

STATEMENT OF MICHAEL ANDERSON, DEPUTY ASSISTANT SECRETARY - INDIAN AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR, BEFORE THE COMMITTEE ON INDIAN AFFAIRS, UNITED STATES SENATE ON S. 1905, THE "CHEYENNE RIVER SIOUX TRIBE EQUITABLE COMPENSATION ACT."

July 8, 1998

Good morning, Mr. Chairman and members of the Committee. I am pleased to be here today to present the Department of the Interior's views on S. 1905, the "Cheyenne River Sioux Tribe Equitable Compensation Act." If enacted, this bill would provide to the Cheyenne River Sioux Tribe much deserved benefits of the Missouri River Basin Pick-Sloan Program. We could support this legislation, if amended.

I wish to thank Senator Daschle for introducing the bill which addresses long standing problems regarding development in the Missouri River Basin and its impacts on Indian tribes residing in the region.

S. 1905 is a continuation of the United States efforts to correct inequities of a regional Federal development project which affected several Tribes. The Pick-Sloan Missouri River Basin Program, or Pick-Sloan, is a major Federal program that provides for economic development, irrigation, and flood control in the Missouri River Basin. One of the major components of Pick-Sloan is the Oahe Dam and Reservoir, which had a devastating impact on the Cheyenne River Sioux Tribe, its culture, and its economy.

Fifty years ago the Oahe Dam - and Reservoir flooded over 104,402 acres of Tribal homelands. This required most of the Tribe's residents to relocate from historical cultural homelands and fertile river lands. These lands were taken and permanently sacrificed to provide for the general welfare of the United States, and this Tribe along with others in the area were never properly compensated.

S. 1905 allows the Cheyenne River Sioux Tribe to be fully compensated for its sacrifices and share in the economic development 't has provided over the past fifty years.

S. 1905 as currently drafted has significant pay-as-you go implications. Unlike two previously enacted bills, whose direct spending was limited to annual interest on the "trusts," S. 1905 as currently drafted includes direct spending of the amount of the "trust" that accrues through 2002 (about \$100 million) and would therefore require an offsetting decrease in direct spending or increase in receipts. The Administration could support enactment of S. 1905 if it were redrafted in a manner similar to the bills passed for the Lower Brule and Crow Creek Tribes, with some additional technical modifications. However, the Administration **is** concerned that this type of off-budget financing approach appears to be without cost. A more straight forward approach would be to rely on the authorization/discretionary appropriation process. The Department would be happy to work with the Committee in this regard.

This concludes my testimony in support of S. 1905. I will be happy to respond to any questions you may have.