



Legislative Research Council

MINUTES

Tribal Economic Development Task Force

Representative Don Hagggar, Chair
Crow Creek Tribal Chair Roxanne Sazue, Vice Chair

Third Meeting
2015 Interim

Room 413 – State Capitol
Pierre, South Dakota

Monday, September 28, 2015

The third meeting of the Tribal Economic Development Task Force for the 2015 interim was called to order by Representative Don Hagggar at 8:10 a.m. in room 413 of the Capitol in Pierre, SD.

A quorum was waived with the following members answering the roll call: Representative Don Hagggar, Chair; Representatives Elizabeth May, and Mike Verchio; Senator Craig Tieszen; Secretary Steve Emery, Department of Tribal Relations; Former Representative Mark DeVries; Former Representative Kathy Tyler (via telephone); and Chairman Bruce Renville, Sisseton-Wahpeton Oyate. Members excused: Senators Jim Bradford and Bruce Rampelberg; Crow Creek Chairwoman Roxanne Sazue; Former Senator Chuck Jones; Ms. Sarah Zephier, Yankton Sioux Tribe; Mr. Steven Sitting Bear, Standing Rock Sioux Tribe; and Mr. Harold Frazier, Cheyenne River Sioux Tribe.

LRC staff members present were Ms. Amanda Reiss, Senior Attorney; and Cindy Tryon, Senior Secretary.

NOTE: For purpose of continuity, the following minutes are not necessarily in chronological order. Also, all referenced documents distributed at the meeting are attached to the original minutes on file in the Legislative Research Council (LRC).

An opening prayer was offered by Mr. Gerald Heminger, Jr., Sisseton-Wahpeton Oyate.

Opening Remarks

Representative Don Hagggar, Task Force Chair, welcomed everyone to the meeting of the Tribal Economic Development Task Force. The task force was created by the 2014 Legislature through HB1213. Section 5 of HB1213 reads, *“The task force shall evaluate issues associated with economic development needs, initiatives, and barriers affecting South Dakota’s Native American population and South Dakota’s Indian tribes and tribal governments. Specifically, the task force shall analyze business and economic sectors and segments having potential for higher levels of success, as well as other possible approaches to improve economic conditions. The task force shall also address workforce availability, including education and skills, related demographics, salary and wage scales, and other issues affecting human resources necessary for the promotion of economic development for this segment of South Dakota’s population.”*

Representative Hagggar said that at the next two meetings the task force will be making recommendations for future action and will be writing the final task force report. The next meetings are scheduled for Friday, Oct. 30, and Friday, Nov. 20.

Approval of Minutes

A MOTION WAS MADE BY REPRESENTATIVE MAY, SECONDED BY MR. DEVRIES, TO AMEND AND APPROVE THE MINUTES OF THE JULY 10, 2015, MEETING. Motion prevailed on a voice vote.

Tribal Perspective

Chairman Bruce Renville, Sisseton-Wahpeton Oyate, said that the Sisseton-Wahpeton Oyate reservation is located throughout 5 counties in the northeast corner of South Dakota. There are 13,000 members and 6,000 of those reside on the reservation. The tribal offices are located in Agency Village located near Sisseton.

The tribe is attempting to increase their acreage through an aggressive land requisition program. They are especially interested in purchasing cropland which provides a revenue source for the tribe. They have added 8500 acres through the buy-back program.

Representative Mike Verchio asked if the tribe farms the land. Chairman Renville said that they do not have a tribal farm, but that the land is leased out to farmers and ranchers.

Representative Haggar asked how those leases are managed. Chairman Renville explained that they have a Department of Environment and Natural Resources that manages the land and a Tribal Realty Office that oversees the leases. The tribe considers land as one of its best resources and they are creating a state of the art realty department. Land that is obtained through the buy-back program is put into tribal ownership.

Representative Elizabeth May asked if the BIA handles the range units. Chairman Renville said the BIA works with land owned by individuals, while the tribal realty office works with the leased land owned by the tribe.

Chairman Renville said that at one time the Sisseton-Wahpeton Oyate was the ninth largest employer in the state, employing about 1800 workers. About 20% of the people that the tribe employs are not tribal members.

There are several jobs available at the casinos; there are three casinos on the Sisseton-Wahpeton Oyate. The young people are not interested in working at the casinos, so the tribe is working on finding other opportunities for the younger tribal members. The tribe has consulted with the Governor's Office of Economic Development on assessing land the tribe owns near Interstate 29 on how to best develop that land. The tribe is also looking at doing an inventory of their labor force to have available for businesses interested in coming to the area.

Chairman Renville said that they do have infrastructure needs and are working with the Roberts County Commission in prioritizing those needs. They are focusing on county and township road repairs and bridges that are considered unsafe.

