

**CROW TRIBAL LEGISLATURE
OCTOBER 4, 2024 SPECIAL SESSION**

BILL NO. CLB 24-02

**INTRODUCED BY FRANK WHITE CLAY, CHAIRMAN
CROW TRIBAL EXECUTIVE BRANCH**

A BILL FOR AN ACT ENTITLED:

**“APPROVAL OF FISCAL YEAR 2025 FIRST QUARTER BUDGET FOR THE
OPERATION OF THE CROW TRIBAL GOVERNMENT AND THE
EXPENDITURE OF TRIBAL REVENUE FOR FISCAL YEAR 2025”**

WHEREAS, Article IV, Section 3(d) of the Crow Tribal Constitution and Bylaws requires the Executive Branch of the Crow Tribal Government to prepare an annual budget for the operation of the Tribal Government, for approval by the Legislative Branch and the Secretary of the Interior; and

WHEREAS, Article V, Section 2(e) of the Constitution empowers the Legislative Branch to grant final approval or disapproval of the annual budget prepared by the Executive Branch; and

WHEREAS, the Legislative and Executive Branches have come to a mutual agreement to pass a budget pursuant to Article IV, Section 3(d) of the 2001 Crow Constitution; and

WHEREAS, a budget for the expenditure of the Crow Tribal revenue is under development by the Executive Branch for the full Fiscal Year 2025 commencing on October 1, 2024 and ending September 30, 2025; and

WHEREAS, the Executive Branch is now presenting a FY 2025 1st Quarter for all three branches of the Crow Tribal Government;

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

Section 1. Approval of a FY2025 1st Quarter budget for the FY2025 fiscal year for the operation of the Crow Tribal Government and for the expenditure of Crow Tribal General Fund revenues as follows:

- I. TRIBAL GENERAL REVENUES FUND (“GENERAL FUND”) – Total
\$2,969,053**

COAL SEVERANCE TAX -- \$165,000

The Crow Tribe receives periodic severance tax payments from Westmoreland Resources, Inc., lessee of coal minerals owned by the Tribe, pursuant to 1982 amendments to the original 1974 lease of tribal-owned coal in the Sarpy Creek area of the Crow Reservation and 1904 Ceded Strip and the 2004 South Extension lease. This tribal tax is equal to the State of Montana (15-35-103) severance tax imposed on the removal and sale of coal, which is currently 15% of the adjusted contract sales price for coal produced from surface mining. According to the United States Supreme Court, this tax revenue is legally considered Crow tribal trust income, and accordingly is received by the Secretary of the Interior and disbursed to control of the Tribe on a periodic basis pursuant to drawdowns authorized by the Tribal Budget. Westmoreland Resources, Inc. anticipates a full closure of the mine in April 2025.

COAL GROSS PROCEEDS TAX --\$382,082

The Crow Tribe receives periodic gross proceeds tax payments from Westmoreland Resources, Inc., lessee of coal minerals owned by the Tribe, pursuant to 1982 amendments to the original 1974 lease of tribal-owned coal in the Sarpy Creek area of the Crow Reservation and 1904 Ceded Strip and the 2004 South Extension lease. This tribal tax is equal to the State of Montana gross proceeds tax imposed on the value of coal produced, which is currently 5% of the contract sales price. According to the United States Supreme Court, this tax revenue is legally considered Crow tribal trust income, and accordingly is received by the Secretary of the Interior and disbursed to control of the Tribe on a periodic basis pursuant to drawdowns authorized by the Tribal Budget. Westmoreland Resources, Inc. anticipates a full closure of the mine in April 2025.

CONOCO -- \$0

The Crow Tribe receives an annual oil products pipeline right-of-way rental payment from Phillips66 pursuant to a 50-year agreement approved in 2001. The payment is a lump sum made in the month of January. This annual rental payment is legally considered Crow tribal trust income, and accordingly is received by the Secretary of the Interior and disbursed to the control of the Tribe pursuant to drawdowns authorized by the Tribal Budget. This revenue is not received by the Crow Tribe until the 2nd Quarter in 2025.

