STATEMENT OF AFFILIATED TRIBES OF NORTHWEST INDIANS PRESENTED TO GLENN L. EMMONS, COMMISSIONER OF INDIAN AFFAIRS, AT SPOKANE, WASHINGTON, JANUARY 21, 1955.

PREFACE

The Affiliated Tribes of Northwest Indians was formed a number of years ago to bring about a recognized representation of American Indians to work against the extinguishment of established Indian rights. Its purpose is to promote and protect the interests of the American Indians and to preserve peaceful and cooperative relations among the tribes as well as promoting harmonious relations with other groups. The organization seeks to overcome inadequate economic opportunities which confront the Indians. The Affiliated Tribes of Northwest Indians is tightly organized and is rapidly turning out as a highly effective group of tribes. Long ago, the organization's leaders became aware of the danger which lies in the much repeated propaganda that Indians occupy a favored place in the Nation and that the way to deal with Indians is to throw them on their own, to abolish the services developed in their behalf, and to remove all protection from their property.

Our present officers are as follows:

President: Joseph R. Garry, Plummer, Idaho. Mr. Garry is also president of the National Congress of American Indians, a member of the Coeur d'Alene Tribal Council on which body he served as chairman for a number of years. Mr. Garry has traveled extensively throughout the Indian country and is well informed on the status of Indian affairs.

Vice President: Alex Saluskin, Toppenish, Washington. Mr. Saluskin was chairman of the Yakima Tribal Council for several years. He is now serving on the Yakima Tribal Council as its secretary. He also represents the State of Washington on the Governors' Interstate Council on Indian Affairs. Furthermore, he is a member of the Executive Council of the National Congress of American Indians.

Secretary-Treasurer: Frank George, Nespelem, Washington. Mr. George was for five years the tribal relations officer for the Colville Confederated Tribes which position he resigned to become Executive Director of the National Congress of American Indians. He served in the capacity of executive director for about sixteen months. He has held other offices in the NCAI such as second vice president, first vice president, regional secretary and is now a member of the Executive Council. He was a charter member of the Governors! Interstate Council on Indian affairs where he served as vice-chairman for two years and one year as that organization's secretary. He has been secretary-treasurer of the Affiliated Tribes of Northwest Indians since its very inception.

Our Executive Council is made up of five members as follows:

Alex Sherwood, Wellpinit, Washington. Mr. Sherwood, until the last tribal election, served as chairman of the Spokane Tribal Council since the organization of its present form of tribal government. He is a former vice president of this organization.

William A. Wall, Chairman, Crow Tribal Council, Crow Agency, Montana. Mr. Wall has been an active participant in Montana Indian affairs as well as with our organization.

Robert LaFromboise, Chairman, Blackfeet Tribal Council, Browning, Montana. Mr. LaFromboise heads up a very active tribal government on a reservation rich in natural resource assets.

Sam Scott, Warm Springs Tribal Council, Warm Springs, Oregon. Mr. Scott is another member of the NCAI's Executive Council and has contributed much for the welfare of his tribesmen on the Warm Springs reservation in Oregon.

Eagle Seelatsee, Chairman, Yakima Tribal Council, White Swan, Washington, Mr. Seelatsee is also one of the recognized chiefs of the Yakima tribe. He has for many years taken an active part in tribal affairs on his reservation.

While the above members form our roster of officers, we rely also on other tribal leaders for advice, exchange of information, and they participate in our deliberations.

Our last three conventions have been held in Spokane, Washington. Other annual meetings have been held at Yakima, Washington; Pendleton, Oregon and Nespelem, Washington.

Our bulletins and news letters reach Indian Centers at several of the Nation's large cities as well as tribal leaders throughout the Indian country, organizations like the Daughters of the American Revolution, the AMVETS, the General Federation of Women's Clubs, and other organizations who are interested in Indian affairs.

TERMINATION OF FEDERAL SUPERVISION

We oppose the implementation of the "termination of Federal trusteeship" or "withdrawal" bills as were introduced in the 83d Congress and we will continue our opposition to similar bills in the 84th Congress.

It is our firm conviction that the National Government should evince a far different interest in the Indians and in their protection that treaty and other obligations require. The status of the Indians are such that they are entitled to the highest degree of consideration. There are not only legal and binding obligations resting upon the Government from which it may not honorably escape, but there are also moral obligations which are of commanding force. The duties of a trustee are clearly recognized by law and the courts, and when their jurisdiction is invoked they are quick to respond to the demands of those whose lives and property are under the control and jurisdiction of trustees. In this particular instance, the Government should give consideration to the cries of distress and to humanitarian appeals of the Indians and to the moral and legal responsibilities resting upon the National Government as their trustee and guardian.