Representative May asked Chairman Renville how the tribe works with businesses interested in coming to the reservation but needing land for development. Chairman Renville said that the business can lease the land, or it may be offered rent free depending on the type of business and how many tribal members will be employed. The tribe does not sell tribal owned land.

When asked about economic development at Sisseton-Wahpeton Oyate, Chairman Renville said that they have an entity separate from the Tribal Government in order to avoid interference from tribal

politics. That organization is called the Dakota Nation Development Corporation and they are responsible for the for-profit businesses on the reservation.

Committee Discussion

Representative Haggar asked for committee suggestions regarding draft legislation. Representative Haggar added that no legislation is needed regarding UCC filings, but the state needs to continue to encourage the tribes to work with the Secretary of State's office regarding the UCC program which is vital for business development. There is no cost to the tribes for using this program; they just need to draw up a compact with the Secretary of State's office.

Representative Verchio distributed copies of a draft bill: An Act to authorize the production and sale of industrial hemp. **(Document #1)** Representative Verchio said that he sees this as an opportunity to produce jobs in both farming and manufacturing. Hemp does not cause a high when smoked, as does the marijuana plant. Hemp is used in making rope, animal food, cosmetics, and many more products.

Representative May said that two years ago she had proposed a resolution regarding legalizing the production of hemp in South Dakota. Representative May said that law enforcement had argued that they cannot tell the difference between the marijuana plant and the hemp plant when they are growing in the fields.

Representative May continued saying that this is a huge opportunity for South Dakota farmers and that having hemp as a rotational crop would be beneficial. She said that this specific bill has too many regulations that may hamper those interested in growing this crop.

Representative Verchio said that he included the regulations to help reduce the resistance from law enforcement. He said that once people see how this crop is grown and used; those regulations could be reduced.

Representative Verchio asked LRC staff to send copies of this proposed legislation to all members of the Tribal Economic Development Task Force so that it may be discussed further at the next task force meeting.

Mr. Mark DeVries said that infrastructure is an issue for the tribes and when the tribes and counties try to work together, the BIA interferes. Representative Haggar said that the obstacles the state encounters when dealing with the BIA regarding roads is an interesting topic. Representative Haggar will invite DOT Secretary Darin Bergquist to the next meeting to discuss this issue.

Public Testimony

Mr. Rick Vallery, Congresswoman Noem's Office, talked to the task force about the Wakpa Sica Center located just north of Fort Pierre that had been discussed at previous task force meetings. Mr. Vallery said that a meeting of the Tribal Chairs was held in June and at that meeting the Chairs agreed to work with the City of Fort Pierre in getting some of the past due bills paid for upkeep on the building and site. According to Mr. Vallery, the BIA is now paying those bills through the Cheyenne River Sioux Tribe. At that June meeting, the Chairman's Council also established a subcommittee to study the Wakpa Sica Center and report back to the full Council in 6 months.

Ms. Dawn Eagle, Program Manager, Employment Training, Sisseton-Wahpeton Oyate, talked to the task force about the GED testing program and the fact that the changes made to that program in January of 2014 made it much more difficult for people to pass the exam. Prior to the changes, the GED program worked well for tribal members, averaging 20 members per year obtaining their GED.

Since the test was changed in 2014, only two members have graduated through the program. Ms. Eagle said that this does not just affect young people, but also the older generation who want to go to work but do not have a high school degree. Almost all jobs require at least a GED to qualify for employment. Ms. Eagle said that they are planning to meet with the Department of Education to discuss the problem with the GED program. In addition to the GED issue, the major obstacles to employment by tribal members are transportation and child care.

Future Meetings

Representative Haggar asked the task force members for suggestions on who they would like to hear from at the next two task force meetings.

Representative Verchio said that he would like to hear from the Attorney General's office and the Governor's Office on Economic Development regarding his draft bill regarding hemp production.

Representative May suggested hearing from someone from the banking community. She also suggested inviting someone from the Department of Education to discuss workforce training issues. Representative May also said she would like to hear more regarding land being put into trust, and not just tribal land; the land removed from the county tax rolls for any reason needs to be addressed with the federal government.

Adjournment

REPRESENTATIVE VERCHIO MOVED, SECONDED BY REPRESENTATIVE MAY, THAT THE TRIBAL ECONOMIC DEVELOPMENT TASK FORCE BE ADJOURNED. The motion prevailed unanimously on a voice vote.

The committee adjourned at 10:00 a.m.

This meeting is being held in a physically accessible location. Any individual needing assistance, pursuant to the Americans with Disabilities Act, should contact the Legislative Research Council (605-773-3251) in advance of the meeting to make further arrangements.

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