MT GAS TAX -- \$348,440

The Crow Tribe receives quarterly payments from the Montana Department of Transportation pursuant to the 2000 Fuel Tax Cooperative Agreement, as amended in 2007, between the State of Montana and Crow Tribe. The State of Montana imposes and collects a tax on all gasoline motors fuels sold on the Crow Reservation and remits payment to the Crow Tribe as calculated by formula established in the Agreement. This tax revenue sharing agreement does not constitute Crow tribal trust income. Expenditures are authorized by the Tribal Budget.

TOBACCO TAX -- \$209,770

The Crow Tribe receives quarterly payments from the Montana Department of Revenue pursuant to the 2005 Crow Tribe-Montana Tobacco Tax Agreement, as amended in 2007. The State of Montana imposes and collects a tax on all wholesale and retail sales of tobacco products on the Crow Reservation and remits payment to the Crow Tribe as calculated by formula established in the Agreement. This tax revenue sharing agreement does not constitute Crow tribal trust income, and tribal law requires distribution to the Little Big Horn College for the purpose of supporting and enhancing the educational opportunities of Crow tribal members, pursuant to CLB 11-02. If the Executive Branch must use this revenue for other purposes, it shall submit a proposed CLB that amends or supersedes CLB 11-02 by no later than the end of this first quarter, FY2025.

PROGRAM INCOME -- \$199,375

The Crow Tribe receives income through the programs, services and activities of the Executive Branch. These include: license and permitting fees collected by the Tribal Employment Rights Office; business activity revenues collected by the Tourism Department; and other business activity revenues as may be collected by unincorporated tribal entities under the supervision and direction of the Executive Branch. These sources of revenue generally do not constitute Crow tribal trust income. Expenditures are authorized by the Tribal Budget.

CONSERVATION FUND - \$ _____

The Conservation Fund includes all monies received by the Tribe from activities authorized under, and conducted pursuant to, the Crow Fish and Game Code, Title 12 of the Crow Law and Order Code (CLB 22-01), and include, but are not limited to, revenue generated from license and permit fees, penalties collected by the Court for violations of Title 12 and/or the sale of confiscated property, donations, and any other monies appropriated by the Crow Tribe or any other entity for conservation purposes. Authorized disbursements and expenditures from the Conservation Fund are strictly limited as identified in CLB 22-01.

LEASE REVENUE -- \$50,000

The Crow Tribe receives periodic lease rental payments from lessees of tribal-owned fee simple lands. This source of revenue does not constitute Crow tribal trust income. Expenditures are authorized by the Tribal Budget.

UTILITY/PROPERTY TAX -- \$130,625

The Crow Tribe receives periodic utility tax payments from Northwestern Energy, Big Horn County Electric Cooperative, Phillips66, and Williston Basin Energy pursuant to the Tribe's 1993 Utility Tax Code. This tax revenue is legally considered Crow tribal trust income, and accordingly is received by the Secretary of the Interior and disbursed to control of the Tribe on a periodic basis pursuant to drawdowns authorized by the Tribal Budget.

TRANSFER IN – THPO -- \$56,250

The Crow Tribe receives income through the Tribal Historic Preservation Office. This income is generated through permit fees, consultation, on-site investigation, and monitoring. This source of revenue does not constitute Crow tribal trust income. Expenditures are authorized by the Tribal Budget.

II. CROW TRIBAL TRUST FUND, 107TH BOUNDARY SETTLEMENT (“107TH SETTLEMENT FUND”) – Total \$490,011

Pursuant to the terms of the 107th Meridian Boundary Settlement Act of 1994, as authorized and approved by the United States and Crow Tribe, Tribe may receive periodic disbursements of interest earned from federal investments of the principal trust fund, which is approximately \$85,000,000. Such interest disbursements must be approved by the Secretary of the Interior, upon receipt of plans and budgets developed and approved by the Crow Tribe. Under the terms of the federal statute governing administration and distribution of the Settlement Fund, contained at 25 U.S.C. 1776d, the Tribe may use the interest earnings for education, land acquisition, economic development, youth and elderly programs or other tribal purposes.

