, and teacher aides. A non-graded developmental English and reading program at Mount Edgecumbe for 625 children and a curriculum improvement project at Wrangell Institute, including a language laboratory to service 240 children have been instituted.

The Rural Electrification Administration is engaged in a "Village Power Study" with a special task force working on the problem of bringing electricity to more of the Native villages under an Alaskan Native Village Electrification Cooperative. Also important to the Natives is the research of the State Employment Agency into the fishing industry as it impinges upon the Native villages.

DISPOSITION OF CURRENT JUDGMENT AWARDS

The Central Council of the Tlingit and Haida Indians of Alaska established a Program Planning Committee in November 1968, to formulate plans for the use of the judgment funds designed to promote the economic and social life of the communities. Their "Statement of Plans" was approved by the Executive Committee by Resolution No. 68-69 adopted November 10, 1968. These plans were further modified by a "Supplement to Statement of Plans for the Use of Tlingit and Haida Funds" approved April 26, 1969.

The fundamental objectives of the plans are to provide maximum benefits which will contribute to the economic and social progress of the Tlingit and Haida Indians and their communities while providing the fullest practicable self-determination by each of the communities and their members.

A full description of the plans and the amounts tentatively to be used for each plan are enclosed. The Central Council has emphasized that changes in these planned allocations may be made as experience makes them desirable and as conditions change. They also do not preclude the addition of projects which will be funded from the reserve of Tlingit and Haida invested funds.

READINESS OF INDIANS TO MANAGE THEIR OWN AFFAIRS

The Tlingit and Haida Indians of southeast Alaska have had a longer period of contact with outside civilizations than other Native groups in Alaska. Their own leaders have shown a willingness and ability to press toward acculturation as is evidenced by their long struggle on the Tlingit-Haida land claim and the energy and foresight with which they have planned for the use of their judgment claims.

The geographic conditions emphasized by the isolation of many of the Native communities, the lack of educational skills of many of the Natives coupled with a lack of geographic proximity to work opportunities, and the competition for available employment, have all worked to the disadvantage of the Native.

Economically there has been a definite trend away from subsistence living to a dollar economy. The present Native population explosion, which is among the highest in the world, multiplies the size of the task before they can realize employment, security, and social equality. As is evidenced in the social and economic data presented here there is prevailing poverty in many of the Native villages with astronomically high unemployment rates. Because of this poverty, most Native Alaskans live in overcrowded, often unsanitary conditions in small, dilapidated houses. Their living conditions are further aggravated by unbalanced diets, a low average educational level, and a life span much shorter than that of other Americans. Though there is some evidence of geographic mobility, the Natives have traditionally remained in their historic areas. Undereducated for the twentieth century, attempting to cope with the difficulties of the English language, they are often culturally and occupationally immobile, lacking opportunity for economic advancement. While there have been remarkable instances of achievement among individuals, the large majority are unemployed or seasonally employed, and, suffer the consequences.

The Alaskan Native cannot be divorced or shunted aside from the total population of the State. The success of any endeavors reaching the Native will be directly related to successes in the social and economic development of the entire State. Any process of adaptation will have been self-defeating if it does not go forward with the participation and cooperation of the Native communities.

The program as outlined by the Central Council of the Tlingit and Haida Indians of Alaska for the use of their judgment funds seems to be well thought out and well adapted to the problems faced by individuals and communities alike in southeast Alaska. It is a program which recognizes the major needs of

the people involved and is calculated to involve them in the process of planning for the use of these funds.

SOCIAL AND ECONOMIC SUMMARIES OF COMMUNITIES REPRESENTED ON THE CENTRAL COUNCIL OF THE TLINGIT AND HAIDA INDIANS OF ALASKA

ANCHORAGE

The largest city in Alaska with a population of 51,000 of which some 2,900 are estimated to be Natives. The Tlingit and Haida community in Anchorage is represented on the Central Council although physically located outside of southeast Alaska but the exact Tlingit-Haida population in relation to the total Native population must await the completion of the roll.

ANGOON

Angoon is a Native village of 440 population of whom 430 are Natives, predominantly Tlingit. It is located on the west coast of Admiralty Island, about 60 miles due south of Juneau. The climate is temperate with abundant rain, cool summers, and comparatively mild winters. The average growing season falls between May and December. The land is low, forested, and superimposed on the usual rock strata found in southeast Alaska. Elevation in the vicinity of the village is below 150 feet. The forest runs about 70 percent hemlock and 30 percent spruce. There are some coal beds on Admiralty Island as well as some marble deposits.

Angoon is a fourth class city, with an elected mayor and six elected council members. As an IRA village it has a constitution and bylaws for the Angoon Community Association ratified November 15, 1939, and a corporate charter ratified at the same time.¹ Its IRA council is active but concerns itself primarily with matters of administration pertaining to commercial fishing activities but also exerts influence on city administration problems.

Most employment is by individual commercial fishing with crew-manned seine boats. There is some seal hunting and fur trapping during the winter months. Figures for 1969 show that of an available work force of 119 individuals, one is permanently employed, ten temporarily employed, and 108 unemployed.

There are two public grade schools in Angoon inclusive through the eighth grade. The school enrollment for 1967-1968 was 142 of whom 138 were Natives. Two children are at Chilocco, 28 at Mount Edgecumbe, and 17 at Chemawa. In 1966 there was a Head Start program with 18 enrollees. Some 50 percent of the homes in Angoon are substandard in terms of safety, durability, weather protection, and adequate living space. The majority are small two and three room structures. Some 25 percent of the private homes have running water, nearly 100 percent have electricity, 40 percent telephones, and nearly all have radios. Twenty-five percent of the Sewage lines empty on the beach front while the remainder have outdoor privies. The United States Public Health Service is working on indoor sewage and running water and a central garbage disposal point.

In February 1969 Angoon received a Rural Development Agency grant of \$4,200 to pay the wages of village residents for the construction of a retaining wall and breakwater to protect their road. The Central Council emphasizes the need here for a full-time nurse and an oil station.

CRAIG

Craig is a Native village of 240 population of whom 190 are Natives laid out on a small island connected at low water with the west coast of Prince of Wales Island. It is located some 40 miles north of Hydaburg. The area of present-day Craig is 42.09 acres.

Craig was formed between 1906 and 1908 from the efforts of Craig Miller to start a cold storage and cannery business for the Lindenerger interests. Prior to that time the territory occupied by the town and the surrounding area, including Fish Egg Island, was visited regularly by Natives seeking fish eggs. The settlement was under control of the Forest Service until March 1, 1922, when it became incorporated. Craig is located on a slope rolling up from the sea. The

¹ References throughout this report, to constitutions and bylaws as well as to charters pertain to instrument adopted pursuant to the Indian Reorganization Act as amended by the Act of May 1, 1936 (49 Stat. 1250).

land around it is rolling timber land. There is little land suitable for farming although some gardening is done. There are no known coal, mineral or oil lands.

Craig is incorporated as a second class city with an elected mayor and six councilmen. There is a part-time clerk and policeman. A constitution and bylaws of the Craig Community Association was ratified October 8, 1938, at the same time they ratified a corporate charter.

Most of the population fish for salmon during the summertime on seine boats or trawlers. A few fish for salmon during the winter. One or two boats trawl for shrimp and this promises to increase as cold storage, transportation, and markets become organized. A small portable sawmill started production in 1967.

Craig is organized in a city school district with 89 children enrolled in a combined elementary and secondary school of whom 81 are Natives. There are 15 in high school including 5 who commute from Klawock over a 7-mile single-track gravel road. Water for Craig comes from a small dam on a nearby mountain. It is estimated that 90 percent of the occupied homes have water. Some 95 percent have electricity, 50 percent telephones, and 80 percent radios. The Central Council emphasizes the need here for a health facility and a full-time nurse.

HOONAH

Hoonah is a rather populous though isolated Native village of 910 population located on the north end of Chichagof Island about 70 miles southwest of Juneau. The village population is 93 percent Native, the largest Tlingit village in southeast Alaska.

This is an old Indian village whose name signifies "North Wind." It is believed the people originally came from the neighborhood of Glacier Bay. Executive Order dated February 20, 1897, set aside a tract of land containing approximately 17,400 square feet to be used for school purposes. Executive Order 4712, dated August 30, 1927, excluded approximately 158 acres from the Tongass National Forest to be disposed of for townsite purposes. On April 27, 1934, the Board of National Missions of the Presbyterian Church deeded a tract of land containing 21 acres to the United States Government for school purposes. During September and October 1926 a survey was made, charting the Indian village of Hoonah by lots and blocks. A June 1930 survey set the boundaries of the Hoonah Elimination.

The summers are damp and cool with a great deal of rainfall. During the winters the temperature is fairly moderate with a heavy snowfall. There is an inadequate water supply, the only source being two small surface streams.

Hoonah incorporated as a first class village with an elected mayor and six council members. A constitution and bylaws of the Hoonah Indian Association was ratified October 23, 1939, the same date as the ratification of a corporate charter. Community activity in Hoonah centers around the Alaska Native Brotherhood, the Salvation Army and the Pentecostal Church.

A fishing economy predominates with nearly all capable males engaged in fishing during the summer or working in the local cannery. The availability of winter employment is at a minimum. Hoonah is the closest village to the Glacier Bay National Park. There are two licensed guides in the village and good hunting, fishing and berry picking in the area.

Approximately 50 percent of their homes are classified as substandard. Forty percent of the homes have city water, 95 percent have electricity, 50 percent telephones, and nearly 100 percent have radios. Sewage and sanitation facilities are available to 95 percent of the people. There are 15 units of mutual help housing in the planning stage.

Hoonah has a city school district with an enrollment of 285 children in school of whom 255 are Natives. One student is at Mount Edgecumbe. The high school gym and Alaska Native Brotherhood hall are used for recreation including movies.

The Hoonah City School District received a Follow-Through Grant in March 1969. This is to encourage and follow-through on Head Start and participants. Hoonah was selected because of its quality pre-school and Title I programs plus a willingness to involve parents and the community in decision making. The Central Council emphasizes the need in Hoonah for a full-time nurse as well as FHA or CEDC funding for a Wild Berry Plant.

HYDABURG

Hydaburg, a Native village of 235 population, is located on the southwest coast of Prince of Wales Island some 210 miles from Juneau. The area of present-day

Hydaburg is approximately 183.84 acres with Haida Indians constituting 195 people or 83 percent of the population.

Hydaburg was settled in 1911 by Haida Indians moving mainly from two nearby towns, Howkan and Klinquan primarily to secure better school facilities for their children. On June 19, 1912, the land occupied was reserved by Executive Order. However, on April 17, 1926, at the request of the people, all land except that held for school purposes was returned to its former status as part of the Tongass National Forest Reserve. An Executive Order dated April 17, 1926, reserved approximately 1½ acres of land as a school and medical unit; another Order dated August 30, 1927, reserved 189 acres located in and around the village for disposal as townsites.

Hydaburg possesses a fairly temperate climate with a high annual rainfall. Winters, while cold, are not severe enough to interfere with the piping of their water supply. The soil, such as there is, is fairly fertile, acid, of the muskeg variety. Water is plentiful with Hectar Creek bisecting the town. The land is rolling timber and muskeg for a mile or so from the beach when the hills rise to mountainous proportions. There are no known minerals immediately adjacent to Hydaburg.

The main employment is salmon fishing either on seine boats or from sport fishing boats. This, however, is limited to from two to three months per year. In winter there is some trapping and seal hunting. A cooperative salmon cannery, financed by the Federal Government, was run by the Hydaburg Cooperative Association. Its closing resulted in some families moving to Ketchikan. The cannery is now for sale. The sale is a joint effort between the Hydaburg Cooperative Association, the BIA and the Department of Economic Development and the Presbyterian Church. While the cannery has been idle for four years, a lease with option to buy has recently been concluded to enable production to resume. Of Hydaburg's available labor force of 50 individuals, 1969 figures show that 7 are permanently employed and 43 are listed as unemployed.

Hydaburg is incorporated as a second class city with an elected mayor and six councilmen. While a constitution and bylaws was ratified by the villagers in 1938, there has recently been little need for the IRA Council which was used primarily to supervise the operation of the cannery and fishing fleet.

Hydaburg is an independent school district with a new elementary school, built in 1963, enrolling 54 students of whom 53 are Natives. High school children go to BIA boarding schools. In 1967-68 there were 19 enrolled at Chemawa; 6 at Mount Edgecumbe, and 1 student at the University of Alaska.

Twenty-five percent of the homes are classified as dilapidated. All homes are tied in with a community water system. The water mains are new in the town but the dam and pipe leading to town are old and dilapidated. One hundred percent of the homes have electricity, 95 percent telephones, 90 percent radios, and 95 percent are on the community sewer system. The Central Council emphasizes the need for a full-time nurse in Hydaburg and the completion of their unfinished water and sewer project.

JUNEAU

Juneau is Alaska's capital and its third largest population center with a population of 12,500 of whom an estimated 1,950 are Natives. Often called America's most scenic capital, the city lies on southeast Alaska's sheltered Inside Passage, 75 miles from the open ocean and about 900 miles northwest of Seattle. Juneau is warm for its latitude with an annual rainfall of about 85 inches and an annual snowfall of 100 inches.

The "Indian Village" near downtown Juneau, was built around two clan houses, and contains many of the area's Native population. It is an area with substantial physical deterioration. About 50 percent of the lots are held under tax-free, restricted title. Native housing is often substandard compared to the rest of the community.

Government is the primary employer in Juneau. In addition commercial fishing, longshoring and construction work employ many Native people. Since some of this work is seasonal there is some winter unemployment.

KAKE

Kake, a Native village of 550 population of which 500 are Natives, is located on Kupreanoff Island on the northern end of Pocky Pass, approximately 40 miles west of Petersburg. The first missionary arrived in Kake in 1891 and found

many Natives, mainly fullblood Tlingit Indians, banded together at the present site for their mutual social and economic betterment.

Kake possesses a moderate climate with considerable rainfall. The maximum temperatures reach 90 degrees and the minimum is about minus 4 degrees. The growing season is five to six months long.

Kake is incorporated as a first class city with an elected mayor and six councilmen. A corporate charter of the Organized Village of Kake was ratified January 27, 1948, along with a constitution and bylaws. The IRA has a strong organization in Kake which cooperates well with the city council. Most of the able-bodied are employed in Kake as fishermen. There is some deer and duck hunting. Transportation is primarily by sea.

Kake has a city school district with 176 pupils enrolled in grades 1 through 12 in 1967-1968 of whom 163 were Natives. There is no major problem with school dropouts.

There is a great deal of substandard housing in Kake. A mutual, self-help housing program of 15 units is planned with some 35 families interested. Nearly every home is hooked up to the city water supply but the entire system is inadequate. Sewerlines run onto the tideflats and there is no city sewer system.

The village of Kake raised funds for the carving of a 132-foot high totem pole for Expo '70 to be held in Japan. The pole, which will be the longest, single piece of sculpture in the world, will be returned to Kake as a center attraction for tourists.

The Central Council emphasizes the needed for a full-time nurse in Kake and FHA or CEDC funds for a Kake recreational project.

KETCHIKAN

Ketchikan is the "Gateway" city of Alaska with a population of 11,000 including a Native population of 1,750 primarily of Tlingit descent. This is a first class home rule city with a mayor-manager system and a city council. A constitution and bylaws of the Ketchikan Indian Corporation was ratified January 27, 1940. A corporate charter was ratified at the same time.

The Independent School District of Ketchikan includes a high school and several elementary schools. The school system is excellent and well-integrated. There is also a small community college which is a branch of the University of Alaska.

The Indian population is in two settlement patterns. There is a compact area south of the business district where housing is sub-standard and overcrowded. They are also scattered throughout the city generally within the lower middle class. There is 100 percent accessibility of water, electric power, and telephones. There is also 100 percent participation in sanitation and sewage facilities as required by city ordinance.

Ketchikan, because of its location, has many tourist attractions. There is a park with a number of totem poles and one of the few surviving examples of a Tlingit Indian community house. The Alaska Native Brotherhood and Sisterhood are strong here.

KLAWOCK

Klawock with an estimated population of over 300 has a Native population of 280. It is located on Klawock Inlet or Bay, on the west coast of Prince of Wales Island, 145 miles from Ketchikan and 7 miles from Craig connected by a single-track dirt road.

In 1915 the Territory of Alaska passed an Act to provide local self government in certain Native villages, and under that Act the town of Klawock organized in 1915. The town government continued until the Act was repealed in 1929 when the town organized under the Laws of Alaska as a first class city. The local government consists of a mayor and council elected by popular vote. There is able leadership but the major problem has been that of poverty. The Klawock villages ratified a constitution and bylaws, along with their corporate charter in 1938. The IRA Council plans an active role in village affairs, most recently in 1964 the constitution was amended.

The whole of Klawock is on an island, which at high tide is cut off from Prince of Wales Island. The elevation is from sea level to about 50 to 75 feet. The soil is of acid muskeg origin with gravel underneath. However, some good gardens have been developed in the vicinity.

Klawock prospers or declines with fishing. There is seining for the local canery and hand trolling. A few of the men trap. A 1969 labor force report shows

an available labor force of 170 with a permanent employment of 8, a temporary or seasonal employment of 12, and 150 individuals listed as unemployed. Klawock is known for steelhead and king salmon fishing.

Klawock is an Independent School District with a community school for grades one through eight with an enrollment of 64 of whom 62 are Natives. Five students commute to Craig to high school.

It is estimated that 75 percent of the homes are substandard. Two-thirds of the water is on the city system but the system is a poor one. Most of the homes have power eight hours daily (4 p.m. to midnight) supplied by the cannery diesel. Their sanitation facilities are inadequate.

The Central Council emphasizes the need for a health facility and a full-time nurse; adequate teacher housing; and a hot lunch program. At present lunches are prepared in Craig and shipped to Klawock.

KLUKWAN

Klukwan is a Native village of 115 population with 110 Natives located in the Chilkat River valley some 22 miles inland from Haines. The boundaries of the village of Klukwan were established by a survey approved June 29, 1926, and today embrace some 894.70 acres of tribal land.

The Natives of Klukwan organized as the Chilkat Indians and ratified in March of 1941 a constitution and bylaws. A charter of incorporation was adopted the same date. The Alaska Native Brotherhood and Sisterhood are also quite active and control most of the community business. Practically every family in the village is represented in either one or both of these organizations. The traditional patterns of social and ceremonial interaction are still maintained to some degree in such areas as marriage, settlement of disputes, inheritance and death. The elderly hold to the Tlingit language and tradition.

The main occupations of the people are trapping, fishing, cannery work, hunting and arts and crafts such as wood carving, skin sewing and blanket making. There is periodic year-round longshoring. The making of the famous Chilkat Blankets is now almost a lost art. A 1969 labor force report shows an available labor force of 39 with 2 permanently employed and 37 unemployed.

Housing is in a reasonable condition but some are quite small. Every home has running water piped from a nearby mountain spring. Electricity is available during the dark waking hours. There is no sewer system but septic tanks. There are few businesses in Klukwan, most shopping is done by mail order or in Haines.

The Bureau of Indian Affairs maintains a one-teacher grade school with an enrollment of 26 of whom 24 are Natives. High school children are bused to Haines. Two attend Mount Edgecumbe and two are at Chemawa.

In May 1969 Klukwan began work on the construction of a tribal house-community hall building which will be a center for Indian dances, sale of Indian crafts, as well as a community gathering place. Operation Mainstream is funding the wages for the workmen but the community is providing its own materials. The structure will be a 26 foot by 40 foot log building. A side object is the teaching of basic carpentry skills. Operation Mainstream is also paying wages for the installation of a chlorinator, supplied by the USPHS, for the Klukwan water supply.

The Central Council emphasizes the need for a full-time nurse and while encouraging the Bureau of Indian Affairs to continue operating the present school system points up the need to construct a new school.

METLAKATLA

Metlakatla with an estimated population of 1,000 has a Native population of 970 and is located 15 miles south of Ketchikan on Annette Island. The area surrounding Metlakatla and the nearby airport is quite level while the rest of the island terrain is mountainous and covered with timber to a large extent.

The community is organized under section 16 of the Indian Reorganization Act and has a constitution and charter, each having been approved August 23, 1944, and ratified December 19, 1944. There is a mayor, 12 city councilmen and 3 executive members in the council.

The lands of the Annette Island Reserve were established by Congress on March 3, 1891 (26 Stat. 1101, 48 U.S.C. 358), "as a reservation for the use of the Metlakatla Indians, and those people who are known as Metlakatlas, who

recently migrated from British Columbia to Alaska, and such other Alaskan Natives as may join them, to be held and used by them in common." They presently hold 86,741 acres of tribal land. The number of Tlingit and Haida Indians living on Metlakatla will not be known accurately until the completion of the Tlingit-Haida roll.

Metlakatla is regarded as the most progressive Indian community in Alaska. Fishing is the main industry with the Annette Islands Canning Company, a salmon cannery enterprise owned and operated by the Metlakatla Indian Community, as the hub. The employment of 150 laborers in the cannery is seasonal. A new lumber mill should create work for as many as 60 people. An EDA grant will allow the community to have an expanded dock and harbor facility.

The housing situation for the 170 homes in the community is quite satisfactory and above average in comparison with other Native villages in southeast Alaska. Some 30 mutual self-help houses have recently been completed. The entire community is tied in with the water and sewer system as required by city ordinance. The community operates and maintains a substantial electric facility which has a peak capacity of 3,750 KWH of power generation. The facility has been financed through loans from the Rural Electrification Administration.

Metlakatla has a State operated school with grades kindergarten through high school and an enrollment of 359 of whom are Natives. There is also an elementary school available at Annette.

There is no hospital in the area; however, scheduled medical services are available from the USPHS doctor stationed on the island. The Presbyterian Church and the Father Duncan Church are the chief social centers.

Good air service is available at Annette. Boats are used extensively for transportation on the waterways surrounding the area. Some 12 miles of roads make up their limited road system.

OAKLAND, CALIF.

The Tlingit and Haida Indians who reside in Oakland, California, have an informal organization and are represented on the Central Council. Their actual numbers will not be known until the completion of the Tlingit-Haida roll.

PETERSBURG

Petersburg, containing a population of 1,950 of which 400 are Native, is located on Mitkof Island at the northern end of Wrangell Narrows some 110 miles south of Juneau. The Indian population is predominantly Tlingit.

Originally Petersburg was a cannery site, founded by the late Peter Buschmann, for whom the town was named. As the town grew Indians moved there from different villages in southeast Alaska to better their economic conditions. All land owned by Natives is under a nonrestricted deed.

Petersburg possesses a modern climate with considerable rainfall. The maximum temperatures reach 90 degrees and the minimum is about minus 4 degrees. The growing season is about four and one-half months out of the year. Soil consists of muskeg or peat moss, which runs to a depth of eight feet before hitting bedrock.

Petersburg is incorporated as a first class city with a city manager and mayor and six councilmen. A constitution and bylaws of the Petersburg Indian Association was approved March 22, 1948, the same date as approval was given for a corporate charter.

A majority of the working class are fishermen and the town is well known for its "Petersburg" shrimp. The logging industry in the area is growing. A shell fish industry employs a number of Natives. There is a great deal of subsistence living during winter by picking shrimp.

The overall housing situation is poor. The Alaska Housing Authority had middle income units available for occupancy but with a rent of \$225 per month most of the Natives who need housing are precluded from occupying them. Twelve low income units were opened in 1967. Much of the existing Native housing is substandard.

Petersburg is an Independent School District with 657 children enrolled in grades one through high school of whom 136 are Natives.

SAXMAN

Saxman is a Native village with a population of 150 located two and one-half miles from Ketchikan on Revillagigedo Island. It is reported to have been settled

about the year 1895 by Tlingit Indians from Cape Fox and Port Tongass, and was named for Samuel Saxman, a school teacher.

Saxman is incorporated as a second class community with an elected mayor and council. A constitution and bylaws for the organized Village of Saxman under the IRA were ratified along with a corporate charter January 14, 1941. The constitution was amended in 1962.

Many of the Saxman residents work in Ketchikan while others are commercial fishermen. The village has no school nor utilities of its own except a water system. Utilities used are via Ketchikan, a few miles away, and the children attend the school there. The main problems of the village are an inadequate water supply and inadequate housing facilities.

Saxman's main attraction is a totem pole park with 26 poles carved by Indian craftsmen. The Central Council stresses the need here for a road to the cedar mill.

SEATTLE

The Tlingit and Haida Indians who reside in Seattle, Washington, constitute a very active group and are represented on the Central Council. Their actual numbers will not be known until the completion of the Tlingit-Haida roll.

SITKA

Sitka, with the longest exposure to western culture of any of the Tlingit-Haida villages, is located on the west side of Baranof Island, one of the largest and most westerly islands in southeastern Alaska. It has a population of 3,800 of whom 1,100 are Natives.

During the Russian administration, Sitka became a thriving industrial city with an emphasis upon iron and brass foundries. It was the capital of Russian America from 1807 until transferred to the United States in 1867 and was the capital of Alaska before the administration was moved to Juneau in 1905. Sitka is organized as a home rule city with an elected mayor and six council members. A constitution and a charter of incorporation were ratified October 11, 1938. While these all Native entities have been inactive for many years, efforts are being made to reactivate the IRA Council.

The lumber industry and papermill provide basic employment. There is also summer commercial fishing. The unemployment rate is low in Sitka. The Native population is integrated within the community. It is estimated that the Indian homes are about 90 percent substandard. All homes have city water, sewage, and electric power. Nearly every home has a radio and some have cable television.

The Sitka Public School system enrolls grades one through high school. Sheldon-Jackson, a private Presbyterian Institution, has a high school and junior college. There is a summer recreation program for children and the school gymnasium is used for bowling and the activities of a city basketball league. A Community Action Committee in the community is very active.

January 2, 1966, a fire in Sitka razed two churches and eleven buildings housing 21 businesses and 8 apartments. The loss was estimated at \$2 million with replacement at \$3.5 million. Included in the loss was Saint Michael's Cathedral, the finest example of Russian architecture in the United States and believed to be the oldest church in Alaska.

Sitka has a great many advantages for tourism. This is an Indian culture center with much Russian influence, Baranof's headquarters, the first State Capitol, and the place where the United States flag was first flown. The original Russian orphanage is still standing. Sitka National Monument is the site of a log stockade in which the Indians made their stand against the Russian invaders led by Baranof. The monument also protects an outstanding collection of Alaskan Indian totem poles.

The Central Council recommends the need for more adequate water and sewerage in the Indian village area of Sitka. It also emphasizes the need for funding the Sitka Indian Cultural Center.

WRANGELL

Wrangell is a town of 1,850 population with a Native population of 375 located at the northern end of Wrangell Island, some 148 miles from Juneau. The original abode of the Wrangell Indians was 18 miles south, but the Russian traders landed at the present site of Wrangell and so the Indians finally moved there to be in easy reach of trade.

Wrangell is a home rule town with a mayor, city manager, and council with an IRA constitution and bylaws of the Wrangell Cooperative Association approved April 30, 1942. A corporate charter was approved at the same time. Wrangell Institute, a Federal boarding school operated by the BIA for 240 students in grades 1 through 9, is located about 6 miles south of town and connected by an unimproved highway.

Lumber is the backbone of the community economy with two mills which operate the whole year. Fishing is also a major industry supplemented by a fine natural harbor at the mouth of the Stikine River.

Housing is critical as far as quantity is concerned. The Native population is fairly well scattered throughout the community. The condition of the homes is fair but many are overcrowded. Low income housing is desperately needed. The community water system is in poor shape. The pipes are too near the surface and freeze almost every year. Some 85 percent of the homes are hooked into the sanitation system. Power and phones are adequate and there is some cable television at a cost of \$15 per month. A new 10-bed hospital is being planned.

The Independent School District operates a school system kindergarten through high school with an enrollment of 532 including 185 Natives. Little of the traditional Tlingit social organization remains although the Alaska Native Brotherhood and Sisterhood are strong and much of the social activities among the Natives revolve around them.

It is estimated that in an average year some 26 Native families receive non-financial assistance while 15 percent receive BIA financial assistance under the Bureau's general assistance program.

YAKUTAT

Yakutat is a Native Tlingit community with a population of 400 of whom 275 are Natives located on the west end of Monti Bay some 210 miles northwest of Juneau. This Tlingit Indian village was the principal winter home of the Yakutats, a subtribe of the Tlingits. A post office was established in 1892, discontinued in 1895, and reestablished in 1901.

Yakutat is a second class city with an elected mayor and six elected council members. An Executive Order of May 4, 1907, set aside 40 acres for a school and a Secretarial Order of February 20, 1939, set aside .276 acres for a health center.

Most employment is provided by individual commercial fishing and seasonal crab cannery work. There is also some commercial seal hunting during the winter. Bear and moose hunting at Yakutat is excellent, as well as duck and goose hunting. A well protected harbor and back bay area provide excellent boating facilities with shrimp, crab, clams, halibut, and other sea foods plentiful. An excellent beach and 75 miles of road which winds throughout the area provides interesting and beautiful tours, picnics, and beachcombing expeditions.

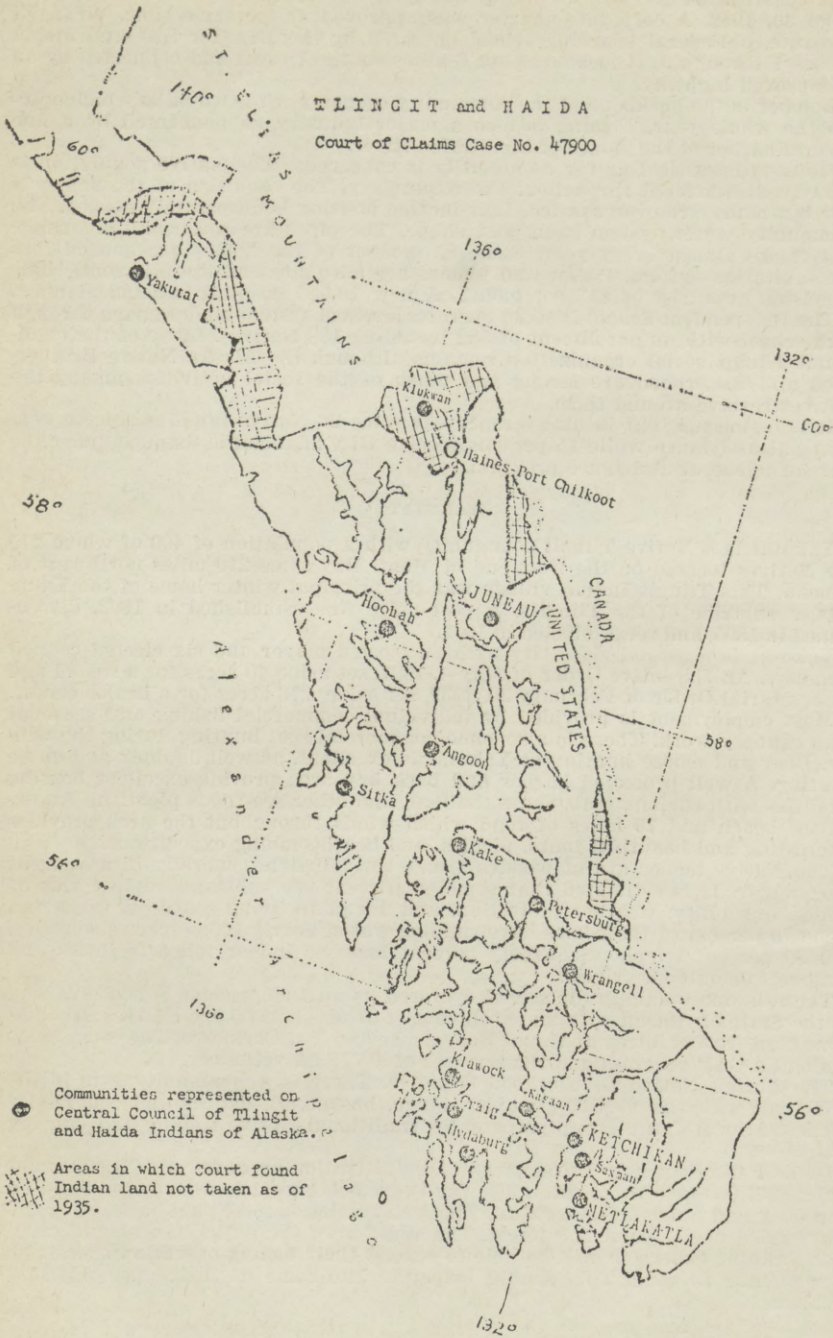
The Native homes are of wooden frame construction, generally in a state of poor repair. It is estimated that some 80 percent are substandard in terms of safety, durability, weather protection, and adequate living space per occupant. Some 70 percent of the homes have running water, nearly 100 percent electricity, and 30 percent telephones. Ninety percent have no indoor toilet facilities and must rely on outdoor privies.

There is one public grade school operated as an Independent School financed by the State of Alaska with an enrollment of 97 of whom 55 are Natives. In addition there are 8 children at Mount Edgecumbe and 2 at Chemawa. The community has had a CAP program and the services of a VISTA volunteer.

The Alaska Native Brotherhood is active. There is a community gym in the ANB hall which is used for movies, bingo, basketball, dances and community parties. A local dance group perpetuates traditional Native singing and dancing arts.

In 1967 the Economic Development Administration approved a \$831,000 grant and a \$357,000 loan to Yakutat. The funds are being used to finance the building of a dock and a fish freezing plant. The loan portion is to be paid back over a 25-year period at 4¼ percent interest. The addition of these facilities should mean that Yakutat fishermen will be able to extend their fishing operation time from four months to nine. This should help alleviate some of their unemployment problems.

TLINGIT and HAIDA
 Court of Claims Case No. 47900



• Communities represented on Central Council of Tlingit and Haida Indians of Alaska.

▨ Areas in which Court found Indian land not taken as of 1935.

(Resolution No. 68-69 CC-1)

RESOLUTION OF THE CENTRAL COUNCIL OF THE TLINGIT AND HAIDA INDIANS
OF ALASKA

Whereas, the Program Planning Committee of the Central Council of the Tlingit and Haida Indians of Alaska, in meeting at Juneau, Alaska on November 8, 9 and 10, 1968, did give careful consideration to the formulation of plans for the use of the Tlingit and Haida Judgment Funds in order to promote and advance the economic and social progress of each of the Communities of the Tlingit and Haida Indians and the members thereof; and

Whereas, the Program Planning Committee formulated and reviewed a statement entitled, "Statement of Plans for the Use of Tlingit and Haida Funds," dated November, 1968; and

Whereas, the Program Planning Committee presented the statement to the Executive Committee; and

Whereas, the Executive Committee by Resolution (Resolution No. 68-69, Ex. 8) adopted on November 19, 1968, did approve said Statement of Plans and did direct that the statement shall be made the basis of a presentation and report to Congress of plans for the use of the Tlingit and Haida Judgment Fund: subject to consideration of modifications of the plans in the event that during the interim period before the plans are presented to Congress changes in circumstances should make such modifications appropriate and desirable; and

Whereas, the Program Planning Committee in meeting assembled at Sitka, Alaska, has formulated a Supplement to the Statement of Plans and has presented to the Central Council said Statement of Plans and the Supplement to the Statement of plans: now therefore be it resolved

Resolved by the Central Council in meeting assembled in Sitka, Alaska, on April 26, 1969, that:

(1) The statement dated November, 1968, entitled "Statement of Plans for the Use of Tlingit and Haida Funds," as modified by the supplement dated April 1969, entitled "Supplement to Statement of Plans for the Use of Tlingit and Haida Funds," which has been presented and recommended by the Program Planning Committee to the Central Council is hereby approved; and

(2) The President of the Central Council is hereby authorized to make said Statement of Plans dated November 1968 as supplemented by the Supplement to Statement of Plans dated April 1969 the basis of the presentation and report to Congress pursuant to Section 8 of the Act of June 19, 1935, as amended by the Act of August 19, 1965; and

(3) The President is authorized to take all appropriate steps in order to obtain, as promptly as possible, the enactment by Congress of a law permitting the advance, expenditure and use of the Tlingit and Haida Judgment Funds for the purposes of, and in accordance with, the said Statement of Plans and the said Supplement to the Statement of Plans.