The Department of the Interior and the Congress of the United States is now fully aware of the protests lodged against termination of Federal supervision over Indian lands by Indians in every section of the Indian country. Many of our leaders firmly believe that the withdrawal or termination bills have the net effect to throw all Indian lands on the tax rolls and thus get them out of Indian ownership. This observation is borne from historical instances whereby practically all the lands fee patented have passed out of Indian ownership. In the end, Indians will have no alternative other than to sell their lands, to break down Indian community organization, and to be deprived of all protection and

assistance by the Federal Government. The withdrawal bills will also bring about the removal of all safeguards provided by treaty and law which now protect Indian property and civil rights. Trust protection for all Indian lands should not be removed. There is a manifest need for such protection as set forth in the many treaties and agreements in which trusteeship protection has been promised. The prevailing desire of the Indians for continuance of trusteeship should be respected.

We are also cognizant of the fact that for many years there has been a rising tide of discontent, especially from Indians and whites who have grievances against the Bureau of Indian Affairs. This discontent is aimed against governmental restrictions upon the control of Indian lands.

This flame of dissatisfaction is constantly fanned by land speculators, and others who hope to obtain personal profit through the removal of such restrictions.

The demand for ending federal supervision stems from many directions. It comes from Indians who are able to provide for their own living and whose false reasoning based upon their own ability to provide for themselves and their families, make the demand with no serious thought upon the effects that it will have upon those of the Indian race who by reason of no education, no experience with white competition in the business world of today and who will be doomed to early collapse and bankruptcy.

The request also comes from a lot of well meaning white people whose intentions are good, but who apparently fail to realize all the implications of such demands if granted.

The demands also come from non-Indian groups who wish to see the land properties of the Indian taxed and put upon the tax rolls of the counties in which the lands are located.

The demand also comes from other non-Indian groups who desire to purchase Indian lands adjacent to their own lands; these people have purchased inherited or fee simple patented lands which have been issued to living Indians who immediately disposed of such lands; those groups and individuals wish to expand their holdings but are prevented from doing so by the trust status of the lands around them—to abolish the Indian Bureau and throw such lands upon the market through fee patents to the present Indian owners is the only way to their purchase.

Often whole counties, like Okanogan and Ferry Counties, State of Washington, and several other counties in Montana, and Oregon, seek the taxation of Indian lands so that tax revenue therefrom may come to the counties' coffers and to do it the issuance of fee simple patents or the abolishment of the Bureau of Indian Affairs will do the trick. These then are the groups who demand that the Bureau of Indian Affairs be abolished. Personal reasons, tax reasons and the desire to acquire Indian lands by non-Indians are all involved in the effort to abolish the Indian Bureau.

There is also the argument advanced by some that the Bureau is costing the Government too much money. Also that Indian Bureau management has destroyed the personal initiative of the Indians. These then seem to complete the arguments to abolish the federal supervision over Indian affairs.

However, it still must be remembered that in nearly all cases where fee

patents have been issued, the Indians have squandered the proceeds of the lands which they sold immediately. For proof of this assertion we can look at Oklahoma and the reservations in North and South Dakota where the Indians have been losing much of their land base. Look to those Indians who received Policy Patents from Indian Commissioner Cato Sells and Interior Secretary Franklin K. Iane in the Wilson administration. None of the Indians who received fee patents kept their lands by paying taxes.

Many of us believe that Indians yelling to "abolish the Indian Bureau" should think twice and a long time before they approach those in authority at Weshington, D. C. to abolish the Bureau, and also abolish the tax immunity which is a vested property right of the Indians. These Indians better think a long time about the implications of such a demand upon their own relatives on the reservations before they take their demands to Congress.

While we carry no brief for the Indian Bureau, we must advance the argument that the Indian Bureau is necessary for the protection of our people from the whites generally and with the right kind of administration the Indian Bureau will continue to remain as a haven and a refuge for the Indians.

On the old argument that the Government has been donating too much money for the Indian Bureau, we call attention to the fact that the Indians owe the Government nothing. The Government on the other hand owes the Indians a tremendous debt that it will never repay. The Government took billions of dollars worth of land and resources away from the Indian tribes of the United States. The least it can do now is to appropriate the little it does each year to protect the Indians on each reservation. This is simple justice long overdue the Indians.

The subject of Indian status is bi-lateral and not unilateral. The status of Indianhood is graven at the very base of Federal Indian law and of Indian relations, and should be the particular datum which the Congress of the United States, the Interior Department and the President of the United States should continue to observe.

The Commerce Clause of the United States Constitution is the principal foundation for all Indian law and it should not be said that any administration is doing what it can for what it believes to be in the best interests of the American Indians. The point is not one of motives but of constitutional authority for which the best of motives is not a substitute.

The subject of liquidation, emancipation, termination, withdrawal, readjustment and all of the other euphemisms is not new. It began long ago. With only the remnants of our once vast possessions still available to us, we humbly request for a fulfillment of the Government's solemn obligations, and fulfillment of those obligations are sufficient reasons against a premature, hasty and ill-conceived total withdrawal of the Federal Government from Indian affairs, which might pave the way for seizure of Indian resources by the States or by local vested interests.

Despite our limitations we have endeavored to point out that Indian affairs are in a crisis more acute than any that has faced the Indians at any time. A profound misunderstanding of the true conditions, status, and needs of American Indians in the Congress of the United States, and the Department of the Interior could very well threaten to destroy the Indians' rights, and eventually their property and their hope for progress.

