

JANUARY 2004 CROW TRIBAL LEGISLATURE

CROW LEGISLATIVE BILL NO. CLB04-01

INTRODUCED BY CARL E. VENNE, CHAIRMAN
CROW TRIBAL EXECUTIVE BRANCH

A BILL FOR AN ACT ENTITLED "AN ACT AUTHORIZING THE TRANSFERS OF CROW BOUNDARY SETTLEMENT ACT TRUST FUNDS FROM PRINCIPAL TO INCOME, MAKING SUCH FUNDS AVAILABLE TO THE TRIBE FOR CURRENT EXPENDITURES, AND ADOPTING AN AMENDED BUDGET FOR THE EXPENDITURE OF SUCH FUNDS IN THE FISCAL YEAR 2004."

WHEREAS, the Crow Tribal Trust Fund (commonly known as the "107th Fund") in the amount of \$85 million was established pursuant to the Crow Boundary Settlement Act of 1994, Pub. L. 103-444, 108 Stat. 4638 (Nov. 2, 1994)(the "Act"); and

WHEREAS, the Section 6(d) of the Act provides that "only interest on funds in the Crow Tribal Trust Fund shall be available for distribution by the Secretary to the Crow Tribe for use for education, land acquisition, economic development, youth and elderly programs or other tribal purposes in accordance with plans and budgets developed and approved by the Crow Tribe and approved by the Secretary." 25 U.S.C. § 1776d(d)(1); and

WHEREAS, after the Act, the Office of the Special Trustee for American Indians ("OST") adopted a policy based on uniform trust principles that requires capital gains earned on Trust Fund investments remain in the Trust. This fiduciary practice provides for growth in the Trust to offset the effects of inflation on future earnings that will be available to the beneficiary. Capital gains are defined as the difference between the proceeds from the sale of a security and its accreted/amortized carrying value or cost; and

WHEREAS, at the request of the Chairman, OST has determined that the sum of \$399,827 posted as capital gains in the principal portfolio may be made available to the Tribe, consistent with the Act, by mean of an adjustment whereby the investment securities are transferred to the income account (the "Adjustment"); and

WHEREAS, additional amounts may become available through future adjustments and/or through enabling the amortization and accretion capability in the Trust Funds Accounting System ("TFAS"), and these amounts are all in addition to millions of dollars in capital gains that remain in the Trust Account under the current provisions of the Act and OST policies; and

WHEREAS, the Executive Branch and the Legislative Branch recognize that the Adjustment and future amounts available through amortization and accretion of investments in the Crow Tribal Trust Fund will reduce the amount of growth in the Fund, and the resultant additional income that might otherwise available to the Tribe in the future, but both Branches



believe and agree that investing these additional funds on a current basis in education and economic development, and for the other purposes specified in the Act, will pay larger long-term dividends to the Tribe and Crow Tribal members; and

WHEREAS, Article IV, Section 3(d) of the Crow Tribal Constitution and Bylaws requires the Executive Branch to prepare an annual budget for the operation of the Tribal Government for the approval of the Legislative Branch and the Secretary of the Interior, and Article V, Section 2(e) empowers the Legislative Branch to grant final approval or disapproval of an annual budget prepared by the Executive Branch; and

WHEREAS, the Executive Branch prepared an annual budget which was duly submitted to the July 2003 Session of the Crow Tribal Legislature, and the Legislative Branch granted approval of and adopted the Crow Tribal Budget for the Fiscal Year 2004 Ending October 2004, in Bill No. CLB0305; and

WHEREAS, there is a question as to whether the Tribal Constitution requires the Legislature's or the Secretary's approval of a budget amendment for this amount of additional Tribal revenues, but the Branches agree that the Legislature's approval is prudent in view of the Crow Boundary Settlement Act provisions; and

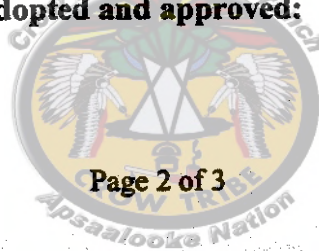
WHEREAS, a budget amendment for the expenditure during fiscal year 2004 of the additional 107th Trust Fund income resulting from the Adjustment described above has been developed by the Executive Branch and duly submitted for this Session of the Legislature;

NOW, THEREFORE, BE IT ENACTED BY THE CROW TRIBAL LEGISLATURE:

Section 1. The Secretary of the United States Department of Interior and Office of the Special Trustee are requested and authorized to transfer the amount of \$399,827 in the Crow Tribal Trust Fund from principal to income pursuant to the amortization and accretion Adjustment described above, and to make that additional income available to the Crow Tribe for expenditure according to the Amended Budget approved pursuant to the further provisions of this Act.