CERTIFICATION

This is to certify that the above and foregoing Resolution was considered at a meeting of the Central Council of the Tlingit and Haida Indians of Alaska held on April 26, 1969, a quorum of the Central Council being present, and was adopted by a vote of 39 for and none against.

Dated this 26th day of April, 1969.

JAMES W. THOMAS,
*Secretary, Central Council of
the Tlingit and Haida Indians of Alaska.*

Attest:

JOHN BORBRIDGE, JR.,
President.

STATEMENT OF PLANS FOR THE USE OF TLINGIT AND HAIDA FUNDS

A. INTRODUCTION

This memorandum presents (1) a summary of the current Tlingit and Haida funds, (2) an explanation of the authorization given by the Congress to the Central Council of the Tlingit and Haida Indians of Alaska, to prepare plans for the use of the funds, (3) a brief description of a tentative program consisting of six plans for the use of a portion of the Tlingit and Haida funds.

The fundamental objectives of the plans will be to provide the maximum benefits and advantages which will contribute to the economic and social progress of each of the Communities of Tlingit and Haida Indians, which are represented in the Central Council of the Tlingit and Haida Indians of Alaska. Further, the procedures and mechanics for the administration and operation of the plans and the criteri and standards for benefits under the plans will be designed to provide, to the fullest practicable extent, self-determination by each of the Communities and their members.

B. SUMMARY OF THE TLINGIT AND HAIDA FUNDS

At the present time the Tlingit and Haida funds comprise (1) funds invested in securities, (2) funds deposited in the U.S. Treasury, and (3) budgeted funds.

(1) *Invested Funds.*—Certain funds belonging to the Tlingit and Haida Indians of Alaska, in a total principal or face amount of Six Million Five Hundred Ninety-Two Thousand Dollars (\$6,592,000.00), are invested in United States securities as well as other securities or obligations which are guaranteed by the United States or are collateralized by United States Securities, as follows:

Security	Face or principal amount	Maturity date
U.S. Treasury bills—		
(a) Of Apr. 22, 1969.....	\$41,000	Apr. 22, 1969
(b) Of May 31, 1969.....	51,000	May 31, 1969
Subtotal.....	92,000	
Bank certificates of deposit:		
(a) Marine Midland Trust Co.:		
(1) Certificate No. 11379.....	500,000	July 29, 1969
(2) Certificate No. 11371.....	1,250,000	Jan. 23, 1970
(3) Certificate No. 11372.....	1,250,000	July 23, 1970
(b) Manufacturers & Traders Trust Co.:		
(1) Certificate No. 24252.....	1,250,000	Jan. 23, 1970
(2) Certificate No. 24253.....	1,250,000	July 23, 1970
Subtotal.....	5,500,000	
Federal National Mortgage Association participation certificates:		
(a) 4.7 percent certificates.....	500,000	Dec. 1, 1972
(b) 6.45 percent certificates.....	500,000	Apr. 9, 1973
Subtotal.....	1,000,000	
Total.....	6,592,000	

It is estimated that on these investments, the Tlingit and Haida Indians of Alaska are presently earning interest at the rate of more than Four Hundred Thousand Dollars (\$400,000) on an annual basis. When the interest on these investments is paid from time to time, it is automatically deposited in a Tlingit and Haida account in the U.S. Treasury.

(2) *Deposited Funds.*—In addition to the above-described invested funds, there is on deposit at the present time in a Tlingit and Haida account in the U.S. Treasury a total of \$111,592.19. Also, the sum of \$16,214.56 is in process of being deposited. However, the great bulk of these "deposited" funds are being held in reserve to pay the costs and expenses of the litigation in the U.S. Court of Claims which resulted in the award to the Tlingit and Haida Indians of Alaska.

(3) *Budgeted Funds.*—A total of One Hundred Fifty Thousand Dollars (\$150,000), which was withdrawn from the Tlingit and Haida funds in the U.S. Treasury, has been made available to the Central Council of the Tlingit and Haida Indians of Alaska for organizational, administrative, operating and program planning expenses in accordance with an approved budget.

C. THE CONGRESSIONAL AUTHORIZATION TO PREPARE PLANS FOR THE USE OF THE FUNDS

By Section 8 of the Act of June 19, 1935 (49 Stat. 388) as amended by the Act of August 19, 1965 (79 Stat. 543), Congress directed that the Tlingit and Haida funds (which were derived from an appropriation made by Congress to pay the judgment against the United States, awarded by the U.S. Court of Claims to the Tlingit and Haida Indians) may not be made available for expenditure by the

Tlingit and Haida Indians, except for certain specified uses,¹ until after Congress has enacted legislation that sets forth the purposes for which the funds shall be used.

In this same Section 8, Congress authorized the Central Council of the Tlingit and Haida Indians to prepare plans for the use of the funds, and to exercise such further powers with respect to the advance, expenditure and distribution of the funds as may be authorized by Congress.

D. THE PLANS

The Executive Committee of the Central Council, in consultation and cooperation with the Program Planning Committee, has formulated a program providing for six plans, which will call for the making available, from time to time as needed, upon requisition by the Central Council, of sums up to a total of Two Million Dollars (\$2,000,000), out of the proceeds of the above-described Tlingit and Haida invested funds, deposited funds and the interest accrued and accruing thereon. As may be noted, this sum of Two Million Dollars comprises less than one-third of the present Tlingit and Haida invested funds. It is contemplated that the balance of the Tlingit and Haida funds, amounting to more than Four and One Half Million Dollars, as well as the interest earnings thereon will remain substantially intact and be invested and reinvested, and be on deposit in the U.S. Treasury, until such time as future plans are developed for the use of such funds.²

The six plans fall under the following descriptive headings and the amounts tentatively allocated to the plans are as follows:

(1) Scholarship grants and assistance for education and professional and vocational training-----	200, 000
(2) Plans for services for the "special" (that is, the elderly) Tlingit and Haida people-----	250, 000
(3) Housing guarantee and loan fund-----	500, 000
(4) Community development fund-----	200, 000
(5) Industrial and commercial development fund-----	500, 000
(6) Revolving fund for loans or organization of a T-H bank-----	350, 000
Total -----	2, 000, 000

The plans are intended to fulfill purposes and meet problems for which other programs—federal, state or local—are not available or to facilitate the use of such other programs where suitable, to help carry out the objectives of the plans.

The financial arrangements of the plans will be designed to maintain and conserve the assets of the Tlingit and Haida to the extent feasible within the purposes sought.

The following is a statement of certain recommended general principles and guidelines under the plans.

(1) *Scholarship grants and assistance for education and professional and vocational training*

The purpose is (a) to encourage, through financial means, and to assist in other respects in the achievement of higher educational levels for the Tlingit and Haida youth, (b) to advance the education and the technical and professional training of the adult members of each of the Communities of the Tlingit and Haida, and (c) to increase their earning capacity.

¹ The specified permitted uses were for (1) the organizational, administrative, operating and program planning expenses of the Central Council of the Tlingit and Haida Indians; and (2) payment of attorney fees and expenses of the litigation.

As has been stated, \$150,000 has been withdrawn from the Tlingit and Haida account in the U.S. Treasury and made available to the Central Council for organizational, administrative, operating and program planning expenses. Also, the sum required for attorneys' fees for services in the litigation in the U.S. Court of Claims has been withdrawn from the Tlingit and Haida account in the U.S. Treasury and paid to the attorneys. Further, as has been noted, funds have been reserved in the Tlingit and Haida account in the U.S. Treasury in an amount believed more than ample to pay all expenses of the litigation, including expert witness fees and costs.

² Pending the development of such future plans, the only expenditures from such balance of funds may be for organizational, administrative, operating and program planning expenses of the Central Council.

Fuller use of existing scholarship, loan and other assistance (both public and private) for education and training will be encouraged by information services to the Communities, by guidance and referrals, and by establishing lines of communication with colleges, universities and other educational training institutions. Emphasis will be placed on training and education that is consistent with occupational requirements in Alaska.

Barriers to fuller use of existing programs will be reduced where review of such barriers indicates need for supplementary financial assistance and action (for example, transportation payments, clothing and boarding allowances, etc.).

Combinations of training grants and loans will be designed to facilitate the upgrading of occupational skills and earning levels of those already at work.

(2) *Plan for services to the "special" (that is, the elderly) Tlingit and Haida people*

The purpose is to provide needed housing, health and nutritional services and facilities not otherwise available for the "special" T-H people so as to permit these persons to live out their lives with dignity.

Fuller use of existing health and public aid programs will be encouraged by such additional measures as are appropriate to the needs of the special T-H people, including, for example, referrals, guidance, and transportation allowances. In addition, housing developments, nursing homes, training of health personnel, provision of prosthetic appliances, subsidization of nurse services will be assessed in terms of needs and having regard to supplementation of existing programs.

(3) *Housing guaranty and loan fund*

The purpose is to assist the members of the Communities of the Tlingit and Haida to obtain satisfactory housing through various measures, such as guarantees of mortgage loans made by financial institutions or direct loans.

Present housing facilities of the Tlingit and Haida in each Community will be assessed and plans made for moving toward satisfactory housing that takes account of the current and prospective income available for housing purposes of the Tlingit and Haida.

To the extent that housing would facilitate other community development projects, and other sources of support (loans and grants) are not available, housing loans would be extended to encourage and finance the necessary constructions.

Fuller use of existing public aid (both grant and loans) programs will be encouraged and facilitated (for example, housing projects would be designed and planned, and services would be made available for matching public programs.)

(4) *Community development fund*

The purpose is to promote and encourage community participation and development by the provision of resources including facilities for community activities, such as cultural, educational and recreational activities.

Financial support for community facilities will be supplementary to those which can be obtained from other sources and will be considered along with plans for improved housing.

(5) *Industrial and commercial development fund*

The purpose is to develop satisfactory employment opportunities and to raise the earnings and income of the Tlingit and Haida.

A fund will be set aside to foster industrial and commercial development that will have a comparative advantage because of the special characteristics of each Community of Tlingit and Haida by (a) the making of loans, (b) the guarantee of loans, (3) and subsidization of interest on loans.

Included among the activities to be funded are (1) training of Tlingit and Haida in the skills required to administer and carry on business enterprises, and (2) formulation of proposals for outside financial support.

(6) *Revolving fund for loans or organization of a T-H bank*

The purpose is to provide a fund which will enable the members of the Communities of the Tlingit and Haida to obtain loans not available from other sources, for various essential purposes, such as repair of homes, acquisition of housing facilities, capital for small business operation, etc.

It is proposed that a portion of the loan fund be reserved so as to provide for each Community a fund for temporary financial assistance that can tide Tlingit and Haida families and persons over emergency situations until the emergency

has passed or until appropriate channels can be found in longer range situations. As a future alternative, consideration will be given to the organization and funding of a bank owned by the Tlingit and Haida which will provide loans to the members of the Communities of the Tlingit and Haida on a preferential basis.

SUPPLEMENT TO STATEMENT OF PLANS FOR THE USE OF
TLINGIT AND HAIDA FUNDS

On November 10, 1968, the Program Planning Committee of the Central Council of Tlingit and Haida Indians of Alaska submitted to the Executive Committee of the Central Council a "Statement of Plans for the use of Tlingit and Haida Funds." After considering the "Statement of Plans", the Executive Committee adopted a Resolution (Resolution No. 68-69 Ex. 8) approving the Statement of Plans.

The Program Planning Committee now presents this memorandum as a "Supplement to the Statement of Plans" and recommends that the Statement of Plans of November 1968 and this Supplement to the Statement of Plans be presented for the consideration of the Central Council of the Tlingit and Haida Indians of Alaska at its meeting to be convened in Sitka, Alaska, commencing on April 24, 1969.

It is noted that the Statement of Plans formulated a program providing for six plans, which will call for the making available, from time to time as needed, upon requisition by the Central Council, of sums up to a total of Two Million Dollars (\$2,000,000.00) out of the proceeds of the Tlingit and Haida invested funds. The Program Planning Committee, after further consideration and review, has concluded that the allocation of funds to the six plans should be increased to \$4,000,000.00. The six plans fall under the following descriptions:

(1) Scholarship grants and assistance for education and professional and vocational training-----	\$200,000
(2) Plans for services for the "special" (that is, the elderly) Tlingit and Haida people-----	250,000
(3) Housing guarantee and loan fund-----	500,000
(4) Community development fund-----	1,000,000
(5) Industrial and commercial development fund-----	1,500,000
(6) Revolving fund for loans or organization of a T-H bank-----	550,000
Total -----	4,000,000

In addition, there will be a reserve of invested funds which exceeds two and one half million dollars.

Considering the best interests and welfare of the Tlingit and Haida Indians as a whole and of the various Communities of Tlingit and Haida Indians, the Progress Planning Committee believes at this time, that the foregoing allocations to the six plans are appropriate. However, it is emphasized that as experience makes it desirable and as conditions change, the allocations may be modified, including substantial increases in the allocations to one or more of six plans. In the event of such increased allocations, it is contemplated that funds will be requisitioned pursuant to resolutions duly adopted by the Central Council or the Executive Committee of the Central Council from the reserve of the Tlingit and Haida funds, which reserve as noted presently amounts to more than two and one-half million dollars.

Similarly, it is contemplated that as experience is gained in the operation of one or more of the six plans, additional plans will be formulated of a nature similar to the above described six plans. Such additional plans will be funded from the reserve of Tlingit and Haida invested funds. The basic standards for such additional plans will also be the betterment of the social economic welfare of the Tlingit and Haida Indians as a whole and of the local Communities and the conservation, protection and enforcement of the rights, land and other resources of the Tlingit and Haida Indians, including (1) contribution of funds to be expended, advanced or loaned to assist in protecting their rights and claims in connection with the legislative proposals to settle on a Statewide basis the Alaska Native land rights as well as (2) their rights and claims to the 2.6 million acres of lands in southeast Alaska to which the United States Court of Claims has decided that the ownership of the Tlingit and Haida based on Indian Title remains unextinguished and has survived.

RECOMMENDATIONS FROM THE PLANNING COMMITTEE

- (1) Supplement to Statement of Plans for use of Tlingit and Haida Funds.
- (2) Resolution of Central Council of the Tlingit and Haida Indians of Alaska.
- (3) That these positions be created and staffed by qualified Tlingit and Haida members, and that the operating base be located at Juneau.
 - A. Assistant Manager
 - B. Program Coordinator
 - C. Educational Coordinator
 - D. Accountant
 - E. Clerical help as necessary
- (4) After the presentation of communities, the Planning Committee recommends that influential pressures be taken to motivate action of the various agencies by the Central Council, to implement or complete these various projects.
 1. Road to cedar mill site at Saxman.
 2. Need of health facilities at Craig and Klawock.
 3. Teacher housing at Klawock.
 4. Hydaburg cannery, relationship with the BIA, including default action instituted by the BIA against the Hydaburg cannery.
 5. Full time nurse be stationed at Yakutat, Hydaburg, Craig, Klawock, Kake, Angoon, Hoonah, Klukwan.
 6. Forest Service timber sale policy.
 7. Completion of unfinished Hydaburg water and sewer project.
 8. Water and sewer project for Yakutat.
 9. Sitka Indian Village sewer and water project.
 10. That FHA or CEDC fund Hoonah Wild Berry Plant.
 11. Sitka Indian Cultural Center be funded immediately.
 12. FHA or CEDC fund Kake recreational project.
 13. Yakutat land sale.
 14. Surplus equipment needed by small communities (surplus equipment available but restrictive conditions must be relaxed by OEO).
 15. Hot lunch program for Klawock School (at present, lunches are prepared in Craig and shipped to Klawock).
 16. Oil station at Angoon.
 17. Recommend that the Executive Committee adopt a resolution asking the Tlingit and Haida Manager to apply to EDA for Planning funds, for economic development planning in Southeast Indian Area.
 18. (Attached).
 19. Recommendation that video be used as a source of communication to everyone.
 20. That logs on beaches be available for personal use by Natives.
 21. That the Executive Committee loan to the Planning Committee, \$50,000.00— from its operating budget for immediate aid to our special people.
 22. That proper legislation be introduced by the Governor so that the State of Alaska or SEACAP be funded a statewide planning grant for comprehensive planning for S.E. Alaska.
 23. Recommend that the positions listed in item 3 be filled as promptly as possible, the selections of persons to fill these positions, their determinations of these duties, salaries, and other terms and conditions of employment to be left to the discretion of the Executive Committee.
 24. That the Klukwan water and sewer project accelerated, and that immediate action be taken on contamination problems in the existing water and sewer system.
 25. That the BIA continue operation of present school system and construct new school in Klukwan

CERTIFICATION

This is to certify that the above and foregoing Resolution was considered at a meeting of the Central Council of the Tlingit and Haida Indians of Alaska held on April 26, 1969, a quorum of the Central Council being present, and was adopted by a vote of 39 for and none against.

Dated this 26 day of April, 1969.

JAMES W. THOMAS,
Secretary, Central Council of the
Tlingit and Haida Indians of Alaska.

Attest:

JOHN BORBRIDGE, JR.,
President.

RESOLUTION No. 68-69 C. C.-2

Be it resolved by the Central Council of the Tlingit and Haida Indians of Alaska in Council assembly at Sitka, Alaska, this 26th day of April, 1969, that:

The delegates to the Central Council upon their return to their respective Communities after the adjournment of this meeting of the Central Council are directed, in co-operation with the officers of the existing Community Organizations, to review the structures of such organizations to determine their adequacy to perform the functions of local government and to identify the ways in which they might be improved.

The delegates shall exert their best efforts to assure, prior to the next annual meeting of the Central Council, organization of their respective Communities as constituent elements of the Central Council of the Tlingit and Haida Indians of Alaska under organic documents which invest the governing bodies of such Communities with powers and responsibilities commensurate with the developing needs of such Communities.

Where it is concluded that existing community organizations are inadequate, Communities are authorized and urged to conduct such elections and to take such other actions as may be necessary and proper to improve their mechanisms of government, including the adoptions of new constitutions.

For the guidance of Communities which determine that their governments should be reorganized by the revision of existing constitutions or the adoption of new, model Community Constitution is attached hereto which has been approved by the Central Council.

The Executive Committee is hereby authorized to take all actions respecting the organization of such Communities, and the conduct of elections in connection therewith, as are within the powers of the Central Council, including approving constitutions adopted by such Communities:

To assist them to organize and to conduct such elections as are authorized above, the Executive Committee is authorized to disburse to such Communities under such regulations and conditions as it shall prescribe, or otherwise to use and expend for such purposes such funds, not otherwise appropriated, as are available to the Central Council; *provided*, that any person having custody or possession of any funds heretofore or hereafter advanced to any Community for such purposes which are unexpended and unobligated upon the completion of the organizational effort for which they were advanced, shall forthwith deliver the same to the treasurer of the Community, if the Community is organized under a constitution approved by the Central Council, or, if not, to the Treasurer of the Central Council.

CERTIFICATION

This is to certify that the above and foregoing Resolution was considered at a meeting of the Central Council of the Tlingit and Haida Indians of Alaska held on April 26, 1969, a quorum of the Central Council being present, and was duly and regularly adopted.

Dated : 26th day of April, 1969.

JAMES W. THOMAS,
*Secretary, Central Council of the
Tlingit and Haida Indians of Alaska.*

Attest:

JOHN BORBRIDGE, Jr.,
President.

CONSTITUTION OF THE _____ COMMUNITY OF TLINGIT AND HAIDA INDIANS

PREAMBLE

We the members of the _____ Community of Tlingit and Haida Indians, which Community is entitled to elect delegates to the Central Council of the Tlingit and Haida Indians of Alaska, in order better to provide for the organization of the Community, both generally and as a constituent part of the Central Council, and in order to promote the objective of the Central Council and the welfare of ourselves and our posterity, do ordain and establish this Constitution.

ARTICLE I—MEMBERSHIP

The voting members of the Community shall be those persons whose names are included from time to time on the official voting list of the Community prepared in accordance with Rules of Election adopted and approved as provided by section 7 of the Act of June 19, 1935 (49 Stat. 388), as amended by the Act of August 17, 1965 (79 Stat. 543).

ARTICLE II—COMMUNITY COUNCIL

Section 1.—The governing body of the Community shall be a council composed of _____ persons who shall be elected in accordance with such Rules of Election by the voting members of the Community from their number, which shall be named the Council of the _____ Community of Tlingit and Haida Indians.

Section 2.—The terms of members of the Community Council shall be two years, or until their successors are elected and seated, and shall correspond as nearly as practicable to the terms of delegates from the Community to the Central Council. A person may hold the offices of member of the Community Council and delegate to the Central Council at the same time. The members of the Community Council shall be elected at the same elections as delegates to the Central Council; *provided*, that upon the adoption of this Constitution the Central Council may authorize the Community to hold a special election for the purpose of choosing initial members of the Community Council to serve until their successors, who shall be chosen at the next general election, are seated.

Section 3.—Within 30 days of their election the members of the Community Council shall meet and elect from their number the following officers: Chairman, Vice-Chairman, Secretary, and Treasurer, who shall be the executive officers of the Council and of the Community. The same person may be elected to the offices of Secretary and Treasurer. The Council may appoint such other officers as it deems desirable. All officers of the Council shall serve at its pleasure and shall receive such compensation and allowances, if any, as shall be prescribed by the Council, subject to the availability of funds.

Section 4.—Subject to the foregoing section, the Community Council shall hold such regular and special meetings, at such times and places, as it shall by resolutions provide. Special meetings may be called by written notice signed by the Chairman or by a majority of the members of the Council, and at such meetings the Council may transact any business and take any actions within its powers. At all meetings of the Council a quorum shall consist of a majority of the members and no business shall be transacted unless a quorum is present. Whether assembled or not, a majority of the members of the Council shall be able to transact any business or take any action within the powers of the Council; *provided*, that before the Council shall take action when not assembled, a reasonable effort shall be made to advise and consult each member and provision shall be made for evidencing the concurrence of the majority in a writing or writings which shall be transmitted to the Secretary of the Council for preservation in its records.

Section 5.—One-fourth or more of the voting members of the Community by petition in writing may demand an election to vote on the recall of any member of the Community Council or any delegate from the Community to the Central Council. Such petition may be filed with any member of the Community Council who shall immediately notify the other members of its receipt. Upon receiving such notice the Council shall assemble without delay to examine the petition. If it finds that the petition has been executed by one-fourth or more of the members of the Community appearing on the voting roll of the Community last compiled, the Council shall call a special election without delay at which the voting members of the Community shall be entitled to vote for or against the member of the Community Council or the delegate to the Central Council who is the subject of the petition. Such an election shall be conducted as nearly as practicable in accordance with the Rules of Election referred to in Article I of this Constitution; *provided*, that the voting roll of the Community last compiled shall be used without opening to receive applications for registration. The affirmative vote of a majority of those eligible to vote in the election shall be required to effect the recall of the member or delegate concerned.

ARTICLE III—POWERS OF COMMUNITY COUNCIL

Section 1.—Subject to applicable laws and regulations of the United States and to the Constitution and resolutions of the Central Council of the Tlingit and Haida Indians of Alaska, the Community Council shall have full powers necessary and convenient to govern, conduct and manage the affairs and property of the Community. Without limitation of the foregoing, the Community Council shall have the following powers:

(a) To acquire and dispose of property, real and personal, for and on behalf of the Community by any and all means, for such consideration and upon such terms as it shall decide;

(b) To negotiate and enter into contracts for and on behalf of the Community with persons and entities of every kind and description, public and private;

(c) To borrow and raise money by all lawful means, and to pledge the credit of the Community;

(d) To employ lawyers and other persons to render professional, technical, and other services of every kind and description to the Community;

(e) To authorize the advance, expenditure, use, investment and reinvestment of funds on deposit in the Treasury of the United States to the

* * * * *

authorized by Congress, and of funds allocated or made available to the Community by the Central Council in such manner and for such purposes as may be authorized by the Central Council;

(f) To consult with and to advise any and all persons, officers, and entities, public and private, concerning subjects and matters affecting the interests of the Community;

(g) To charter or otherwise authorize and provide for the organization of subordinate groups or entities to perform governmental or proprietary functions for the Community, and to delegate to such subordinate groups or entities such powers as it shall decide under such rules and regulations and subject to such limitations and conditions as it shall prescribe;

(h) To instruct the delegates from the Community to the Central Council concerning their representation of the Community on the Central Council;

(i) To provide for the organization of a Local Election Committee and to appoint the Chairman and members thereof, and to appoint a Register of voters for the Community;

Section 2.—The Community Council shall possess such powers as are incident or necessary to the execution of the powers set forth above and such further powers as it may from time to time be granted by the Central Council or other authority.

ARTICLE IV—FUNCTIONS OF OFFICERS

Section 1.—The Chairman of the Community Council shall be its chief executive officer and the chief executive officer of the Community. He shall preside over all meetings of the Council, and, subject to its direction, conduct and manage the business of the Community, execute documents for and on behalf of the Council and the Community, and exercise such other powers as may be delegated to him. He may delegate authority to others to perform functions and exercise powers of his office, and appoint committees to assist the Council or the Chairman in the performance of their functions.

Section 2.—The Vice-Chairman shall assist the Chairman when called upon to do so. In the absence of the Chairman from a meeting of the Council he shall preside. When the Chairman is temporarily disabled, or absent from the Community and unavailable, the Vice-Chairman shall act as Chairman.

Section 3.—The Secretary shall keep an accurate record of all actions taken and business conducted by the Council and conduct its correspondence. He shall promptly transmit copies of all minutes of meetings and resolutions of the Council to Chairman of the Central Council or his delegate and to the Secretary of the Interior or his representative, and attest the signature of the Chairman or other authorized officer on legal documents executed for or on behalf of the Council or the Community.

Section 4.—The Treasurer shall accept, receive, receipt for, preserve and safeguard all funds in the possession or custody of the Council or the Community, whether as owner, trustee or otherwise. He shall deposit all such funds in such depositories as the Council shall direct and keep adequate and accurate records and accounts of the same. He shall report on all receipts and disburse-

ments and on the amount and nature of all such funds in his possession or custody at each meeting of the Council and at such other times as requested by the Chairman. He shall not pay out or disburse any funds except as authorized by the Council. He shall be required to give bond satisfactory to the Council, and, in the case of funds allocated or made available to the Community by the Central Council, to the Central Council. The Community Council may at any time make such further provisions concerning funds in its possession or custody as it deems necessary or desirable for their safety and proper use.

ARTICLE V—ADOPTION AND AMENDMENT

This Constitution, subject to approval by or on behalf of the Central Council, shall be in force and effect when ratified by a majority of the members of the Community who vote at an election called for the purpose upon not less than 30 days notice. It may be amended in like manner.

1970 CONVENTION IN ANCHORAGE

(Proposed Resolution No. 68-69 CC-3)

Author: Eli Reyes, Chairman—Planning Committee.

Although small in number, the Anchorage Tlingit-Haida Association is located in Alaska's largest city. We invite the Central Council to have their 1970 Convention in Anchorage as we feel it will be a good opportunity for all delegates to visit our All-American City. We also have a number of the best convention facilities available in Anchorage.

If the Central Council accepts our invitation, our Tlingit-Haida Association will make all necessary arrangements for the convention. A few of the extras we can provide and if the delegates have the time, there will be tours to such places as the Alaska Methodist University, Earthquake Park, shopping malls, and many other scenic places.

Transportation will be made available. Lunches, banquets, and a dance will highlight the social functions. Appearances on radio and television for publicity purposes will be arranged.

Whatever is needed will be taken care of by our Association.

CERTIFICATION

This is to certify that the above and foregoing Resolution was considered at a meeting of the Central Council of the Tlingit and Haida Indians of Alaska held on April 26, 1969, a quorum of the Central Council being present, and was duly and regularly adopted.

Dated: 26th day of April, 1969.

JAMES W. THOMAS,
*Secretary, Central Council of the
Tlingit and Haida Indians of Alaska.*

Attest:

JOHN BORBRIDGE, JR.,
President.

PROTECTION OF YAKUTAT SURVEYED LOTS

(Resolution No. 68-69 CC-4)

Whereas, there is to be a pending sale of some 26 lots in the Yakutat Community area, and

Whereas, City Council action to date attempting to stop such action has been unsuccessful and a sale is still scheduled for May 27, 1969, by Mr. Gustofson, townsitetrustee, and

Whereas, the people of Yakutat protest this sale as contrary to the rights of the townsitetrustee in this action. Therefore, be it

Resolved that this convention instruct the General Manager and General Counsel to take the matter under immediate advisement and that they further take whatever actions deemed necessary to protect the full rights of the people of Yakutat.

Submitted by: James Thomas, David Abraham, Harry Bremner, Ralph Johnson, Roger Lang, Elwood Thomas, Frank Gordon, William J. William, Steven V. Hotch, chairman.

CERTIFICATION

This is a certify that the above and foregoing Resolution was considered at a meeting of the Central Council of the Tlingit and Haida Indians of Alaska held on April 26, 1969, a quorum of the Central Council being present, and was duly and regularly adopted.

Dated : 26th day of April, 1969.

JAMES W. THOMAS,
*Secretary, Central Council of the
Tlingit and Haida Indians of Alaska.*

Attest :

JOHN BORBRIDGE, Jr.,
President.

A RESOLUTION FOR THE CREATION OF A TLINGIT AND HAIDA COMMUNICATIONS
AND INSTRUCTIONAL NETWORK

(Resolution No. 68-69 CC-5)

Whereas, the Tlingit and Haida Indians of Alaska are experiencing unprecedented activity in connection with land claims not only within their own claims area but with the far-reaching all-Alaska Native claims, as well, and

Whereas, this development with its attendant rush of studies, bills, recommendations, and political and industrial activities has already deluged the Tlingit and Haida leadership and constituency with difficult and confusing materials ; and

Whereas, the proper and full understanding of communications within the network of Tlingit and Haida communities must be implemented to continue the enjoyment of the cohesive nature now inherent in the Central Council of the Tlingit and Haida Indians of Alaska ; and

Whereas, while all Alaska Natives are thrust into the rush of a fair and just settlement of their claims, all groups must become molded into one, and all individual ethnic groups unified ; and

Whereas, the Tlingit and Haida Indians of Alaska, as leaders in the question of Indian claims in Alaska have a unity of purpose but because of the wide geographic spread of the communities of the Tlingit and Haida Indians of Alaska, communications becomes of utmost consideration ; and

Whereas, as exemplified in past experiences, failures on the part of elected responsible persons in reporting and sharing of reports, can lead to undue criticism and divisiveness among the peoples for supposed lack of communications, or through the misuse and misinterpretation of communications to the people ; and

Whereas, direct mailings to all members of the Tlingit and Haida constituency, as opposed to just delegates and local officers, can be extremely costly with only minimum assurance that such communications can or will be read by the constituency with full understanding of the same ; and

Whereas, the proposed means of communications can double as instructional media with untold benefits to the Tlingit and Haida Indians of Alaska, particularly the youth ; and

Whereas, such equipment as will be required for the above mentioned communications can pay for itself through leases to educational institutions and industry when not being used by the local chapters, therefore be it

Resolved, the Tlingit and Haida Indians of Alaska, meeting in Central Council Convention at Sitka, this April 1969, instruct the Executive Committee of the Central Council to consider a communications and instructional video system network involving all participating communities.

CERTIFICATION

This is to certify that the above and foregoing Resolution was considered at a meeting of the Central Council of the Tlingit and Haida Indians of Alaska held on April 26, 1969, a quorum of the Central Council being present, and was duly and regularly adopted.

Dated : 26th day of April, 1969

JAMES W. THOMAS,
*Secretary, Central Council of the
Tlingit and Haida Indians of Alaska.*

Attest :

JOHN BORBRIDGE, Jr.,
President.

RESOLUTION OF THE CENTRAL COUNCIL OF THE TLINGIT AND HAIDA INDIANS OF ALASKA

Resolution No. 68-69, CC-6

Whereas, the Tlingit and Haida Indians of Alaska have investments in various securities which will be maturing within the next six months, including:

(a) \$41,000 in United States Treasury Bills maturing May 31, 1969, and

(b) \$500,000 in a Certificate of Deposit (No. 11379) issued by Marine Midland Trust Company, maturing July 29, 1969, and

Whereas, interest earnings have accrued and will accrue, from time to time, during the next six months on various investments of the Tlingit and Haida Indians of Alaska, and some or all of said interest earnings will comprise surplus funds which will be available for investment: now therefore be it

Resolved by the delegates of the Central Council in meeting assembled at Sitka, Alaska on April 26, 1969, that the Secretary of the Interior or his authorized representative be, and he is hereby requested, following consultation with the President, Treasurer and General Counsel of the Central Council, to invest, from time to time, the proceeds of the foregoing investments when they mature and the surplus interest funds in appropriate Government securities and Government guaranteed securities producing the highest yields reasonably obtainable but not less than 4 per cent per annum, and having maturities ranging from 6 months to 24 months.

CERTIFICATION

This is to certify that the above and foregoing Resolution was considered at a meeting of the Central Council of the Tlingit and Haida Indians of Alaska held on April 26, 1969, a quorum of the Central Council being present, and was duly and regularly adopted.

Dated: 26th day of April, 1969

JAMES W. THOMAS
Secretary, Central Council of the
Tlingit and Haida Indians of Alaska.

Attest:

JOHN BORBRIDGE, Jr.,
President.

(Resolution No. 68-69, Ex 10)

Whereas, the Executive Committee of the Central Council has received a resolution, identified as Resolution 36, from the Office of the Grand Camp of the Alaska Native Brotherhood (ANB); and

Whereas, by said Resolution 36, the ANB made application to the Central Council of the Tlingit and Haida Indians for a grant of the sum of \$100,000.00; and

Whereas, in support of the grant, Resolution 36 recites certain facts as to the history and important accomplishments of the ANB and the diverse programs contemplated by the ANB to fulfill various urgent needs of the Alaska Natives; and

Whereas, the Executive Committee of the Central Council has given consideration to the application of the ANB and has further requested the opinion of the General Counsel as to the power and authority of the Central Council under the law to act favorably on the application; and

Whereas, the General Counsel of the Central Council has expressed the firm opinion that, by reason of certain restrictions imposed by Congress in the Act of August 19, 1965, on the use of the Tlingit and Haida Judgement Funds, the Central Council lacks the authority under law to act favorably on the application of the ANB at this time, and

Whereas, the Executive Committee does not desire to disapprove the application, but rather considers that an alternative method may be worked out in cooperation with duly authorized officers of the ANB, whereby funds may be made available to the ANB for purpose of assisting in developing and carrying out programs for the social and economic benefit and welfare of the Tlingit and Haida Indians of Alaska; and

Whereas, the Executive Committee believes that it is desirable to consider and explore whether as a phase of the development and operation of one or more programs to be undertaken by the Central Council, a feasible and desirable pro-

cedure can be arranged, whereby certain functions under such programs can be delegated to the ANB and a suitable procedure established whereby funds can be made available to the ANB for such purposes: now therefore be it

Resolved by the Executive Committee of the Central Council in meeting assembled in Sitka, Alaska, that

(1) The President of the Central Council is authorized

And directed to convey to the ANB the regrets of the Central Council that we are unable by reason of legal restrictions to act favorably at this time on the application made by the ANB; and

(2) The President of the Central Council is authorized

To appoint a committee for purpose of considering and exploring, in cooperation with the ANB, a feasible method for delegating suitable program functions to the ANB and to make available funds to the ANB for such purposes.

CERTIFICATION

This is to certify that the above and foregoing resolution was considered at a meeting of the Executive Committee of the Central Council of the Tlingit and Haida Indians of Alaska held on April 24, 1969, a quorum of the Executive Committee being present, and was adopted by a vote of seven (7) for and none (0) against.

Dated the 24th day of April, 1969.

JAMES W. THOMAS,
*Secretary, Executive Committee of the
Central Council, Tlingit and Haida Indians of Alaska.*

Attest:

JOHN BORBRIDGE, Jr.,
President.