III. INDIRECT COST – FEDERAL AND STATE CONTRACT AND GRANT AWARDS (“INDIRECT COST”) – Total \$37,500

Indirect cost represents the expenses of doing business that are not readily identified with a particular grant or contract but are necessary for the general operations of the Crow Tribe. In order to fund these costs the Crow Tribe negotiates and indirect cost rate with the Interior Business Center. The indirect cost rate represents the ratio between the total indirect costs and the benefiting direct costs after excluding unallowable costs. The Crow Tribe’s current indirect cost rate is 32.62%. This source of revenue does not constitute Crow tribal trust income. Expenditures are authorized by the Tribal Budget.

IV. CROW TRIBAL LAND BUY-BACK PROGRAM LANDS (“LBBP LEASE REVENUE”) – Total \$900,000

Pursuant to the Claims Resolution Act of 2010, Pub. L. 111-291, 124 Stat. 3064 (Dec. 8, 2010), approving the settlement of the *Cobell* litigation, the Secretary of the Interior has established and implemented the “Land Buy-Back Program for Tribal Nations,” whereby settlement proceeds are used to purchase individual interests in allotted lands by the United States in trust for the Tribe on whose Reservation such lands are located. The Crow Tribe acquired more than 240,000 acres of individual interest in allotted lands on the Crow Indian Reservation through the Land Buy- Back program and such interests acquired in trust for the Crow Tribe generates yearly lease revenues. Under the terms of CLB15-06, which was passed, and approved July 16, 2015 the Tribe may use the lease revenues for purchase of lands, purposes of Tribal economic development, for repairs, improvements, and initial working capital for Tribal economic

development projects.

V. DEBT SERVICES AGAINST GENERAL FUND – Total \$625,712

This department is established to fund the following payments:

Stockman Bank Loan: The Crow Tribe Legislature approved the issuance of a loan with Stockman Bank in 2019 to consolidate the First Interstate Bank loans and the US Bank Bond. Total payments for fiscal year 2025 will be \$2,202,848. The current balance owed on this debt is \$10,897,702.

State of Montana Unemployment Insurance: The Crow Tribe entered into a payment agreement on 6/22/21 to make monthly payments of \$25,000 on the balance owed to the State of Montana Unemployment Insurance division of \$2,498,665. This balance is a result of the Crow Tribe electing not to pay its unemployment insurance from 12-31-2017 through 9-30-2020. The current balance owed on this debt is \$1,478,903.

VI. EXECUTIVE BRANCH BUDGET \$3,558,486

These General Funds are revenues after Judicial and Legislature budget appropriations individual line items are to be determined by the Executive Branch.

VII. LEGISLATIVE BRANCH BUDGET \$386,568

These General Funds fund the operations of the Legislative Branch as set by the 2001 Constitution. The Budget will cover elected delegates salaries and other operational costs. These delegates have quarterly legislative sessions and emergency special sessions that approve/disapprove various resolutions/bills submitted. They have ongoing subcommittees that work on legislation for the Crow Nation. The Legislative Branch is a separate branch of the Crow Tribal Government. There is separation of powers between branches. The Legislative Branch has control over spending their own funds including salaries, budget modifications, and making purchases.

VIII. JUDICIAL BRANCH BUDGET \$0

The Judicial Branch is a separate Branch of the Crow Tribal Government. There is separation of powers between the Branches. The Judicial Branch has control over spending their own funds including their payroll, budget modification, and making purchases. For fiscal year 2025 the Judicial Branch will be funded 100% with BIA 638 contract funds.