Section 2. The Secretary and OST are further requested and authorized to enable the amortization and accretion capability in the TFAS for the Crow Tribal Trust Fund as soon as reasonably practicable, to make additional amortization and accretion adjustments for the periods of time until that capability is enabled, and to make all additional income resulting from amortization and accretion calculations and adjustments available to the Tribe for the purposes allowed in the Crow Boundary Settlement Act and according to future approved budgets.

Section 3. Based on the Tribe's receipt of the additional 107th Trust Fund income as authorized in Section 1 above, the following Amendments to the Crow Tribal Budget as enacted by CLB 0305 for Fiscal Year 2004 commencing October 1, 2003 and ending September 30, 2004, are hereby adopted and approved:

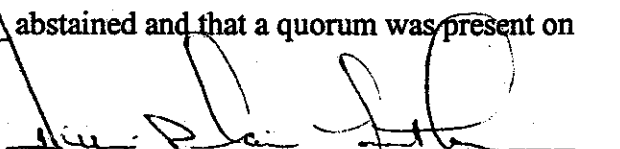


Account Description	Account Number	Original Budget	Amended
REVENUE:			
GAIN ON SALE OF SECURITIES (Increase of \$399,827)	150-50260	\$-0-	\$399,827
EXPENDITURES:			
EDUCATION GRANTS (Increase of \$134,000)	150-150H-63390	\$160,000	\$294,000
ECONOMIC DEVELOPMENT (Increase of \$205,827)	150-150Q-64470	\$-0-	\$205,827
ADMINISTRATION (Increase of \$60,000)	150-150A-Various	\$992,953	\$1,052,953

Within the above programs and accounts, the Executive Branch is further authorized and directed to expend the funds substantially in accordance with the Budget Narrative attached hereto.

CERTIFICATION

I hereby certify that this Bill was duly approved by the Crow Tribal Legislature with a vote of 15 in favor, 0 opposed, and 0 abstained and that a quorum was present on this 4th day of February, 2004.



 Speaker of the House
 Crow Tribal Legislature


ATTEST:



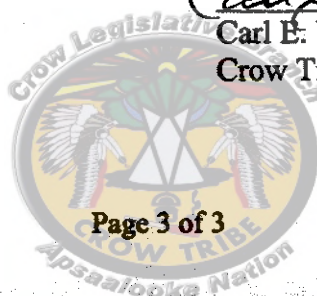
 Secretary, Crow Tribal Legislature

EXECUTIVE ACTION

I hereby X approve, _____ veto this Bill pursuant to the authority vested in the Chairman of the Crow Tribe by Article V, Section 8 of the Constitution and Bylaws of the Crow Tribe of Indians, on this 5 day of February, 2004.



 Carl E. Venne, Chairman
 Crow Tribal Executive Branch



PROPOSED BUDGET NARRATIVE FOR ADDITIONAL REVENUE JANUARY 2004

107TH EDUCATION GRANTS BUDGET DETAIL OCTOBER 1, 2003 THROUGH SEPTEMBER 30, 2004			
SCHOLARSHIPS/ GL 63390	APPROXIMATE NUMBER OF STUDENT FUNDED PER YEAR	AMOUNT EACH FISCAL YEAR	TOTALS
Direct Student Financial Assistance based upon needs analysis. Awarded @\$400 per semester student is in compliance			
PRESENT APPROPRIATION (for existing students Fall 2003 @ \$400 & Spring 2004 @ \$400 & approx 30% of Fall 2004 @ \$120 see 1/)	166	\$920.00	\$152,000+/-
Portion for summer quarter students (approximately June - Aug 2004)	20	\$400.00	\$8,000.00
			\$160,000.00
PROPOSED AMENDMENT (for additional students Spring 2004 @ \$400, & Fall 2004 @ \$400)	168	\$800.00	\$134,000.00
AMENDED TOTAL AVAILABLE FOR STUDENTS	354	\$800+	\$284,000.00
NOTE - some student might only apply/qualify in one or the other semester so theoretically more students will receive awards			
1/ College semesters normally begin late August to late September therefore approximately half of the students may receive their semester award prior to the end of the Tribe's budget year.			
ECONOMIC DEVELOPMENT			
MISC GL 64470	HOURS	AMT EA	TOTALS
Consulting services for marketing research, economic resources evaluations etc by specialist firms (engineering, biologist, economists, Geologists etc)	320	\$125.00	\$40,000.00
Natural Resources assistance in developing Tribal water systems and infrastructure of Tribal communities	952	\$100.00	\$95,627.00
Development of additional and current resources and studies on energy projects	702	\$100.00	\$70,200.00
TOTAL PROPOSED BUDGET			\$205,827.00
ADMINISTRATION			
MAINTENANCE 64400			TOTALS
Clean up/maintenance/upgrades to Multipurpose Building. Includes waxing floor, boiler repair, replacement of curtain/room divider. Multiple contractors needed			\$80,000.00
TOTAL PROPOSED BUDGET			\$80,000.00
GRAND TOTAL			\$399,827.00