(Resolution No. 68-69, Ex 11)

Whereas, Frank G. Johnson has submitted a statement of claim showing that in his capacity as secretary of the de facto Central Council, he performed services and incurred expenses under a contractual arrangement whereby he would be paid and reimbursed; and

Whereas, it is considered to be fair and appropriate that contractual debts of the de facto Central Council which were incurred for operating and administrative purposes should be honored by the official Central Council of the Tlingit and Haida Indians of Alaska as the successor to the de facto organization: Now therefore be it

Resolved by the Executive Committee of the Central Council that the statement of Frank G. Johnson as secretary in the sum of \$1700.00 and expenses in the sum of \$395.00, making a total amount of \$2,095.00, be submitted for review and action by the delegates of the Central Council in meeting assembled with a recommendation by the executive committee that it be approved for payment.

CERTIFICATION

This is to certify that the above and foregoing resolution was considered at a meeting of the Executive Committee of the Central Council held at Sitka, Alaska, on April 24, 1969, a quorum of the executive committee being present, and was adopted by a vote of seven in favor and none against.

JAMES W. THOMAS,
*Secretary, Executive Committee, Central Council of Tlingit and Haida
Indians of Alaska.*

Attest:

JOHN BORBRIDGE, JR., *President.*

(Resolution No. 68-69, Ex 12)

Whereas, by resolution of its Board of Directors adopted on March 29, 1969, the Alaska Federation of Natives (AFN) has applied to the Central Council of the Tlingit and Haida Indians for a loan in the sum of \$100,000.00 for the purpose of defraying various costs and expenses of the AFN in connection with its actions and efforts to obtain a fair and equitable legislative settlement of the land

rights and claims of all Alaska Native organizations and groups, including the Tlingit and Haida Indians of Alaska; and

Whereas, the Executive Committee of the Central Council having referred the AFN loan application to its General Counsel for a legal opinion, the General Counsel has expressed the opinion that the Central Council lacks the authority under the law, to act favorably on the application at this time because of the restrictions imposed by Congress in Section 8 of the Act of August 19, 1965, with respect to the use of the Tlingit and Haida judgment funds; and

Whereas, the Executive Committee considers that the AFN has been performing a major rôle, on a statewide basis, in asserting and protecting the land rights of all Native groups and organizations of Alaska and in seeking a fair and equitable legislative settlement; and

Whereas, the Executive Committee firmly believes that it is highly important and in the vital interest of the Tlingit and Haida that the actions and efforts of the AFN to obtain such fair and equitable legislative settlement be supported by the Central Council, and that it would be wise and desirable for the Central Council to contribute to such support its legal authority to do so could be obtained and a feasible and appropriate method and procedure could be worked out; Now therefore be it

Resolved by the Executive Committee of the Central Council that:

(1) The General Counsel be requested (a) to prepare and present recommendations to the Executive Committee as to the appropriate steps and actions which may be taken for the purpose of obtaining authority under the law to use Tlingit and Haida judgment funds for purpose of taking favorable action on the loan application made by the AFN, and (b) if such legal authority can be obtained, to prepare and present recommendations to the Central Council as to the terms and provisions of a loan to the AFN; and

(2) If legal authority to make such loan to the AFN cannot be obtained, to prepare and present recommendations to the Executive Committee as to alternative steps and actions which may be taken by the Central Council to contribute financially and otherwise to the statewide efforts of Alaska Native Land Rights and Claims.

CERTIFICATION

This will certify that the above and foregoing resolution was duly considered by the Executive Committee of the Central Council of the Tlingit and Haida Indians of Alaska at a meeting held in Sitka, Alaska on April 24, 1969, a quorum of the Executive Committee being present and was approved by a vote of *seven* for and *none* against.

JAMES W. THOMAS,

Secretary, Executive Committee, of the Central Council of Tlingit and Haida Indians of Alaska.

Attest:

JOHN BORBRIDGE, JR., *President.*

Senator GRAVEL. Mr. Bruce, could you introduce yourself.

STATEMENT OF HON. LOUIS R. BRUCE, COMMISSIONER OF INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR; ACCOMPANIED BY FRANKLIN DUCHENEAUX, JR., CONGRESSIONAL RELATIONS SPECIALIST, BUREAU OF INDIAN AFFAIRS

Mr. BRUCE. On my right is Mr. Frank Ducheneaux, Jr., who is the Congressional Liaison for the Bureau of Indian Affairs.

Mr. Chairman, I am here to make a statement for the Department. S. 2628 and S. 2650 are identical in providing for the expenditure of the funds awarded to the Tlingit and Haida Indians, except that S. 2628 provides that the expenditures will be subject to secretarial approval and S. 2650 provides that the funds may be expended without such approval. We favor the enactment of S. 2628. It is in accord with the language used in previous judgment fund legislation. It pro-

vides a necessary degree of fiscal responsibility, in line with the trust responsibilities of the Secretary of the Interior, while at the same time allowing the elected representatives of the Tlingit and Haida communities themselves to determine imaginative and productive use of the funds for social and economic programs.

Both bills provide for the disposition of an award of \$7,546,053.80 granted by the Court of Claims in case numbered 47900 to the Tlingit and Haida Indians as payment for 17,235,730 acres of land in southeast Alaska taken from 1891 to 1935, and for damages incurred prior to the taking of the land. The Court of Claims, in making the award of the Tlingit and Haida Indians, stated that a balance of 2,628,207.24 acres of the land area involved in the claim had not been taken by the United States at any time prior to June 19, 1935, and that the Indian title of the plaintiffs to the remaining part of the land area survived that date.

Funds to cover the award were appropriated by the act of July 9, 1968 (82 Stat. 397), and over \$6.5 million are presently invested in bank time deposits, Treasury notes and bills, and bank debentures. A balance of \$369,038.96 is on deposit in the U.S. Treasury to be available for paying attorney expenses and meeting other costs connected with the claims.

The act of August 19, 1965 (79 Stat. 543), amended the 1935 Jurisdictional Act, to provide for the establishment of a Central Council to represent the Tlingit and Haida Indians in planning for the disposition of the judgment funds, and to provide for the preparation of a roll of all persons of Tlingit and Haida Indian blood. The 1965 act, *supra*, also provided that none of the funds appropriated to pay any judgment in favor of the Tlingit and Haida Indians should be advanced for any purpose except as may be necessary to pay attorney fees, expenses of litigation, organization, operating and administrative expenses of the Central Council, and the expenses of program planning and roll preparation, until legislation had been enacted that sets forth the purposes for which the funds could be used.

The Central Council of Tlingit and Haida Indians is composed of delegates from a total of 18 communities with representative populations of Tlingit and Haida Indians. Fourteen of these communities are identified as "native villages" in the proposed Alaska Native land claim legislation. The other four are the cities of Anchorage and Juneau, Alaska; Seattle, Washington; and Oakland, California.

Delegates are elected by qualified members of each community on the basis of one delegate for every 100 Tlingit or Haida Indians, or fractions of 100, who live in the respective communities. It is estimated that 12,000 Tlingit and Haida Indians live in southeast Alaska. We will not know the numbers of Tlingits and Haidas in Anchorage, Juneau, Seattle, and Oakland until the roll is completed.

The Bureau of Indian Affairs is preparing the roll, under the criteria set out in the 1965 act. As of July 31, 1969, 17,935 applications had been issued and 15,020 applications filled. Of the 4,351 applications processed, 4,278 applicants have been found eligible for enrollment and 73 ineligible. There are 10,669 applications still to be processed.

The program planning committee of the Central Council has developed plans for using the judgment funds, and the formula has been approved by resolution adopted by the Council's executive commit-

tee. The plans call for spending a total of \$4 million for programs which include assistance in education and vocational training, special services to the elderly, a housing guaranty and loan fund, community development, commercial and industrial development, and a revolving fund for loans or for the organization of a Tlingit and Haida bank. Should circumstances warrant, additional funds may be added to any one of the programs from the \$2.5 million reserve of invested funds remaining from the judgment.

We believe the programs proposed by the Central Council of Tlingit and Haida Indians are sound and forward-looking, and that they will do a great deal to relieve the social and economic problems that handicap most of the Tlingit and Haida communities.

This concludes my statement, Mr. Chairman.

Senator McGOVERN. Thank you, Mr. Bruce. Senator Gravel and Senator Stevens, you both have bills pending on this matter. I wonder before we direct any questions to Mr. Bruce, if you gentlemen would like to make any observations on your bill.

Senator Gravel, or Senator Stevens?

Senator STEVENS. I will only say this: there is just one slight difference in the two bills. The House has passed a bill similar to the one I introduced. I am not in a position that I want to disagree with my colleague on that one provision in the two bills. But I would hope we can agree to delete that one item from that one bill and pass it out, because I would like to see the same bill passed as a matter of timing here.

I think the Tlingit and Haida people can use this money as one of the ready sources of money that is available, and as a judgment this can be made. I hope we can pass a bill similar to the one that the House passed so that we can get the matter resolved.

Senator McGOVERN. There is no difference in the language of your bill and the House bill?

Senator STEVENS. They were the same bills. As a matter of fact, they came from the Tlingit and Haida people originally and Senator Gravel has one difference he may want to comment on.

I think we can take care of it, since we can look at the overall large land claim settlement. This judgment is really going to merge into the total settlement, eventually. I would like to see us receive this money as quickly as we can, and get the program going.

The House passed the bill on a consent calendar yesterday. There is no controversy in connection with this bill, other than this one item Senator Gravel has. He may want to comment on that one provision.

Senator McGOVERN. Senator Gravel?

Senator GRAVEL. I want to thank my colleague for offering to pass my bill with an amendment. I appreciate the courtesy here and understand it and accept it. If we do pass the bill out it would be mine. The other facet is, of course, does it hinge on what appears to be a minor point, that, if raised, will cause a delay?

Certainly if we pass an identical bill in the Senate there is no need for a conference report. I think if there were a conference and the difference was realized, the difference would be a few days' delay. The Tlingit and Haida were waiting 35 years to get their hands on this money. A few days delay to effect what I feel is a very important principle might be a very worthwhile thing.

The principle is a very simple one, and I later would like to talk to Mr. Bruce about it. One bill has the language that the money goes

to the Tlingit and Haidas, and it is their money and they can do with it as they see fit.

The other language is such that the money goes to the Tlingit and Haidas and they can't do anything unless it is approved by the Secretary of the Interior.

I can only say that if Senator Stevens and I had a court case with the Federal Government and we won our court case, that we, as citizens, would be able to spend the money as we darned well wanted to spend it and not be made wards of some part of the Government.

I personally bristle at the thought that we have one more continuing step toward establishing a type of paternalism. Either the natives of Alaska are able to handle their own funds and resources, or not able to handle their funds, and if they are not able it should be made very clear. I don't think that we can help by passing legislation that makes them subject to the whims of bureaucracy, and how they are able to handle what is rightfully their legacy.

The first question I would ask: when they won the court case, was there any stipulation when the court said "You have this much money coming to you." Was there any stipulation as to whether or not you should have somebody tell you how you should spend your money, or whether or not they truly inherited the legacy.

Senator MCGOVERN. Could you respond to that general point, Commissioner Bruce, that Senator Gravel has made.

Senator STEVENS. Before you do comment, I think there is a basic understanding of the problem as far as that language is concerned. The language that was contained in the bill that I introduced was language which contained the requirements of the 1965 act. As I understand it, it is a practical matter; there has been a general supervision of the Secretary over a period of years.

The 1965 act provides for the preparation of the roll; that role is completed. This is a matter that has been established by the committee. The judgment was a judgment to determine how much the Tlingit and Haida people were entitled to, and first, whether they were entitled to anything; and second: how much?

The problem is that the case was in the courts pursuant to an act of Congress, and after the judgment was received, the Congress again set up a procedure which involves a continuing interest of this Committee. I am not sure that if we amend this bill to say that the plan is not subject to the control of the Secretary of the Interior, we are not opening the door to another lawsuit against the United States, because some of these beneficiaries aren't determined yet.

I don't think the Tlingit and Haida people are going to object to this provision at this time; at least that is my understanding. It was in the bill they gave to me to introduce.

I really can't see that we are gaining anything now to take the language out, because what it really is going to do is to delay the right to spend the money until the roll is completed.

If the Secretary does approve the expenditures of funds, prior to completion of roll, it will be under procedures to protect those who are not yet determined to be members, or entitled to be members. I really believe that, and I am sure that the Commissioner will want to respond. I believe the problem is that we have been operating on a con-

tinuum since 1935, a continuum which concerns congressional control over the money if it is to be paid.

I don't believe we ought to use this bill to try and change a course of procedure that has been followed—again, correct me if I am wrong—in almost every judgment that has been under the supervision of the Secretary, which involves not only supervision of the funds, but also the right of the Secretary to approve the plan for the expenditure of funds.

If this is going to be a new policy when it goes back to the House, I think the bill is going to be delayed.

Senator MCGOVERN. Mr. Commissioner, could you respond to this general problem as to the Department's current position on that.

First of all, I would be interested in knowing whether there is any precedent for the proposal that Senator Gravel has made with reference to the disposition of funds.

Mr. BRUCE. May I point out that the four funds can be distributed because of this act of Congress. The tribes must get together and plan their programs. Now, we are all for them planning their programs and I don't think there is, as far as I know, any reason why the Secretary should look sharply at any one part of this.

But, we want to support the program as outlined, on the part of the Tlingit and Haida Indians, as to how they would like to have their money spent.

Senator GRAVEL. May I address one question?

Senator MCGOVERN. Yes.

Senator GRAVEL. First, I have read in detail this plan. It is a great plan and with my knowledge of southeastern Alaska, it is one of the most germane plans made by anybody, be he Caucasian or Indian. They know the problems; they are living with them every day.

So, I say, "Why should we have the agency guys to say that just in case they go off the track, the Secretary of the Interior is going to put them on the track."

I am going back to your statement on the second page, where you say in the last three lines: "And the expenses of program planning and roll preparation, until legislation has been enacted that sets forth the purposes for which the funds would be used."

The pieces of legislation that either I or Senator Stevens have introduced, set forth nothing of the kind. Mr. Stevens' legislation is directed entirely to the Secretary of the Interior. Like you say, you read the plan right now and it looks good. If it doesn't happen to strike somebody's fancy in a bureaucratic way, later on, they will strike it down. These people will be stuck in the same old syndrome of knowing the problems and having to live with them, but then having to come back to Washington to effect a solution to their problem, where, in my mind, they are completely able to do it.

They are elected representatives by the Tlingit and Haida people, some of the same people who elect the Governor of Alaska, who elect the Legislature of Alaska. There is no reason in my mind why these people aren't able to handle their own funds totally; because either they won their case or they didn't win their case.

Mr. DUCHENEAUX. Mr. Chairman, may I make a comment?

Senator MCGOVERN. Yes.

Mr. DUCHENEAUX. We are under the Jurisdictional Act authorizing the Court of Claims to hear the case. It did require that prior to any

distribution to any award to be made by the Court of Claims, the legislation would be required for distribution so that the Jurisdictional Act does require the Tlingit and Haida to come before the Congress with a new bill authorizing distribution.

Senator GRAVEL. We are meeting that restriction. Does that act require that in the bill we must have continued supervision in either Congress or in the Interior? Can you show me the language, if there is any?

Mr. DUCHENEAX. No; it does not require that there be continuing supervision. It does require that we come and ask for the new legislation authorizing distribution. The fact is, that in either your bill or in Mr. Stevens' bill there is not a detailed plan for this distribution. I think it is a very logical one. You would not want to freeze into law a program for distribution of funds.

Senator GRAVEL. Where does the freeze come from if it is not in this bill?

Mr. DUCHENEAX. The program as they have set it out, and as we have commented on in our report, if we enacted that into law they would have no discussion at all. That is why I say the legislation has been enacted in a very general form.

Senator GRAVEL. Are you an attorney?

Mr. DUCHENEAX. Yes, sir.

Senator GRAVEL. Are you telling us that if we pass this bill that we freeze in their funds?

Mr. DUCHENEAX. No, sir.

Senator GRAVEL. So, it is left very loose?

Mr. DUCHENEAX. Right. Again, I hate to comment on what the committee has done. It has been the long history of the Congress to require in distribution secretarial supervision. I hate to comment on this procedure. The chairman asked if there has ever been a case where this has not occurred. Where legislation has been enacted by the Congress which authorized the straight per capita payment of the amount of the award, there is, of course, no secretarial supervision of the funds, other than to distribute it.

In the case of a few terminated tribes, this has been the case, a straight per capita, because the United States has no authority to supervise in the case of a terminated tribe.

Senator MCGOVERN. Senator Fannin?

Senator FANNIN. No, that is all right.

Senator MCGOVERN. Supposing the Congress were to approve and grant funds without any supervision by the Secretary of the Interior and that certain members of the tribes then later decide that the funds had been expended in a way that they find not acceptable. Does the Government then become subject to a further suit on the grounds that they haven't provided adequate supervision in the expenditure of those funds by the tribe?

Mr. DUCHENEAX. I think, Mr. Chairman, were I in their shoes, I would intend to assert that.

Senator MCGOVERN. Is that one of the reasons why the Department has in the past preferred some kind of supervision to protect itself against future suits?

Mr. DUCHENEAX. Well, both to protect themselves and the trustee of the Indian people; in this case, as the Commissioner has indicated, the

tribe has submitted this program and we are in full accord with it. We are very pleased with it.

Senator FANNIN. The House bill, as I understand, does give the Secretary the responsibility, and this has been customary, as I understand and I have been working with these for quite a few years, and Indian claims, and I don't recall we have done otherwise. Perhaps we have, and I wouldn't question Senator Gravel, but I think we could be asking for difficulty. I think if we go back to some of the history of the settlements and I think you may want to refer to the Menominee Tribe as one where we make the settlement, where we had to go back into the activities.

I think we should act with caution.

Senator STEVENS. One last comment: the bill that I introduced was given to me by the attorney for the tribe. I am sure they considered this problem and I know the history of procedures in this case. If the language is taken out, then the difference between my bill and Senator Gravel's bill is that there would be no further approval required of any changes.

In other words, the plan that is submitted could be deviated from without any approval of the Department before the beneficiaries could be determined. I am not saying they would do this. I have entire confidence in the people that are planning this, and they may be planning, for instance, that there would be a settlement plan for per capita payments.

If they completely abandon the plan, or other changes were made, I think it would open the door to a further claim against the United States because it still has a trustee capacity and it will have a trustee capacity until the native land claim settlement bill is passed. If we eliminate this language we are just opening the door to a further claim, as far as I am concerned.

I want to emphasize that as far as I am concerned, if they want to make this a test case, I am more than willing to support Senator Gravel's bill. But, we ought not to use this as a vehicle to change the procedures that have been established over the years.

Senator GRAVEL. I might add that most of the argument would be probably with the worst form of distribution; that is per capita. I would submit, if you would read in detail the proposal that they have put forth—it hasn't come from the Interior Department; it has come from the Tlingits and Haidas. It is their plan, and it is a good plan, and it is better than what our State legislature has come up with to solve their problems.

Here they have a plan, and all they need is the money to implement it. They won the money in a court case. We are not giving them anything; they won it in a court case. We can sit here as Congress and say we have a precedent, because of ignorance in the past, and because of all these things in the past, we don't want to treat them as equals. That is essentially what you are saying.

You are saying: "you won your court case; here is your money, but you really can't spend it like the white man can spend it, because in case you get irresponsible. . . ." The inference of irresponsibility is here—otherwise you wouldn't put it here. I think the line is very clear cut.

When you talk of the native land claim settlement. There is no question that that is going to be one of the focal points of the total land claim settlement.

We can really save a lot of time by attaching it to this bill, because we can vote up and down on it. I think the issue is not complicated by plans for the future which the native land claims settlement contemplates to be made.

Their plan they have already done. They have proven what they can do. We can save a lot of time by just taking this issue straight on. It is the issue of whether we believe in paternalism or whether we believe in equality. I think it would be a mistake to lose this opportunity in the Congress to face up to this issue straight out. I think that this offers a tremendous example for the issue in question.

Senator MCGOVERN. Senator Fannin.

Senator FANNIN. Senator Gravel, what assurance do you have that this isn't going to be challenged by some of the people in general.

Senator GRAVEL. Challenged in which regard?

Senator FANNIN. Whether or not the settlement is fair and equitable to the individuals, involved, because when we make a settlement like this, in many instances it is going over years and years, and on the terms of settlement.

Senator GRAVEL. You have really lost me. Are you saying that they have no recourse against the Government's incompetence, but that they have a recourse against their own incompetence, by suing the Government again? It doesn't add up to me.

Senator FANNIN. It has been done.

Senator GRAVEL. I submit that a lot of things have been done. It would seem to me much more logical here to say: "Here is what you are due, and it is yours and you can do with it what you see fit.

It would seem to me that we can just give them their money and let them do their own thing.

Senator FANNIN. If you read back on some of the settlements we had in the past, you will find that we are trying to avoid, as far as I can see, with the legislation the Senator has offered—Senator Stevens has offered, to avoid that problem.

Senator GRAVEL. I don't see what the point is. We are going to have the Federal Government handle their budget, and these people must curry to the Federal Government in order to effect their plans. I don't buy that this doesn't happen.

Senator STEVENS. It doesn't happen if that is the problem, if my colleague understood what goes on downtown, and I was down there for 5 years, and know what goes on down there—these native people asked for this provision in the bill. One of the reasons they did is because there are people that live outside of Alaska, they live in Seattle; they live in Oakland and other places, and they are beneficiaries of this plan. And their assurance that the judgment will be spent in accordance with the plan is simply the provision which requires approval of a Secretary of the Interior to deviate from the plan.

Now, that is a very simple proposition, as far as I can see. The bill specifically—

Senator GRAVEL. Hold it; it doesn't say that. All it does here in the bill is say "and used for any purpose and in any manner authorized

by the Central Council of the Tlingit and Haida Indians of Alaska and approved by the Secretary of the Interior."

If the Secretary doesn't choose to approve anything?

Senator STEVENS. This has been approved, and in effect we are saying that if the tribes want to deviate from this plan in the future, this deviation has to be approved by the Secretary and approved by the Tlingit and Haida Council. All we are doing by that one little sentence, is saying: "If you deviate from the plan, get approval so that we can be assured that everyone is protected."

We all expect they will manage their funds, exactly in the manner they say, but they may want to change it. If you want to make this bill the vehicle to say that the Alaska land claims bill is not going to have any supervision of the Federal Government during the distribution of the funds, then I would withdraw the suggestion I made to report out your bill. I am not prepared to say that we are going to turn a billion dollars loose in our Alaskan economy without some control and supervision of this committee and of the Secretary of the Interior.

I misunderstood. I made my offer as a gesture of cooperation. But, if the suggestion is to use this as a precedent to show there is not going to be any control from Congress over a billion dollars in the other bill, then I disagree 100 percent.

Senator GRAVEL. If I can only add, Mr. Chairman, when we talk of precedent in the past and you look at the state of the Indian population of this Nation today, I would submit there is a great deal of proof that there should be a deviation from past precedents. I think the most significant deviation can be the very, very simple qualification that they are truly equal; and if they are truly equal and they won their case they are entitled to have their money. We can certainly fabricate all kinds of legal jargon and horror stories why they are not able to spend their money like you and I would be able to spend our money if we won it in court.

Senator MCGOVERN. Senator Bellmon?

Senator BELLMON. No questions.

Senator STEVENS. I have one last comment. I think that if we would follow my Alaska colleague's suggestion we should do what Congress did in Oklahoma and provide for per capita payments straight across-the-board. The plan itself is a deviation from the past. We do not now agree or believe in per capita, I hope. That is the real problem.

If Senator Gravel is correct and he wants this money to be given without any controls, then he should say: "Let's make it a per capita distribution." We would then have the same thing happen in Alaska that has happened in Oklahoma. The money would go out in a per capita plan, and the strength of the capital base would be lost.

This Tlingit and Haida program is unique in that it tries to preserve an accumulation of capital and use that capital for ongoing tribal structure and programs. This is the change, and it is good.

There is a change here from the past, and this plan is the one that the Tlingit and Haidas approved.

Senator MCGOVERN. I think what is really raised here is the fundamental change in the pattern the committee has followed in the past, and it is one we ought to defer to the full committee. I would hope that we can pass the matter on to them for consideration of the full com-

mittee. It is a very difficult precedent, for this committee to deal with, without consultation with other members of our committee.

If there are no further questions or comments on this matter, I am anxious that we hear the next witness.

Senator GRAVEL. I would like to ask a question.

Senator MCGOVERN. Senator Gravel.

Senator GRAVEL. What criteria is used for the deposit of funds? I noticed that all Tlingit and Haida funds are all deposited in either New York or Chicago banks, but they are banks that are not in Alaska. The Tlingit and Haidas live in southeastern Alaska.

Has any consideration been given to depositing the money there so it might have an economic spinoff? The Manufacturer's Trust & Trade in Buffalo, the Midland Marine in New York and Buffalo. Why a bank in Buffalo, N. Y., as opposed to a bank in Alaska?

Mr. DUCHENEAUX. Can I respond?

Senator MCGOVERN. Yes.

Mr. DUCHENEAUX. It has been the practice in recent years, after some contact by Members of Congress on this point as to why local banks are not used in this case, since this time we have always attempted to use local banks for depositors, or these kinds of funds, but we always also have the obligation to obtain, during the interim period the highest rate of interest that is possible.

In this particular case the Commissioner was informed that the attorney for the Tlingit and Haida, acting by the authority of the central council, advised the Bureau on the deposit of these funds. In effect, it was consultation between the tribe and the Bureau before these funds were deposited.

I think the deposits were made in order to obtain the highest rate or interest available.

Senator GRAVEL. There was some kind of competitive bidding?

Mr. DUCHENEAUX. No, but there was consultation for the attorney for the tribe. He advised the Bureau what the tribes' wishes were. As I understand, the wishes were followed.

Senator STEVENS. May we go off the record for a moment?

(Discussion off the record.)

Senator GRAVEL. We can go back on the record. Perhaps when Mr. Borbridge testifies, we can find out how they arrived at it; what was involved. I can think of a very readily acceptable device if this bank had a correspondent bank that would still enable them to get a spin-off and still keep the money in, say, a safe bank outside of Alaska.

But, we will address that question to Mr. Borbridge when he comes forward, as to what hand they played in the deposits.

Mr. Commissioner, is there any type of bill or is there any situation where you might agree to have a bill where the Secretary of the Interior doesn't have supervision?

Is there any type of format you might devise in your own mind from your own experience, wherein they might have independence in the use of their wealth?

Mr. DUCHENEAUX. As far as I know of, there is no bill pending that would give the Indian tribe any more degree of independence in the past. There is a wide area and scope of tribal property; assets, funds under the absolute control of tribes throughout the United

States, throughout the Department of Interior and many other instruments of the United States that is not controlled whatsoever.

There are certain kinds of things in which judgment funds are one, where the Congress has in the past required there be controls.

There are trust funds, but once a certain point is passed the control of the United States in the past, and at that point the tribes expend the money for whatever they please without any control?

Senator GRAVEL. What brings this about? Just the time element involved?

Mr. DUCHENEAUX. I think you can take the lease money from leasing tribal lands. These are trust funds up until the point they are turned over to the tribe. The trust funds cannot be expended for any purpose the United States does not approve. Once they are turned over to the tribe for the general purpose, and saying they are appropriated for, by an act of Congress, for a general purpose.

Within that purpose they are expended as the tribe pleases. There are other kinds of money which are never under the trustees or under any control.

Senator GRAVEL. Are you familiar with the Metlakatla Reservation in southeastern Alaska?

Mr. DUCHENEAUX. Very little.

Senator GRAVEL. Could anybody enlighten me as to what degree of control the BIA has over the operation?

Senator STEVENS. They are not terminated.

Senator GRAVEL. But what control; how is it effected?

Mr. DUCHENEAUX. They have truckland and the tribal land is inalienable. If there is any allotment of tribal lands to the individuals, the individuals cannot sell land without approval of the Secretary of the Interior. There are funds expended by the United States under the Snider Act, the Bureau of Indian Affairs, for the approval, I assume, which, obviously under the control under the Secretary of the Interior.

I really can't say. I would assume it would be under the normal course of events.

Senator STEVENS. The straight, direct answer to this question of Senator Gravel is that where tribes are terminated there is no control. It is a question of whether there is still a trusteeship which, of course, puts the Indian tribe in the position of a beneficiary and the United States in a position of trustee. If the trustee turns over the assets with unlimited discretion he is giving rise to the possibility of a lawsuit against the trustee.

Senator GRAVEL. I don't understand. Could you run through that again, Senator Stevens?

Senator STEVENS. Termination means we terminate the trust, the responsibility of the Federal Government for the natives or Indians involved. If the Tlingit and Haida people trust relationship would terminate then there would be no requirement or necessity for the approval of the Secretary of the Interior for the expenditure of funds they receive.

But, as long as the Government is responsible and is in the position of the trustee, it must at least have the power to exert the authority of the trustee. This is in the requirement that any deviation from the plan be subject to the approval of the Tlingit and Haida Council and

the Secretary of the Interior. They are still beneficiaries of the trust that was established basically by the Constitution until it is terminated.

Senator GRAVEL. When does the trust terminate?

Senator STEVENS. When Congress terminates it.

Senator GRAVEL. So, when would that happen?

Senator STEVENS. The land claims legislation would do it.

Senator GRAVEL. Isn't this part of a land claim settlement?

Senator STEVENS. This will merge with the total determination.

Senator GRAVEL. We are talking about this piece of legislation here. What, precisely, does the money that they received from the Court of Claims buy them, forgetting other legislation?

Senator STEVENS. It buys them the right to use it according to this plan, unless they want to change their mind. If they want to change their mind then they can come back to the Secretary of the Interior and say that they have changed their minds.

Senator GRAVEL. It doesn't buy them freedom under a trust. How do they acquire it?

Senator STEVENS. They don't want that freedom, because right now that trust responsibility gives them hospitalization and medical care; it gives them BIA schooling; and all of the other programs that come under the concept that they are, in fact, still under the trusteeship and still under the designation of being beneficiaries of the Federal Government.

This is only one portion of the termination concept, compensation for the lands taken. The land claims bill goes much beyond this, as you know.

Senator GRAVEL. I was just trying to feel out this piece.

Commissioner Bruce, in reviewing the plan they submitted, there is one item, item No. 9, things that they feel should be accomplished. That is the Sitka Indian village sewer and water project. Is there anybody familiar with this project; what this project is and what the effect of the project is?

Mr. DUCHENEAUX. We don't have it in our report.

Senator GRAVEL. It would be page 4, under the suggested supplement to "Statement of Plan for the Use of the Tlingit and Haida Funds," April 1969. I will just read it to you. Here is the statement at the beginning. They are delineating various projects that they feel should be accomplished, not necessarily with their own funds, but in accordance with the State effort. One is the Sitka Indian village sewer and water project.

It is within the community of Sitka. In the poor area of Sitka we have an Indian community, part of the title of the various people who own lands in this community is in what you would call a restricted area, and part is not a restricted area.

In other words, you have to be able to tax the land; because you have a restricted BIA deed you can't tax the land.

You have a situation where they need water and very badly in order to do something with their community, but they can't get any money except for a small funnel of the BIA where we have X number of projects, and then you have a legal impediment that actually stops it. I think the obvious parallel that I am making here is that again they are not quite equal; they can't sell their lot until they get permission from BIA, because they might dissipate their resources.

What has this done? It has successfully provided the only real ghetto you have. The only way out is via the BIA, unlike any other type community. They cannot get out like any other normal community in the State with normal hard matching funds.

Mr. BRUCE. Senator Gravel, these funds come from Public Health Service, and not from the Bureau of Indian Affairs. We would be glad to supply information for the record, if you wish.

Senator GRAVEL. Of why this has not been done and why it took so long to do it. We will leave the record open until we can get a full explanation of why this situation exists under the leadership of the BIA.

Senator STEVENS. I would be glad to answer the question for you, if you want the answer.

Senator GRAVEL. That is all right with me.

Senator STEVENS. The answer is the 121 project; their land is restricted. It is covered by the native land settlement bill and would be conveyed to them under that bill. Until it is conveyed to them the city of Sitka has to be the responsible agency and has to make an application. They have done that. The application for the city of Sitka's 121 project is being handled like any other project.

The Sitka native village title will be added when we get the Land Settlement Bill passed.

But this bill and this plan doesn't pertain to it, because that land (the Sitka native village) was accepted from the Tlingit and Haida judgment.

Senator GRAVEL. I realize this bill doesn't do it. Had there been some provisions in the past that the Indian could own his land like anybody else, that ghetto might not have been created, and this part of the Sitka community could have moved at the same rate of speed as the balance of the Sitka community.

It is interesting to note that when you are going to Sitka and you are looking for the ghetto, you go to the Indian community to find the ghetto.

This is after many decades of BIA assistance and control and aid. I merely mention this as a parallel when we are talking about their ability to manage their own affairs.

I have no further questions at this time. Mr. Stevens, do you have any questions?

Senator STEVENS. No questions.

Senator MCGOVERN. Mr. Borbridge.

STATEMENT OF JOHN BORBRIDGE, JR., PRESIDENT, CENTRAL COUNCIL OF TLINGIT AND HAIDA INDIANS OF ALASKA; ACCOMPANIED BY RICHMOND F. ALLAN, ATTORNEY

Mr. BORBRIDGE. My name is John Borbridge, Jr. I am president and general manager of the Central Council of the Tlingit and Haida Indians of Alaska.

Personally, my appearing before you today is an unexpected pleasure, for until 3 days ago I had no plans to be in Washington at this time.

As I did not anticipate that I would have this opportunity to testify in person, I wrote the chairman a letter on March 6 in which I ex-

pressed the views of the Central Council of the Tlingit and Haida Indians on the measures you are considering today. I understand that my letter will be made a part of the record.

(The letter referred to follows:)

CENTRAL COUNCIL,
TLINGIT & HAIDA INDIANS OF ALASKA,
Anchorage, Alaska, March 6, 1970.

Hon. GEORGE MCGOVERN,
*Chairman, Subcommittee on Indian Affairs,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: As president of the Central Council of the Tlingit and Haida Indians, I am writing this letter to comment on S. 2628 and S. 2650, bills introduced by Senator Stevens and Senator Gravel, respectively, which provide for the disposition of certain funds awarded the Tlingit and Haida Indians by the Court of Claims.

On behalf of the Central Council and the Tlingit and Haida people, I want to express our appreciation to you and the members of the Subcommittee for holding hearings on these bills and for inviting us to submit our views thereon.

As far as the Tlingit and Haida people are concerned, there is no business before the Congress that more immediately affects their welfare than these bills. Their need to have their judgment funds made available to finance programs for their social and economic development is urgent.

Basically, the purpose of S. 2628 and S. 2650 is the same. The bills differ, however, in that S. 2628 is in what may be termed "conventional form" and would subject uses of the funds authorized by the Central Council to review by the Secretary of the Interior, while S. 2650 would permit the Council to employ the funds free from secretarial oversight.

Notwithstanding that on principle we favor the approach of S. 2650, we support the enactment of S. 2628, for reasons hereafter set forth more fully.

As the histories of the jurisdictional act and the litigation that eventuated in the judgment have already been laid before the Subcommittee, I will not needlessly expand the record by reviewing them here. Suffice it to say that the funds, which are the subject of the bills under consideration, now amount to approximately seven million dollars. They were appropriated in July 1968.

In accordance with the Act of August 19, 1965, the Central Council has prepared plans for the use of the funds that have heretofore been presented to this Subcommittee. These plans are included in the report submitted by the Department of the Interior.

Except to say that the Central Council, particularly the program planning committee chaired by Clarence Jackson of Kake, devoted a good deal of time to their formulation, I will let the plans speak for themselves. They represent a conscientious effort to identify the more fundamental needs of the Tlingit and Haida people and to establish priorities for their fulfillment.

In drafting and reviewing the plans, the program committee and the Central Council were guided by the proposition that the judgment funds must be employed in ways that will produce maximum social and economic returns. All who participated in the work quickly came to realize that while, in the abstract, seven million dollars seems a considerable sum, it pales when pitted against the great and multiple needs of the Tlingit and Haida people. Categorically, the plans provide programs for scholarships and educational assistance, for special services to the elderly, for housing, for industrial, commercial and community development, for credit, and for investment.