Under the guise of giving Indians "first-class citizenship" and "political equality", the legislative and executive branches of our National Government should not undertake to "solve the Indian problem" by abruptly revoking the Federal protective relation.

We American Indians are first-class citizens and have political equality.

A sudden end to the Federal safeguards that protect Indian self-government and ancient homelands can neither enlarge Indian citizenship nor remedy the widespread Indian poverty, ill-health and ignorance that are real "Indian problems."

FEDERAL AND STATE TAXATION OF INDIANS

We want to preserve our claim of right and status of immunity arising out of the Federal Constitution, laws and judicial decisions. It must be conceded by all that there is an immunity from taxation belonging to Indians with respect to their tribal lands, allotted lands, and other classes of property. The States and their instrumentalities must be made to realize that they are prohibited by law from imposing any tax or exercising any jurisdiction over tribal lands, and a state is not cloaked with authority to do indirectly what it is expressly forbidden to do by law, so long as such inhibiting law is applicable.

U. S. v. Rickert, 188 U. S. 432, 47 L. Ed. 533
Case of Kansas Indians, 5 Well 737, 18 L. Ed. 667
Carpenter v. Shaw, 280 US 363, 74 L. Ed. 478
U. S. v. Hamilton, 233 Fed. 685
Clney v. McNair, 105 WASH. 18
U. S. v. Pearson, 231 F 270

This immunity arises out of federal sovereignty,

McCurdy V. U. S., 264 US 484, 68 L. Ed. 801 and cases cited supra and out of Acts of Congress.

The Act of February 22, 1889, 25 U. S. Statutes at Large, C 180, P. 676, Section 4, Paragraph "Second".

U. S. v. Ferry County 24 F. Supp. 399

Such sovereignty and the authority to extend such privilege of immunity is empowered by the U. S. Constitution, Article 1, Section 8, Clause 3 *** to regulate commerce with foreign nations, and among the several States, and with the Indian Tribes;"

Such authority is exercised and such right of immunity is extended in consequence of a duty of protection of a lesser peoples by a more powerful.

"Because of local ill feeling, the people of the states where they are found are often their deadliest enemies. From their very weakness and helplessness, so largely due to the course of dealing of the Federal Government with them and the treaties in which it has been promised, there arises the duty of protection and with it the power". U. S. v. Kagama 118 US 384, 30 L. Ed. 228.

"It is apparent that, if the various provisions of the laws of Iowa are to be held applicable to these Indians and their property, then their tribal condition will be speedily broken up, not in pursuance of the acts of the national government but through the enforcement of the laws of the state, acting upon the persons and property of the Indians." (Peters v. Malin 111 Fed. 244)

As a corollary to the exercise of federal sovereignty and as a consequence of the cloak of protection wrapped about the Indians by the Congress, the states and all others are prohibited from the exercise of jurisdiction over Indian Tribes and property and from imposition of taxes, no matter how skillful their manipulations.

Jackson Co. vs. U. S., 308 U. S. 343, 84 L. Ed. 313

Heckman vs. U. S., 224 U. S. 413, 56 L. Ed. 478

Carpenter vs. Shaw Supra

Creek County vs. Seber 318 U. S. 708, 87 L. Ed. 1094

Case of the Kansas Indians, supra, Ex parte Crow Dog

The Affiliated Tribes of Northwest Indians is vitally interested in the outcome of the Julia Nicodemus case. Federal District Court Judge D. Worth Clark ruled against Mrs. Nicodemus in the District Court of the United States for the District of Idaho last month. Her attorney is taking the proper legal steps required to appeal to the Circuit Court of Appeals.

The attorney for plaintiff stated that the sole question to be determined is whether the wheat rentals received by an enrolled Indian of the Coeur d'Alene Indian Reservation from allotted, restricted Indian lands held in trust for her by the United States Government, is subject to Federal income tax.

Julia Nicodemus is an aged Indian woman who lives alone with her son near Tekoa, Washington and she has typical land holdings. For that reason this tax case is a typical, or test case. It does not affect Julia Nicodemus alone. The decision of the Courts will affect every Indian allottee in the country. This is, in effect, a test case to declare the law applying to thousands of allottees and millions of acres of similar allotments.

Attorney Dellwo stated in his brief that, "The problem is multiplied by the fact that there is no case which can be cited as controlling authority by either side in this litigation. The Supreme Court has yet to speak on this particular question. The most recent case, and the one upon which the Commissioner will undoubtedly rely, is the case of Jones v. Taunah (186 F. 2d 445), which was decided by the U. S. Court of Appeals for the Tenth Circuit on January 2, 1951, and involved a similar question of taxability of income from gas rentals and royalties from similarly restricted Indian land. The District Court had held that in the original treaty and the General Allotment Act a tax exemption in the lands was created which became a vested property right which could not be constitutionally impaired by subsequent income tax legislation.

