

STATEMENT OF SENATOR TIM JOHNSON

Senate Committee on Indian Affairs

Hearing on

S. 964 The Cheyenne River Sioux Tribal Equitable Compensation Act

August 3, 1999

Mr. Chairman, Vice Chairman, and Members of the Committee, I would like to thank you for the opportunity to address the committee on S. 964, the Cheyenne River Sioux Tribal Equitable Compensation Act. This extremely important issue is the highest priority for the Cheyenne River Sioux tribe and will have a positive and lasting impact on the Cheyenne River reservation community and the entire state of South Dakota. I have worked closely with the Indian Affairs Committee to insure that this legislation protects the future interests of tribal members, and I am pleased that the bill reported by the Committee reflects these concerns. I am committed to seeing that the bill receive strong Senate support, and look forward to working with my colleagues to ensure that the bill moves forward for approval by the full Senate.

The Cheyenne River Sioux Tribe Equitable Compensation Act would establish a trust fund within the Department of the Treasury for the development of certain tribal infrastructure projects for the Cheyenne River Tribe as compensation for lands lost to federal public works projects. The trust fund would be capitalized from a small percentage of hydropower revenues and would be capped at \$290 million. Independent research has concluded that the economic loss to the tribe justifies such a compensation fund. The tribe would then receive the interest from the fund to be used according to a development plan based on legislation previously passed by Congress, and prepared in conjunction with the Bureau of Indian Affairs and the Indian Health Service.

This type of funding mechanism has seen unanimous support in the Congress through recent passage of the Lower Brule Sioux Tribe Infrastructure Development Trust Fund Act as well as the Crow Creek legislation passed last Congress. Precedent for these infrastructure development trust funds capitalized through hydro-power revenue was established with the Three Affiliated Tribes and Standing Rock Sioux Tribe Equitable Compensation Act of 1992, which set up a recovery fund financed entirely from a percentage of Pick-Sloan power revenues to compensate the tribes for lands lost to Pick-Sloan.

I believe it is important for the Senate to understand the historic context of this proposed compensation. As you may know, the Flood Control Act of 1944 created five massive earthen dams along the Missouri River. Known as the Pick-Sloan Plan, this public works project has since provided much-needed flood control, irrigation, and hydropower for communities along the Missouri. Four of the Pick-Sloan dams are located in South Dakota and the benefits of the project have proven indispensable to the people of my state.

Unfortunately, construction of the dams was severely detrimental to economic and agricultural development for several of South Dakota's tribes, including Cheyenne River. Over 100,000 acres of the tribe's most fertile and productive land, the basis for the tribal economy, were

inundated, forcing the relocation of roughly 30 percent of the tribe's population, including four entire communities.

The Cheyenne River Sioux Tribe Equitable Compensation Act of 1999 will enable the Cheyenne River Tribe to address and improve their infrastructure and will provide the needed resources for further economic development within the Cheyenne River reservation community. However, the damage caused by the Pick-Sloan projects touched every aspect of life in South Dakota, on and off reservation. The economic development goal targeted in this approach is a pressing issue for surrounding communities off reservation as well, because every effort toward healthy local economies in rural South Dakota resonates throughout the state.

Mr. Chairman, the tribes in my state experience some of the most extreme poverty and unemployment in this country. Under the current Chairman, Gregg Bourland, the Cheyenne River Sioux Tribe has been a leader in economic development initiatives within the reservation community and I believe this bill will reinforce and further the economic development successes of the tribe. I look forward to working with my colleagues on this important piece of legislation to the Cheyenne River Sioux Tribe and I encourage swift Senate action on this bill.