At its annual meeting in April of last year, when it approved the plans for the use of the judgment funds, the Central Council directed me, as president, to take such steps as were necessary to secure legislation that would permit the funds to be used to carry out the plans. Although they did not issue binding instructions as to the form of the legislation to be sought, there was and is considerable sentiment among the members of the Central Council that we have demonstrated our ability to manage our own affairs and should be permitted to employ our judgment funds in the programs we have determined are most needful without having to obtain the approval of the Secretary of the Interior or anyone else.

In proceeding to carry out the task assigned by the Council, the first and most difficult decision was whether to seek a conventional distribution act or one that would authorize the Council to use the judgment funds without secretarial oversight. After conferring with the members of the executive committee of the

Council and our attorneys, I decided that we should seek legislation of conventional form.

Before summarizing the reasons for this decision, I would stress that it did not spring from any doubt that the Tlingit and Haida Indians are fully capable of managing their own funds and property. Essentially the considerations that dictated it are the following:

(1) The judgment funds are immediately required to institute programs urgently needed by the Tlingit and Haida people.

(2) A bill providing that the judgment funds may be used for purposes authorized by the Central Council subject, however, to the approval of the Secretary of the Interior would conform to the pattern of prior legislation favored by the Executive Branch and enacted by Congress in situations involving judgment funds of other Indian tribes.

(3) An act authorizing the Central Council to use the judgment funds free of secretarial approval would be unprecedented.

(4) The people I consulted considered that an attempt to secure a distribution act without a provision for secretarial oversight would probably meet with opposition from the Department of the Interior, and would, in any event, require substantially more time to obtain than legislation in the conventional form, when, in our view, time was of the essence.

Accordingly, I solicited the members of the Alaska congressional delegation to sponsor and support a distribution bill which provides that the judgment funds may be used for purposes authorized by the Central Council and approved by the Secretary of the Interior.

Briefly, I would like to discuss the organization and some of the accomplishments of the Tlingit and Haida Indians to show why I am so firmly convinced that they are qualified to manage their own affairs.

The Central Council functions as the general governing body of the Tlingit and Haida Indians. The Council was recognized and established as an official organ for the governance of the Tlingit and Haida Indians by an act of Congress approved in 1965. This act required the Council to prepare and submit for approval to the Secretary of the Interior a set of rules for the election of delegates that would insure that the Council would be representative and democratic. The Rules of Election formulated by the Council and approved by the Secretary in 1966, together with the Constitution of the Council, are the principal organic documents of the Tlingit and Haida Indians. Copies of these documents are attached.

The Rules, among other things, designate the communities eligible to elect delegates to the Central Council (there are 18 such communities at the present time), and prescribe the terms of delegates, the qualifications of electors, the representational formula, and the duties of local election officials. They also set out the procedures for the nomination of candidates, for the registration of voters, for the conduct of elections, and for the casting of absentee ballots.

The Constitution establishes the Central Council as the general governing body of the Tlingit and Haida Indians and provides that agreeably to the laws and regulations of the United States, it shall have, among others, the powers to acquire and dispose of property; to enter into contracts; to borrow and raise money; to employ persons to render professional, technical and other services; to authorize the use and expenditure of funds belonging to the Tlingit and Haida Indians; and to authorize and provide for the organization of subordinate entities to perform governmental and proprietary functions.

The officers of the Council, who compose the executive committee and are elected by and from the delegates, are the president, four vice presidents, the secretary and the treasurer.

The Council employs a general manager and a secretarial staff. At the present time, I am the president of the Council and am also employed as general manager. The other officers are: Charles Nelson, of Ketchikan, First Vice President; Roger Lang, of Sitka, Vice President; Richard Kito, of Petersburg, Vice President; Kenneth Leask, of Seattle, Vice President; James Thomas, of Yakutat, Secretary; and Harvey Marvin, of Sitka, Treasurer.

The report of the credentials committee shows that at the last meeting of the Council held in Sitka in April 1969, there were 53 delegates from the local communities in attendance or represented by proxy.

Since funds in payment of the judgment awarded by the Court of Claims were appropriated in 1968, the executive committee of the Central Council has been actively superintending and overseeing their investment. The uses that can be made of the funds before enactment of distribution legislation are very limited.

Had they been allowed to remain on deposit in Treasury accounts, the funds could not have earned more than four percent simple interest per annum. The executive committee requested the Secretary of the Interior to exercise his authority to remove the funds from the Treasury and invest them in securities backed by the credit of the United States. From time to time, as securities purchased on the tribes' account matured, the executive committee arranged for the reinvestment of the principal and the proceeds. As a result, the funds have produced substantially more than they would have had they been left in the Treasury. Recent investments have been returning interest earnings in excess of eight percent, more than double the Treasury rate.

During the period since July 1968 when the judgment funds were appropriated by Congress and deposited in the Treasury, the earnings on the funds have exceeded \$600,000.00.

The Central Council and the executive committee deal on a continuing basis with a multitude of problems affecting the Tlingit and Haida people. These range from improving communications among the communities to protect Tlingit and Haida land and fishing rights. Currently the Council has pending before the Economic Development Administration an application to provide technical assistance in refining and implementing the plans we have developed for the use of our judgment funds. We are advised that the application will soon receive final approval. In addition to helping us develop the specific means for executing the plans we have formulated, the technical assistance project calls for the training of two of our people as development planners and looks forward to the creation of a development planning unit to serve the Central Council on a continuing basis.

I respectfully submit that the existence, operations and achievements of the Central Council bear persuasive witness to the proposition that the Tlingit and Haida people are capable of organizing and managing their own institutions and affairs.

However, my belief in the competence of the Tlingit and Haida people notwithstanding, I urge enactment of S. 2628. This legislation is urgently needed. Through no fault of this Subcommittee, or indeed of any organ of Congress, its consideration has already been delayed by at least six months. As the bill stands, it is in a form familiar to Congress and bears the endorsement of the Executive branch. A companion bill in identical form introduced by Congressman Pollock was favorably reported by the House Committee on Interior and Insular Affairs on March 4, 1970. While I am deeply grateful to Senator Gravel for the expression of confidence in the Tlingit and Haida people represented by the measure he introduced, I am fearful that attempting to secure legislation omitting the provision for secretarial oversight would give rise to unprecedented issues and would almost certainly delay its enactment, and I am convinced that the interests of the Tlingit and Haida people require its prompt approval.

Also, because I am certain that uses of the funds authorized by the Council will be sound and provident, I do not anticipate that submitting our actions for the time being to review by the Secretary will essentially impair our program executive ability, beyond subjecting us to the delays endemic to bureaucratic processes.

Finally, I am convinced, given the opportunity to invest our judgment funds in our social and economic development, we will compile a record of achievements that when we return to Congress, as we will, to ask that we be allowed to manage our affairs free from secretarial oversight, there will be no room for questioning our competence to do so.

Again, on behalf of the Tlingit and Haida Indians, I want to thank you and the members of the Subcommittee for affording us this opportunity to comment on these bills.

I respectfully inform you that I have asked our attorneys, either I. S. Weissbrodt or Richmond F. Allan, to be present at the hearing of your Subcommittee in order to be available to answer questions.

Sincerely yours,

JOHN BORBRIDGE, JR.,
President.

Mr. BORBRIDGE. Accordingly, with the permission of the committee, I will only summarize the Tlingit and Haida position at this time.

First, Mr. Chairman, I would again express our appreciation to you and the members of your committee for holding this hearing and

for according us an opportunity to comment. As I said in my letter, there is no business pending before the Congress which more immediately affects the interests of the Tlingit and Haida people than these bills. Our need to have our judgment funds made available to finance the social and economic development programs we have formulated is urgent.

The plans we have proposed, which are included in the report submitted by the Department of the Interior, speak for themselves. They represent a conscientious effort to identify the more fundamental needs of the Tlingit and Haida people and to establish priorities for their fulfillment. Categorically the plans provide programs for scholarships and educational assistance, for special services to the elderly, for housing, for industrial, commercial and community development, for credit, and for investment.

Charged by the central council with the task of securing legislation to permit us to use our judgment funds to carry out these programs, the first decision I had to make concerned the kind of act we should seek. Specifically, should it or should it not subject decisions of the council concerning uses of the funds to approval by the Secretary of the Interior.

While I had not the slightest doubt that the central council is fully capable of managing the affairs and property of the Tlingit and Haida people, or that it has demonstrated by its accomplishments that it possesses such capacity, I determined, after consulting with the executive committee and our attorneys, that we should seek legislation of conventional form; that is to say, legislation which for the time being, would subject our decisions relating to the use of our money to review by the Secretary.

Essentially, this determination, as I set forth fully in my letter to the chairman, was rested upon the conclusion that an attempt to secure a distribution act without a provision for secretarial oversight, even if ultimately successful, would raise novel questions, likely attract the opposition of the Department of the Interior, and almost certainly require more time to obtain than legislation in the familiar form. Accordingly, because time is of the essence, I asked the members of the Alaska delegation to sponsor a conventional judgment fund distribution bill.

In my letter to the chairman I recounted some of the organizational and administrative accomplishments of the central council that demonstrate that it is a dynamic and responsible agency of self-government of the Tlingit and Haida Indians.

While we wholeheartedly endorse and support the principle on which S. 2650 introduced by Senator Gravel is based, and are deeply grateful to him for the confidence in the Tlingit and Haida people which it evidences, I urge enactment of S. 2628 as introduced by Senator Stevens. Distribution legislation is immediately needed. Through no fault of this committee, nor of any organ of Congress, its consideration has already been delayed by at least 6 months. S. 2628 is in the form familiar to Congress and bears the endorsement of the executive branch. I am informed that an identical bill introduced by Congressman Pollock was passed on the Consent Calendar yesterday by the other Chamber.

Because I am certain that uses of the funds authorized by the central council will be sound and provident, I do not anticipate that

having to submit our actions for the time being to the Secretary for approval will substantially impair our program executive ability, beyond subjecting us to delays which are endemic to bureaucratic processes. Finally, I am convinced, given the opportunity to invest our money in our social and economic development, we will compile such a record of achievements that when we return to Congress, and we will, to ask that we be allowed to manage our affairs free from secretarial oversight, no one will have any legitimate grounds upon which to question our competence to do so.

Thank you.

This concludes my formal statement.

Senator MCGOVERN. Senator Gravel?

Senator FANNIN.

Senator FANNIN. I certainly commend you for a very excellent statement.

Mr. BORBRIDGE. Thank you.

Senator BELLMON. Do you have knowledge of the investments of tribal funds?

Mr. BORBRIDGE. Yes; I have some knowledge of these, Senator, and to insure that we would be able to answer all of the questions, I would also like to present Mr. Richmond F. Allan, from the firm of Weissbrodt Weissbrodt.

Senator BELLMON. According to the report I have on H.R. 1285, I assume this is a companion bill to the Stevens bill that they made on July 22, 1968; is that accurate?

Mr. BORBRIDGE. Yes, Senator.

Senator BELLMON. So, they were made before Commissioner Bruce came into the picture?

Mr. BORBRIDGE. That is right.

Senator BELLMON. Could you tell us why these particular institutions were chosen? I certainly agree with Senator Gravel that this money belongs to Alaska; why were these other banks chosen?

Mr. BORBRIDGE. Yes, I very much agree with the principle, that money belonging to an Alaska tribe should be so invested as to benefit, in various ways, the Alaskan people.

We had two considerations at the time: The law authorizing the investment of tribal funds requires that the investment be collateralized to the extent of 100 percent of the deposit. And, on a trial basis, I approached some of the largest banking institutions in the State of Alaska. They were not interested at the time, because they indicated they did not wish to tie up their assets meeting the requirement for 100 percent collateralization with Government securities.

The other reason, of course, is a balancing of interest. The law states that we cannot deposit in a bank that does not collateralize.

The second consideration was a major one, relative to the interest return. I might add further, that we in the Central Council were very pleased in that we had left the moneys in the Treasury of the United States, the return would have been 4 percent. Because of our prompt investment in CD's, and Government securities, we were able to reach a return close to 6½ percent, solely on the basis of our initiative.

Senator BELLMON. So, the decision to put this money in the bank was made by the tribe itself?

Mr. BORBRIDGE. Yes; this is right.

Senator BELLMON. I noticed the 6¼ percent is to mature January 22, 1970. Have you reinvested these funds?

Mr. BORBRIDGE. Yes, Senator; we have tried to establish our program in such a way that they will roll over the funds immediately upon their becoming available. We, in effect, advise the Department of the Interior as to how we want the funds reinvested upon their maturity, so that there is no lag between the time that they mature and the time that they are reinvested.

Senator BELLMON. If they matured on January 22, 1970, where are they invested now? Still in the same banks or same institutions?

Mr. BORBRIDGE. We have Treasury bills and notes returning in excess of 8 percent.

Senator BELLMON. Of these investments, most of them are no longer in existence? You have taken these investments and invested them in the Treasury?

Mr. BORBRIDGE. Most of them have not reached maturity. They are still in these specific institutions, and where they have matured, why, we made subsequent reinvestments.

Senator BELLMON. The pages in the report aren't numbered, but on the third page after page 5, you listed several investments on July 22, 1968. Where would this money be invested at the present?

Mr. ALLAN. Very likely, Senator, that money, at least to the extent of the interest earned on the matured investment, is in a hiatus at the present time. Sometime after the earnings on investments become available they are deposited in the Treasury to the credit of the tribe.

The system of management of the money is complex and I am not an expert. But some time after the money reaches the Treasury, as I understand, the Treasury issues an appropriation warrant. The Bureau of Indian Affairs is notified that the appropriation warrant has issued and that the money is in the Treasury.

Then the Bureau, advised by the executive committee of the Central Council requests that the money be used to purchase whatever securities the executive committee has selected at the time as good investments. Typically another period of time elapses, so anything that has matured as recently as February, 1970, is undoubtedly now in transit, at least as far as the interest is concerned.

Senator BELLMON. What has the tribe chosen as a proper investment for these funds?

Mr. ALLAN. As far as the interest is concerned, I would guess that we have not received word from the Commissioner that he has been notified by the Treasury that the funds are available. Consequently it is probable that we have not yet selected an investment for these funds.

It is urgent that we get such money out as quickly as we can when we are notified that the money is available for investment.

The executive committee will meet and select an investment to recommend to the Secretary.

Senator BELLMON. So, in the meantime, these funds are not gaining any interest?

Mr. ALLAN. Right; at least the interest realized on the matured investment is undoubtedly still in float.

Senator GRAVEL. Would the Senator yield on that point?

I just was reading something else and apparently got lost. The money went out in these investments and it was pulled back to the Treasury?

Senator BELLMON. The investment matured January 22.

Senator GRAVEL. Then they pulled it back in the Treasury?

Senator BELLMON. They don't seem to know where it is now.

Senator GRAVEL. If it was out in an investment before, why couldn't it just continue to earn money for the claimants?

Mr. ALLAN. The practice is, Senator, when an investment—you understand that legally these investments have been made by the Secretary under authority which he possesses—

Senator GRAVEL. You are saying these investments are made by the Secretary and he consults with the tribe?

Mr. ALLAN. Correct.

Senator GRAVEL. So, he advises—I think we need Mr. Borbridge's attention here. I would like to know the chain or sequence of events. The Secretary contacted the tribe and indicated what type of investments were to be made; is that what happened?

Mr. ALLAN. No.

Senator GRAVEL. Tell us what happened.

Mr. ALLAN. What happened in actual fact is this: The Tlingit and Haida Executive Committee advised the Secretary as soon as it was notified that the funds appropriated in payment of its judgment had reached the Treasury, that it wanted him to exercise his authority to take those funds out of the Treasury and invest them in certain securities that the Secretary is entitled to invest Indian funds in, in lieu of leaving them in the Treasury.

At the same time, it supplied him with suggestions as to particular Government securities which, at that time, were paying the best rates of interest and had maturities which meshed with the tribes' foreseeable needs.

In other words, the executive committee didn't want the full \$7 million invested in one bill or note with one date of maturity, because they had to plan maturities in terms of their needs.

So, they told the Secretary, in effect, "Please use your authority to withdraw these funds from the Treasury and invest them as follows."

As a matter of fact, in all cases that I am familiar with the Secretary has followed the recommendations of the executive committee with regard to the investment of the Tlingit and Haida funds.

Senator GRAVEL. How did the Tlingit and Haida group find out that this particular bank was the one that would do it? Somebody had to narrow the decisions down. What process was it? You are telling me that this all came from the tribe. Could you tell us, Mr. Borbridge, how this happened?

Mr. BORBRIDGE. Yes; we have a contract under which we are represented by the firm of Weissbrodt and Weissbrodt, our general counsel. This same firm has represented us successfully in the land claims which produced the funds that we are here to discuss today.

And we, the Central Council, were faced with the realization that without our initiative we would be presently receiving 4 percent if these funds were left on deposit to our account in the Treasury of the United States. Therefore, at this point, we used the authority which is granted to the executive committee to act on behalf of the Central Council between sessions, to confer with our attorney, who is our general counsel, so that we might seek out investments which, first of

all, were properly collateralized, and secondly, which could assure us the type of return that is a good investment.

Senator GRAVEL. Who determines the collateralization?

Mr. ALLAN. The law.

Senator GRAVEL. It must be secured by other government securities?

Mr. ALLAN. It must be secured both as to principal and interest by securities backed by the credit of the United States.

Senator GRAVEL. Is there any possibility that a bank, following the direction of the Federal Reserve System would hold in its present reserve so many certificates; would this be commonly done? The reserve system could use the Government certificates to collateralize. Is there any way that the bank could collateralize and still meet the needs of the Federal Reserve System?

Mr. ALLAN. I don't know, Senator.

Senator GRAVEL. Might I suggest somebody look into this. This could be a very germane thing.

Returning to the point that you were making before Mr. Borbridge, in essence, the recommendations came from your attorneys as to where the moneys were to be invested or which banks. Do they submit a list of banks?

Mr. BORBRIDGE. What, essentially, would occur would be that we would review at some point what was available in terms of interest and what banks had expressed an interest and would properly collateralize. We would look at their interest returns and would then make a decision based on that information.

Senator GRAVEL. How many banks were offered to the board of the Tlingit and Haida as a possibility for investment?

Mr. BORBRIDGE. I couldn't say, Senator, offhand.

Senator Gravel. Just off the top of your head; one bank, two banks, four banks?

Mr. BORBRIDGE. Basically I think we had selected these on the basis of their agreement to collateralize, and there hadn't been a large number of banks that had stated that they would be willing to collateralize. As a matter of fact, this was about the highest return that we came across, and it was far in excess of what was offered in Alaska at that time.

Senator GRAVEL. Let me ask your attorney: Was there any effort made to solicit proposals from Seattle banks that might act at correspondents to Alaska banks, and therefore, get a spinoff to the Alaskan community?

Mr. ALLAN. I don't know, but as Mr. Borbridge has explained, he, himself, approached the major banks in Alaska, advised them that the Tlingit and Haida had this money to invest and explained what the law was to them. They informed him that they didn't want to tie up the Government bonds and obligations that they could use as collateral to guarantee these deposits, and I don't know—

John, did you talk to them?

Mr. BORBRIDGE. I might add one further note, Senator: that is when the discussions were had with the Alaskan banks, to insure that there would be a full understanding and that the bankers in Alaska would not act solely on a conference with a layman representative, we had them contact the representative of the BIA who is in charge of Tribal investments and who works with the tribes in terms

of handling these investments; directly with the banks in Alaska, and this they did several times.

Senator GRAVEL. Could you—as acting counsel—could you check and see whether there is a possibility the banks can take their collateralization and match it with what the Federal Reserve collateralizations are? And if that is the case, it is not a burden for any bank to do this. You get the point I am making?

Mr. ALLAN. I think I see the point. I think the answer is, probably no, that they cannot make those Government bonds do double duty.

Senator GRAVEL. Could you get a firm answer to me, please?

Senator BELLMON. Mr. Chairman, I would like to pursue my line of questioning. It is obvious to me it is not a surprise to anyone that those investments did mature on January 22. You told us that the money at the present time is sort of in limbo; it is not invested, and it is not earning interest?

I wonder why the tribe or its counsel don't take action, say, 2 or 3 months ago and arrange for these reinvestments so that the money could be put to work in case the old investments were not going to be continued. Why is it necessary to have this procedure?

Mr. ALLAN. Senator, all I can say is that my partner who has actually handled these matters most intimately for the Tlingit and Haida, and who has corresponded with the Department of the Interior concerning the investments, and reinvestments of these funds, has a file of correspondence with the Department of the Interior, which is now approaching an inch thick, in which he urged that this process be speeded up. It has been pointed out repeatedly that these lags of days between the time one investment matures and the time the earnings can be reinvested, is costing the Tlingit and Haida a lot of money.

But, the answer is, that is the way the Treasury system works.

Senator BELLMON. I am not sure I understand the reason why it is necessary to take the money out of the Manufacturer's & Trust and put it in Treasury before you can go ahead and reinvest.

Why wouldn't it be moved from Manufacturer's loan investment which the tribe has selected?

Mr. ALLAN. I don't know the answer to the question why this procedure must be followed. As I have said, although the Tlingit and Haida have been recommending to the Secretary what investments should be made, the investments are actually made by the Secretary with the cooperation of the Treasury.

The requirement seems to be that when the Secretary has purchased a security and that security has matured, the funds, or rather the interest, must go back to the Treasury. The Treasury issues a warrant, the Bureau of Indian Affairs is advised of the fact that the warrant has been issued, and that the funds are on deposit in the Treasury. Then it takes some time after the Bureau of Indian Affairs has requested that the funds be removed and invested in a particular security before this is accomplished.

I don't know the answer why this is the case?

Senator BELLMON. Is there anyone that can speak for the Interior? Can anyone speak as to why they have this procedure?

Mr. STEVENS. He has one statement as of February 22, 1970, and I suggest we put it in the record. The other one is as of August 1969.

Senator GRAVEL. That can be included in the record, but I would

like to know if anyone can answer Senator Bellmon's question as to why we have this maze of bureaucracy in order to make what appears to be critical steps?

Mr. DUCHENEAX. Yes, sir. I am sorry we didn't submit when we submitted it. That was the latest we had on the investment. This is the new statement.

Senator BELLMON. We are asking for the process. Why does it take 90 days to move money out of a Manufacturer's Trust Co. and during that time it earns no interest?

Mr. DUCHENEAX. Some of the funds matured on January 22, 1970, and it appears to me that it was reinvested very shortly afterward. If not exactly on that date, then it was very shortly after that time. I am not familiar with Mr. Allan's knowledge of the procedures involved. There was, there seems to me, a specific—

Senator BELLMON. Let's be specific. On January 22, 1970, when was it reinvested and where was it now? I don't have it. Would you get it?

Mr. DUCHENEAX. That particular investment is in the Midland Marine Trust Co. in Buffalo, and it matured on January 22, 1970, and it is now reinvested in the same bank, to mature on July 22, 1970.

And since the statement is February 26 of this year, I don't know the exact date of this investment, but it is not too far off.

Senator BELLMON. How much is it now?

Mr. DUCHENEAX. Six and a quarter. It was the same. The maturity date was of—but the now maturity date is July 22.

Senator BELLMON. In other words, the investment that had been invested is to mature on January 22, has been changed from Manufacturer's & Traders Trust to Midland Trust, getting the same interest rate?

Mr. DUCHENEAX. I thought you were talking about the Midland Trust.

Senator BELLMON. I was talking about the Midland Trust.

Senator STEVENS. The statement I have is it is still there. That deposit was extended to mature on July 22, 1970. It is compounded quarterly. The same bank, the same deposit; it is extended 6 months. If that is the case, it hasn't lost any interest.

Senator GRAVEL. Do you care to show that to Senator Bellmon?

Senator BELLMON. Why is it you don't know where this money was?

Mr. ALLAN. Well, as Mr. Borbridge has explained, we have, as counsel for the tribe, been consulting with the tribe when the need arises to reinvest some of the money. But the executive committee of the central council regularly passes a resolution advising the Secretary to make a particular investment of funds available when the need arises to do so.

I haven't seen these documents that are now circulating, Senator.

Senator STEVENS. I take it, from you—

Senator BELLMON. We are talking about entirely different funds.

On July 22, 1968, this money was invested to mature on this date.

Senator STEVENS. I beg your pardon.

Senator BELLMON. Marine Midland Trust, it was matured on January 22, 1970.

Senator STEVENS. That was an investment made on July 22, 1968, the same—now, it is going to mature on July 22.

Senator BELLMON. This goes back to four investments of \$1.25 million; where are the other two?

Senator GRAVEL. Can anyone answer the question?

Mr. DUCHENEAUX. Senator, they have two deposits: it is in the Manufacturer's & Traders Trust Co.; one of those has matured on January 22. The other matures July 22.

Three others were in the Marine Midland Trust Co., one to mature on January 22 of this year, and the other two are to mature in July of 1970. No others have matured. Only one has matured, one in the Manufacturer's, and the other one and one in the Marine Midland Trust.

Senator BELLMON. One has matured, and one has just extended? They are in the same bank. One of the other things, all the stuff about going back and waiting there the 90 days is not done at all?

Mr. ALLAN. Apparently it is not true in these cases. It has been true in a number of cases.

Senator GRAVEL. I think the natural question is: why is it done properly sometimes, and improperly some other times. Is it the law that requires that? I don't understand. I am at a loss.

You went into great explanation telling us how it gets back, and now we find that that doesn't occur. What does go on; does anybody know?

Mr. BORBRIDGE. Mr. Chairman, not that I am going to explain the functions of the Treasury Department, but for purposes of the record, we have been advised by our General Counsel, Mr. Weissbrodt, that the procedures take place, and that, in effect, due to these failures of a prompt response, we are deprived of certain earning capacity on interest money during this interim period.

Senator GRAVEL. Is it fair for me to make the statement then that with your counsel you can effectively maximize returns on your money if there wasn't Federal involvement; is this a fair statement?

Mr. BORBRIDGE. I think to this extent, that we would, if we had had the funds under our control, have provided for more prompt investment of the interest we earned so that there wouldn't have been periods of time during which it was not earning interest.

Senator BELLMON. May I ask a question?

Senator GRAVEL. Certainly.

Senator BELLMON. I think we should get to the bottom. On page 5 of the report of H.R. 5825.

Senator GRAVEL. Could the Senator go off the record for a second? (Discussion off the record.)

Senator BELLMON. On page 5 of H.R. 5285, there is listed investments and the five investments mentioned in Marine Trust were made on July 6, 1968, and matured on July 29, 1969. I said that they matured on that date. Let me ask you the question: where is that money now?

Mr. ALLAN. You said it matured. Obviously at that point it wasn't drawing interest; the investment was matured. Apparently, that investment has been matured for about 9 months.

Mr. DUCHENEAUX. Senator, I think that that was a misquote. I think that should be 1970.

Senator BELLMON. It left it for a full year: July 26, 1968 to July 29, 1969.

Mr. DUCHENEAUX. Could we get it for the record?

Senator GRAVEL. Would the Senator yield?

Who in the Department of the Interior supervises—there must be some sort of central control. Maybe they don't have to go through contortions like this. Who, in the Interior handles this, Mr. Bruce?

Mr. BRUCE. They are handled in our Albuquerque office.

Senator GRAVEL. In your Albuquerque office? Why—let us ask this question: How large a staff do you have in the BIA that handles the secretarial oversight duties, since we have a tradition here of every claim that the Indians have received being essentially under the control of the Interior Secretary? How many people does he have that do the leg work on this? I am sure the present Secretary doesn't spend evenings on these financial statements.

How many people work on this problem in the Interior Department?

Mr. DUCHENEAUX. We have two people in the Albuquerque department.

Senator GRAVEL. Would you supply for this committee for the record, the résumés, backgrounds of these individuals with respect to their financial capabilities to advise anybody on investment portfolios.

Senator BELLMON. I would like to go one step further; I would like to have that individual before this committee. It appears that this matter is being very inexpertly handled, and the tribes are not getting their maximum return from these funds that are at their disposal.

Senator GRAVEL. If I could only add to my distinguished colleague, that I feel that strongly, and that is why I get very intemperate when you talk about controlled funds.

Senator BELLMON. If the Commissioner could identify this person.

Senator GRAVEL. Perhaps we can answer this question—Why should we have an office in Albuquerque that governs funds of Indians in Alaska or all over the country? If these persons are in charge of advising the Secretary of the Interior, shouldn't they be somewhere near the Secretary of the Interior?

Mr. BRUCE. The only answer I can give you is "decentralization program."

Senator GRAVEL. With all due respect, that is not a good answer. We do not take the personal secretary of the Secretary of the Interior and send her to Albuquerque and say that it is decentralization. They should be advising the Secretary of the Interior firsthand.

I would like for you to submit to this committee the rationale in memo form as to why we have a decentralization program on the investment activities. Is Albuquerque, N. Mex. a banking center that requires their presence there?

I might understand somebody in New York; I might understand somebody in San Francisco; but in Albuquerque, N. Mex. in deference to my colleagues, I find it difficult to comprehend.

Do you have any economists on the staff to advise? I think it is a very simple question and if we are going to give the Tlingit and Haida superior advice, let us make an attempt to ascertain as to what depth that advice goes. At the same time we will make a determination of Senator Bellmon's question as to how the present moneys have been handled. I think this could reflect on other questions in the future.

Senator FANNIN. When this is established, beyond the term of office this is presently involved.

Senator GRAVEL. No problem in that regard.

Mr. BRUCE. We will supply the information.

Senator BELLMON. Mr. Chairman, I think we ought to have specific information to see what happened, and where these funds are at the present time.

May I make one other request? Could each member have a copy? I think we can do that. We will take that. Could we get this information within 7 days. There are some vital areas here.

Senator FANNIN. In other words, that we might not have a controversy later, we do want to know the first page of this admission statement, we have a provision regarding the land area that is involved, and the settlement.

And another reference of a balance of 2,620,000 acres, and I am just wondering if this will be involved in the settlement.

For instance, on our native villages, will some of that money be, will you be asking for that land back?

Mr. BORBRIDGE. Yes, as you indicated here, this judgment fund award is for the extinguishment of our Indian title to 18 million acres, and, as you pointed out here, there are 2,628,000 acres to which we have judicially validated Indian title which has survived any taking.

In addition to this, the Central Council at the present time is before the Indian Claims Commission on matters relative to our aboriginal title to tidelands with respect to which we contend there has been no extinguishment. In another action we are seeking payment for loss of fisheries on the basis of breach of fair and honorable dealings.

The feeling that we have basically is that our claims based upon aboriginal title would be, in effect, thrown into the pot so that the State land claims settlement would be resolved as to all of these aboriginal land claims.

Senator FANNIN. It will be a duplication of opinion? They will be removed, then, as far as the settlement is concerned, under the settlement claims?

Mr. BORBRIDGE. Yes; it is the view of the administration that it will be offset as thought it were a part of the overall settlement so that if we do receive the \$7½ million, if we are to be consistent with the Department's view, there would be an offset, so to speak.

Senator FANNIN. If that is true, then I understand. I was just curious as to what position would be as far as the arrangement under the Indian claims.

Mr. BORBRIDGE. Yes, we would take a position that such further claims as we have based on aboriginal title would be resolved in the statewide land claims which is presently being considered by the Congress.

Senator FANNIN. It would not be considered a duplication?

Mr. BORBRIDGE. That is correct.

Senator FANNIN. I have no further questions.

Senator BELLMON. I have one other question. On page 3 of the report, about half-way down it says that the funds to cover the award were appropriated July 1968. This was on page 3 of this committee report of H.R. 1365.

On page 5 it says that: Statement as of August 13, 1969, that it's 13 months later, and it says that the amount of the award is \$7,546,-053.84. And then it says "4 percent interest."

Then underneath, it lists these investments, all of which draw 6 and a quarter-percent interest; there are a total of \$51½ million of those, all those Treasury bills. It doesn't show what the interest is.

What I am curious about is: what is the difference in the amount between 4½ and 6½ percent?

Funds were invested at 6 and a quarter percent and the report shows only \$55,000 in the account of the Tlingit and Haida.

There was a substantial amount of interest that was earned here.

Senator GRAVEL. I would just like to reiterate the request. We would like to trace these funds right from their inception and lay it out in a portfolio where lay people can understand it. If we can just trace the funds, we don't have to go through three of four statements provided for the record. We want the file on the total investment procedure and we want a detailed breakdown of it all.

We want a breakdown of how many people work for the Interior Secretary in advising all of the natives all over the country on investment procedures, and we want a background of these individuals to know their qualification to do such advising.

That is all to be supplied within a week.

(The information requested follows:)

U.S. DEPARTMENT OF THE INTERIOR,
BUREAU OF INDIAN AFFAIRS,
Washington, D.C., March 24, 1970.

Hon. GEORGE MCGOVERN,
Chairman, Subcommittee on Indian Affairs,
U.S. Senate, Washington, D.C.

DEAR SENATOR MCGOVERN: On March 17, a hearing was held before your Subcommittee on S. 2628 and S. 2650 to provide for the disposition of certain funds awarded to the Tlingit and Haida Indians of Alaska by a judgment entered by the Court of Claims against the United States.

During the hearing a request was made that this Bureau furnish the Subcommittee with a memorandum containing the rationale as to why investment activities have been decentralized from Washington, D.C., to Albuquerque, New Mexico.

The following are the reasons why the Bureau's investment activity is located in Albuquerque, New Mexico:

1. The Bureau's Computer is located in Albuquerque.
2. The Bureau's Division of Financial Management is located in Albuquerque. This includes a Systems and Procedures Section, a Control Accounts Section, and a small Investments Section.
3. The investments staff negotiates with banks throughout the United States.
4. Most of the tribes are located in the midwestern and western states.
5. The time differential between Washington, D.C., and banks in the west poses a serious handicap in communication.
6. Since the Secretary's authority for investment of trust funds has been delegated to the Chief, Division of Financial Management, there is no serious problem resulting from not having the investment staff located nearer to the Secretary of the Interior.
7. The types of investments permitted by 25 U.S.C. 162(a) are quite restrictive and do not permit the types of investment programs which could better be handled from large metropolitan areas.
8. The office space situation in Washington, D.C., has been and still is a serious problem.

In 1968 the Bureau initiated a long-range program of updating and modernizing its financial management system to meet current General Accounting Office principals and standards of accounting, to comply with the concepts of the President's Commission on Budget Concept, and to comply with the current requirements of the Treasury Department and the Bureau of the Budget. In order to facilitate a more orderly transition it was necessary that the Division of

Financial Management, including its small Investments Section be relocated to Albuquerque where immediate communication with computer programmers could be accomplished.

The Systems and Procedures Section of the Division, also located in Albuquerque, has constantly been working with the Investments Section in the development of computer systems to accommodate improved and increased investment activities. It is necessary that these two sections be located in proximity to each other.

The Control Accounts Section of the Division, also located in Albuquerque, must be contacted constantly in order to determine the availability of tribal trust funds for investment. It frequently happens that a tribal official or tribal representative will contact our investment staff requesting that a specific amount of the tribe's funds be invested and in checking the control accounts, it may be determined that the amount specified is not yet or no longer available. Communication between Washington and Albuquerque to make these determinations would result in further delays.

It is the Bureau policy to encourage the investment of tribal trust funds at the highest rates of interest available, although tribes may occasionally specify investment in local banks at lower rates of interest when some other benefits may offset the lesser interest rates. Competitive rates are also available from most banks adjacent to or on Indian Reservations and in most instances tribes ask that their funds be invested in these banks rather than in distant banks located in large metropolitan areas.

For these reasons it has been determined that the location of the Bureau's investment activities in Albuquerque, New Mexico, is the only appropriate arrangement.

Sincerely yours,

C. C. CARSHALL,
Acting Commissioner.

RESUME, FRANK LIMPOUCH, ACCOUNTING OFFICER

Graduated from high school in 1941 and attended Commercial College in Czechoslovakia receiving a B.A. degree in 1945. Mr. Limpouch was employed from 1946 to 1948 by the National Bank of Czechoslovakia, and in 1949 and 1950 by the International Relief Organization in Solerno, Italy.

He served with the U. S. Army in 1951 to 1953, and then entered the Benjamin Franklin University in Washington, D.C., receiving a Master's Degree in 1956. In October 1956 Mr. Limpouch received an appointment with the Bureau of Indian Affairs as an accounting assistant. He has served since as an accountant, supervisory accountant, systems accountant, and since 1967 as accounting officer for the Central Office.