"But the Circuit Court of Appeals reversed the District Court by holding that such exemptions are never provided by implication and that "until Congress shall explicitly provide otherwise, income of a kind in question is not exempt from income tax under Federal law,"

Certiorari was denied by the Supreme Court of the U. S. (341 US 904)

Attorney Dellwo further states in his brief: "The other case with similar background is the case of Clark Squire, Collector vs. Horton Capoeman and wife, presently on appeal to the Ninth Circuit from the District Court of the Western District of Washington, Southern Division. This is a case involving net profits on the sale of timber from similar restricted lands with a similar historical background. The District Court's findings, dated September 3, 1952, while favorable to Plaintiff in instant case, actually turned on the conclusion of the Court that timber was part of the realty and a tax on the sale of the timber was in effect a tax on the realty in violation of the treaty, allotment and trust patent. The Court did not decide whether or not the income would have been taxable if it were from fructus industriales such as wheat, as in instant case.

"Actually to determine whether or not the pertinent income is taxable we must in effect go back to original sources and endeavor to discover and interpret just what agreement there was between the Indians and the U.S. It is plain that any income tax exemption must be based upon that agreement.

" * * A conclusion in line with <u>U. S. v. Rickert</u>, 188 U. S. 432, and others, where it is held: That general acts of Congress do not apply to Indians unless so worded that they clearly manifest an intention to include them in their operation.

"Does the Income tax law clearly apply to the Indians! income from trust property? The reverse of this question is: Was there not rather an implied, if not express agreement that such income would be exempt from income tax?

We find that not only are the Income tax laws strictly construed so as not to apply to Indians unless specifically provided but that, on the other hand, the treaties with and laws governing Indians are liberally construed and doubtful expressions are resolved in favor of the Indians.

"For example in <u>Carpenter v. Shaw</u>, (280 U. S. 363) the State of Oklahoma sought to tax oil royalties coming to individual Indians from allotted lands in a manner similar to the present wheat rentals. The Court denied the right to tax because the original 'agreement' (similar to ours) provided that 'all the lands allotted shall be nontaxable while the title remains in the original allottees.'

Indian in the United States and particularly on the Coeur d'Alene Reservation.

Julia Nicodemus was acting in concert with them and, from all over the Nation, word came to her what she must do - because the Indians were afraid that the collective rights and understanding of the Indian Nations would be nibbled away by the individual application of Income tax laws.

"This is not a question of what Julia Nicodemus thought the agreement was, or her understanding. It is apparent that she didn't know and didn't understand anything about it. She is in effect a name, representing the collective opinion of Indians * * * ."

Indian tax exemptions are not personal to the Indian but are characteristic of certain forms of property, resting generally on a treaty or agreement promising that a piece of land would remain in Indian ownership forever. Such promises were generally part of the bargains by which most of the land of the United States was sold to the Government. INDIANS ARE PERFECTLY WILLING TO GIVE UP THEIR TAX EXEMPTIONS IF THE FEDERAL GOVERNMENT WILL ONLY GIVE THEM BACK THE CONSIDERATION.

At any rate, the courts have held that such promises of tax exemption create vested rights which even Congress is constitutionally bound to respect. (Choate v. Trapp, 224 U. S. 665 (1912). Also see Morrow v. United States, 243 Fed. 854 (8th Cir. 1917); Solicitor's Opinion on Taxability and Alienability, 59 Lands Dec. 348, 352 (1922); Ops. Sol'r of the Department of Interior M. 25737 (March 3, 1930); Ops. Sol'r of the Department of the Interior M. 13864 (Dec. 24, 1924)

During the 83d Congress, the Interior Department sponsored a series of bills which unilaterally would end such tax exemptions. We feel that similar legislation in the 84th Congress should be vigorously protested by the Indians for the reason that such bills have a strong tendency to violate constitutional rights of Indians. We have the conviction that the destruction of tax immunity in the termination or withdrawal bills should be challenged on constitutional grounds before the Supreme Court of the United States in the event that terminal legislation which we oppose is enacted into law.

We ask that the Department of the Interior advance every possible assistance to the tribes in the litigation of the Nicodemus Case in the higher courts. Several tribes have offered to provide financial assistance to the Coeur d'Alene tribe out of tribal funds because they all recognize that not only is the Nicodemus case an entering wedge in the general taxation of income from trust property but to the taxation of tribal income itself.

PUBLIC LAW 280, 83d CONGRESS, SHOULD BE AMENDED

We ask that Public Law 280, 83d Congress (67 Stat. 588) be amended to require consent of the Indians affected prior to an assumption of criminal and civil jurisdiction by the states involved. We oppose the passage of any legislation that would force civil and criminal jurisdiction onto the Indian people. We are strongly opposed to proposed legislation similar to S. 3597, 83d Congress, whereby States could get jurisdiction after the Governor of a State concerned, or his authorized representative, had "fully consulted" with each Indian tribe, band, or community within the State to ascertain the wishes and desires of the Indians as to an extension of State jurisdiction to the areas of Indian country in that State, and had reported the results of such consultation to the Secretary of the Interior; the Secretary would then determine, unilaterally, whether exercise of State jurisdiction would be in the best interest of the Indian tribes, lands, or communities in the areas of Indian country in that State. We do not think it would be right for the Secretary of the Interior to be authorized to impose his will by declaring where the State jurisdiction could become applicable without first obtaining the full consent of the Indians to be affected.

