

**Testimony of Tex G. Hall
Chairman, Three Affiliated Tribes
Chairman, Aberdeen Area Tribal Chairman's Association**

**Before the Senate Committee On Indian Affairs
on
S. 401, Native American Business Development,
Trade Promotion and Tourism Act of 1999**

April 21, 1999

Thank you, Senator Campbell and Senator Inouye for the opportunity to testify today in support of S. 401, the Native American Business Development, Trade Promotion and Tourism Act of 1999.

For the past two years, first as a member of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation along the Missouri River in northwest North Dakota, and now, more recently, as Chairman of the Three Affiliated Tribes, I have been actively pursuing a multi-faceted economic development effort for my Tribe. As we approach the bi-centennial of the Lewis and Clark Expedition in 1804-1806, in which the United States made its first official visit to our homelands on the Missouri River, we have been working hard to develop the potential of that event, by creating the opportunity for visitors to the Lewis and Clark trail a chance to learn more about us in culturally appropriate ways. It is also significant that the U.S. Treasury Department is considering using a likeness of Sakakawea, who we count among our ancestors, on a new coin partly in commemoration of that event.

In connection with our efforts, in the past two years, we have had the direct descendant of Maximillian, who visited the Mandan and Hidatsa people in the 1830's, visit our homelands in North Dakota, and in turn, sponsored by our North Dakota Tourism Department, we have visited him at the International Tourism Trade Show in Germany. We would want him, and others like him, to learn more about us as part of visits along the Lewis and Clark trail, before, during and after the bi-centennial of their famous expedition.

All of our effort comes against a backdrop of economic hardship that was largely not or our own making. For us on the Fort Berthold Reservation, and for other tribes along the Missouri River, the hardship was in large part caused by flooding of our ancestral

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homelands less than fifty years ago as the large dams of the Pick Sloan project were built along the Missouri River.

That is why this hearing on S. 401 is so timely. For the Three Affiliated Tribes, one of the most exciting aspects of S. 401 is Section 6, which sets up Intertribal Tourism Demonstration Projects, one of which is to be located on the Great Plains. As we continue to develop our projects for the Lewis and Clark Expedition Bicentennial observance, we believe we can very effectively use the assistance of the demonstration project contemplated by Section 6 of the Act to bolster the coordination of our efforts with a variety of entities: other tribes who interacted with the Lewis and Clark Expedition, federal, state and local agencies, and private, non-profit foundations who operate ventures like the Lewis and Clark Interpretive Center near Washburn, North Dakota. Just as important, the possibility of further financial grant assistance will allow us to be more recognized as an important participant in the observation of the Bi-centennial - after all, without the assistance of Sakakawea, who was with our Tribes, the whole Lewis and Clark Expedition might have been a disaster.

It is precisely this spirit of cooperation and coordination, so crucial to the Lewis and Clark Expedition, which I believe is a critical element of economic development throughout Indian country today, as we look for ways to diversify our economies.

That is why S. 401 is so important. The bill does some things that are long overdue for Indian country: It establishes an Office of Native American Business Development whose main purpose is to coordinate the welter of Federal programs that provide assistance to Indian tribes and to individual Native people for economic development, tourism, and trade. One might legitimately ask whether this Office would duplicate services already available, and I can assure the Committee and the Congress that such services are sorely needed if more Indian Nations are ever to recognize the dream of true self-sufficiency without relying solely on Indian gaming.

This is particularly true for the Indian tribes in the Great Plains and the Aberdeen Area of the Bureau of Indian Affairs. In our Area alone reside some of the most impoverished tribes in the Nation, whose governments conduct small gaming operations, but whose people, who number over 150,000 on or near the reservations, have needs that are grossly underserved by the Bureau of Indian Affairs and other Federal programs, and whose needs cannot begin to be met by the paltry returns of a few slot machines. This tragedy of poverty near third-world levels is compounded by the fact that our proud nations, which were all once very self-sufficient, are signatories to solemn Treaties that reserved to us our

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homelands in perpetuity, and yet were broken by the U.S. Government within a few short years of their signing.