Mr. Limpouch completed the Departmental Management Training Program of the Department of the Interior in 1958 and has attended numerous Governmental training programs in programming, budgeting, planning, and computer operations.

RESUME, CHARLES HOURIGAN, CHIEF, INVESTMENT OFFICER, DIVISION OF
FINANCIAL MANAGEMENT, BUREAU OF INDIAN AFFAIRS,
ALBUQUERQUE, N. MEX.

Birth Date: November 23, 1907.

Birth Place: Shields, North Dakota.

Education: High School; One Year Commercial (1927); Seven Months Mechanical Training (1928).

Experience: 1929, Operated garage—handled office work. 1930-1935, Farmed: During this period was elected and served as Township Treasurer for two years; elected as Township Assessor for one term; elected in 1933 as Community Committeeman under the Agricultural Adjustment Program involving wheat allotment, corn, hog, and cattle buying.

1/1/35-6/30/38: Farmers Equity Oil Company; Thunder Hawk, South Dakota; Manager: This involved full responsibility for buying and selling. This position also involved passing on credit of customers.

7/1/38-8/18/42: Bureau of Indian Affairs, Fort Yates, North Dakota, Clerical Capacity.

8/19/42-8/18/43: Bureau of Indian Affairs, Truxton Canon Indian Agency, Valentine, Arizona. Chief Clerk: Responsible for administrative functions, including budgeting, disbursement and collections functions.

8/19/43-10/5/45: U. S. Army. Part of service was as Technical Sergeant, Grade 2, the duties of which were as Sergeant Major of a battalion.

10/26/45-9/28/47: Bureau of Indian Affairs, Fort Apache Agency, Whiteriver, Arizona, Chief Clerk.

9/29/47-12/31/49: Bureau of Indian Affairs, Phoenix, Arizona, Personnel Officer, GS/11, with the Phoenix District Office which comprised States of Arizona, New Mexico, Colorado, and Utah.

1/1/50-10/7/67: Bureau of Indian Affairs, Phoenix, Arizona. Finance Officer, GS/12, promoted to GS/13 in 1958 and to GS/14 in 1964. Responsible for centralizing the financial duties in Phoenix. This involved moving the work from 14 agencies located in the States of Arizona, California, and Utah. The accounts, personnel and their equipment was moved successfully. The Phoenix Area Accounting Office was known throughout the Bureau as one of the outstanding offices. The duties involved maintenance of the accounting functions for 14 agencies including the Sacramento Area Office which included the payroll of 2600 employees in the Finance Branch. During this operation, the incumbent handled investment transactions for tribes and individuals.

10/8/67 to present: Bureau of Indian Affairs, Washington, D.C.—Albuquerque, N.M. Financial Analyst—Chief, Investments Officer. Handles investments for 91 tribes. Is Special Disbursing Agent for the Bureau for all individual Indian Accounts. This involves 39 disbursing points in the United States.

RESUME, JOHN W. VALE, ASSISTANT INVESTMENT OFFICER, DIVISION OF FINANCIAL MANAGEMENT, BUREAU OF INDIAN AFFAIRS

Birth Date: July 8, 1931.

Birth Place: Sulphur, Oklahoma.

Education: Chilocco Indian School, Chilocco, Oklahoma; Haskell Institute, Lawrence, Kansas; Phoenix College, Phoenix, Arizona, A.A. 1959; Arizona State University, Tempe, Arizona; Air Force Accounting School, Denver, Colorado.

Formal Training: Business Law, Finance, Economics, Dunn and Bradstreet "Credit and Financial Analysis." *Other Training*—Dale Carnegie Course, Public Relations and Effective Speaking and Middle Management Course.

Experience: 1956-1963: Branch of Finance, Bureau of Indian Affairs, Phoenix, Arizona. Progressively responsible positions in financial accounting that included Tribal Trust Funds.

1963-1967: Credit and Financing, Bureau of Indian Affairs, Phoenix, Arizona. Assisted and advised representatives of tribal groups and tribal enterprises regarding credit and financing.

Close association with banks and other financial institutions was necessary to arrange financing for tribal groups and individuals. Conducted training sessions with tribal groups on proper management of tribal enterprises.

1967-1969: Bureau of Indian Affairs Phoenix, Arizona. Area Finance Officer: Responsible for the financial operations of the Phoenix and Sacramento Area Offices. Area liaison between the tribes and the Bureau investment office regarding investments of tribal trust funds. Responsible for investments of about \$10 million for the Phoenix and Sacramento Areas. Negotiated with banks regarding investments in bank Time Certificates of Deposit.

1970 to present: Bureau of Indian Affairs, Albuquerque, N.M. Assistant Investment Officer

Military Service 1951-1955 (U.S. Air Force) Non-commissioned officer in charge of budget and accounting, Salina, Kansas

RESUME, ROLAND E. MILLER, CHIEF, DIVISION OF FINANCIAL MANAGEMENT, BUREAU OF INDIAN AFFAIRS, ALBUQUERQUE, N. MEX.

Birth Date: April 21, 1918.

Birth Place: Greshaw, Wisconsin.

Education: Lutheran Indian Mission, Greshaw, Wisconsin (Elementary). Haskell Institute, Lawrence, Kansas (High School). Business Department, Haskell Institute, Lawrence, Kansas (Business). Army Finance School, Duke University, Durham, North Carolina (Officer Training). Various administrative, management, personnel, and related seminars and institutes.

Experience: 1937-1940: Bureau of Indian Affairs, Tomah Agency, Tomah, Wisconsin. Various administrative technician and accounting duties.

1940-1945: U.S. Army, various locations, including Army Finance School, Duke University, Durham, North Carolina. Various financial management assignments including administrative auditor, Finance Officer, Budget and Fiscal Officer.

1945-1948: Bureau of Indian Affairs, Tomah Agency, Green Bay, Wisconsin. Chief Clerk, District Agent.

1948-1949: Bureau of Indian Affairs, Red Lake Agency, Redlake, Minnesota. Chief Clerk.

1949-1950: Bureau of Indian Affairs, Minneapolis Area Office, Minneapolis, Minnesota. Area Personnel Officer.

1950-1952: U.S. Army. Assistant Chief, Accounting Division, Army Regional Accounts Office, Chicago, Illinois. Post Budget and Fiscal Officer. Ft. Benjamin Harrison, Indiana.

1952: Bureau of Indian Affairs, Washington, D.C. Budget Analyst (3 months).

1952-1954: Bureau of Indian Affairs, Minneapolis Area Office, Minneapolis, Minnesota. Area Administrative Officer.

1954-1957: Bureau of Indian Affairs, Sacramento Area Office, Sacramento, California. Area Administrative Officer.

1957-1966: Bureau of Indian Affairs, Aberdeen Area Office, Aberdeen, South Dakota. Assistant Area Director (Administration).

1966-1968: Bureau of Indian Affairs, Washington, D.C. Chief, Branch of Budget.

1968-1970: Bureau of Indian Affairs, Washington, D.C., with headquarters at Albuquerque, New Mexico. Chief, Division of Financial Management.

SUMMARY OF FUNDS FOR TLINGIT AND HAIDA AS OF MAR. 20, 1970

Original award.....	\$7,546,053.80
Add:	
Interest income, U.S. Treasury.....	12,621.92
Interest income on investments ¹	360,679.93
Subtotal, additions.....	373,301.85
Funds available.....	7,919,355.65
Less:	
Attorney fees.....	603,684.30
Tribal expenses.....	365,000.00
Expert witness fees.....	86,500.00
Subtotal, deductions.....	1,055,184.30
Funds invested.....	6,491,823.59
Balance in U.S. Treasury as of Mar. 20, 1970.....	372,347.76

¹ Income accrued but not credited of \$343,098.11 is not included.

INVESTMENTS OF TLINGIT AND HAIDA AS OF MAR. 20, 1970

	Date acquired	Maturity date	Percent annual yield	Face amount	Principal cost	Income received	Income earned but not received
Bank time certificate of deposit, Marine Midland Trust Co., of Western New York, Buffalo, N.Y.	Jul 23, 1968	Jul 23, 1970	6.49	\$1,250,000	\$1,250.00	-----	\$134,467
Bank time certificate of deposit, Manufacturers & Traders Trust Co., Buffalo, N.Y.	Jul 23, 1968	Jul 23, 1970	6.49	1,250,000	1,250,000.00	-----	134,767
Federal National Mortgage Association participation certificates, 4.70 percent	Jul 26, 1968	Dec. 1, 1972	5.93	500,000	478,750.00	\$31,659.72	15,086
Federal National Mortgage Association participation certificates, 6.45 percent	Jul 29, 1968	Apr. 9, 1973	5.74	500,000	513,046.88	38,520.83	9,795
U.S. Treasury bills	Apr. 22, 1969	Mar. 31, 1970	6.44	84,000	79,209.00	-----	4,638
U.S. Treasury notes, 5 percent	July 29, 1969	Nov. 15, 1970	7.68	260,000	254,445.21	6,500.00	8,539
U.S. Treasury notes, 5 1/4 percent	Jan. 2, 1969	May 15, 1971	8.10	768,000	749,656.92	-----	9,387
U.S. Treasury bonds, 3 3/8 percent	Oct. 2, 1970	Nov. 15, 1971	8.10	14,500	13,617.23	280.96	9,498
U.S. Treasury bonds, 4 percent	Jan. 22, 1970	Aug. 15, 1972	8.45	378,500	343,018.62	-----	4,526
U.S. Treasury bonds, 4 percent	Jan. 22, 1970	Feb. 15, 1972	8.40	707,500	733,696.75	-----	9,651
U.S. Treasury bonds, 3 7/8 percent	Jan. 22, 1970	Nov. 15, 1971	8.27	799,500	743,857.25	-----	9,614
U.S. Treasury bonds, 2 7/8 percent	Mar. 2, 1970	Dec. 15, 1972	7.63	84,000	74,524.73	-----	2,283
Total				6,686,000	6,491,823.59	76,961.51	340,951

REDEEMED INVESTMENTS OF TLINGIT AND HAIDA AS OF MAR. 20, 1970

	Date acquired	Maturity date	Percent annual yield	Face amount	Principal cost	Income received	Income received but not appropriated
Bank time certificate of deposit, Marine Midland Trust Co., of Western New York, Buffalo, N.Y.	July 23, 1968	Jan. 23, 1970	6.49	\$1,250,000	\$1,250,000.00	\$123,973.46	-----
Bank time certificate of deposit, Manufacturers & Traders Trust Co., Buffalo, N.Y.	July 23, 1968	Jan. 23, 1970	6.49	1,250,000	1,250,000.00	123,973.46	-----
Bank time certificate of deposit, Marine Midland Trust Co. of Western New York, Buffalo, N.Y. bills	July 26, 1968	July 29, 1969	6.49	500,000	500,000.00	32,717.90	-----
U.S. Treasury bills	Sept. 12, 1968	Apr. 22, 1969	5.61	51,000	49,320.43	1,679.57	-----
U.S. Treasury bills	Oct. 18, 1968	May 31, 1969	5.63	41,000	39,625.97	-----	-----
Federal Intermediate Credit Bank debentures	June 3, 1969	Mar. 2, 1970	7.20	40,000	39,982.89	1,374.03	\$2,147.11
Total				3,132,000	3,128,929.29	283,718.42	2,147.11

Senator GRAVEL. Are there any other areas? Does that cover it adequately?

The only other item I would like to ask is, you support my bill wholeheartedly, but you select the other bill. I think that evokes some interesting comments, and I notice that your statement on page 3 says that "I decided that we should seek legislation of the conventional form."

Would you tell me whether that is the Council's sentence? Could you elaborate on that? I think I have made the issue fairly clear.

Mr. BORBRIDGE. Yes; I would be very pleased to elaborate on that. It strikes me that there are two basic points: one is the representative capacity, and the other would be the reasons for the decision for which we arrived at the conclusion as far as the benefits to the Tlingit and Haida as far as the terms "immediately having the money available to them." It would be wiser to endorse legislation that would tend to be less controversial.

Which would you like me to start with?

Senator GRAVEL. Do you in your heart feel this is what you want, or what you think you could get out of Congress?

Mr. BORBRIDGE. Yes; in pursuing this line of thought, Senator, we set up a priority test. Personally, we have a great deal of confidence in ourselves and we have a great deal of confidence that when we don't have the answers in terms of the expertise to make the decisions, we can hire the expertise to help us in the decisionmaking process. Our rules of election and constitution for the Council and various communities, which are members of the Central Council, provide opportunities for the members to be heard.

We view the No. 1 priority that we wanted as this, after waiting 35 years for the judgment funds, we want them immediately available to us.

We are aware, furthermore, that in bills of this type, in awarding land claims judgments, have included provisions for the oversight responsibility of the Secretary of the Interior.

We felt the point was a germane point. We do have both the responsibility and the ability to handle the funds. We felt, however, there are many immediate needs that have been long pending. Due to our lack of resources we have never been able to adequately meet the many needs. We felt that possibly the time for making the point of omitting the provision for secretarial oversight might, as far as the benefit of the tribe is concerned, be better made as an amendment which we would seek after the funds had been made available to us.

In effect, we felt that we might be able to meet both needs: one for the tribe to have the funds available as soon as possible, and the second one, the point indicated very clearly, that since we have the ability to handle the funds and the means to do so without secretarial oversight, we could make this point after we have the money in hand.

We were concerned to the extent that we had our counsel check very carefully with various Congressmen who were members of the House and Senate committees, as to what the sentiment seemed to be.

And we were concerned that there might be a delay if we were to make this point prior to the time the moneys were actually made available to us.

It was a balancing, Senator, of priorities at this point.

Senator GRAVEL. From a tactical consideration you feel the sentiment of Congress is not such that it would consider the fact that you feel mature enough to handle your own affairs.

I don't want to put words in your mouth—you tell me right now that you can manage your own affairs and you don't need any oversight?

Mr. BORBRIDGE. Yes; this was a tactical decision. It wasn't a decision on principle. We agreed to the requirement for secretarial oversight. We agreed to secretarial oversight so there would be no delaying type of controversy, and the funds would be in our hands promptly.

Senator GRAVEL. By your criteria, what do you consider a long delay, a delay of a year or a delay of a couple of weeks?

Do you consider a couple weeks' delay a long delay; a month?

Mr. BORBRIDGE. Well, Senator, I think my view of delay would be tempered very much, not only by what I feel as one who is intimately involved in this, but I would have to consider what the feelings of my people would be.

In many, many instances my people have said to me that "in planning we need to initiate programing and get this started immediately."

And a strong emotional tie is based in terms of people who have waited 35 years. Almost each week or so someone passes on who played a very basic part in enabling the Tlingits and Haida to get where they are in their fight for their land rights.

So, that in a sense any delay must be evaluated in terms of very powerful human considerations.

Many of our elderly Tlingit and Haida have had to wait 35 years for this to reach this stage. From this viewpoint I think the delay can be hurtful, and this has been indicated quite strongly by other members of the tribe.

Senator FANNIN. Mr. Borbridge, I certainly agree that you want to, by performance, gain this opportunity to supervise your own affairs and take over at a later date, as I understand it, is that true?

Mr. BORBRIDGE. Senator, we have the utmost confidence that we can do this.

Senator FANNIN. And that you have earned that right; is that your feeling?

Mr. BORBRIDGE. This is basically our feeling, that this is a tactical decision and we do intend to come back to seek such an amendment.

Senator GRAVEL. His words are very important here, because he is stating "you earned that right." I think the answer to the question from your point of view would be that you have that right now or do you have to go out and earn that right of being a responsible citizen?

Mr. BORBRIDGE. I would respond, Senator, if both committees of the Congress were to ask me very simply as a layman so I can fully understand it: No. 1, "do you feel you, currently as an organization, have the ability to exercise mature judgment and that where you need technical advice, to call for it and do you have the representative capacity and the organization to make these decisions," I would say "Yes".

And if the further question were posed to me, as a president, "given two types of bills where there would be no delay and you could have either bill today without delay, which would you choose?"

I would say, based on my assessment of our ability we would choose to proceed without secretarial oversight. However, we must feel that we must be governed by tactical decisions, because we are apprehensive about any delay in terms of our money being made available to us.

Senator FANNIN. I would say from your presentation we are very impressed, and at the same time we all realize over the years we have had problems and naturally those problems reflect upon any request you made, and not in any way am I questioning your ability or the ability of your people. But I do feel it would be difficult to convince the Congress that every tribe coming before the Congress, making a request, would have that same consideration.

Mr. BORBRIDGE. Mr. Chairman, and Senators, just for purposes of the record, as of a week ago, the central council was the recipient of an Economic Development Administration grant. This plan makes provision for a project director and the hiring of two Tlingit and Haida programs and planning officers.

The basic intent of this grant is to initiate the planning capacity of the individual Tlingit and Haida communities and the central council organization.

The main thrust of the proposal is to enable us to develop within our Tlingit and Haida Central Council and in some of our own people the capacity to plan and to assess our needs, and to assist in determining our priorities in such a way that not only will these funds be used to—in an optimum return in the sense of social and economic progress for our people, but we feel that what we are setting up here is a prototype for what is basically a regional native organization which represents all of the Tlingit and Haida Indians.

I think it would be very beneficial for the committee, and as you indicated, the Members of Congress to be able to view such an Alaska native organization in operation. We feel the thrust again of this grant will be basically to enable us to initiate the mechanism as it pertains to the optimum disposition of this judgment award and likewise, it will help us to set up the mechanism which will, in turn, help us to prepare for this ultimate claims settlement.

Senator FANNIN. Does the Secretary now have the oversight of your money? In other words, what you consider when you are talking about your rights as far as a bill to the Secretary, are you satisfied with the way that it is being handled?

Mr. BORBRIDGE. I would comment, Senator. At the present time there has been no undue delay in our present experience in that we, as a central council, developed a budget which has reflected our needs for operating expenses. For the year we have anticipated the budget which was submitted to the Bureau of Indians Affairs in the Alaska office for its approval, and thus far, once the approval has been granted, we are then proceeding to operate as an entity and there has been, to my knowledge, no intervention during this operating period.

I am assuming there will be none as we continue to operate, until the funds are actually in our hands.

Senator GRAVEL. At all of the meetings, were all of the activities which were represented here by the plan, were these done by yourself independently? Or is this coming from the BIA and they led you by the hand and gave you guidelines? Did you people sit down and say this is how you were going to function?

Mr. Borbridge. We basically operated quite independently.

Senator GRAVEL. Did they attend your meetings?

Mr. BORBRIDGE. We invited them to be present at our meetings, but we have indicated that we believe the proper relationship of the Bureau, to the central council is advisory.

Senator GRAVEL. Other than sitting in and watching the meeting, they have not taken any part in your activities or in creating your plan?

Mr. BORBRIDGE. Yes; this basically represents our thinking and our planning. They have only participated where we have asked them for assistance. But the planning process, the allotment of the funds and all of the types of programing that have appeared are the result of the central council's efforts.

I might add that we very strongly believe that our efforts again cause us to reiterate the advisory role of the Bureau of Indian Affairs, relative to the central council.

I might add: As far as the investment, this is solely on our initiative, rather than to leave the investment in the Treasury at 4 percent; under our own initiative that we immediately invested where the return was at $6\frac{1}{4}$ compounded.

Senator GRAVEL. And BIA never came forward with this suggestion?

Mr. BORBRIDGE. This was entirely our own initiative.

Senator GRAVEL. At any meeting has BIA or the Indian Bureau brought forward an investment counselor to prepuare you for the future disposition of your wealth, to discuss portfolios of the investment?

Mr. BORBRIDGE. As I understand it, that after we, in the central council, made our basic decisions, we then conferred with our general counsel. The procedures then involved a dialog between our general counsel and the Albuquerque BIA office. The BIA Albuquerque office was directed in making our investments.

Senator GRAVEL. At this particular point in time you have received no contact, no advice, no projected—you have received nothing?

Senator FANNIN. I though you said you had the cooperation and the advice capacity where it was necessary from the Bureau. Do you attempt a decision, or do you just counsel with them, and they cooperate?

Mr. BORBRIDGE. Senator, they were very willing to cooperate, and I might add that their participation was in terms of our program, very minimal.

Senator FANNIN. And after that they did give you advice and did cooperate with you?

Mr. BORBRIDGE. They were very willing to cooperate. The input, as I indicated, was a very minimal one and almost the entire program, the investments and just about everything here was actually produced by our Indian representatives. Wherever we requested information from them they certainly were willing to make this information available.

Senator BELLMON. What is the name of your counsel?

Mr. BORBRIDGE. It is Mr. I. S. Weissbrodt.

Senator GRAVEL. Anything further?

Could you give me one example of substantive advice that they gave you at any one of your meetings?

Mr. BORBRIDGE. Mr. Chairman, there was no substantive advice given to us by the Bureau of Indian Affairs. First of all, for example, there is just the question of whether or not the funds would be prorated on a per capita basis, the capital assets in aggregate would be more beneficial in terms of the tribe. The decision was solely a tribal decision.

The next question is: what were the various categories into which these funds could be programed. And again, this was solely a tribal decision because we felt that no one could possibly know our needs or determine them better than we could.

The next question would be the establishment of the administrative guidelines and the mechanism to involve our people. Again, this was solely our decision.

I think, basically, the participation of the Bureau has been solely in terms of furnishing information that we feel might help us to implement what we might establish.

Senator GRAVEL. Could you give us an example?

Mr. BORBRIDGE. Yes; we would ask for a report for the process of the enrollment, how many people were enrolled.

Senator GRAVEL. Which they would do?

Mr. BORBRIDGE. Which is something they were doing. We might indicate to them, as another example, in pursuing the EDA proposal and this was to help us bring on the Board some of our own planners. This was entirely our own program that we initiated.

And we might have been asked, in light of our responsibilities and the structuring administratively, of the central council, I would then ask the members of the executive committee of the central council of BIA if it were possible, in light of our development ability for us to assume that perhaps on a contractual basis, some of the current services which the Bureau of Indian Affairs is performing.

This is something that we hope to pursue in the future because we think we can pursue this and do a better job. This has been the type of thing that the Bureau has helped us with primarily in responding to our requests.

Senator GRAVEL. Where were most of your meetings?

Mr. BORBRIDGE. Mr. Senator, we had them in various locations of our central council. They have been held in Sitka, Alaska, Juneau, Alaska, and we will be meeting on April 16, 17 and 18 in Anchorage, Alaska.

Senator GRAVEL. Would you term the plan you have here the most significant development for the natives in southeastern Alaska; do you think that is a fair determination?

Mr. BORBRIDGE. I think it is a fair determination, because this plan represents the truest form of grassroots participation. This is our plan; this is our administration setup; it is our evaluation of our needs. I think one of the most pertinent points to be made is that we implement this plan, a basic guideline will be the development of our own people.

In other words, we are not interested in developing outside expertise who are going to be making a living supplying a need to us. We want to develop our own people so that we have the structure that is needed and we, likewise, indicate too, as another guide and principle that the whole concept here is to use the moneys that we have received as seed money: that is why we started so early with our plan with the idea

that we should have planners onboard to receive as much of a benefit as we can on capital investment, as possible.

Senator GRAVEL. Okay, I have no further questions.

Senator FANNIN. I have no further questions.

Senator GRAVEL. Thank you.

Mr. BORBRIDGE. Thank you, very much, Mr. Chairman.

(Whereupon, at 12 o'clock p.m. the committee moved on to other business.)

TLINGIT AND HAIDA FUNDS

WEDNESDAY, MARCH 25, 1970

U.S. SENATE,
SUBCOMMITTEE ON INDIAN AFFAIRS
OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10 a.m., in room 3110, New Senate Office Building, Senator George S. McGovern (chairman of the subcommittee) presiding.

Present: Senators McGovern, Gravel, Stevens, and Bellmon.

Also present James Gamble, professional staff member.

Senator MCGOVERN. Mr. Secretary, as chairman of the committee I just received a telegram with reference to a situation which I think we ought to at least get some preliminary response from you because it is obviously a matter that is in the public forum now.

It has to do with the controversy that I became aware of for the first time out in Denver. This telegram came to the committee signed by what looks like maybe 25 or 30 people in Denver. Are you familiar with the Littleton plant management problem that has developed?

(The telegram referred to above follows:)

[Telegram]

DENVER, COLO., *March 24, 1970*

Senator GEORGE MCGOVERN,
Senate Office Building, Washington, D.C.

We have tried to reach Assistant Secretary Harrison Loesch for clarification of Commissioner Louis R. Bruce's authority in reference to his suspension of Charles R. McCrea, Stuart Edmunds, and Leona Morris of the Littleton Plant Management Engineering and Leona Morris of the Littleton Plant Management Engineering Center and to the other statements signed by the commissioner. Mr. Loesch has not responded and has not been available. Commissioner Bruce made public statements saying that no one would be jailed on Saturday afternoon March 21, approximately 2 hours after he departed and suspended Mr. McCrea. Mr. McCrea signed the order for the arrest of the Indian people in the BIA office. Nine Indian people were arrested. The commissioner's office still informs us he wants no one arrested.

Yesterday six more Indian people were arrested as well as other Indian people in Chicago and Alameda Calif. It is our understanding that Assistant Secretary Loesch has issued the direction for the arrest of the Indian people. It is also our understanding that Commissioner Bruce is being forced to resign and that either Ben Riefel or Clarence Acoya will be appointed. We asked for the resignation of Bruce but we also maintain that the appointment of the next commissioner be brought to the Indian people. Because of the conditions and the implications of what is being done it is vitally important that Assistant Secretary Loesch give an explanation to the current condition. Secondly, because of the authority and powers of the Commissioner of Indian Affairs have been countered, a public statement must be made on what authorities and powers the commissioner does or does not have. Lastly we feel it important Assistant Secretary Loesch be requested by you to meet with Indian people in Denver, Colo., March 26.

(77)

Bruce Glen, Pat Baker, Linda Bernal, James Jones, John Gill, Rick Buckanaga, Virginia Reeves, Duane Birdbear, Linda Benson, Harry Buckanaga, Madelyn Boyer, Glenda Tom, Joe Freeman, Mr. and Mrs. Jerry Gill, Mr. and Mrs. John Holy Elk Face, Mrs. Mercy Walker, Geraldine Shangreal, Brenda Mitchell, Darlene Cuthair, Cynthia Baker, Robert C. Birdbear, Mr. and Mrs. Ted Baker, Harold Ironshield, Mr. and Mrs. Andrew Redcorn, Len Foster, David Friend, Robert V. Dumond Jr., Mrs. Juanda Henderson, Ken Scott, Tilly Walker, Mr. and Mrs. Loren Ashley.

STATEMENT OF HON. HARRISON LOESCH, ASSISTANT SECRETARY FOR PUBLIC LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR; ACCOMPANIED BY ROLAND E. MILLER, CHIEF, DIVISION OF FINANCIAL MANAGEMENT, BUREAU OF INDIAN AFFAIRS, ALBUQUERQUE, N. MEX.; AND CHARLES HOURIGAN, FINANCIAL ANALYST, BIA

Mr. LOESCH. Yes, very familiar.

Senator McGOVERN. What can you tell us about that? They are requesting in this telegram that the committee request a meeting with you and this group of people in Denver on the date suggested by them, March 26.

Now as I understand it, Commissioner Bruce made a number of statements that are in the public domain with reference to this Littleton plant discussion. Can you tell us just what the situation is?

The telegram is not fully informative.

Mr. LOESCH. I will be glad to outline the situation.

Senator McGOVERN. I would have told you about it before, but I just got the telegram myself.

Mr. LOESCH. I received a telegram myself. I doubt if it is the same one, but I got it yesterday, I believe.

Anyway, a week ago yesterday—no, Monday, a group of employees of the Bureau, 12 or 13 of them, made a complaint that the Indian employees were being discriminated against by the management of the engineering center and at the same time, or very shortly after the complaint was delivered, they sat in. That was a week ago last Monday night.

Senator McGOVERN. What relationship does that engineering center have to the BIA?

Mr. LOESCH. The engineering center is the BIA installation which is the center for all engineering bureauwide. It has at the present time 115 employees, I believe. I don't know the percentage of Indian employees.

The discriminatory charges were leveled not on the basis of hiring, but on the basis of lack of promotion of the Indian personnel, primarily. That installation has gone down in the last 2 years from 180 employees to 115.

This is on account of the employment ceilings and also because we have been able to be quite a lot more efficient.

My view of the management is that it is good management, but I am not prejudging the question of discrimination. However the employment ceilings and one thing and another caused the promotion of all employees, Indian and non-Indian alike, to be practically nonexistent in that installation for the last couple of years.

Again, I would not like to comment until the investigation is completed as to whether there is any difference in the rate of promotion between the Indians and the non-Indian. But that was the charge.

These people, then, originally sat in on Monday night, but left peacefully and nothing occurred until last Wednesday night at which point they sat in again. The Commissioner happened to be out of town, and we had a considerable amount of slippage in the way of time.

We took no real solid action, other than warnings that we were going to, until last Saturday. On Saturday the Commissioner who had been out in New Mexico, arrived in Denver and had an interview. He went up to the door of the building with a number of other people, including the U.S. district attorney, the Regional Solicitor of the Department, and some other personnel.

The occupants of the building, by the way, at that time were not employees of the Bureau.

Senator McGOVERN. The people that were sitting in?

Mr. LOESCH. The people who were sitting in at that point were no longer any of our own employees, who appeared to be satisfied that we are taking action to make an investigation and so on, and they had more or less disassociated themselves from what I will call a fringe group who were not primarily Denver or Littleton residents. They had come in from various States, some from as far away as Berkeley and Chicago, I believe.

Anyway the Commissioner went there. The fact that he did go is not his fault. It is entirely my decision. I thought he should go, and I urged him strongly to go to meet with them. They refused to let anyone in but the Commissioner.

In my view of the circumstances since, in effect, he was having a gun pointed at him. I would not have talked to them under those circumstances, but the Commissioner did. He and I had discussed by telephone what I thought the parameters of the conversation should be, which generally was that the Department had already sent a man to investigate the charges that had been made, that we refused to negotiate under duress, that the people were breaking the law and should be evicted on charges of trespassing if they didn't leave.

I am not fully aware, of course, not having been there, of all that occurred. But the Commissioner had a very lengthy conversation with them lasting some 4 hours, I believe, with perhaps some time out for lunch, I don't know. During this time a couple of pages of demands were laid before the Commissioner which had nothing to do really with the original complaint.

I am still in some puzzlement, I think, as to exactly what occurred, but in any event apparently the Commissioner acceded to eight of the 11 demands. I don't suppose anyone here happens to have a copy of those demands at this point. We have never received a copy.

We had a dictated copy from one of the people that was sitting in. That is the only word we have had.

In any event, one of the things that the Commissioner consented to, apparently, was the suspension of three Bureau employees. Now the demand as we received it over the telephone was for the removal of these three employees. Apparently the Commissioner scratched the word "removal" and substituted the word "suspension." I am not

aware of what the people there believed the term "suspension" to mean, but it was obviously absolutely illegal and the Commissioner had no power to suspend the three employees at that point.

Senator McGOVERN. Do you think he acted beyond his authority?

Mr. LOESCH. I am certain of it, Senator, if he meant suspension, but I don't say that the Commissioner had that in mind.

Senator McGOVERN. I don't know anything about the merits of the case, but this telegram was simply sent to me as chairman of the subcommittee. The first point they make is that the Commissioner, Bruce, did suspend Mr. McRae, Mr. Edmonds, and Mrs. Morris on the grounds that they had been charged with discrimination and that he felt they should be suspended while an investigation was made of the charge.

But apparently Commissioner Bruce also stated for the public record that the Indians who were sitting in would not be arrested during this controversy.

Mr. LOESCH. Now that is brandnew to me. We have had people on the grounds the whole time monitoring the broadcasts and so on, and this is the first I have heard of that.

Senator McGOVERN. That is why I raise it here, because it is really a matter of trying to clarify it. They also contend that he is intending to tell the sit-in group that he is opposed to people being arrested. But their point is that after Mr. McRae was suspended by Commissioner Bruce, that he, Mr. McRae himself signed the order for the arrest of the Indians in the BIA office who were sitting in and nine of them were arrested in the first instance and then subsequently six more.

The question they are raising here is whether Commissioner Bruce has the authority to suspend these people and, if not, who has countered his order. Was that your decision to counter the so-called suspension?

Mr. LOESCH. Certainly it is my responsibility and certainly I had a very active and continuing hand in this matter.

Senator McGOVERN. You are saying, in effect, the Commissioner acted beyond his authority when he suspended these BIA people?

Mr. LOESCH. Yes, I am afraid so. The way this occurred was that the Commissioner simply signed this particular demand that requested the removal, suspension I mean, when he substituted the word "suspension."

Now we wanted to be sure whether the Commissioner was simply signing more or less like a receipt of the demand that he do something or was really agreeing to the demands. It appears probable that he wasn't. I have not talked to him personally, except by phone, since then.

But in any event, it is absolutely clear that under the circumstances and the regulations and the law the Commissioner had no power to suspend these employees at that point. They had not been notified, no charges had been made against them and, of course, suspension under civil service rules and regulations is an adverse action.

In consequence, I did not feel and do not feel that these people were, in fact, suspended. We spent most of last Sunday talking on the phone about this.

To go back in chronological order, I had given orders that if the people refused voluntarily to leave the building at the conclusion of the interview with the Commissioner, that they should be charged with trespassing and evicted, and they were. They were given a traffic violation-type ticket, which simply meant they could sign it and be gone, promising to show up in court at the proper time.

These people refused to do that. They were looking for headlines, so they sat in the jail over the weekend, were brought before the judge on Monday morning and bond was set. The same thing occurred on Monday evening, with a different bunch. They refused to sign their tickets and they were put in jail overnight and the following morning, yesterday morning, the judge took their pleas and they were let out on bail. Last night they left.

In any event, on Sunday following our intelligence of what had really occurred at the meeting with the Commissioner, I came to the conclusion upon advice and my own investigation that the Commissioner had no authority whatsoever to actually suspend the employees.

If he was using the word as a term of art, he was beyond his authority. We felt we were justified by putting in an administrative-type officer over all of them, which we did do as of Monday.

Now on Monday, or late Sunday, I drafted and had sent a wire to the district attorney out there, who had said that he would need a complaint signed by the appropriate officer on Monday morning. I had a telegram dispatched stating that McRae, the chief of the plant, and the primary person concerned, had authority on Saturday to sign a complaint and also had authority on Monday to sign a complaint, and I take it this is the subject of the telegram.

Senator MCGOVERN. What they are really asking for here specifically are two things, which is a clarification statement from you as to what the situation is and then, secondly, they have asked if I would pass on to you a request for a meeting on your part with the people in Denver on all sides of this dispute, which they have suggested for March 26.

I don't know how that fits into your reading of the situation. But I pass it on simply on request.

Mr. LOESCH. Let me comment just a bit more to make the record as clear as I can, at this time, and that is this matter was brought to the Secretary's attention, the fact that they were sitting in, last Thursday or Friday morning, as soon as we could get to him and again on Tuesday morning of this week. He is quite clear that we can't allow people to disrupt the work of the Bureau and occupy buildings, and, in consequence, my orders are when they break the law, they are to be evicted. And since they won't stay away if just plain evicted, that they have to be charged with trespassing and appropriate action taken.

I have refused, Senator, to talk to these people on the telephone. I felt that I did not want to get the Secretary involved in it until they had gone through appropriate procedures with the Bureau. I have let it be known that I will be happy to meet with a delegation. I am happy to meet with my own employees, the Bureau employees, under almost any conditions.

I don't care to meet with this dissident group as a group. I will meet with a delegation. I don't see any reason why I should be put to the trouble of going to Denver to do it.

You want to recognize that this Littleton thing is only one of a half dozen. We had sit-ins in Albuquerque, we had sit-ins in Minneapolis, which Senator Mondale was much concerned with. We had a sit-in yesterday, though they left peacefully, I understand, at Cleveland, and a number of people were arrested in Chicago on Monday night.

Senator McGOVERN. Is the same charge of discrimination being made in each of these situations?

Mr. LOESCH. Yes; the discrimination charge, Senator, is just the ostensible reason, in my view. We are having a full investigation of people.