CLARIFICATION OF TITLE TO CERTAIN TRIBAL LANDS

On a number of Indian reservations lands were thrown open for public entry and which is now in a withdrawal status as a result of the withdrawal orders of the Secretary of the Interior dated September 19, 1934, and November 5, 1935. These lands located on the Colville, Spokane, Coeur d'Alene, Crow and Fort Peck Reservations are still in a withdrawal status since the Indians of those reservations rejected the Indian Reorganization Act and were therefore not eligible to have their undisposed—of opened lands restored to them under that Act. These unsold lands are urgently needed by the Indians because their economy is seriously jeopardized through the lands being continued in a clouded status. We urgently request that the matter of permanent restoration of the lands to the Indians, by special legislation be given favorable consideration. We urge that the Department

of the Interior recommend to the Congress that special legislation be introduced in the 84th Congress to restore all such ceded and unentered lands to the reservations and/or tribes of which they were formerly a part, such restored land to be held in trust for the benefit of the Indians concerned. It would not be in the public interest to have these lands once again thrown open to homestead or mineral entry under the public land laws.

If these lands were thrown open for mineral and homestead entry, the action would be detrimental to the Indians in many ways. Among other things, it would interfere with the orderly harvesting of mature timber, the locating of timber access roads around mining claims, and the time-consuming work of investigation of location monuments and corners to determine where active claims are located.

The Colville Confederated Tribes, the Crow Tribe, and the Fort Peck Indians have had legislation introduced designed for the restoration of these lands and some of the bills have passed the House on a number of occasions but failed to get consideration in the Senate. It is hoped that such legislation will be enacted into law during the 84th Congress.

For all practical purposes the ceded lands are tribal lands as Indian title thereto has never been extinguished. The tribes have had control of these lands, the same as other tribal lands, over a long period of years and have used the income therefrom for tribal purposes. (See <u>U. S. v. Ash Sheep Co., 252 U. S. 159</u>) An early determination as to final disposition of the ceded lands is desirable and the tribes are anxious that the lands be restored to tribal ownership.

HEIRSHIP LAND

Means should be perfected to correct the complications arising from inheritance by two or more heirs of allotments granted to original allottees since fractionated interests in such lands frequently do not constitute economic units for the heirs or the tribe concerned, with the result that such interests usually are leased more frequently to non-Indian lessees rather than being worked by Indian owners, and in some cases the tribal lands themselves are not held in economically feasible units for grazing and other purposes, but could be made so by acquisition of or exchange for allotted lands, including those in heirship status. One way would be to effectuate consolidations of land, situated within the Indian reservations, between tribes and individual members of the tribes, for the mutual benefit of the tribes and the individual members thereof. These land transactions could well be financed by tribal funds when available. However, in the case of some Indian tribes there may not be sufficient tribal moneys to permit purchase of allotments in heirship status, but the lands themselves would constitute sound security for the advance by the United States of the purchase price (or so much of the purchase price as might be necessary in the particular case.) Provisions can be made for granting Indian tribes prior purchase rights to acquire interests in heirship allotments at fair prices or to meet the high bid in sales at auction, except that this prior right shall not be superior to the right of heirs to acquire such interests. Furthermore, in order to effect consolidations of land for the mutual benefit of tribes and individual members thereof and adjoining landowners, authorize the sale by tribes to individual members of tribes, tribal land which may not be needed for effective economic utilization by the tribe, such lend to be held in trust by the United States for such individual tribal members. Also authorize exchange of tribal trust lands or individually owned lands (including lands in heirship status) for lands held by individual members of the same or other tribes, including lands in heirship status.

GRANTING OF FEE PATENTS

The granting of fee patents for trust lands should not be accelerated. The granting of fee patents to lands most generally means that more land is going to pass out of Indian ownership. The trust status of Indian lands should be on a continuing basis through authorizing transactions between individual Indians instead of lifting the trust status so that the land may pass into the hands of non-Indians. In order to protect Indian lands, there should be a reversal of the present policy of easy disposition through wholesale issuance of fee patents. The land sales at Indian agencies are far too frequent and fee patenting should be stopped or at least slowed down.

The recommendation contained in House Report No. 2680, 83d Congress, 2d Session, that the Secretary of the Interior be divested of his power to renew annually expired trust periods, is ill-considered and if adopted into law would in a very short time destroy the trusteeship protection guaranteed in treaties, agreements and prior Acts of Congress.

INDIAN POLICY

House Concurrent Resolution No. 108 declares it to be the policy of Congress to terminate federal responsibility for Indian tribes at the earliest possible date. It fails to provide for Indian consent and cooperation in the ends sought to be achieved and therefore has made this Concurrent Resolution completely unacceptable to the Indian people. We therefore ask the repudiation and withdrawal of House Concurrent Resolution No. 108 at the earliest possible date during the first session of the 84th Congress.

