

Funding Our Own Demise:

How Federal Self-Determination Payments to Tribes Deprive Citizens and County and State Governments of their Own Self-Determination

This Booklet is a guide for federal, state and county government decision-makers charged with allocating taxpayer funds for essential governmental services to citizens in geographical locations where Indian Reservations are found within county or state borders. County budgets are increasingly eroded by Tribal programs and federal laws, including land-into-trust acquisition, Public Law 280 regarding jurisdiction, and Public Law 93-638 regarding self-determination contracts.

The purpose of this information Booklet is to demonstrate that taxpayer dollars are being used to support tribal, state and federal programs that undermine and erode the county and state ability to provide basic government services to citizens.

There are significant differences between a county or state government and a tribal government. First, while the state and county governments are constitutionally and legally obligated to provide for *all* citizens within their jurisdiction, Tribal governments have a limited governmental authority granted to them by Congress to provide government services *only to their own constituents* under the guidance of the federal government. In addition, while county governments are largely funded by tax revenue, Tribal governments within the same county are funded almost exclusively by the federal government under its policy of tribal “self-determination”. And finally, state and county government funding is public information and audited, while Tribal government spending of federal dollars may never be audited.

To address overlapping services, the counties and state have established “government to government” relationships. While the Tribes act to secure access to state and county benefits for their citizens, the federal funding they receive, sometimes for the same services, does not pass through to the county or to the state. In the context of land-into-trust acquisitions, for example, the federal government funds the Tribe to remove land from the county tax base, but the county is still expected to provide essential government services to the tribe and its members. Because the federal funds paid out to the Tribes are ultimately derived from taxpayers, it appears that our own tax dollars are being used to undermine our own county and state government’s ability to provide essential services to its citizens.

Comparison of Montana county government revenue across the state with the annual federal funding of the seven tribes in Montana as presented in this Booklet shows that the Tribal funding from the federal government far exceeds state county revenue. The federal funding used by the tribes to remove land from the county tax base and to purchase major infrastructure removes the tax revenue from the county and signals a demise in county government viability over the long term. The funding to the Tribes to enact these activities is another example of federal overreach and intrusion into state and local government. To maintain viable county governments and guard state taxpayers, this trend must be arrested immediately.

The Crucible: Lake County

Lake County is an example where federal Indian policy and funding, as well state funding, are acting to devastate the county’s tax base and jeopardize citizens by being unable to provide basic fire protection, law enforcement, road and infrastructure maintenance, and a host of social, health, and legal services for all citizens. Some of the key factors affecting the county are:

- **Public Law 280** – the CSKT are the only tribe in Montana where the state has criminal jurisdiction over tribal members, resulting in a disproportionate share of county resources being used for this purpose. It is currently overwhelming the county budget and local justice system.

- **The 2015 Tribal purchase of Kerr Dam** reduced county tax revenues by \$1.2 million per year, increasing pressure on the county to either reduce services or to increase property taxes.
- **The CSKT Water Compact** –S.3013 introduced by Senator Jon Tester proposed to award a settlement of \$2.3 BILLION to the tribe, and transfer ownership and management of the Flathead Irrigation Project to the CSKT, reducing irrigator water deliveries by an estimated 40-70%. If successful, this transfer of infrastructure will have a severe negative impact on local land values as well as the local economy.
- **Fee-into-trust land acquisitions** continue to erode the property tax revenue base, making it more and more difficult for the country to provide basic services to citizens.
- **Fuel tax revenues** are intended to cover the cost of road maintenance. Under a fuel tax revenue sharing agreement with the state, the CSKT received \$611,000 in gas tax revenue in 2016. Lake County was awarded only \$178,000, yet it is the county that is responsible for road repairs.

At the same time, the CSKT annual federal funding is at least \$250 million per year which is ten times Lake County's budget. Yet the CSKT do not contribute funding, actions or services that enhance county government abilities, and instead use the funds for other purposes which may or may not be related to the purpose for which they were federally funded.

Evaluating Tribal Requests for Funding

Considering the information presented in this booklet it is important for decision-makers to evaluate all Tribal requests for funding in the context of the extensive federal funding provided to the Tribe. Government officials must ensure that any funds awarded are not for services provided elsewhere, and seek accountability at all levels for the use of federal, state and local taxpayer funds.

For more information on the data in this booklet, please contact any of the following entities:

Concerned Citizens of Northwest Montana:

Address: P.O. Box 3601, Kalispell, MT 59903
 Email: montanavoter@startmail.com

Montana Land and Water Alliance:

Address: P.O. Box 1061 Polson, MT 59860
 Phone: 406-552-1357
 Email: 4mtlandandwater@gmail.com

Willman & Davis:

Phone: 509-949-8055
 Email: toppin@aol.com

Wendy Davis
daviswendyl@aol.com