Senator McGOVERN. If that is the ostensible view, what do you see is the underlying cause of the sit-ins?

Mr. LOESCH. What they are demanding in these 11 demands includes 100 percent Indian employees of the Bureau, the removal of Commissioner Bruce as the Commissioner of Indian Affairs. My goodness, there are a dozen things on policy, most of which by the way we are in favor of and going in that direction. But I think it is in tune with the same sort of thing we have seen on the campuses, and so on. It is this Red Beret group the Red Power advocates.

I may say that the reservation tribes appear to be totally unsympathetic to this group and one of the big problems we have is, as you know, the Bureau of Indian Affairs is not staffed nor funded nor responsible for a number of these urban matters that they are complaining about.

Senator McGOVERN. I will turn the telegram over to you later on today, Mr. Secretary, but I did want you to know that the communication has been received. I happened to be in Denver on Saturday night on an entirely unrelated matter and they requested a meeting with me at that time, which I was unable to carry out because I was heavily committed to other things while I was there.

It does seem to me that some kind of discussion needs to be opened up with these people, particularly in view of what seems to be a conflict between Commissioner Bruce's way of handling it and your view. I think it is quite clear that he did suspend three of the Bureau employees there. Whether it is a temporary suspension or not I don't know.

But there does seem to be a conflict between his way of handling it and yours and this has created some confusion. He has apparently felt that there should be a temporary suspension of three of the top BIA people there, and those people which were suspended, in turn, signed an arrest order and I think that some kind of a clarification has to be carried out by yourself or by the Secretary regardless of the merits of these charges, which I am not in a position to pass on.

There does seem to be a procedural conflict between you and the Commissioner as to how it ought to be handled.

Mr. LOESCH. I don't think there is, in fact, Senator, if I may say. I have been in close touch with Mr. Bruce. He agreed on Sunday and has agreed since that it would carry out his basic commitment to this group if administrators, in effect, were removed from their jobs by the imposition of an administrative officer over them.

I am inclined to feel that I will agree that this is perhaps a legalism, but in view of the fact that he had no authority to suspend, under the circumstances I think it is appropriate. Believe me, we have been

tremendously concerned over this and Senators Allott, Mondale, Percy, and quite a number of Senators have been keeping close attention to this as it affects their particular States.

Senator MCGOVERN. Do you of the other committee members have questions on this matter before we turn to the Alaskan claim? If not, Mr. Secretary we will hear your statement, then, with reference to the bills by Senator Stevens and Senator Gravel.

Mr. LOESCH. Mr. Chairman, I don't have any formal statement. I would like to introduce to the committee Mr. Roland E. Miller, Chief of Finance Management of the Bureau, who is on my right, and Mr. Charles Hourigan, the Chief Investment Officer of the Bureau of Indian Affairs, Division of Financial Management, on my left.

Senator MCGOVERN. Maybe I could just interrupt there to make a brief opening statement, Mr. Secretary, as to where the committee is on these matters.

This is a continuation of the hearing we held last week on S. 2628 and S. 2650, to provide for the distribution of the funds awarded to the Tlingit and Haida Indians.

At the earlier hearing there was a good deal of discussion about the manner in which the judgment funds had been invested and the extent to which they are still invested and earning interest income, or are in limbo.

The Department of the Interior was asked to submit a résumé of the individuals within the Bureau of Indian Affairs who are charged with the responsibility of supervising the investment of judgment funds. We also asked for the procedure that is followed in investing judgment funds. We asked that you trace the Tlingit funds and provide us with a file showing the total investment and a complete breakdown of it all.

Secretary Loesch is here on behalf of the Department and is accompanied by certain individuals who can answer our questions. Will you please proceed, Mr. Secretary.

Mr. LOESCH. Thank you, Mr. Chairman. As I said, I have Mr. Miller and Mr. Hourigan here with me at the table and I also have Mr. Vale and Mr. Limpouch, the accounting officer and assistant investigative officer. I am sorry, Mr. Vale is not here.

Now along with myself I think these gentlemen should be able to answer any questions you may have in this connection. I may say, while I am not experienced as an investment banker or in any particular way as far as investment funds are concerned, I have been involved in certain hearings before this committee before of a similar nature.

I have had occasion to learn as much as an amateur can in the time available on the matter. I do think that the March 24 dated memorandum, addressed to you, is responsive to the request made in the record at the last hearing and does explain why we have the investment office in Albuquerque and why we think it is appropriate that it stay. As to the Tlingit and Haida investments and reinvestments, I have a printout or a typed page here which does give each investment and each reinvestment with dates since the award was made.

I don't really know whether this exhibit was put in the record at the last hearing or not.

Senator MCGOVERN. If not, we will ask that it be made a part of the hearing record. Even if it was, this one should be substituted be-

cause there were a couple of misprints on the dates in the original typing of this.

(The information referred to above is in the March 17 hearing record, p. 69.)

Mr. LOESCH. Now with that, I might make a general statement before questions that the record shows that at all times since the award was made the Bureau has had the Tlingit and Haida funds in investments which—just looking down the page here—the least return or yield is 5.93 percent in the initial investment, and 5.61 percent in the reinvestments, running all the way up to 8.45 in yield and the dates here would indicate that any time an investment was matured, that reinvestment was made on the same day and, in fact, the record shows that the reinvestment was made perhaps the day before in one case.

Senator GRAVEL. That is good if they will pay the money for the extra day.

Mr. LOESCH. With the leave of the committee, I will try to answer any particular questions if I know the answer, and if not, I will call upon an expert.

Senator GRAVEL. I might suggest to the Chairman that Senator Bellmon was the authority at the last meeting on this particular facet and is much swifter at numbers than I am and I would like to defer to him as far as any comments or questions on this facet of it.

Senator MCGOVERN. Senator Bellmon?

Senator BELLMON. I am very flattered by Senator Gravel's confidence in me. I was impressed by the lack of knowledge of the witness we had last time. That was my main concern.

I am sure the Secretary probably has not had a chance to read the record, but if you haven't, on several places we were told by Mr. Allen repeatedly that the money that had been taken out of investments as it matured was in limbo and what he called hiatus.

Now from the record which has been given the committee this morning and none of us have had a chance to read it very carefully, it appears that Mr. Allen is mistaken. On page 38 Mr. Allen makes a statement. He says:

Very likely, Senator that money is in hiatus at the present time. Sometime after money becomes available for it to be deposited in the tribe, the system of management of the money is complex and I am not an expert. But when the money reaches the Treasury, as I understand it, the Treasury issues a deposit warrant. The Bureau of Indian Affairs is later notified that the deposit warrant has issued and that the money is in the Treasury.

He goes on:

The Bureau, advised by the Executive Committee and the Central Council, requests that the maney be expended in whatever the Executive Committee has selected at that time as a good investment, and another period of time elapses, so anything that has matured as recently as February 1970 is undoubtedly now in transit.

Mr. LOESCH. That is totally a mistake, Senator. The only thing that possibly could be in transit or not taken care of, or earning money would be money that was in a non-interest-bearing account, which would consist of interests which had previously been earned. Am I correct, Mr. Hourigan?

Senator BELLMON. Can you tell the committee just what kind of a procedure the Department of Interior uses in investing these funds and I would like to know almost day by day how you go at it to see

how much of this hiatus time there is, if any, and secondly, how you choose these different institutions that have an opportunity to bid on these funds.

Mr. LOESCH. Let me answer the last question first, Senator and then I will defer to Mr. Hourigan for the day-by-day operation.

It is the general policy of the Department and the Bureau of Indian Affairs to invest the trust funds in the securities that have the greatest return or yield. This is modified at the request of tribes if they desire to have their money or a portion of their money kept in a particular place for a particular purpose. In other words, up to recently various Treasury bills yielded a higher return than certificates of deposit in banks.

Nevertheless, some tribes would desire to have their money or a portion of their money invested in certificates of deposit in banks because of the leverage it gave them on local matters for individual loans to members of the tribe or for tribal loans.

If a local bank happens to have a million dollars on deposit or in certificates of deposits, it is likely to be somewhat more responsive to the requirements of the tribe or individuals of the tribe than if it doesn't have any.

We are subject, of course, to being criticized for not getting the most rate of return, so we require more or less a formal request by a tribe to invest in a way when we are not getting the most return.

Recently we had occasion to see that a million dollars was kept in a particular bank in Montana, for example, at a rate of 6.25 when there was available Treasury bills which yielded right at 8 percent. This was at the request of the tribe for the purposes of giving local leverage.

The result of this is in terms of where the money is deposited, if it is not deposited in Treasury bills.

Senator BELLMON. Is this up for open bidding? Open bidding is anybody can participate in the bidding? How do the banks know these funds are available for bidding?

Mr. LOESCH. Mr. Hourigan?

Mr. HOURIGAN. Lots of times it is printed in the paper.

Senator BELLMON. In which paper?

Mr. HOURIGAN. In local papers.

Senator BELLMON. How did Marine Midland Trust Co. of Buffalo, N.Y., get this?

Mr. HOURIGAN. This is because we had done quite a little business with this firm and we had contacted banks in Alaska and had asked for bids, and they were unwilling or unable, I should say—not unwilling—to meet the competitive bids.

Senator BELLMON. Would you like me to tell you what the bank told our office yesterday?

Mr. HOURIGAN. Which bank?

Senator BELLMON. Marine Midland Trust Co. of Buffalo.

They said they got on this bid list through an influential person in Washington. This is the thing that disturbed me very greatly, because to me it is absolutely dishonest for some banks to know about these funds and other banks not to know about them.

Mr. HOURIGAN. This is not exactly correct as far as I was concerned.

Senator BELLMON. You told us you published the notice in the local newspaper.

Mr. HOURIGAN. We have a book about this thick that has thousands and thousands of banks in the United States.

Senator BELLMON. How do you choose which banks know about this?

Mr. HOURIGAN. Most of the banks contact us, we have banks that follow us from all over the United States. First of all, our concern is to put the money in the bank where the tribes are located, in the locality. Then if they are unwilling to bid to meet the competitive bid or highest rate attainable, then we offer to other banks.

Now these two banks in Buffalo, N.Y.—Marine Midland—now as far as this being through an influential person, I know nothing about this.

Senator BELLMON. How did they find out about this?

Mr. HOURIGAN. I asked them for bids, I asked other banks for bids and they would pay the top rate. There was another factor involved in there, the fact that they were for 2 years—you see, part of them were offered for 2 years and part a year and a half, and most of the banks in the United States were unwilling at that particular time to tie their money up for that long a period.

Senator BELLMON. There are no tribes in Buffalo, N.Y., so we can notified many banks other than this bank?

Mr. HOURIGAN. No. We don't advertise the funds. As I say, we tried to put the money where the tribes were located.

Senator BELLMON. There are no tribes in Buffalo, N.Y., so we can take that out of consideration. How did this money get into the bank in Buffalo?

Mr. HOURIGAN. We asked them for a bid.

Senator BELLMON. Who else did you ask?

Mr. HOURIGAN. The banks in Alaska.

Senator BELLMON. Who else?

Mr. HOURIGAN. I don't remember.

Senator BELLMON. How did you happen to hit upon the bank in Buffalo?

Mr. HOURIGAN. Because they are a bank we had quite a lot of dealings with.

Senator BELLMON. When did you first start having dealings with them and why did you choose them?

Mr. HOURIGAN. When I first came in the investment section they already were doing business with the Marine Midland Bank and others in New York. The reason is because these banks were offering a greatest return of payment, the highest rates. It is true that there isn't very much competition, because the rates are set by the Federal Reserve Board and also by the FBIC if they are State-controlled banks.

Some of the banks would offer at that time, like in Alaska they offered less than 6.25, which was the maximum rate attainable under the Federal Reserve Board regulations.

Senator STEVENS. I don't understand that last comment. You mean at the time the 6.25 was the maximum that any bank could pay?

Mr. HOURIGAN. Right, in the United States. And some were unwilling to pay that.

Senator STEVENS. Let me follow that question up. Did you have a list of the banks who were willing to pay the 6.25?

Mr. HOURIGAN. Yes.

Senator STEVENS. Can you give us that list?

Mr. HOURIGAN. I don't have the list with me. I suppose we have dealt with a hundred banks in the United States.

Senator STEVENS. I think we are all interested in trying to find out why these particular banks seemed to get this money and in quite large quantities as opposed to the other banks I can think of, if the Alaskan banks would not pay it.

Putting it in Seattle would have helped us; if Seattle banks would not have done it, putting it in Portland would have helped us next, somewhere in the West. But the problem was all this money was in the East.

Mr. HOURIGAN. That is true. We have had money in all of those banks. Now there are other factors that influence our putting the money in the bank, such as we asked for a compounding. These banks will pay compound interest where it is compounded quarterly.

Senator STEVENS. You are the one who is involved in the questions, Mr. Bellmon, but again you say "some banks." We understand the tribe, the Tlingit and Haida people, made the judgment they would like to get the most interest possible and we don't argue with that. But did you offer to them a list of banks and say, here are the banks that will pay the maximum, take your choice?

Mr. HOURIGAN. No; I didn't.

Senator STEVENS. Why not?

Mr. HOURIGAN. Because of the time. There was \$6.5 million involved and we had to get this money out actually—\$6.5 million would be about \$250 a day on each million dollars. Time was a factor here in trying to get the money placed in a bank at the earliest practicable date.

Senator STEVENS. They have attorneys right here, you knew that, didn't you?

Mr. HOURIGAN. Yes; I had dealt with the attorney.

Senator STEVENS. And they had the power, I assume, to represent their clients and pick one bank over another. Were they involved in picking a bank?

Mr. HOURIGAN. They certainly were.

Senator STEVENS. In picking the bank?

Mr. HOURIGAN. Yes. In other words, Mr. Weissbrodt contacted me and he and I dealt with this thing.

Senator STEVENS. We are trying to be specific. You say he dealt with this thing. Did he deal with picking out the bank from a list of banks, all of whom paid the maximum interest?

Mr. HOURIGAN. He asked me if I would contact banks and also Alaska and so forth, which I did. Then he said which banks will pay the most.

Well, some banks would pay 6.25, but they would not, for example, compound it or there was another factor involved where we asked the banks at that time to pay it on a 360-day basis on actual dates.

Senator STEVENS. That has to do with the determination of which bank is actually paying more. I assume you had a list of who was actually paying more. Now, what I am trying to find out is whether you gave Mr. Weissbrodt or the Tlingit and Haida people the choice of making a determination from a list of those banks which were actually paying the top interest in the country.

Mr. HOURIGAN. At this time these banks were the only banks that I was able to get a bid from who would pay it, keep it for 2 years.

Senator BELLMON. Only one bank in the whole United States?

Mr. HOURIGAN. No, there were several banks.

Senator BELLMON. Where is that list? How do you get on it? That is my question.

Mr. HOURIGAN. The bankers are calling me all the time from all over the United States and they want money and at this time the rates were not particularly high. In other words, some of the banks were willing to pay 6.25, they were unwilling to compound and they were also unwilling to take it for a long period of time.

This is why we selected these two banks, because the time we wanted to put the money in was \$3 million in each of the two banks that we dealt with and one C.D. was for one and a half years and the other was for 2 years, and these banks were at the time the only ones.

This information was relayed to Mr. Weissbrodt for the reason they were the only ones that would accept the money at that long period of time. Most of them, most of the banks, for example, would say this. They want their money in for 270 days.

The reason is the funds are required, you must have collateral pledged. We must ask the bank to pledge collateral and this comes out of their capital account and some of the banks were unwilling to tie their money up. In other words, they will buy Treasury bills for 270 days and that is what they would want to put the investment in for that length of time.

Senator GRAVEL. To interrupt here, would the Senator yield?

Senator BELLMON. Yes.

Senator GRAVEL. Can they offset this against their Federal Reserve requirements if they so desire? The Federal Reserve in the manipulation of the Nation's finances says how much a bank has to hold in reserve in relationship to commercial accounts and savings accounts, etc.

Can they offset that as part of that reserve since they have to keep the money anyway?

Mr. HOURIGAN. If the money is pledged with the Federal Reserve when they borrow money from the Federal Reserve, it cannot be used again because we require a 100 percent collateralization. This is in Law 25 U.S.C. 162(a). You are looking in CFR. It is the Code of Federal Regulations.

(Subsequent to the hearing the following clarifying letter was received:)

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., October 17, 1969.

HON. GEORGE MCGOVERN,
Chairman, Subcommittee on Indian Affairs, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR MCGOVERN: During the hearings on S. 1766 on August 1, 1969, you asked for a statement of the Department's policy on investment of tribal funds held by the Department under its statutory responsibilities. Discussion of this matter is to be found on page 50 of the stenographer's transcript.

Under 25 U.S.C. 162(a), the Department has invested tribal funds totaling \$190,856,715.93 in commercial bank certificates, Treasury securities and governmental agency issues.

It is the policy of the Bureau of Indian Affairs to consult with tribes in connection with the investment of tribal funds on deposit to the tribes' accounts with the Treasurer of the United States. This consultation is usually handled

by correspondence addressed to the tribes through the Bureau's Area Director immediately prior to the date of maturity of certificates of deposit in order to ascertain the wishes of the tribes with respect to reinvestment and the naming by tribes of banks in which they desire such funds to be deposited.

In the event of a new investment, there are two courses of action to be followed. Funds awarded through the Indian Claims Commission for a specific tribe are usually invested by the Bureau immediately for a period of six months. There would be a delay in the investment if such investment could not be made until information was received from the tribe. This action is taken because the funds cannot be used until legislative action directs the manner of their use. It ordinarily takes from six months to a year before legislation for use of the funds is enacted. Through delegation of authority the arbitrary action for investing tribal funds may be taken as provided by 25 U.S.C. 162 (a). Tribal funds are otherwise invested only with the consent and the wishes of the tribe involved.

The Bureau, over a period of the last three years, has established contacts with most banking institutions in Indian country and as money supplies and interest rates have fluctuated most such banks are now paying the maximum interest allowed by the Federal Reserve Board for member banks and by the Federal Deposit Insurance Corporation for nonmember banks. Until recently some banks were not meeting the maximum interest allowed.

Currently banks are offering $6\frac{1}{4}$ percent per annum compounded quarterly, interest computed on actual days on the basis of a 360-day year. In the past, when a bank did not offer the rate and benefits as indicated, their bid was not considered competitive. Usually, however, the tribes specified the bank with the proviso that the bank meet the highest rate available. In these instances, if the bank did not meet the competitive rate, the funds were then invested with a bank which would pay the maximum rate. The Bureau tries to invest the funds in the area where the tribe is located. Failing this, the funds are invested with a bank in the State where the tribe is located. If neither of these banks meet the maximum rate, the money then is invested in a "foreign" bank which will pay the maximum rate.

There are situations where, by resolution of the tribe, funds are invested with banks which pay less than the maximum rate provided there are compelling reasons acceptable to the tribal council which would indicate benefits accruing to the tribe and its members over and above the loss of interest by such deposits.

The United States Treasury pays only 4 percent on tribal trust funds. In addition, the Treasury does not compound interest and each six months the accrued interest is put into a non-interest bearing account which also reduces the earning capability of tribal funds. The Bureau's investment program provides the earning capability of tribal funds. The Bureau's investment program provides for the investment of accrued interest as well as the principal. In some cases, the tribes program interest earnings for operating expenses. In working with the Treasury Department, a system has been developed whereby no interest is lost because of delays in preparation of checks and the transmission of such checks through the mail. The Regional Disbursing Office of the Treasury Department through pre-arranged agreement is instructed to issue a check on the date of the receipt of a schedule but to draw the check payable on a specific date. In that manner, the check can be issued in advance but a bank negotiates it on the date printed on the check.

In recent months, Treasury securities have been paying a higher rate of interest than have bank deposits, and the Bureau has been reinvesting tribal funds in Treasury securities upon maturity of a bank certificate of deposit. As you know, the market on securities fluctuates and such purchases are dependent upon the offerings on the day in which these funds become available for reinvestment.

In addition, the individual Indian money under control of the Indian Service Special Disbursing Agent is also subject to the same investment program in the total amount of \$53,070,249.81.

Inquiry was made by you concerning money of the Fort Peck Tribes. The Bureau has invested with the Security Trust and Savings Bank of Billings, Montana, in certificates of deposit, \$1,025,200.00 of the Fort Peck funds at $6\frac{1}{4}$ percent interest which matures on December 6. The Fort Peck tribal balance in the Treasury at this time is \$39,210.79.

If further information is desired, please advise.

Sincerely yours,

RUSSELL E. TRAIN,
Acting Secretary of the Interior.

Senator GRAVEL. It is not a law then, it is a regulation?

Mr. HOURIGAN. It is U.S.C., United States Code.

Mr. LOESCH. It is a statute.

Mr. HOURIGAN. This provides for collateralization and it also limits the type of investments that we are able to put money into.

Mr. LOESCH. Could I interrupt to comment a little bit here?

It seems to me the thrust of the committee's inquiry is whether there is any influence or discrimination among banks or locations of banks as to who gets money. I am aware of no policy, Senator Stevens—which maybe there should be, I am not saying there shouldn't—but I am aware of no actions in the Bureau which would say if you can't get it in the local banks, get it in the next nearest bank.

Senator BELLMON. What do you do? This is what we are trying to find out.

Mr. LOESCH. Just as Mr. Hourigan has said.

Senator BELLMON. You go to an influential person and he picks a bank?

Mr. LOESCH. No.

Senator BELLMON. We have the testimony of the banker in Buffalo that this is how it happened.

(Subsequent to the hearing the following clarifying letter was received:)

MARINE MIDLAND TRUST CO. OF WESTERN NEW YORK,
Buffalo, N.Y.

Re Senate 2628, 2650.

HON. GEORGE MCGOVERN,

Chairman, Subcommittee on Indian Affairs, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

MY DEAR SENATOR MCGOVERN: We are disturbed by what appears to be a misunderstanding of the content of a conversation between a member of your staff and a Senior Vice President of this Bank, and desire to correct the same in justice to representatives of the Bureau of Indian Affairs and Marine Midland Trust Company of Western New York (Marine).

The history of Marine's acceptance of deposits of in trust moneys handled through the Bureau of Indian Affairs is as follows:

On July 8, 1966 representatives of Marine met with Sidney Carney, BIA representative to the Seneca Nation of Indians, and Dr. Waldo E. Waltz of the Credit Finance Division of BIA. The purpose of the meeting was to discuss a proposal made by Marine to the Seneca Nation for establishing an investment management account of moneys for cemetery and educational purposes of the Seneca Nation. This had nothing to do with in trust moneys.

During the meeting Marine expressed an interest in obtaining deposits of in trust moneys by the issuance of Certificates of Deposit. There was discussion as to the legal requirements imposed by law and by regulation in order to qualify. Subsequently in July 1966 Marine entered into the agreement with the Department of Interior, Bureau of Indian Affairs, prescribed by Section 162-a Title 25 United States Code. By that agreement Marine committed itself to pay interest in accordance with the law and Federal Reserve Board Regulations, and to pledge the necessary collateral determined by the Treasury Department (Government securities at par equal to the amount of deposits).

Thereafter and from time to time Marine was designated as a depository for trust moneys of a number of Indian tribes. Marine was able to handle the matters with expedition and to pay high interest rates within the legal maximums established by Regulation Q. Prompt processing was of importance so as to prevent delay and thus insure that the moneys earn interest as soon as possible.

We are advised that a member of your staff talked on the telephone with Richard O. Hopkins, a Senior Vice President of Marine, on March 24, 1970. At no time did Mr. Hopkins say or suggest that Marine received any BIA deposit or invitation to bid therefor "through an influential person in Washington." The sub-

stance of his statement insofar as it can even remotely be related to the quoted words was that Marine had enjoyed a valued relation with the BIA for some time. And such is the fact.

Our transactions with the Bureau of Indian Affairs are fully documented and open to examination by your Committee and members of your staff. We wish to cooperate fully and will be pleased to do so in any fashion you may desire.

Very respectfully yours,

DAVID J. LAUB,
President.

Mr. LOESCH. I don't believe that. I, in fact, deny that, Senator. As Mr. Hourigan said, he has a list of banks this high.

Senator BELLMON. No; he didn't say that. How does a banker go about getting on this list?

Mr. HOURIGAN. Usually they will call and say they would like to have funds and we talk to them about rates.

Senator BELLMON. So it is up to the banker to take the initiative and call you and talk about the money.

Mr. HOURIGAN. If we put out an advertisement, we would have thousands and thousands of banks to contact here in the United States.

Mr. LOESCH. What I am getting at is this, Senator. If I could interrupt again, the Bureau has dealt for a number of years with banks. The Bureau people, Mr. Hourigan, knows what banks are interested. By the nature of things they are big banks because they are not able under their capital structure to take these investments if they are little banks.

We have been into this question in Montana.

Senator GRAVEL. If I might interrupt you, I don't think that addresses itself to the point that was just raised. That is if we let out this information we would get thousands and thousands of banks that would want to know. What he is saying right here is you don't have a procedure of properly investing this money so you can participate in the total financial market of this Nation.

Mr. LOESCH. I don't disagree with you.

Senator GRAVEL. He is the financial man involved here and he is telling us and we just heard his statement, "My God, if we had to publish this, we would get thousands and thousands of inquiries." What would you do with these thousands and thousands of inquiries from banks all over this country competing for money?

Everybody wants money, not just the ones that call up.

Mr. HOURIGAN. First of all, what we do is try, as I said earlier, to put the money in the location where the tribes are located. Many times you say how do we get on the list? The tribes call and they will tell us we would like our money put in such and such a bank if they will meet the highest rate attainable, if they meet the highest rate attainable.

Senator GRAVEL. At this point we can infer that between the tribe people and yourself is really where the decision is made as to where the money goes?

Mr. HOURIGAN. Yes; generally yes.

Senator GRAVEL. So at this point in time there is really no financial expertise that is brought to bear and no national policy for these millions and millions of dollars? It is the Indian chief or whoever is involved who may know a banker down the street or you people who have neither a national list, nor a national policy to invest money or even how to advise anybody?

I am not trying to structure your answers. I am just probing and you give me back the answer.

Mr. HOURIGAN. I seem to be repeating myself, but that is the main way we do it as a general rule. We put the money where the tribes want it. In every case we try to get the highest rate attainable.

I can assure you that I just don't deal below the border. I can assure you there is nothing, no collusion of any kind. I just don't work that way. There isn't a banker that can point to me and say that I have sent them anything or anything like that.

Senator BELLMON. Do you handle all of these matters? Are you the expert and do you make the final decision in each case?

Mr. HOURIGAN. Generally yes, but in each case we get the highest rate of interest attainable.

Senator BELLMON. I would like to correct you on that point. We checked with some other banks yesterday and the best we could tell, you are getting your interest compounded on this investment with Marine Midland Trust Co. in Buffalo an annual yield of 6.49 percent; is that right?

Mr. HOURIGAN. Yes.

Senator BELLMON. That was compounded quarterly?

Mr. HOURIGAN. Yes.

Senator BELLMON. We have evidence from several banks that they would like to have this and compound it daily.

Mr. HOURIGAN. Daily pays less than quarterly. On this bank here it pays on a 360-day basis on actual dates. Daily, yes.

Now here is the thing. Everybody gets on the bandwagon now. A while back it was difficult for me to find banks that wanted the money and were able to pay.

Senator BELLMON. How did you go about seeking these banks that wanted the money? This is the point I am trying to get.

Mr. HOURIGAN. In each case we contact the banks and ask for their bid.

Senator BELLMON. I am sorry, I didn't hear that.

Mr. HOURIGAN. We contact the banks for bids.

Senator BELLMON. How do you contact them? Do you write a letter?

Mr. HOURIGAN. By phone.

Senator BELLMON. So you choose the banks you want to contact and call them up on the phone?

Mr. HOURIGAN. Yes.

Senator BELLMON. That is a remarkable way to do business, if I may say so.

Senator GRAVEL. I think what I would like to do, personally, with deference to the chairman, is get together and maybe send a letter to GAO and find out if there is a way we can have made on the congressional side, an audit investigation, an in-depth comparison as to what has been done in the past and what can be done.

U.S. SENATE,
Washington, D.C., March 26, 1970.

HON. ELMER B. STAATS,
Comptroller General of the United States, General Accounting Office, Wash-
ington, D.C.

DEAR MR. STAATS: In the course of recent hearings before the Subcommittee on Indian Affairs on two bills concerning the disposition of judgment funds awarded an Indian tribe, a number of questions arose which prompt this request.

It is for the GAO to conduct a comprehensive review and audit and full program evaluation of Department of the Interior practices and procedures in managing Indian settlement funds for tribes that have won court judgments.

Law and tradition have it that all Indian settlements provide for Secretarial supervision of the management of these monies and that the management be circumscribed by restrictions as to the type of securities purchased and the backing thereof. While this policy is a matter for Congress to solve, one question is, "What evidence is there that no departures from this blanket policy should be made even where particular tribes have demonstrated beyond reasonable doubt that they are clearly able to manage their own financial affairs?" BIA should have detailed experience on this, and presumably we should rethink this practice from time to time and not blindly carry it on forever.

A second question is, "Given the present fact of government involvement in Indian settlements after the awards are made, how capable is Interior in performing the role of investment counselor and financial manager?" The problem seems to be two-fold: on the one hand Congress has not enacted progressive legislation that allows modern day approaches to the investment of monies won in Indian settlements, and on the other hand Interior has not shown either an awareness of the techniques of sophisticated investing or a concern to organize and staff-up for this important task.

In this connection we find that existing law requires 100 percent collateralization of the investment on the part of participating institutions and limits investments to bonds and Treasury certificates. Also, BIA now "oversees" an investment fund of Indian awards of some \$320 million and does so with three middle-range employees at its Albuquerque, New Mexico office.

We formally request that you direct GAO to look into these several major items mentioned with a view toward recommending necessary changes to improve the functioning of this program. The Committee staff is, of course, ready to meet with your people on the specific design of your investigation.

Sincerely,

GEORGE S. MCGOVERN,
Chairman, Subcommittee on Indian Affairs.
MIKE GRAVEL,
Member, Subcommittee on Indian Affairs.

COMPTROLLER GENERAL,
OF THE UNITED STATES,
Washington, D.C., April 13, 1970.

HON. MIKE GRAVEL,
Member, Subcommittee on Indian Affairs,
Committee on Interior and Insular Affairs,
U.S. Senate.

DEAR SENATOR GRAVEL: Reference is made to a letter dated March 26, 1970, from you and Senator McGovern requesting that this Office make a comprehensive review and program evaluation of the Department of the Interior's practices and procedures in managing Indian settlement funds for tribes that have won court judgments.

On March 27, 1970, representatives of our Office met with Dr. Jones to discuss the matters involved and the scope of our proposed review. We advised Dr. Jones that we would undertake the review, but that it would not be completed by the end of this session of Congress and that we would be in contact with him as our work progresses.

Sincerely yours,

ROBERT F. KELLER,
Assistant Comptroller General of the United States.

I think we have an expert witness waiting to testify who can give us some advice in this area and what could be expected in the future.

Senator STEVENS. I want to make sure I certainly don't imply that there is any wrongdoing on your part, Mr. Hourigan, and there is no inference of any taking of any favors or anything like that. That is not what we are saying.

We are saying in today's modern computer world there certainly must be a way that the Bureau could fit in with the financial market

and find out where there is a need for funds and where they would get the highest return at the time.

Now there is an indication here that when these funds were rolled over, they were rolled over exactly the same rate that you got a year ago.

Mr. HOURIGAN. You see, those rates were limited. Now there I refer you to and I have——

Senator STEVENS. Then there were other banks that could participate.

Senator GRAVEL. I think we all agree there is no inference that you are being intimidated, sir. I don't think that is the case. We are addressing ourselves to the procedure.

So I would not get unduly defensive on that. If I could refocus it, I think you have brought the point up, Senator Stevens, that is we are here addressing ourselves to two bills that have been introduced to do the same thing. The difference between the two bills is that we have a group of Indians in Alaska that have received a sum of money in court and we have a policy in this Nation that the Indians may not handle their own money because they are just not competent enough.

That is the national policy we have. One of the bills, and it is the bill that has been recommended for passage by the Interior Department, implies that the Indians in Alaska are not competent enough to manage their own resources with the money they won in court.

That is the point we are after. We want to find out (1) are the Indians so inferior they can't manage their own money, and (2), is the BIA so competent in the field of financial management that these are the experts we are going to use?

Now we have a trust responsibility that goes to the Secretary of the Interior. That is what we are referring to in one of the bills here. Now what happened to Mr. Bruce, incidentally? He is the Commissioner of Indian Affairs?

Mr. LOESCH. He is in Billings.

Senator GRAVEL. We are flattered we have gone one step up to an assistant secretary level. Let me come back to the point in question. Probably you yourself, Mr. Loesch, don't get involved. You have your financial advisers who do this. So all we can do next is address ourselves to the letter that we received just momentarily before the meeting started.

(The letter referred to is on p. 66.)

It contains an answer to one of the questions we have, why the management function is out in Albuquerque, not noted as a home of great financial institutions.

Other questions are: How much money are we really talking about nationally that the BIA advises on? What kind of portfolios do all of these tribes have around the Nation, including the portfolio that may be given to the Alaskan Natives this year? How much money do you as the chief financial expert for the BIA and Department of Interior have at your disposal and your control, what amount?

Mr. HOURIGAN. It is \$320 million.

Senator GRAVEL. So \$320 million is what we are talking about now that you have control over?

Senator STEVENS. May I interrupt my colleague?

I disagree with one thing and that is that while we are addressing ourselves to this problem of procedure here, it is not directly related

to the problem of these bills. The difference between our two bills is that the one that the Tlingit and Haida Council approved merely continues the requirement that any deviation from their plan be subject to the approval of both the council and the Secretary of Interior in order to continue the trust until it is terminated by the Land Claims bill.

But the plan itself provides for the control of the funds after we approve it. In other words, this gentleman will be out of that picture and they will be wholly in the picture once we approve this plan.

They will then make this determination in the future as to where this money goes according to their plan without any further control unless they want to deviate from the plan itself.

Senator GRAVEL. Which means if you want to move some money around, they have to come back to you?

Senator STEVENS. No, no, let's clear that up.

Senator GRAVEL. I think for the record, Senator—and I will gladly defer—you can interpret the bills the way you want, I will interpret the bills the way I want. I will honor your interpretation and I will put forth my interpretation.

Senator MCGOVERN. On that score, Senator Stevens, just to clarify my own understanding, all of the judgment funds have not been incorporated in the plan at this point. Isn't there some \$3 million that is being held in reserve for which there is no known plan at the present time?

Senator STEVENS. That is correct, that is a contingency, but that is part of the plan itself, is it not?

Senator MCGOVERN. I don't know. But it would not be correct to say that there is a specific use outlined in the plans for the ultimate judgment funds, the some \$3 million, is not programed at the present time.

I am trying simply to clarify that we don't at the present time have before us a plan for all of these funds.

Senator STEVENS. But it is \$2.5 million, which is the reserve which is part of the plan itself. I mean, the plan contemplates the reserve and what you are saying is that reserve will stay on deposit under the supervision of the Secretary.

I don't understand it that way. I think it will stay on deposit subject to control of the tribe and after we pass this bill, the tribe has complete control over the deposit of their funds, including this reserve.

The only thing they will come back to the Secretary for is, suppose they want to cut that reserve down to \$1.5 million, they would have to come back to the Secretary of Interior for approval of what they are going to do with it, but that is their plan.

Senator GRAVEL. I don't want to get into a debate. I think the Senator and I will have time to debate it in the committee and on the floor as to what these controls mean. I would rather pursue a line of questioning and then, of course, Senator Stevens can pursue a line of questioning.

Senator MCGOVERN. All right, Senator Gravel.

Senator BELLMON. Would the Senator yield?

Senator GRAVEL. I will be happy to.

Senator BELLMON. This document we have from Mr. Carshall, on page 2 there is a statement: "In 1968 the Bureau initiated a long-range program of updating and modernizing its financial management system."

(The document referred to is on p. 66.)

Is this lack of system or system we have just heard about the result of your updating?