We urge favorable consideration to a concurrent resolution similar to H. Con. Res. 212 introduced by Congresswoman Gracie Pfost of Idaho during the 2d Session of the 83d Congress which stated in part: "That it is the sense of Congress that any Indian tribe, band, or other identifiable group of Indians concerned with such legislation should be notified prior to its drafting, particularly in the case of bills affecting rights and privileges guaranteed by Executive orders, treaties, or agreements, and that such Indians should be given full opportunity to participate in the drafting of any such proposed legislation."

We also favor a policy statement as follows: "It is hereby declared to be the policy of Congress to undertake a constructive program of Indian land use and economic development, in order to establish a permanent basis of self-support for Indians living under Federal tutelage; to reassert the obligations of guardianship where such obligations have been improvidently relaxed; to encourage the effective utilization of Indian lands and resources by Indian tribes, cooperative associations, and chartered communities; to safeguard Indian lands against alienation from Indian ownership and against physical deterioration; and to provide land needed for landless Indians and for the consolidation of Indian landholdings in suitable economic units."

INDIAN CLAIMS

We endorse all proposed legislation designed to extend the time within which claims may be presented to the Indian Claims Commission. (H. R. 220 - Wickersham, Okilahoma; H. R. 1563 - Edmondson, Oklahoma; and H. R. 238 - Albert, Oklahoma. These bills have already been introduced in the 84th Congress.)

The staff charged with the defense of any claim and suit filed by an Indian tribe against the United States is a branch of the Department of Justice and this staff whose duties include research, defense and litigation has been wholly inadequate to carry out the original intent of Congress in creating the Indian Claims Commission. We ask that Congress be urged to set up machinery within the Indian Claims Commission and/or the Justice Department to provide for a speedy, effective and final hearing of every meritorious claim of Indian tribes in the United States. In order to do this the number of attorneys required in defense of Indian Claims must be increased to cope with the heavy workload involved.

The Indian Claims Commission and its staff as well as the attorneys in the Department of Justice have discharged their respective duties under the law with as much dispatch as has been feasibly possible, considering the intricate nature and legal complexity of the claims, but through Congress being ultra conservative in making provision for the staff needs of both the Commission and the Department of Justice in the processing of the claims, which, under the state of the record has amounted to a denial of justice.

It is therefore of utmost importance that relief be provided for the cluttered docket of the Claims Commission by speedily providing adequate appropriation and personnel to facilitate and expedite the disposition of Indian claims pending before said Commission, and that additional attorneys be provided in the Justice Department to defend claims without undue delay and that research personnel be provided to this end.

OPPOSITION TO TRANSFER OF EXTENSION SERVICE FUNCTIONS

We do not agree with the Commissioner's directive to all Area Directors and Superintendents to the effect that all extension services now being performed by the Bureau of Indian Affairs should be transferred as rapidly as possible to the Department of Agriculture or to the States under the Johnson-O'Malley Act. We note that the Commissioner has further directed that extension workers shall devote their time only to educational work and cease performing work with and for Indians that the Department of Agriculture or the State administrations do not generally carry out. We are also cognizant of the Commissioner's directive that the extension activities should conform to State extension patterns and standards. By such a directive it amounts to another step toward withdrawal and amounts to abandonment by the Bureau of Indian Affairs of services still urgently needed by the Indians. On several occasions the Commissioner has publicly stated that such a step as now recommended in connection with extension services would not be done without the consent of the tribes involved, and we hereby remind the Commissioner of his promise. We firmly feel that extension work should remain within the Indian Bureau rather than turning the functions over to an agency of the State or the Federal Government which is not trained, experienced or specially interested in Indian affairs.

TRANSFER OF HEALTH SERVICES TO PUBLIC HEALTH SERVICE

Many Indians are deeply concerned over the immense change to be brought about by Public Law No. 568 of the 83d Congress, 2d Session, which provides that the Indian health services shall be transferred to and be administered by the United States Public Health Service on July 1, 1955. Many Indians are wondering whether this change will be beneficial and/or an improvement over the Indian health service which has been developed over a long period of years to meet the particular needs of the Indian population, operating many small hospitals in

isolated communities, often serving non-English speaking tribesmen who continue to place their faith in tribal medicine men rather than in professionally trained doctors, and these conditions will continue to prevail for many years to come. It is also well to take into consideration the fact that the Indian people are often in poor economic circumstances and not able to pay for medical care, all of which conditions make necessary programs of health education and preventive and hospital services specially designed for Indian communities.

We endorse the suggestion advanced by the National Congress of American Indians that a Committee on Indian Health be established to work on problems arising out of the transfer of services, and further call upon the United States Public Health Service to appoint a qualified Indian to the Advisory Committee created by the Surgeon General in the Department of Health, Education and Welfare.