Now we have the opportunity to see again the rise of the buffalo, as many Tribes, including the Three Affiliated Tribes, are beginning to be able to raise buffalo on their homelands. An Office of Native American Business Development can be a vital force as our economies begin to expand and take advantage of the resources we are left with: our people and our land. Those Tribes that are relatively close to the Canadian and Mexican borders, such as the Three Affiliated Tribes, can certainly use can use the provision in Section 8 of S. 401 to help their economies grow, which calls for providing a preference to Tribes that wish to become an international Free Trade Zone.

To illustrate further some of the reasons why the Office of Native American Business Development is so necessary, let me give you an example of a business development project in our Area that has benefited far more than just the Tribe that owns it. When Uniband, Inc., a data entry firm now owned and operated by the Turtle Mountain Band of Chippewa, and employing over 600 people in several states, and which launched a satellite operation on the Fort Berthold Reservation of the Three Affiliated Tribes, sought in 1994 to expand its facilities, it needed a BIA guaranteed loan. At the time, it was a Small Business Administration 8(a) certified company which had just been awarded approximately \$60 million in new data entry contracts from Federal agencies. Uniband put together a consortium of banks, including the Bank of North Dakota, to finance the expansion effort.

However, the one barrier to getting the financial assistance it needed was not the private sector, but the BIA's credit office in Washington, D.C. that had only recently taken away the approval authority for BIA guaranteed loans from the BIA Area Offices. While approval was eventually obtained, after the intervention of our U.S. Senators and others, the way the Tribe and its leaders had been treated, along with the financial community that had pledged its assistance, suggested to Aberdeen Area tribes that the BIA simply would not provide the kind of help our Nations needed to pursue substantial economic development efforts.

I truly believe that S. 401 can help change the dismal track record of the BIA towards economic development in Indian country, and it is long overdue. By coordinating available programs, and with the selection of someone working full time for the Indian Nations and their members, as required by S. 401, at least some of our economic development projects will have a chance to succeed. The creation of a Business Development office within the BIA will also provide some relief to the Aberdeen Area, which has in recent years seen its economic development staff cut to but one full-time

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person, who cannot begin to meet the needs for true economic development among our Aberdeen Area tribes and their members.

Other local programs sponsored by the Federal government, such as the Minority Business Enterprise Center located in Bismarck, North Dakota, at United Tribes Technical College, have also felt budget constraints, and have also found it difficult to work with the BIA in developing viable business opportunities for individual Tribal members. We need a Business Development office, such as that contemplated by S. 401, to truly promote and assist the development of reservation economies in the United States.

For the Three Affiliated Tribes, I can think of several individual projects that could be helped by S. 401, and I am sure other tribal leaders present here today have other examples: -- a modular home building project which will employ 30-50 people which we recently approved; our Mandaree Enterprises, Inc., which is now qualifying for the same kind of 8(a) data entry contracts that helped Uniband grow; and our efforts to keep more people employed at a local plant of Northrup Grumman that continues to have a cyclical employment history.

As all of the members of this Committee understand, we are now in the era of welfare reform. But for welfare reform to work for Indian people, who, despite the relative success of a few small tribes, are still the poorest people, with the highest percentage of our members on welfare, the shortest lifespan, and worst housing and health care in the United States of any ethnic group, we must have jobs. For Congress to demand that we, like the rest of Americans, leave welfare behind for good, we need to have every bit of help we can get to develop economically.

That is why S. 401, and other legislative proposals that Senator Campbell and others are discussing and that have been introduced, are so important. We need S. 401 to allow us to fully take advantage of the Federal, state and local programs that can help our Nations and our members leave welfare behind permanently, to help us break the terrible cycle of poverty that is a legacy of the treatment we received at the hands of the United States government.

I look forward to working with Senators Campbell and Inouye towards the passage of S. 401 and its full implementation. Again, I thank the Committee for the opportunity to provide this testimony to you.