Mr. HOURIGAN. Yes, it is, Senator, and I don't think it is a lack of system. I am proud and I will be happy to have a GAO accounting on this since we have put this central office together. I think the Bureau under the restrictions of what we can do and under the requirements of the Bureau of Budget and Treasury, I am very glad to have an investigation as to what is done, how fast it is done, and so on.

This was not all very necessarily true in the past, before we had the central plan with the proper computers and so forth.

Senator BELLMON. On the first page and in the numbered paragraph 3 the statement is made that the investment staff negotiates with banks throughout the United States.

Mr. HOURIGAN. They do.

Senator BELLMON. We have just been told he doesn't. He picks up the phone and chooses the bank he wants to have the money.

Mr. LOESCH. He chooses the bank he wants to have the money based on where he can get the most interest. This might be in Los Angeles, Oklahoma City, in Buffalo. Naturally in any business like this where you are charged with the investment of \$320 million from time to time, you are going to know, if you have any experience at all in the job—you are going to know there are certain financial institutions that can handle certain size investments only with the conditions of the market as they are on that particular day.

You will have a half dozen in mind. You are going to call up one and the fellow is going to say, "Right now we can't take a 2-year investment of \$3 million at the maximum." So then he calls another man and pretty soon he comes to one that says, "Yes, we are in such a capital position today that we can do it today."

The following month it may very well be an entirely different bank, because of the ups and downs of the money market and the capital structure of a particular bank. I don't see anything wrong with this and I think it is the only system you can have where you only deal with matters that the tribes have already passed on.

They have said, "Look, we want it in our local bank if the local bank will pay the maximum. If our local bank won't pay the maximum, you put it where it will get the maximum."

That is Mr. Hourigan's job to do and that is what he does. I don't see anything wrong with it at all.

Senator BELLMON. Let's assume Mr. Hourigan is a paragon of virtue. Do you see that in case he someday does something different that this system might lend itself to certain influence?

Mr. LOESCH. I don't see, Senator. You have to do these things in the context that you can. Suppose you don't hear from the tribe until 3 days before the money is going to roll over or 2 days or 1 day, and you don't know what the tribe really wants and some of these tribes are not as competent as the Tlingit and Haida Tribes, and maybe they don't get the word on what is to be done until the last minute.

You are not suggesting that the Bureau should put that money in 4 percent in U.S. Treasury until it heard or until it contacted or advertised and contacted every bank?

Senator BELLMON. I would suggest that the Department might have an investment counsel or, perhaps, a neutral person or that they

might have a list of banks that they keep current as to what banks are bidding on money every day.

Mr. LOESCH. But we do that. Mr. Hourigan does that.

Senator BELLMON. He has told us he has no list of banks.

Mr. LOESCH. A while back he said he had a list of banks this high that are available from time to time.

Senator BELLMON. Has the names of the banks; but I am talking about a current list of what the banks are paying for money.

Mr. LOESCH. Oh, yes; he testified to that.

Senator BELLMON. What you are saying is you are satisfied with the system, is that it?

Mr. LOESCH. At the present time to the extent of my knowledge this is why I would welcome a GAO look at the thing. I am convinced that it is a good system and it works and it gets the most money for the tribes.

We could get more money if we were allowed to do certain things we are not in the way of investing, but under the parameters that the Bureau has, I think we are doing right now a good job on this investment and getting the most return for the Indians' money.

Mr. HOURIGAN. I would like to just make three remarks, Senator Bellmon.

One is the first one that you raised a point about. I want to say, first, during this period of time here in July the interest rates were down quite a bit and many of the banks were, in effect, looking out the window. They did not want the money. Now everybody wants it because money is in short supply.

The second thing is that this daily thing is something that just came out. Now these are some figures that can be checked. Now here on a 7.5—that is the maximum now that the banks pay—7.5 percent interest compounded quarterly on a 360-day basis on actual days, the rate of interest is 7.823. That is compounded quarterly.

Daily compounding, and this is when they compound it on the basis of 365 days, the rate of interest is 7.787.

Now if that was on a million dollars, it would be \$77,875.84. If it was on a million dollars on the 360-day basis compounded quarterly, calculated on actual days, it would be \$78,237.65. The difference isn't much, but nevertheless the compounding quarterly on the 360-day basis pays greater returns than the daily basis.

This was all calculated by computer and it shows the interest all the way through.

Now the other thing is that I can say before witnesses and everybody else, I would be more than happy and would welcome a General Accounting Office audit. Now I will tell you something else, Senator. I think you are from Oklahoma, and you could check with Calvin Knuton down at the First National Bank in Oklahoma City. He had money during some of this same period and when I contacted him about the renewal, and so on, he said, "I am going to pass it."

We had to transfer the money out of his bank, because he was unwilling or unable, I should say, to pay the rates that we could get someplace else. So when we knew where we could get the top rates and these are things that I have told Mr. Weissbrodt, who handles and has called all the shots in connection with these investments.

Senator BELLMON. That really gets to the point. Is Mr. Weissbrodt this influential person that put the bank in Buffalo next to this deal?

Mr. HOURIGAN. No.

Senator BELLMON. What role has he had?

Mr. HOURIGAN. He is the counselor for the tribe, the attorney here in Washington.

Senator BELLMON. Is he the one who advised you to put the money in Buffalo?

Mr. HOURIGAN. I made the contacts and told him what he could get. There is one more point I would like to make, sir, if I can, about this current list.

Now it has only been recently, as a matter of fact January 21 was when the Federal Reserve Board increased a lot of the rates to 7.5. Up to this point most of our investments have been in Treasury securities.

The reason was that it wasn't that the banks were not willing to pay a greater rate. It was the fact that they could not in accordance with existing regulations. So it is for this reason that right now during this period we are going back to banks again. We are contacting banks and we have lists of banks and when they call us, we ask them what they are willing to pay.

So we have a list of new banks again with this new rate and we, of course, have to wait until things are matured. But otherwise, we have most of the things, as you see from the list, that many of these things have gone into Treasury securities and the rates were 8 and better when the banks could only pay "6 and 4" meaning 6.25.

It is not they would not pay more, but they couldn't because of Federal regulations.

Senator MCGOVERN. Senator Gravel?

Senator GRAVEL. First off, I asked in the record that we be presented with a printout of the portfolio. Where is the printout of the portfolio of all of the investments of the \$300 million? That is what I asked for.

That is just the Tlingit-Haida. Maybe somebody could reread the record and find out what I did say. That is what I would like and I would like to have it submitted to the chairman of the committee so we can provide some analysis of what happened to the \$300 million.

Senator STEVENS. I don't know, maybe the staff or the Secretary can tell us. Is there any confidential information involved as to other tribes?

Mr. LOESCH. No.

Senator STEVENS. As long as we are protecting the confidentiality.

Senator GRAVEL. I would assume that would take place. You talk in this letter of tremendous computers in Albuquerque and say that is why you have to have the financial section out there, I would think in 5 minutes' time we could have this whole portfolio in front of us.

The other point is how many members do you have on the staff in the financial area?

Mr. HOURIGAN. I have three now.

Senator GRAVEL. Yourself and two other persons?

Mr. HOURIGAN. Yes.

Senator GRAVEL. These are the persons on the résumés you submitted, yourself, and John Vale, and the accounting officer, Limpouch? Who is the other person not in this résumé group?

Mr. HOURIGAN. Myself, Mr. Vale, and Mr. Limpouch.

Senator GRAVEL. For the record, Mr. Chairman, I certainly would like these résumés placed in the record along with the letter, because—no disrespect meant to yourself, sir, and other members—but when we are talking about financial analyses, I don't see anything in this résumé that shows any great experience.

(The résumés referred to above are on p. 67.)

I see a lot of BIA experience and I certainly means no disrespect in that regard. Since you are the chief—what would be your grade?

Mr. HOURIGAN. It is a grade 14. But I have a supervisor—Mr. Miller, who is a grade 15.

Senator GRAVEL. Does he do the advising for financial matters on the \$300 million or is he a supervisor in the chain of command to Mr. Loesch.

Do you have anything to do with the financial advising?

Mr. MILLER. Very little.

Senator GRAVEL. Mr. Secretary, I couch this question as a loaded question. Because we have this national policy that the BIA handles the supervision of the investment of Indian moneys, is the assumption that BIA has a superior wisdom than what is available to the Indians?

Mr. LOESCH. I don't think this is true.

Senator GRAVEL. I will take that. Under what conditions do you think that we should let the Indians in this country and the Tlingit-Haidas in Alaska run their own show?

Mr. LOESCH. I think any time the Congress decides they didn't want to go on with the trust thing. This is not something the Department or the Bureau is trying to protect.

Senator GRAVEL. You have advised us on the report on my bill which might involve something like that, that because the responsibility has been there in the past, it should continue. Are you telling us now that if we want to make up our minds differently, this would be an advisable thing to do?

Mr. LOESCH. May I see the report? I have not reviewed it for a while.

Senator GRAVEL. Your recent report that I have here refers to the same thing.

Mr. LOESCH. This simply says, Senator, in accordance with the trust responsibilities of the Secretary of the Interior.

Senator GRAVEL. I just asked you do you think the Indians of this country could run their own show?

Mr. LOESCH. Some could. I think a great many might be able to.

Senator GRAVEL. Do you think the Tlingit-Haidas would be able to?

Mr. LOESCH. I don't know. I am advised that they have very great advice and expertise within their own tribe, so I would say yes.

Senator GRAVEL. You say they could run their own show, yes?

Mr. LOESCH. I would think so. I would point out this report is only a report in accordance with the law as it now is, which already provides the trustee responsibility.

Senator GRAVEL. I understand, and I am happy to see we share a similar view, the Tlingit and Haidas are really just as good as you and I.

I would like to have Mr. Foley come forward.

Senator STEVENS. I don't think I have had my inning here and I am about ready to have it, I hope.

Senator McGOVERN. Senator Stevens?

Senator STEVENS. The inference my colleague raises is that because the bill I put in has a requirement that any change in this plan be subject to approval of the Secretary of the Interior, those of us who support that bill are defending a paternalistic system to the effect that the Great White Father knows best.

Now I somehow or other can't seem to get this record clear that the Tlingit and Haida people and their attorneys requested this bill because they don't want to make this bill a termination bill. They merely want approval of their present plan and because they don't want it to be a termination bill, they put in the traditional language, which requires the approval of the Secretary of Interior under the trust responsibility.

Do you know of any way short of terminating the trust that we could leave that language out?

Mr. LOESCH. No, sir; I do not.

Senator STEVENS. You are not suggesting that we have to continue the trust?

Mr. LOESCH. No.

Senator STEVENS. That is a determination for Congress to make?

Mr. LOESCH. That is correct.

Senator STEVENS. One of the things that is a side-product of that trust is BIA schools at the present time; is it not?

Mr. LOESCH. Yes.

Senator STEVENS. And the Public Health Service, for instance. Their treatment for the people that are in this area is a side-product of this trust. Another are people who have not yet received their cash from the Alaska native land claims. They have not received their other land which was outside of this judgment. And correct me if I am wrong, but there was a substantial claim of the Tlingit-Haidas that was not settled with this judgment. Is that correct?

Mr. LOESCH. This is correct.

Senator STEVENS. What we are saying is so long as this total trust responsibility continued, we ought not to terminate it prematurely by this small bill which approved their plan; isn't that correct?

Mr. LOESCH. Senator, this certainly would be my opinion. Let me say it is not the policy of this administration to terminate any Indian tribe that doesn't request it and, as a matter of fact, we have looked very carefully at the request to make sure it was done fairly and with full knowledge of the consequences.

Senator STEVENS. If we were to do that, it would involve a lot more than this judgment; would it not?

Mr. LOESCH. It certainly would.

Senator STEVENS. It involves the whole spectrum of the native land claims bill?

Mr. LOESCH. Yes, and I would say, further, Senator, that any time that you ask any tribe that I know if they would like to have their trust funds taken out of trust, you would find a great deal of objection from the tribe.

Senator STEVENS. I have one last question, and that is this: If we pass this bill and approve this plan, does the Department contemplate a management of the funds inconsistent with the desires of the tribe as expressed in their plan?

Mr. LOESCH. No, sir.

Senator STEVENS. Thank you. That is all.

Mr. LOESCH. I might introduce for the record, if permissible a little printout showing the Bureau of Indian Affairs investments for June 30, 1967, 1968, and 1969 and estimated for 1970 with where the money is, both in individual and tribe accounts, and the interests earned on those accounts.

Senator GRAVEL. I would be happy to have it, Mr. Secretary.
(Table follows:)

BUREAU OF INDIAN AFFAIRS—INVESTMENTS

Types of funds and types of investments	Actual, June 30, 1967	Actual, June 30, 1968	Actual, June 30, 1969	Estimate, June 30, 1970
1. Tribal funds:				
In banks.....	\$97,461,602	\$155,302,253	\$177,566,566	\$13,000,000
U.S. securities.....	5,915,000	10,980,500	19,495,150	192,000,000
Government agency issues.....				
2. Individual Indian money:				
In banks.....	36,523,048	41,881,357	40,836,188	
U.S. securities.....	29,820,431	29,190,519	29,051,335	15,000,000
Government agency issues.....				55,000,000
Total.....	169,720,081	237,354,629	267,949,239	1275,000,000
3. Interest earned.....	7,099,214	13,515,562	17,990,000	19,500,000

¹ Currently \$320,000,000.

Senator GRAVEL. I am just concerned that apparently the Coleville Indians in the State of Washington have been asking for termination and they have been unsuccessful with the BIA. Is there a brief answer to that allegation or is there any truth in that? You just went on record saying that anybody that wants to get out can get out.

Mr. LOESCH. No; that was not necessarily the thrust of my response. What I said was it is not the policy of this administration to terminate any tribe that did not desire to be terminated.

Now the Coleville Tribe is involved in internecine warfare within the tribe concerning the question of termination.

Senator GRAVEL. Gentlemen, you have been very, very kind and very patient in answering very difficult questions. We will leave the record open with this regard for 5 days.

Senator Bellmon, did you have anything?

Senator BELLMON. No, sir.

Senator GRAVEL. Mr. Foley?

STATEMENT OF EUGENE FOLEY, THE DREYFUS FUND, NEW YORK

Senator GRAVEL. Would you give your name and present position and address for the record.

Mr. FOLEY. My name is Eugene P. Foley, vice president of the Dreyfus Corp., which manages the Dreyfus Fund.

Senator GRAVEL. And in the past your governmental positions were what?

Mr. FOLEY. I have been in a number of positions here in Washington. I was Administrator of the Small Business Administration from August of 1963 to September 1965; Assistant Secretary of Commerce for Economic Development from September 1965 to December 1966.

Senator GRAVEL. Just as a general opening question, what invest-

ment services are typically provided by a private investment house which are not provided by Government overseers like the BIA?

Mr. FOLEY. I have gone into this problem as of the last 24 hours and I do hope some member of the BIA will stay here and correct me, because I don't claim to be an expert on what they are doing.

In fact, I am a little surprised that this does exist. I want to assure my friends, Senator Stevens, that any comment I make is not made in any partisan way, because the particular funds here were originally invested under a different administration.

Senator STEVENS. I think we have a legal difference on whether we can do this and as a matter of fact, I would like to see the committee go into this whole subject of management of funds. That is what we would like to go into.

Mr. FOLEY. Even though I have only been acquainted with this problem for 24 hours, I would state that the committee really ought to go into the entire problem, because the law under which it is operating is dated 1918. The management of funds in the private sector has changed drastically.

Getting back to your question, Senator Gravel, really beginning at the end of the Second World War there were major changes in the portfolio of big financial institutions, pension funds starting to get into common stocks in the late 1940's and they have been doing that ever since.

Prior to that, bank trust departments went into common stock and a mixture of debt and equity for the 1950's. So I could provide the committee, allowed the time, I think a record since 1900. I think it would be helpful to you to see how these changes are coming about in the management of quite large sums of money.

Until just recently we have been in a bear market since the Second World War. You have to judge these things on a long period of time.

I just am almost certain that the private money market could show much better results. The reason for it, in response to your question, is what type of services. It is a daily analysis by experts in the financial instruments and financial institutions in the money markets, both worldwide as well as domestic, on what changes are taking place in the supply and demands for money.

This is a highly sophisticated art. With the advent of computers the analytical decisions are better. I can document the decisions have been better.

Senator STEVENS. What would you say with respect to locating people who are charged with making the decisions or advising the people to make the decisions that are presently located in Albuquerque, because they are near the tribes? Would you think it would be better to locate the individuals near the Secretary of the Interior, or maybe locate the individuals at a branch office in New York City where the heart of the money market is?

Mr. FOLEY. My impression in listening to the testimony is I think you have here, I have had this experience in government, it doesn't mean anything, it doesn't cast any reflection on the process of change in government. It is a complicated process, where it initiates an idea of some person.

It may be in Congress, but the process of change is very difficult to initiate in Government, particularly in a huge government as we

have. I think probably when it started, it probably was all right, but times have changed so much. Now this is 52 years.

Really you need a whole new look at this thing. Albuquerque is a lovely city, but it is not a financial market, even with the high-speed transmission of communications, because the investment art is an art. It is a blend of experience and skill and knowledge and history and a feel for a situation. You get that in many tangible ways just by associating with people in the market, trading ideas about.

I know I have sharpened a lot since I have been in the financial community. Just by constantly having it over lunch and dinner and receptions and trading ideas, you become sharper in general.

Senator STEVENS. So what you are saying is that any group that would be advising financially in these sums should be close to the money market rather than close to the tribes?

Mr. FOLEY. I would agree. I think that is true. I think bank trust departments, for instance, in smaller communities around the country, I think they rely pretty much on the established investment counselors in the large financial centers of the country.

Senator STEVENS. Did you have a chance to analyze all of these short-term investments of the Tlingit-Haida funds and would you have any comment?

Mr. FOLEY. I can't really say much about it because the BIA, they really could not do much other than what they did in one respect. They are restricted under the law to debt instruments by depositing in banks.

I would quibble, I think, along the lines of the questioning of Senator Bellmon that perhaps even within those restrictions that they might open up better opportunities for investments. I think you could show in the last 18 months that even though I think the laws are restricted, that perhaps they could have had better investment counseling during that period.

Senator GRAVEL. I must leave the hearing at this time. Thank you for coming, because I think this has added something for the record.

If you will provide that information to us that you spoke of and if we get the portfolio I spoke of earlier, we could make some interesting comparisons.

Senator Bellmon, could I ask you to preside?

Senator BELLMON (presiding). I was about to ask you when you used the phrase "investment art," the Government has a little trouble dealing with art and I wish you would enlarge upon this phrase.

Mr. FOLEY. I just think it is the intangible skill that one develops over a period of time, just as judges are more acute and sharper and in a period of time proven more successful. That is part of a native ability of a hard-working person with a history and experience, his sharpness and exposure to other points of view that he can trade off on. A computer just can't replace anybody in this field.

Senator BELLMON. You have heard testimony by Secretary Loesch, and by Mr. Hourigan as to how this investment procedure is handled presently at the BIA. Do you have any comment to make about the testimony you have heard?

Mr. FOLEY. I do think that probably the private counsellor could offer a greater opportunity for exposure to wider forms of possible investment.

Senator BELLMON. Under the statute of limitations that exists?

Mr. FOLEY. Yes, I do. I would not be a bit surprised that any good investment counsellor, if asked by the BIA, might offer some services and through their contacts open up areas that would help the decision-making.

I was a little bit surprised on the concentration in Buffalo. They are big, but it does seem a little bit concentrated. I don't think anybody is accusing anybody here and I simply don't have anything that indicates anything.

Senator BELLMON. I might say as a member of the committee I have been a little surprised at what appeared in the testimony last week. It seems a little strange to be dealing with such large sums of money so casually. Senator Gravel has presented two questions I would like to ask in his absence.

How would you see the investment differing if the investments were made by a private financial management firm rather than by a governmental area?

Mr. FOLEY. I think you will find in private management you find a more active day-to-day view of the portfolio, but in a lay market, one might be sold and another purchased. I think the answer to that is you find more actively and constantly used what is in the portfolio in the private field.

Senator BELLMON. What is the range of earnings that might be experienced if needed funds were responsibly managed with no Government restrictions? In other words, what is it costing the Indians to have a secretarial oversight?

Mr. FOLEY. I have made some calculation here. I would imagine a good trust department of a bank could thoroughly handle the \$7.5 million, could administer that for about a quarter to one-half of 1 percent.

Secondly, I would think—and I can't calculate this—but a private money manager will show that the evaluation of that portfolio would increase more, but that I can't estimate by any percentage, one will do better than another.

Referring to the larger issue of the \$300-plus million, this is really quite a discovery I think, perhaps a lot of people are coming upon it for the first time, and this is really the larger issue and I would really refer you to the work being done by the Special Committee for the Alaska State House and Alaska State Senate.

I have appeared there on behalf of the Dreyfus Corp. and roughly 25 other very, very prominent national institutions, banks, investment banking houses, and investment counselors have also appeared. I might add that in the State of Alaska that they have determined, and this is not a partisan thing by any means, there is widely divergent points of view. But I was very impressed by the makeup of the committees in Alaska and they are really going at this thing in as thorough a manner as has been done for many, many years in this country collecting information of how to manage public funds with private managers.

I think the testimony given there would be a marvelous addition to what you have here.

I would have to add here that I have self-interests, so my judgment is necessarily biased. But the fact is the State Legislature of Alaska,

whose interests are not mine necessarily, has determined they are going to have a better portfolio, they are going to increase their earnings greater by having a private money manager handle \$500 to \$700 to \$800 million of their funds and they are going to have competitive managers, so they can compare one against the other and they can drop one once in a while or add to a successful manager.

They are committing these funds to go into common stocks. This is pension funds and insurance companies.

Now Oregon I know and one other State have permitted their retirement funds to be invested in common stocks. I am just calling your attention to this and I think it would be a good addition to this.

Senator STEVENS. I have just come back from talking with the financial committee on this and I don't think a great many people recognize the leverage we have in Federal income tax-free interest as far as the total effect on the State is concerned and I am happy to see you are involved.

There is no partisan difference in this matter. I think there is partisan difference in terms of the effect of that one clause, just that one clause difference between these two bills. There is certainly no partisan difference and we both see they get the most return and I think we all agree that this management with no inference of mismanagement to this gentleman, we all agree that the management has not progressed with computer technology nor with the advance of the private money management firms and the advice that could be available to the BIA.

We, I think, ought to find some way to change this system of management. The problem here is whether the Government management is necessary at all under the current circumstances.

Mr. FOLEY. I have not thought this through and I would not hold firm that this is the way it ought to be done, but the thought occurred to me would it be a good idea to just put it in the banks in that area, the southeastern banks of Alaska. Why can't these moneys just be deposited in those banks by the Indian tribes under a contract?

The thing is the banking institutions are mutual funds, insurance companies are, they are so regulated by other Government agencies. Anyone in Government knows the left and right arms are not always together. But again this law was passed in 1918 before the tremendous changes in regulatory laws.

Senator STEVENS. You are talking about the Reserve requirement? That is the big stumbling block right here.

Mr. FOLEY. You have all of these changes in the 1930's and the 1940's and the banker can't constantly do anything wrong. He can make a bad judgment, but he can't do anything dishonest or he goes to jail. There are so many restrictions on a bank, why wouldn't the Indians just be provided these funds where they would have to deposit them with banks, and they are already supervised and regulated under contracts, and if the Secretary of Interior thought there was a violation of that contract, I would imagine the Secretary has authority to bring action.

Senator STEVENS. I think the problem is that Congress has never recognized the difference between the investment policy and the utilization of the funds. This has been the big difference here. I was just visiting with the attorney for the tribe and the Tlingit and Haida

people and the chairman and president of their council on the impact of this change.

Mr. FOLEY. I think this money should be put in the southeastern banks of Alaska. It would have an immediate effect on that entire area. It would not only be there for the Indians, but it would also affect the economy of the area which, in turn, would have a multiplier effect back to the Indians.

Senator STEVENS. Not under that law because under that law it would get from the Alaska Legislature a copy of the report when it vested funds. This would be a negative effect, because it would tie up their reserves.

Senator BELLMON. I would like to suggest that I think Mr. Foley has an excellent idea about the work that has been done in Alaska in connection with investing this \$900 million. I wonder if our staff would get from the Alaska Legislature a copy of the report when it is finished and make it available.

Mr. FOLEY. It is called the Senate Special Committee on Monetary and Investment Policy and the same on the House side.

(The material referred to was not supplied by the time the record was closed.)

Senator BELLMON. Go ahead.

Mr. HOURIGAN. Senator Bellmon, if it is not out of order, I would like to make a couple of statements to this gentleman, too.

First of all, I believe he said that you have a mutual fund organization. In that case you can't invest with his firm because of the fact that they cannot collateralize the money.

Second, if the tribes wish in the legislation, as Senator Stevens knows, to put the funds out to the tribe they are lost as trustees, the Secretary of Interior has no control over them at that time and if the tribes want this, part of their prime investment is to do this, why certainly I am sure that the Bureau has no objection.

But now as far as money management is concerned, I would like to ask you something else. What did you produce for your clients on the last year, what rate of interest, considering capital, too?

Mr. FOLEY. I will answer off the record.

Senator STEVENS. Gentlemen, we have to adjourn. We are missing the live quorum which has taken the rest of our committee members. I would suggest that we leave the record open for a period of time, a week, and we will provide you with a copy of the transcript and we would like to have your advice.

I want you to know that we in Alaska learned, with your help, how to cut through redtape. We learned that after the earthquake and there is no question that we would like to have your advice.

I think the attorney for the tribe, the Weissbrodt firm, ought to have the opportunity to put in any statement he wishes as well as the president of the council, if he wishes. He already testified once.

There is the information that Senator Gravel wished and that is the printout of all the moneys that are on deposit, where they are, and what the effective interest rate would be.

Mr. HOURIGAN. I would like to show you what we have in the way of a printout and to see if it would be sufficient to serve your needs.

Senator STEVENS. You will have to take that up with Senator Gravel to make sure that is the information he wants.

Senator BELLMON. I would just like to say to Mr. Hourigan that we are interested in making certain that we have a procedure that works to the maximum benefit of the Indians and also that guards against any possible misuse in the future.

Mr. HOURIGAN. Could I make one short statement, I would like to say that we have obtained the highest possible rate of interest that was attainable in connection with these funds.

Senator STEVENS. Under the limitations of the existing statutes. That is the problem. We are questioning the statutes now and I think that is what Mr. Foley questions.

Mr. HOURIGAN. But I tell you the last 2 or 3 years you folks know the stock market has gone way down, no one has made any money and especially the mutual funds.

Let me tell you about the Navajo funds. They had \$20 million and the capital has gone way down. I think you will have to agree. When I asked them, I said what have you earned with the Navajo funds and he said, our cash position is so much, and when he told me how much it was, it had only earned 5 percent. But he did not tell me how much the capital had reduced, so they didn't make anything.

Senator STEVENS. With the understanding that the record remains open, we will adjourn.

(Subsequent to the hearing the printout of all moneys on deposit requested by Senator Gravel follows:)

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
		AGUA CALIENTE			
U. S. Treasury Bills	02/17/70	05/31/70	6.69%	2,000.00	1,963.11
U. S. Treasury Bills	01/27/70	05/31/70	8.03%	7,000.00	6,815.55
U. S. Treasury Bills	01/27/70	05/31/70	8.03%	6,000.00	5,841.90
U. S. Treasury Bills	06/13/69	05/31/70	7.61%	107,000.00	99,825.92
U. S. Treasury Bonds (4%)	11/24/69	08/15/70	8.16%	69,500.00	67,526.59
				<u>\$191,500.00</u>	<u>\$181,973.07</u>
TOTALS					
		CABAZON INDIANS, CALIFORNIA			
U. S. Treasury Bills	02/27/70	12/31/70	8.10%	3,000.00	2,792.75
				<u>3,000.00</u>	<u>2,792.75</u>
		CAMPO INDIANS, CALIFORNIA			
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	2,000.00	1,860.50
				<u>2,000.00</u>	<u>1,860.50</u>
		CAPITAN GRANDE INDIANS, CALIFORNIA			
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	6,000.00	5,581.50
				<u>6,000.00</u>	<u>5,581.50</u>
		CHEROKEE NATION, OKLAHOMA			
U. S. Treasury Bills	02/13/70	08/31/70	7.71%	520,000.00	499,019.56
U. S. Treasury Bills	02/10/70	08/31/70	7.88%	552,000.00	528,927.87
Delaware County Bank				100,000.00	100,000.00
Jay, Oklahoma					
Liberty State Bank				200,000.00	200,000.00
Tahlequah, Oklahoma					
				<u>200,000.00</u>	<u>200,000.00</u>
				<u>\$1,372,000.00</u>	<u>\$1,327,947.43</u>
TOTALS					

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
CHEMEEHUEVI TRIBE OF INDIANS					
U. S. Treasury Bills	02/17/70	07/30/70	6.58%	\$ 2,000.00	\$ 1,942.99
U. S. Treasury Bills	12/23/69	07/31/70	8.10%	6,000.00	5,720.67
U. S. Treasury Bills	08/01/69	07/31/70	8.00%	1,049,000.00	971,469.08
U. S. Treasury Bills	09/19/69	07/31/70	7.81%	68,000.00	63,701.15
U. S. Treasury Bills	01/27/70	10/31/70	8.15%	30,000.00	28,252.59
U. S. Treasury Bills	01/27/70	10/31/70	8.15%	22,000.00	20,718.57
U. S. Treasury Bills	11/28/69	10/31/70	8.41%	85,000.00	78,876.15
TOTALS				<u>\$1,262,000.00</u>	<u>\$1,170,681.20</u>
CHEYENNE-ARAPAHO TRIBE OF INDIANS OF OKLAHOMA					
U. S. Treasury Bills	02/17/70	11/30/70	7.33%	18,000.00	17,021.95
U. S. Treasury Notes (5%)	09/29/69	11/15/70	7.98%	692,000.00	670,594.25
TOTALS				<u>\$710,000.00</u>	<u>\$687,616.20</u>
CHEYENNE RIVER SIOUX TRIBE					
U. S. Treasury Bills	02/11/70	10/31/70	7.83%	1,235,000.00	1,169,300.31
TOTALS				<u>1,235,000.00</u>	<u>1,169,300.31</u>
CHICKASAW INDIANS, OKLAHOMA					
U. S. Treasury Bills	01/14/70	05/21/70	8.03%	102,000.00	99,228.69
U. S. Treasury Bills	01/14/70	11/30/70	8.19%	268,000.00	250,041.04
TOTALS				<u>\$ 370,000.00</u>	<u>\$ 349,269.73</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	Date Acquired	Maturity Date	Percent Annual Yield	Face Amount	Principal Cost
U. S. Treasury Bills	01/19/70	06/11/70	8.16%	<u>1,035,000.00</u>	<u>1,003,140.81</u>
TOTALS				<u>\$1,035,000.00</u>	<u>\$1,003,140.81</u>
U. S. Treasury Bills	02/26/70	08/13/70	7.37%	<u>2,067,000.00</u>	<u>1,999,177.54</u>
TOTALS				<u>\$2,067,000.00</u>	<u>\$1,999,177.54</u>
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	<u>4,000.00</u>	<u>3,721.00</u>
TOTALS				<u>\$4,000.00</u>	<u>\$3,721.00</u>
U. S. Treasury Bills	01/19/70	07/31/70	8.08%	<u>156,000.00</u>	<u>149,605.05</u>
TOTALS				<u>\$156,000.00</u>	<u>\$149,605.05</u>
U. S. Treasury Bills	06/24/69	05/31/70	7.38%	74,000.00	69,250.60
U. S. Treasury Bills	01/02/70	07/31/70	8.28%	1,014,000.00	967,866.00
U. S. Treasury Bills	02/11/70	08/31/70	7.74%	382,000.00	366,390.66
U. S. Treasury Bills	10/31/69	09/30/70	7.63%	107,000.00	100,014.24
U. S. Treasury Bills	10/24/69	09/30/70	7.61%	2,007,000.00	1,873,357.43
U. S. Treasury Bills	01/27/70	11/30/70	8.26%	<u>320,000.00</u>	<u>299,208.87</u>
TOTALS				<u>\$3,904,000.00</u>	<u>\$3,676,087.80</u>

COLUSA BAND OF INDIANS, CALIFORNIA

CONSOLIDATED FUNDS, ARAPAHO INDIANS, MONTANA

CREEK NATION OF INDIANS OF OKLAHOMA AND EAST MISSISSIPPI

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	Date Acquired	Maturity Date	Percent Annual Yield	Face Amount	Principal Cost
U. S. Treasury Bills	01/15/70	07/31/70	8.06%	990,000.00	948,721.65
TOTALS				<u>\$990,000.00</u>	<u>\$948,721.65</u>
CROW CREEK INDIANS, SOUTH DAKOTA					
U. S. Treasury Bills	02/16/70	08/31/70	7.53%	206,000.00	197,995.45
TOTALS				<u>\$206,000.00</u>	<u>\$197,995.45</u>
CROW INDIANS					
DELAWARE NATION OF INDIANS					
U. S. Treasury Bills	02/11/70	07/30/70	7.83%	1,493,000.00	1,440,787.40
U. S. Treasury Bills	01/26/70	07/31/70	7.98%	8,513,000.00	8,180,305.06
U. S. Treasury Bills	06/24/69	03/31/70	7.27%	137,000.00	129,810.50
TOTALS				<u>\$10,143,000.00</u>	<u>\$ 9,750,902.96</u>
EMIGRANT NEW YORK INDIANS AS CONSTITUTED JUNE 25, 1832					
U. S. Treasury Bills	10/31/69	04/30/70	7.62%	1,219,000.00	1,174,630.05
TOTALS				<u>\$1,219,000.00</u>	<u>\$1,174,630.05</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	Date Acquired	Maturity Date	Percent Annual Yield	Face Amount	Principal Cost
FLATHEAD INDIANS, MONTANA					
U. S. Treasury Bills	11/10/69	05/31/70	7.54%	260,000.00	249,586.53
U. S. Treasury Bills	12/11/69	06/30/70	8.22%	1,050,000.00	1,004,510.00
U. S. Treasury Bills	01/19/70	07/31/70	8.08%	142,000.00	136,179.22
TOTALS				<u>\$1,452,000.00</u>	<u>\$1,390,275.75</u>
FORT APACHE INDIANS, ARIZONA					
First National Bank of Arizona Pinetop, Arizona	10/25/69	04/23/70	6.48%	516,011.58	516,011.58
TOTALS				<u>\$516,011.58</u>	<u>\$516,011.58</u>
FORT BIDWELL INDIANS, CALIFORNIA					
U. S. Treasury Bills	02/17/70	10/31/70	6.89%	2,000.00	1,908.37
U. S. Treasury Bills	01/27/70	10/31/70	8.15%	33,000.00	31,077.85
U. S. Treasury Bills	12/02/69	10/31/70	8.07%	11,000.00	10,242.56
TOTALS				<u>\$46,000.00</u>	<u>\$43,228.78</u>
HAVASUPAI TRIBE, ARIZONA, DOCKET 91					
U. S. Treasury Bills	01/28/70	11/30/70	8.30%	1,174,000.00	1,097,663.65
TOTALS				<u>\$1,174,000.00</u>	<u>\$1,097,663.65</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	Date Acquired	Maturity Date	Percent Annual Yield	Face Amount	Principal Cost
HOOPA VALLEY INDIANS, CALIFORNIA					
U. S. Treasury Bills	02/19/70	07/30/70	7.27%	518,000.00	501,902.55
U. S. Treasury Bills	10/07/69	09/30/70	8.01%	1,672,000.00	1,550,126.28
Humboldt National Bank Eureka, California	09/29/69	03/29/70	6.25%	216,817.33	216,817.33
TOTALS				<u>\$2,406,817.33</u>	<u>\$2,268,846.16</u>
HOPI INDIANS, ARIZONA					
U. S. Treasury Bills	09/30/69	04/30/70	7.61%	104,000.00	99,593.40
U. S. Treasury Bills	02/26/70	09/30/70	7.17%	41,000.00	39,330.20
U. S. Treasury Bills	02/17/70	09/30/70	7.25%	31,000.00	29,673.87
U. S. Treasury Bills	01/21/70	09/30/70	8.12%	63,000.00	59,731.20
U. S. Treasury Bills	12/23/69	09/30/70	8.07%	52,000.00	48,958.83
U. S. Treasury Bills	11/28/69	09/30/70	8.36%	101,000.00	94,392.55
U. S. Treasury Bills	10/01/69	09/30/70	8.10%	108,000.00	99,922.20
TOTALS				<u>\$500,000.00</u>	<u>\$471,602.25</u>
HUALAPAI INDIANS, ARIZONA					
U. S. Treasury Bills	01/15/70	04/23/70	8.08%	224,000.00	219,246.73
U. S. Treasury Bills	02/17/70	07/30/70	6.71%	7,000.00	6,796.80
U. S. Treasury Bills	12/11/69	07/31/70	8.36%	2,790,000.00	2,649,219.60
TOTALS				<u>\$3,021,000.00</u>	<u>\$2,875,263.13</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
INDIANS OF CALIFORNIA					
U. S. Treasury Bills	09/29/69	03/31/70	7.33%	114,000.00	109,816.01
U. S. Treasury Bills	02/17/70	08/31/70	7.37%	132,000.00	127,351.58
U. S. Treasury Bills	02/16/70	01/31/71	7.57%	14,600,000.00	13,614,116.77
U. S. Treasury Bills	01/27/70	08/31/70	8.14%	882,000.00	841,466.28
U. S. Treasury Bills	11/28/69	08/31/70	8.37%	1,195,000.00	1,123,816.85
U. S. Treasury Bills	09/10/69	08/31/70	8.01%	2,150,000.00	1,994,596.82
U. S. Treasury Bills	09/16/69	08/31/70	8.10%	620,000.00	576,366.37
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	263,000.00	244,649.96
U. S. Treasury Notes (8 $\frac{1}{2}$ %)	02/15/70	08/15/71	8.25%	9,980,000.00	9,801,762.50
U. S. Treasury Notes (5-3/8%)	10/14/69	02/15/71	7.83%	4,003,000.00	3,884,163.93
Bank of America Sacramento, California	03/20/69	03/15/71	7.83%	1,169,000.00	1,169,000.00
TOTALS				<u>\$35,108,000.00</u>	<u>\$33,487,107.07</u>
IOWA TRIBE, DOCKET 79-A					
U. S. Treasury Bills	01/28/70	07/23/70	8.17%	1,256,000.00	1,208,414.56
TOTALS				<u>\$1,256,000.00</u>	<u>\$1,208,414.56</u>
KALISPEL					
U. S. Treasury Bills	02/26/70	08/13/70	7.37%	1,033,000.00	999,124.79
TOTALS				<u>\$1,033,000.00</u>	<u>\$999,124.79</u>