CFPCSITION TO CONVERSION OF TACOMA HOSPITAL TO TUBERCULOSIS HOSPITAL

We feel that the conversion of the Tacoma Indian Hospital at Tacoma, Washington, into a tuberculosis sanitarium from that of a general hospital is ill-considered for the reason that general hospital services are still urgently needed for the Indians of the Pacific Northwest States. That there is a great and pressing need for general hospital services for Indians of the Northwest cannot be denied, and for that reason we fervently ask that favorable action be taken to continue the Tacoma Indian Hospital as a general hospital for Indians.

REPEAL OF STATE INDIAN LIQUOR LAW IN CERTAIN STATES

The Federal Indian liquor law was repealed through enactment of Public Law 277, 83d Congress, 1st Session which eliminated an infringement of civil rights against Indians. However, a discrimination against Indians still exists in several States where there is still in force laws prohibiting the sale of alcoholic beverages to persons of Indian blood. As has already been stated by us in foregoing paragraphs, Indians are first-class citizens and entitled to equal treatment under the law. The conditions relative to "local ill feeling - - - as cited in the U. S. v. Kagama case supra still exist and repeal of the discriminatory laws will aid in erasing some of the discriminations against Indians. We ask that the Eureau of Indian Affairs and the Department of the Interior aid us in seeking repeal of the State Indian liquor laws in the States of Nebraska, Utah, Idaho, North Dakota and any other State where legislative action is required to effectuate a repeal of the Indian liquor law.

HOUSE REPORT 2680, 83d CONGRESS, 2d SESSION

We associate ourselves with other Indian organizations like the National Congress of American Indians in differing with the scope of the report filed last September concerning an investigation of the Bureau of Indian Affairs. This investigation appears to be more of an investigation of the Indians rather than an investigation of the Indian Bureau as provided in H. Resolution 89.

Item (4) on Page 2 of the report states in part that "Apparently no law yet enacted in the field of Indian affairs has had the effect of stimulating Indians, as a group, to make an active effort to end Federal wardship. * * *" The report strongly implies that the complex problems of human adjustment, changed attitudes, changed ways of living, can be brought about by law alone. We know of no law in any other field that has stimulated other tax-exempt individuals or organizations to end their tax exemptions. Have the cooperatives asked repeal of favorable

tax benefits? Have tax-exempt foundations asked to be taxed? Have the big oil companies rushed to the Nation's seat of government and asked for repeal of the depletion clauses in the tax laws?

We also take a dim view of the fact that law will be used as a club, if necessary, to make Indians conform to the wishes of Congress. The serious aspects involved in the subject matter discussed in the report commands careful study and we hope that there will be no implementation of the committee's report before adequate study is given to the human problems involved in this far-reaching report. Ending the federal trusteeship will not correct the wrongs of the past, nor will termination of federal trusteeship over Indian lands make the Indians a better people overnight. The report lacks in not fully recognizing the imminent need for providing educational and health benefits in adequate measure and promoting the economic well-being of the Indians through proper development and use of their resources. Relieving poverty, ill-health, educational deficiencies and lack of adjustment in the Indian population will directly benefit every community in which Indians reside, and is far more acceptable than acculturation by law.

CREDIT

At the present time loans may be approved by the Superintendent at the agency level if the indebtedness of the applicant to the lender does not exceed \$1.500.00, except loans listed in A3.5(c) of the Indian Bureau Credit Manual. This limitation of \$1,500.00 has been in effect for many years. Since all of the conditions and facts with reference to borrowers loan applications are available locally and decisions may thus be more accurately and prudently determined at the reservation level rather than at a distant Area office. Considerable time is also consumed and considerable correspondence is required between the Agency and the Area Office. We therefore urge that the loan approval limitation for Agency Superintendents be increased from \$1,500.00 to \$5,000.00. It is also recommended that the Credit Manual be revised to provide for necessary flexibility to permit each tribal organization or tribe to propound a plan of credit operation which can be patterned to local conditions and requirements.

The foregoing was ordered to be submitted to the Commissioner of Indian Affairs by the Executive Council of the Affiliated Tribes of Northwest Indians by virtue of a unanimous vote.

Respectfully submitted,

/S/ Joseph R. Garry, President, Affiliated Tribes of Northwest Indians, Plummer, Idaho.

/S/ Frank George, Secretary-Treasurer; Affiliated Tribes of Northwest Indians, Nespelem, Washington.