BUREAU OF INDIAN AFFAIRS
TRIBAL TRUST FUND INVESTMENTS
AS OF MARCH 27, 1970

	Date Acquired	Maturity Date	Percent Annual Yield	Face Amount	Principal Cost
U. S. Treasury Bills	01/28/70	07/23/70	8.16%	<u>239,000.00</u>	<u>229,947.56</u>
TOTALS				<u>\$239,000.00</u>	<u>\$229,947.56</u>
U. S. Treasury Bills	02/16/70	08/31/70	7.53%	<u>1,295,000.00</u>	<u>1,244,691.56</u>
TOTALS				<u>\$1,295,000.00</u>	<u>\$1,244,691.56</u>
U. S. Treasury Bills	08/15/69	07/31/70	7.93%	780,000.00	724,872.17
U. S. Treasury Bills	12/23/69	11/30/70	8.28%	142,000.00	131,777.58
TOTALS				<u>\$922,000.00</u>	<u>\$856,649.75</u>
U. S. Treasury Bills	10/30/69	05/31/70	7.51%	120,000.00	114,962.00
U. S. Treasury Bills	10/30/69	05/31/70	7.50%	34,000.00	32,574.72
TOTALS				<u>\$154,000.00</u>	<u>\$147,536.72</u>
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	<u>2,000.00</u>	<u>1,860.50</u>
TOTALS				<u>\$2,000.00</u>	<u>\$1,860.50</u>

KICKAPOO TRIBE OF OKLAHOMA, DOCKET 318

KICKAPOO TRIBE OF OKLAHOMA AND KANSAS, DOCKET 193

KIOWA-COMANCHE-APACHE TRIBE OF INDIANS, OKLAHOMA

KLAMATH TRIBE OF INDIANS, OREGON

LA POSTA INDIANS, CALIFORNIA

BUREAU OF INDIAN AFFAIRS
TRIBAL TRUST FUND INVESTMENTS
AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
U. S. Treasury Bills	12/23/69	07/31/70	8.18%	47,000.00	44,791.39
TOTALS				<u>\$47,000.00</u>	<u>\$44,791.39</u>
U. S. Treasury Bills	08/21/69	07/31/70	7.87%	431,000.00	401,556.12
TOTALS				<u>\$431,000.00</u>	<u>\$401,556.12</u>
U. S. Treasury Bills	01/19/70	12/31/70	7.98%	30,000.00	27,889.52
TOTALS				<u>\$30,000.00</u>	<u>\$27,889.52</u>
U. S. Treasury Bills	08/18/69	07/31/70	7.79%	4,244,000.00	3,951,105.70
U. S. Treasury Bills	08/18/69	07/31/70	7.78%	1,151,000.00	1,071,678.32
First National Bank of Santa Fe					
Santa Fe, New Mexico	03/26/70	03/22/71	7.82%	310,000.00	310,000.00
TOTALS				<u>\$5,705,000.00</u>	<u>\$5,332,784.02</u>

MEDAWAKANTON, WAHPETON AND WAHPAKOOTA SIOUX TRIBES

BUREAU OF INDIAN AFFAIRS
TRIBAL TRUST FUND INVESTMENTS
AS OF MARCH 27, 1970

	Date Acquired	Maturity Date	Percent Annual Yield	Face Amount	Principal Cost
MESCALERO APACHE TRIBE, NEW MEXICO					
U. S. Treasury Bills	07/03/69	06/30/70	7.99%	1,617,000.00	1,498,306.22
U. S. Treasury Bills	07/10/69	06/30/70	7.95%	46,000.00	42,818.65
U. S. Treasury Bills	11/15/69	08/31/70	7.89%	66,000.00	61,749.67
U. S. Treasury Bills	09/05/69	08/31/70	8.01%	1,117,000.00	1,035,126.90
U. S. Treasury Bills	01/09/70	11/30/70	8.25%	3,300,000.00	3,074,182.17
U. S. Treasury Bonds (4%) Bank of New Mexico Albuquerque, New Mexico	11/24/69	08/15/71	8.13%	240,000.00	224,703.00
	03/23/70	03/18/71	7.82%	362,000.00	362,000.00
TOTALS				<u>\$6,748,000.00</u>	<u>\$6,298,886.61</u>
MIAMI TRIBE OF OKLAHOMA AND MIAMI INDIANS OF INDIANA					
U. S. Treasury Bills	03/12/70	09/03/70	6.96%	1,250,000.00	1,209,641.89
TOTALS				<u>\$1,250,000.00</u>	<u>\$1,209,641.89</u>
MORONGO INDIANS, CALIFORNIA					
U. S. Treasury Bills	02/17/70	10/31/70	6.89%	3,000.00	2,862.10
U. S. Treasury Bills	01/27/70	10/31/70	8.15%	8,000.00	7,534.02
U. S. Treasury Bills	12/02/69	10/31/70	8.07%	13,000.00	12,104.74
TOTALS				<u>\$24,000.00</u>	<u>\$22,500.86</u>

BUREAU OF INDIAN AFFAIRS
TRIBAL TRUST FUND INVESTMENT
AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
NAVAJO INDIANS, ARIZONA AND NEW MEXICO					
U. S. Treasury Bills	12/10/69	05/28/70	8.25%	1,450,000.00	1,396,636.56
U. S. Treasury Bills	01/22/70	06/25/70	8.16%	1,782,000.00	1,722,696.06
U. S. Treasury Bills	07/03/69	06/30/70	8.29%	512,000.00	474,367.87
U. S. Treasury Bills	10/17/69	06/30/70	7.81%	2,107,000.00	1,997,531.37
U. S. Treasury Bills	11/17/69	08/31/70	7.90%	5,305,000.00	4,995,420.88
U. S. Treasury Bills	11/03/69	09/30/70	7.70%	535,000.00	500,077.90
U. S. Treasury Bills	01/14/70	10/31/70	8.28%	3,200,000.00	3,002,545.22
U. S. Treasury Bonds (4%)	02/03/66	08/15/70	4.00%	68,500.00	68,500.00
U. S. Treasury Bonds (4%)	09/24/69	08/15/71	8.12%	1,149,000.00	1,071,265.96
U. S. Treasury Notes (5%)	09/24/69	11/15/70	7.87%	2,530,000.00	2,499,082.68
U. S. Treasury Notes (5-3/8%)	03/20/68	02/15/71	5.84%	3,034,000.00	2,986,596.75
U. S. Treasury Notes (8%)	10/17/69	05/15/71	7.97%	1,983,000.00	1,992,918.00
U. S. Treasury Notes (8%)	10/02/69	05/15/71	8.00%	28,000.00	28,000.00
U. S. Treasury Notes (8 1/2%)	02/15/70	08/15/71	8.25%	113,000.00	113,000.00
U. S. Treasury Notes (5-3/4%)	02/15/68	02/15/75	5.75%	5,000,000.00	4,879,001.95
Great Western Bank					
Tucson, Arizona	04/08/69	04/08/70	6.39%	600,000.00	600,000.00
Great Western Bank					
Tucson, Arizona	04/08/69	04/08/70	6.39%	1,000,000.00	1,000,000.00
Great Western Bank					
Phoenix, Arizona	02/13/70	02/13/72	7.79%	1,000,000.00	1,000,000.00
Pioneer Bank of Arizona					
Phoenix, Arizona	02/28/70	02/28/72	7.79%	1,000,000.00	1,000,000.00
First National Bank of Denver					
Denver, Colorado	04/14/69	04/14/70	6.39%	1,000,000.00	1,000,000.00
First State Bank at Gallup					
Gallup, New Mexico	02/03/70	01/23/72	7.83%	500,000.00	500,000.00
TOTALS				<u>\$34,396,000.00</u>	<u>\$33,327,661.20</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	Date Acquired	Maturity Date	Percent Annual Yield	Face Amount	Principal Cost
NAVAJO AND UTE MOUNTAIN INDIANS					
U. S. Treasury Bills	07/15/69	06/30/70	7.77%	4,052,000.00	3,777,226.75
U. S. Treasury Notes (5%)	08/13/69	11/15/70	7.64%	452,000.00	437,454.25
U. S. Treasury Notes (5 1/4%)	08/15/66	05/15/71	5.25%	149,000.00	149,000.00
U. S. Treasury Notes (8 1/4%)	02/15/70	08/15/71	8.25%	174,000.00	174,000.00
U. S. Treasury Notes (7-3/4%)	10/02/69	05/15/73	7.75%	44,000.00	44,000.00
U. S. Treasury Bonds (4%)	02/03/66	08/15/70	4.00%	106,000.00	106,000.00
U. S. Treasury Bonds (4%)	11/12/69	02/15/72	7.81%	607,000.00	562,616.12
TOTALS				<u>\$5,584,000.00</u>	<u>\$5,250,297.12</u>
NEZ PERCE TRIBE OF IDAHO					
U. S. Treasury Bills	09/17/69	08/31/70	7.92%	610,000.00	567,134.23
TOTALS				<u>\$610,000.00</u>	<u>\$567,134.23</u>
NORTHERN CHEYENNE TRIBE OF INDIANS					
U. S. Treasury Bills	08/05/69	04/30/70	7.82%	424,000.00	400,960.96
U. S. Treasury Bills	11/10/69	05/31/70	7.54%	261,000.00	250,546.47
U. S. Treasury Bills	10/28/69	05/31/70	7.54%	313,000.00	299,693.54
U. S. Treasury Bills	08/11/69	03/31/70	7.53%	53,000.00	50,577.96
U. S. Treasury Bills	08/18/69	03/31/70	7.53%	630,000.00	602,046.75
TOTALS				<u>\$1,681,000.00</u>	<u>\$1,603,825.68</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annui- Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
NORTHERN PAIUTE NATION AND BANDS THEREOF, DOCKET 87					
U. S. Treasury Bills	01/27/70	10/31/70	8.15%	48,000.00	45,204.15
U. S. Treasury Bills	12/23/69	10/31/70	8.39%	286,000.00	266,867.69
U. S. Treasury Bills	11/28/69	10/31/70	8.41%	309,000.00	286,730.11
U. S. Treasury Bills	02/02/70	11/30/70	8.26%	15,849,000.00	14,837,911.64
U. S. Treasury Bills	01/15/70	12/31/70	8.08%	1,147,000.00	1,064,482.72
U. S. Treasury Bills	03/11/70	11/30/70	7.00%	135,000.00	128,497.81
Marine Midland Trust Company of Western New York					
Buffalo, New York	04/25/69	04/27/70	6.48%	2,558,327.78	2,558,327.78
First National Bank of Arizona Phoenix, Arizona	03/02/70	03/07/71	7.82%	406,800.00	406,800.00
TOTALS				<u>\$20,739,127.78</u>	<u>\$19,594,821.90</u>
PROCEEDS OF OIL AND GAS LEASES, OSAGE					
U. S. Treasury Bills	02/13/70	06/11/70	7.64%	610,000.00	595,307.08
U. S. Treasury Bills	03/06/70	06/11/70	7.08%	503,000.00	493,705.60
TOTALS				<u>\$1,113,000.00</u>	<u>\$1,089,012.68</u>
GRAND RIVER BAND OF OTTAWA INDIANS, DOCKET 40K					
U. S. Treasury Bills	12/10/69	07/31/70	8.34%	831,000.00	788,997.57
TOTALS				<u>\$831,000.00</u>	<u>\$788,997.57</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
Guaranty National Bank Tulsa, Oklahoma	03/20/70	03/22/71	7.79%	<u>163,366.51</u>	<u>163,366.51</u>
TOTALS				<u>\$163,366.51</u>	<u>\$163,366.51</u>
OWEN VALLEY INDIANS, CALIFORNIA					
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	<u>3,000.00</u>	<u>2,792.75</u>
TOTALS				<u>\$3,000.00</u>	<u>\$2,792.75</u>
PALA INDIANS, CALIFORNIA					
U. S. Treasury Bills	01/27/70	10/31/70	8.15%	<u>5,000.00</u>	<u>4,708.76</u>
U. S. Treasury Bills	12/02/69	10/31/70	8.07%	<u>10,000.00</u>	<u>9,311.47</u>
TOTALS				<u>\$15,000.00</u>	<u>\$14,020.23</u>
PAPAGO INDIANS OF SELLS AGENCY, ARIZONA					
U. S. Treasury Bills	03/12/70	06/18/70	6.91%	<u>102,000.00</u>	<u>100,142.63</u>
U. S. Treasury Bills	01/08/70	07/31/70	8.19%	<u>265,000.00</u>	<u>253,395.12</u>
U. S. Treasury Bills	12/23/69	11/30/70	8.26%	<u>18,000.00</u>	<u>16,706.82</u>
U. S. Treasury Bills	03/12/70	09/03/70	6.96%	<u>1,830,000.00</u>	<u>1,770,945.55</u>
TOTALS				<u>\$2,215,000.00</u>	<u>\$2,141,190.12</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
U. S. Treasury Bills	11/28/69	05/31/70	7.80%	<u>1,020,000.00</u>	<u>981,424.33</u>
TOTALS				<u>\$1,020,000.00</u>	<u>\$981,424.33</u>
U. S. Treasury Bills	10/16/69	09/30/70	7.91%	<u>415,000.00</u>	<u>385,834.34</u>
TOTALS				<u>\$415,000.00</u>	<u>\$385,834.34</u>
U. S. Treasury Bills	02/17/70	11/30/70	7.33%	<u>14,000.00</u>	<u>13,239.63</u>
U. S. Treasury Bills	12/23/69	11/30/70	8.26%	<u>15,000.00</u>	<u>13,922.85</u>
TOTALS				<u>\$29,000.00</u>	<u>\$27,162.48</u>
U. S. Treasury Bills	02/17/70	07/31/70	6.56%	<u>109,000.00</u>	<u>104,630.89</u>
TOTALS				<u>\$109,000.00</u>	<u>\$104,630.89</u>

CITIZENS BAND OF POTAWATOMI, OKLAHOMA

PRAIRIE BAND OF POTAWATOMI INDIANS, KANSAS

PYRAMID LAKE INDIANS, NEVADA

ROCKY BOY INDIANS, MONTANA

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
ROUND VALLEY INDIANS, CALIFORNIA					
U. S. Treasury Bills	02/17/70	12/31/70	6.56%	2,000.00	1,893.33
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	1,000.00	930.25
TOTALS				<u>\$3,000.00</u>	<u>\$2,823.58</u>
SAC AND FOX INDIANS, OKLAHOMA					
U. S. Treasury Bills	02/11/70	08/31/70	7.73%	86,000.00	82,488.18
U. S. Treasury Bills	02/02/70	07/31/70	8.01%	477,000.00	458,977.70
U. S. Treasury Bills	12/10/69	06/30/70	8.19%	800,000.00	765,303.89
U. S. Treasury Bills	08/15/69	07/31/70	7.91%	31,000.00	28,811.90
U. S. Treasury Notes (5-5/8%)	11/28/69	05/15/70	8.10%	670,000.00	662,465.50
TOTALS				<u>\$2,064,000.00</u>	<u>\$1,998,047.17</u>
SALT RIVER INDIANS, ARIZONA					
U. S. Treasury Bills	11/28/69	05/21/70	8.27%	171,000.00	164,514.98
TOTALS				<u>\$171,000.00</u>	<u>\$164,514.98</u>
SANTA ROSA INDIANS, CALIFORNIA					
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	3,000.00	2,792.75
TOTALS				<u>\$3,000.00</u>	<u>\$2,792.75</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	Date Acquired	Maturity Date	Percent Annual Yield	Face Amount	Principal Cost
SAN CARLOS INDIANS, ARIZONA					
U. S. Treasury Bills	08/22/69	07/31/70	7.77%	483,000.00	450,099.30
U. S. Treasury Bills	12/23/69	10/31/70	8.32%	6,000.00	5,601.56
U. S. Treasury Bills	12/01/69	10/31/70	8.30%	210,000.00	195,176.18
U. S. Treasury Bills	11/28/69	10/31/70	8.40%	38,000.00	35,263.94
TOTALS				<u>\$737,000.00</u>	<u>\$686,140.98</u>
SENECA EDUCATION FOUNDATION					
U. S. Treasury Bills	02/19/70	06/25/70	7.18%	1,110,000.00	1,083,157.65
U. S. Treasury Bills	07/01/69	06/30/70	7.91%	1,656,000.00	1,534,943.88
Liberty National Bank & Trust Company Buffalo, New York	01/05/70	01/05/71	6.48%	1,301,475.35	1,301,475.35
Manufacturers & Traders Trust Company Buffalo, New York	07/03/69	07/03/70	6.43%	864,889.83	864,889.83
Manufacturers & Traders Trust Company Buffalo, New York	12/15/69	12/15/70	6.45%	1,339,394.77	1,339,394.77
Manufacturers & Traders Trust Company Buffalo, New York	02/09/70	02/09/71	7.79%	1,421,515.82	1,421,515.82
Marine Midland Trust Company of Western New York	01/05/70	01/05/71	7.82%	1,000,000.00	1,000,000.00
Buffalo, New York				<u>\$8,693,275.77</u>	<u>\$8,545,377.30</u>
TOTALS					
SHOSHONE-BANNOCK INDIANS OF FORT HALL, IDAHO					
U. S. Treasury Bills	02/05/70	07/30/70	8.08%	15,330,000.00	14,758,201.20
TOTALS				<u>\$15,330,000.00</u>	<u>\$14,758,201.20</u>

BUREAU OF INDIAN AFFAIRS
TRIBAL TRUST FUND INVESTMENTS
AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
SIOUX TRIBE OF FORT PECK RESERVATION, MONTANA					
U. S. Treasury Bills	12/08/69	06/30/70	8.14%	<u>1,045,000.00</u>	<u>999,524.60</u>
TOTALS				<u>\$1,045,000.00</u>	<u>\$999,524.60</u>
SISSETON AND WAPETON SIOUX TRIBES					
U. S. Treasury Bills	08/18/69	07/31/70	7.81%	1,495,000.00	1,391,826.40
U. S. Treasury Bills	08/15/69	07/31/70	7.99%	4,925,000.00	4,574,507.17
U. S. Treasury Bills	08/18/69	07/31/70	7.79%	20,000.00	18,619.90
First National Bank of Santa Fe Santa Fe, New Mexico	03/23/70	03/18/71	7.82%	<u>300,000.00</u>	<u>300,000.00</u>
TOTALS				<u>\$6,740,000.00</u>	<u>\$6,284,953.47</u>
SKOKOMISH TRIBE OF INDIANS					
U. S. Treasury Bills	10/14/69	04/30/70	7.60%	127,000.00	121,973.80
U. S. Treasury Bills	10/30/69	05/31/70	7.51%	377,000.00	361,165.86
U. S. Treasury Bills	01/08/70	07/31/70	8.19%	<u>236,000.00</u>	<u>225,665.41</u>
TOTALS				<u>\$740,000.00</u>	<u>\$708,805.07</u>
SOBODA INDIANS, CALIFORNIA					
U. S. Treasury Bills	02/17/70	12/31/70	6.55%	1,000.00	947.40
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	<u>1,000.00</u>	<u>930.25</u>
TOTALS				<u>\$2,000.00</u>	<u>\$1,877.65</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
SOUTHERN PAIUTE NATION					
U. S. Treasury Bills	02/17/70	05/31/70	7.12%	228,000.00	223,512.47
U. S. Treasury Bills	01/27/70	05/31/70	8.03%	77,000.00	74,974.05
U. S. Treasury Bills	12/23/69	05/31/70	7.85%	39,000.00	37,711.12
U. S. Treasury Bills	11/13/69	05/31/70	7.49%	7,685,000.00	7,383,388.10
U. S. Treasury Bills	03/11/70	05/31/70	6.90%	175,000.00	172,360.94
				<u>\$8,204,000.00</u>	<u>\$7,891,946.68</u>
SOUTHERN UTE INDIANS, COLORADO					
U. S. Treasury Bills	07/01/69	06/30/70	7.85%	1,070,000.00	992,323.38
U. S. Treasury Bills	01/07/70	11/30/70	8.31%	320,000.00	297,515.53
First National Bank of Denver Denver, Colorado	03/11/70	03/08/71	7.82%	400,000.00	400,000.00
				<u>\$1,790,000.00</u>	<u>\$1,689,838.91</u>
SPOKANE TRIBE OF INDIANS					
U. S. Treasury Bills	10/31/69	05/31/70	7.51%	2,349,000.00	2,250,325.43
				<u>\$2,349,000.00</u>	<u>\$2,250,325.43</u>
STANDING ROCK INDIANS, NORTH DAKOTA					
U. S. Treasury Bills	09/29/69	03/31/70	7.60%	1,982,000.00	1,909,260.30
				<u>\$1,982,000.00</u>	<u>\$1,909,260.30</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
THREE AFFILIATED TRIBES OF FORT BERTHOLD RESERVATION, NORTH DAKOTA					
U. S. Treasury Bills	11/03/69	09/30/70	7.70%	133,000.00	124,320.69
U. S. Treasury Bills	01/26/70	12/31/70	8.08%	1,684,000.00	1,566,497.69
U. S. Treasury Bills	03/11/70	11/30/70	6.99%	67,000.00	63,772.83
				<u>\$1,884,000.00</u>	<u>\$1,754,591.21</u>
TLINGIT AND HAIDA INDIANS OF ALASKA					
Bank Time Certificate of Deposit Marine Midland Trust Company of Western New York, Buffalo, New York	07/23/68	07/23/70	6.49%	1,250,000.00	1,250,000.00
Bank Time Certificate of Deposit Manufacturers and Traders Trust Company Buffalo, New York	07/23/68	07/23/70	6.49%	1,250,000.00	1,250,000.00
First National Bank in Fort Collins Fort Collins, Colorado	03/25/70	03/25/72	7.90%	247,946.92	247,946.92
Federal National Mortgage Association Participation Certificates - 4.70%	07/26/68	12/01/72	5.93%	500,000.00	478,750.00
Federal National Mortgage Association Participation Certificates - 6.45%	07/29/68	04/09/73	5.74%	500,000.00	513,046.88
U. S. Treasury Bills	04/22/69	03/31/70	6.44%	84,000.00	79,209.00
U. S. Treasury Notes (5 $\frac{1}{2}$ %)	07/29/69	11/15/70	7.68%	260,000.00	254,446.21
U. S. Treasury Notes (5 $\frac{1}{2}$ %)	01/22/70	05/15/71	8.10%	768,000.00	749,656.92
U. S. Treasury Bonds (3-7/8%)	10/06/69	11/15/71	8.10%	14,500.00	13,617.23
U. S. Treasury Bonds (4 $\frac{1}{2}$ %)	01/22/70	08/15/72	8.45%	378,500.00	343,018.62
U. S. Treasury Bonds (4 $\frac{1}{2}$ %)	01/22/70	02/15/72	8.40%	797,500.00	735,696.75
U. S. Treasury Bonds (3-7/8%)	01/22/70	11/15/71	8.27%	799,500.00	749,857.25
U. S. Treasury Bonds (2 $\frac{1}{2}$ %)	03/02/70	12/15/72	7.63%	84,000.00	74,524.73
				<u>\$6,933,946.92</u>	<u>\$6,739,770.51</u>

TOTALS

BUREAU OF INDIAN AFFAIRS
TRIBAL TRUST FUND INVESTMENTS
AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
UTE INDIAN TRIBE, UTAH					
U. S. Treasury Bills	10/10/69	04/30/70	7.66%	310,000.00	297,392.03
U. S. Treasury Bills	10/20/69	05/31/70	7.63%	312,000.00	300,022.20
U. S. Treasury Bills	11/12/69	05/31/70	7.54%	2,500,000.00	2,400,836.33
U. S. Treasury Bills	07/10/69	06/30/70	7.65%	1,500,000.00	1,396,165.50
U. S. Treasury Bills	11/12/69	10/31/70	7.71%	2,811,000.00	2,615,854.01
First Security Bank of Utah Roosevelt, Utah	04/07/69	04/07/70	6.48%	800,000.00	800,000.00
TOTALS				<u>\$9,233,000.00</u>	<u>\$7,810,270.07</u>
UTE MOUNTAIN INDIANS, COLORADO					
U. S. Treasury Bills	02/03/70	08/31/70	8.15%	652,000.00	622,932.49
U. S. Treasury Bills	02/03/70	12/31/70	8.15%	1,339,000.00	1,246,882.85
U. S. Treasury Bills	02/03/70	07/02/70	8.11%	541,000.00	523,672.06
U. S. Treasury Notes (5 $\frac{1}{2}$ %)	02/03/70	05/15/71	8.17%	7,772,000.00	7,509,698.00
U. S. Treasury Bonds (4%)	02/03/66	08/15/70	4.00%	64,500.00	64,500.00
TOTALS				<u>\$10,368,500.00</u>	<u>\$ 9,967,685.40</u>
WALLA WALLA, CAYUSE UNATILLA TRIBES OF INDIANS					
U. S. Treasury Bills	01/08/70	07/31/70	8.19%	626,000.00	598,582.11
TOTALS				<u>\$626,000.00</u>	<u>\$598,582.11</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
WARM SPRINGS INDIANS, OREGON					
U. S. Treasury Bills	01/08/70	07/31/70	8.23%	1,044,000.00	998,045.65
U. S. Treasury Bills	09/29/69	08/31/70	8.02%	1,074,000.00	1,000,126.12
U. S. Treasury Bills	01/08/70	10/31/70	8.38%	1,066,000.00	998,162.76
TOTALS				<u>\$3,184,000.00</u>	<u>\$2,996,334.53</u>
WHITE EARTH INDIANS, MINNESOTA					
U. S. Treasury Bills	06/17/69	05/31/70	7.29%	106,000.00	99,168.47
U. S. Treasury Bills	02/02/70	07/31/70	8.01%	103,000.00	99,110.74
U. S. Treasury Bills	02/13/70	01/31/71	7.75%	249,000.00	231,692.52
TOTALS				<u>\$458,000.00</u>	<u>\$429,971.73</u>
YAKIMA TRIBE OF INDIANS, DOCKET NOS. 47 AND 164					
U. S. Treasury Bills	11/28/69	04/23/70	8.25%	1,948,000.00	1,885,749.00
U. S. Treasury Bills	11/28/69	04/23/70	8.25%	3,735,000.00	3,615,640.70
U. S. Treasury Bills	11/28/69	04/23/70	8.25%	117,000.00	113,263.94
TOTALS				<u>\$5,800,000.00</u>	<u>\$5,614,653.64</u>
YANKTON SIOUX TRIBES					
U. S. Treasury Bills	09/11/69	08/31/70	7.97%	1,138,000.00	1,056,300.00
TOTALS				<u>\$1,138,000.00</u>	<u>\$1,056,300.00</u>

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
U. S. Treasury Bills	08/25/69	07/31/70	7.80%	4,718,000.00	4,398,070.18
U. S. Treasury Bills	09/18/69	07/31/70	7.82%	74,000.00	69,306.71
TOTALS				<u>\$4,792,000.00</u>	<u>\$4,467,376.89</u>
U. S. Treasury Bills	01/27/70	12/31/70	8.10%	5,000.00	4,651.25
U. S. Treasury Bills	01/27/70	10/31/70	8.15%	13,000.00	12,242.79
U. S. Treasury Bills	11/28/69	10/31/70	8.35%	6,000.00	5,570.52
TOTALS				<u>\$24,000.00</u>	<u>\$22,464.56</u>

YAVAPAI INDIANS, DOCKETS 22E AND 22F

YUROK INDIANS OF UPPER KLAMATH RIVER INDIANS, CALIFORNIA

BUREAU OF INDIAN AFFAIRS
 TRIBAL TRUST FUND INVESTMENTS
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
BLACKFEET-GROS VENTRE TRIBES					
The Great Falls National Bank Great Falls, Montana	12/09/69	06/09/69	6.48%	2,500,000.00	2,500,000.00
First National Bank Havre, Montana	12/09/69	06/09/70	6.48%	1,032,023.17	1,032,023.17
First National Bank Browning, Montana	12/09/69	06/09/70	6.48%	1,000,000.00	1,000,000.00
First National Bank of Great Falls Great Falls, Montana	12/09/69	06/09/70	6.48%	3,337,599.72	3,337,599.72
TOTALS				<u>\$7,869,622.89</u>	<u>\$7,869,622.89</u>
CREEK NATION OF INDIANS OF OKLAHOMA					
Farmers and Merchants Bank and Trust Company of Tulsa, Tulsa, Oklahoma	05/02/69	04/27/70	6.48%	222,785.14	222,785.14
Farmers and Merchants Bank and Trust Company of Tulsa, Tulsa, Oklahoma	05/03/69	04/28/70	6.48%	556,655.84	556,655.84
Farmers and Merchants Bank and Trust Company of Tulsa, Tulsa, Oklahoma	05/27/69	05/22/70	6.48%	111,152.48	111,152.48
Farmers and Merchants Bank and Trust Company of Tulsa, Tulsa, Oklahoma	06/19/69	06/19/70	6.48%	593,144.68	593,144.68
TOTALS				<u>\$1,483,738.14</u>	<u>\$1,483,738.14</u>

BUREAU OF INDIAN AFFAIRS
 INDIAN SERVICE SPECIAL DISBURSING AGENT
 DEPOSIT FUNDS (INDIVIDUAL INDIAN MONEY)
 AS OF MARCH 27, 1970

	Date Acquired	Maturity Date	Percent Annual Yield	Face Amount	Principal Cost
Treasury Bills	03/04/70	03/31/70	6.03%	1,005,000.00	1,000,540.80
Treasury Bills	11/28/69	04/23/70	8.25%	219,000.00	212,001.50
6-3/8% Treasury Notes, Series C-1970	12/04/69	05/15/70	6-3/8%	180,000.00	180,000.00
Treasury Bills	11/28/69	05/31/70	7.99%	115,000.00	110,653.44
6-3/8% Treasury Notes, Series D-1970	12/04/69	08/15/70	6-3/8%	1,597,000.00	1,597,000.00
5% Treasury Notes, Series A-1970	02/15/66	11/15/70	5%	100,000.00	100,000.00
2-1/2% Treasury Bonds, 1966-1971	11/29/44	03/15/71	2-1/2%	170,000.00	170,000.00
8% Treasury Notes, Series E-1971	10/02/69	05/15/71	8%	2,490,000.00	2,490,000.00
8-1/4% Treasury Notes, Series F-1971	02/16/70	08/15/71	8-1/4%	325,000.00	325,000.00
4% Treasury Bonds, 1971	03/09/62	08/15/71	4%	838,000.00	838,000.00
2-1/2% Treasury Bonds, 1967-1972	06/01/45	06/15/72	2-1/2%	2,407,000.00	2,407,000.00
2-1/2% Treasury Bonds, 1967-1972	11/04/41	09/15/72	2-1/2%	1,794,000.00	1,794,000.00
2-1/2% Treasury Bonds, 1967-1972	07/11/50	12/15/72	2-1/2%	4,217,000.00	4,217,000.00
4-1/8% Treasury Bonds, 1973	07/28/64	11/15/73	4-1/8%	359,000.00	359,000.00
3-1/4% Treasury Bonds, 1978-1983	01/02/62	06/15/83	3-1/4%	735,000.00	735,000.00
3% Treasury Bonds, 1995	04/26/56	02/15/95	3%	2,725,000.00	2,725,000.00
Federal Home Loan Bank Notes	06/30/69	06/26/70	8%	3,590,000.00	3,595,391.23
Federal Home Loan Bank Notes	09/02/69	08/25/70	8.20%	9,000,000.00	9,029,335.41
Federal Home Loan Bank Notes	10/23/69	04/26/71	8-3/8%	7,000,000.00	7,156,222.22
Federal Home Loan Bank Notes	11/05/69	11/26/71	8.20%	9,000,000.00	9,028,088.19
Federal Home Loan Bank Notes	01/12/70	02/25/72	8.20%	2,500,000.00	2,530,928.83
Federal Home Loan Bank Notes	02/06/70	01/25/74	8.40%	3,000,000.00	3,004,187.50
TOTALS				<u>\$53,366,000.00</u>	<u>\$53,604,349.12</u>

BUREAU OF INDIAN AFFAIRS
 INDIAN SERVICE SPECIAL DISBURSING AGENT
 DEPOSIT FUNDS (INDIVIDUAL INDIAN MONEY)
 AS OF MARCH 27, 1970

	<u>Date Acquired</u>	<u>Maturity Date</u>	<u>Percent Annual Yield</u>	<u>Face Amount</u>	<u>Principal Cost</u>
First National Bank Phoenix, Arizona	03/31/69	03/30/70	6-1/4%	1,800,000.00	1,800,000.00
First National Bank Broken Bow, Oklahoma	04/01/69	04/01/70	6-1/4%	400,000.00	400,000.00
First State Bank Gallup, New Mexico	04/20/69	04/20/70	6-1/4%	100,000.00	100,000.00
American Bank of Commerce Albuquerque, New Mexico	05/03/69	04/28/70	6-1/4%	2,000,000.00	2,000,000.00
Bank of America San Francisco, California	04/30/69	04/30/70	6-1/4%	1,600,000.00	1,600,000.00
TOTALS				<u>\$5,900,000.00</u>	<u>\$5,900,000.00</u>

SUMMARY

Tribal Funds in Banks	\$ 30,821,372.15
Tribal Funds in Treasury and Other Securities	<u>232,569,000.00</u>
TOTALS	\$263,390,372.15
ISSDA Funds in Banks	\$ 5,900,000.00
ISSDA Funds in Bonds and Securities	<u>53,366,000.00</u>
TOTALS	<u>59,266,000.00</u>
GRAND TOTAL	<u>\$322,656,372.15</u>

(Whereupon, at 12 o'clock noon the subcommittee adjourned, to reconvene at the call of the Chair.)

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