ESCROW AGREEMENT

WHEREAS, there is in litigation in the Courts of the United States at least three Indian income tax cases wherein the Treasury Department is seeking to tax the income of allottees of Indian trust property, which tax is by the Indians considered to be illegal; and,

WHEREAS, every Indian tribe and most individual Indians have a vital interest in the outcome of this litigation, and particularly in the litigation now pending in the United States District Court for the District of Idaho, Northern Division, entitled "Julia Nicodemus, plaintiff, vs. United States of America, defendant", which case, together with the case of Capoeman v. United States, presently on appeal to the Ninth Circuit Court, and other cases which have not yet been tried, such as that of Joseph R. Garry; and,

WHEREAS, it is neither fair nor possible for the individual Indian or Tribe to finance the entire cost of said litigation, and such burden should be shared by as many tribes and individual Indians as possible because of their common interest in such litigation; and,

WHEREAS, by formal resolution, the Affiliated Tribes of the Northwest Indians, meeting at the Davenport Hotel, Spokane, Washington, on the 20 day of January, 1955, authorized the within agreement and directed that it be executed by those officers and members of the Executive Council of said organization whose signatures are hereto affixed;

NOW, THEREFORE, IT IS AGREED, AUTHORIZED AND DIRECTED that THE OLD NATIONAL BANK OF SPOKANE, Spokane, Washington, be and it is hereby designated escrow agent for a trust account to be known as the "Affiliated Tribes of the Northwest Indians, Special Emergency Fund".

Members and officers of the Affiliated Tribes of the Northwest Indians, an organization of Indian Tribes of the Northwest, and particularly Joseph R. Garry, its Chairman, will make every effort to secure contributions from various tribes and individuals to be deposited in said trust account or escrow for the primary purpose of financing attorneys: fees, court costs, and other necessary expenses incidental to said Indian tax litigation, and particularly the litigation known as the Julia Nicodemus case. All funds so raised will be deposited in said account, and said account shall be under the control of a Board of Trustees, to be made up of the five members of the Executive Council and the three elected officers of the Affiliated Tribes of the Northwest Indians.

Such funds are to be disbursed by THE OLD NATIONAL BANK OF SPOKANE to attorneys representing Indians in any of said litigation and to others only upon vouchers approved by a majority of the board of trustees of the Affiliated Tribes of the Northwest Indians or upon approval by an authorized representative of the Board, designated by it for that purpose and covered by a bond satisfactory to said Board. Said approval of vouchers or designation of a representative to approve said vouchers shall be certified to the escrow agent by the Chairman and either the Secretary or Vice-President of the Affiliated Tribes of the Northwest Indians. Said escrow agent may assume those officers to continue to be as designated at the end of this instrument until formally notified of any change.

If the total funds involved exceed \$5,000.00, the accounts shall be audited periodically by a Certified Public Accountant, and if less than \$5,000.00 then by a member of the Board of Trustees, making reports of the status of said account to each official meeting of the Board of Trustees and/or the Affiliated Tribes of the Northwest Indians.

In order to define the obligations of said Escrow Agent more clearly, said Escrow Agent may terminate said escrow at any time by written notification to the President of the Affiliated Tribes of Northwest Indians, who is presently Joseph R. Garry, Plummer, Idaho, and to Robert D. Dellwo, Attorney at Law, 1101 Old National Bank Building, Spokane, Washington, the tribal counsel for the Coeur d'Alene Tribe of Indians. If there is a dispute over ownership of funds or any other matter related thereto, the Escrow Agent may completely absolve itself of further responsibility concerning said funds by depositing the same in the office of the Clerk of the Superior Court of Spokane County, State of Washington, at Spokane, Washington. The Board of Trustees may terminate said escrow at any time by majority vote or by the signatures of at least five (5) of its members. The Escrow Agent may deduct his charges directly out of the funds in said escrow. All communications concerning said escrow may be mailed to Joseph R. Garry, Plummer, Idaho, with a copy thereof to Robert D. Dellwo, Attorney at Law, 1101 Old National Bank Building, Spokane, Washington.

The Coeur d'Alene Tribe of Indians will designate an individual, preferably Joseph R. Garry, to head and supervise the fund raising referred to herein. Such person shall receive a salary of not less than \$1,200.00 over a three (3) month period, to be defrayed by the Coeur d'Alene Tribe from its own funds (assuming they agree to this plan). Said salary shall not be paid out of said escrow and, therefore, for purposes of this escrow agreement, the Escrow Agent may ignore this provision since none of the money necessary for said salary shall pass through said escrow.

Dated at Spokane, Washington, this 21 day of January, 1955.

THE AFFILIATED TRIBES OF THE NORTHWEST INDIANS

By /S/ Joseph R. Garry President

> /S/ Alex Saluskin Vice-President

/S/ Frank George Secretary-Treasurer

APPROVED:

/S/ Alex Sherwood

/S/ Eagle Seelatsee

/S/ Robert LaFromboise Members of Executive Council If the total funds involved exceed \$6,000.00, the accounts shall be audited periodically by a Vertified Public Accountant, and if less than \$5,000.00 them by a member of the Board of Trustees, maiding reports of the status of taid account to each official meeting of the Board of Trustees and/or the Affiliated Tribes of the Northwest Indians.

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Bated of Spokens, Washington, this 21 day of January, 1899.

THE APPLICATED TRIBES OF THE MORTHWAST THDIAMS

/8/ Joseph R. Garny President

Frank George, Secretary-Treasurer, Affiliated Tribes of Northwest Indians, Nespelem, Washington

Secretary-Treasurer



Mr. Click Relander, Route 3, Box 146, Yakima, Washington

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