Section 2. Tribal mineral royalties, special per-capita account. In addition to the amounts provided for in the attached 2024 fiscal year budget, all coal mineral royalties paid to the credit of the Crow Tribe shall be directly deposited by the Office of Special Trustee in a proceeds of labor account (per capita) separate and apart from the Crow Tribal General Fund and shall only be available for expenditure for the purpose of per-capita distribution to the enrolled tribal

membership. In addition to the reports on receipts of royalties currently being provided to the Legislature by the Bureau of Trust Fund Administration (BTFA), the Executive Branch shall forward to the Legislature copies of all per-capita account draw-down requests on Form SF-1034 as signed by the Chairman, at the same times they are provided to BIA and OST.

Section 3. Crow Tribal Land Buy-Back Program Lands ("LBBP Lease Revenue").

Pursuant to CLB15-06, enacted July 16, 2015, these lease revenues are generally intended to be used for purposes of Tribal economic development. Section 3 of CLB 15-06 provides authorization for, and direction to, the Secretary of the Interior, acting through the Bureau of Indian Affairs and the Office of the Special Trustee for American Indians, to, among other things, "remit such LBBP Lease Revenues to the Crow Tribe for use pursuant to [CLB 15-06] and other applicable Tribal law as determined and administered-by the Crow Tribe in its sole discretion". For the first quarter of this FY2025, the Crow Tribe has determined that it is in the best interests of the Tribe, its members, and the reservation community, to authorize the expenditure of LBBP Lease Revenue for the purpose of making Elder's payments, as further identified in this Act, pursuant to the Tribe's discretionary authority identified in CLB 15-06; provided that, in the event the Executive Branch wishes to continue using these lease revenues as a source of financial support for tribal elders, it shall introduce a proposed CLB to amend or repeal CLB 15-06, by no later than the start of the January 2025 Quarterly Session of the Legislature.

Section 4. Reporting. No later than the start of the January 2025 Quarterly Session of the Legislature, the Executive Branch shall provide a complete written report on the fiscal management of the Crow Tribal Government for FY 2024, showing all revenue and funding received for, and expenditures made from, all federal and tribal funds, and all settlements received, and revenue realized, by the Crow Tribe during this period. This reporting provision shall be in addition to, not in lieu of, the requirements identified in Article IV, Section 4(b) of the Crow Tribal Constitution and Bylaws, and those found in the Crow Tribal Fiscal Management Act, enacted under CLB 07-08.

[Remainder of page intentionally left blank.]

"APPROVAL OF FISCAL YEAR 2025 FIRST QUARTER BUDGET FOR THE OPERATION OF THE CROW TRIBAL GOVERNMENT AND THE EXPENDITURE OF TRIBAL REVENUE FOR FISCAL YEAR 2025"

Bill or Resolution CLB 24-02 Introduced by: Chairman Whiteclay Date of Vote October 4, 2024

REPRESENTATIVE:

Yes

No

Abstain

V. Pickett

C. Other Medicine

J. Passes

L. Hogan III

C. Meeks

G. Plenty Hawk

D. Don't Mix

T. Gros Ventre

P. Alden

T. Plainfeather

J. Kills Pretty Enemy

J. Demontaine

B. Hugs

N. Old Crow, Jr

B. Good Luck

H. MaleBear-Stone

D. Spotted, Sr.

Speaker of the House

C. Takes Enemy

Secretary of the House

TOTAL

10

4

0

Result of Vote:

Passed

Not Passed

Tabled

Veto-Override

Senator Darwin Spotted, Sr.

Speaker of the House

Crow Tribal Legislative Branch

Date

Senator Charla Takes Enemy

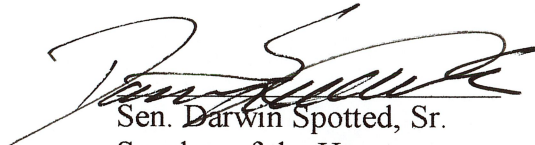
Secretary of the House

Crow Tribal Legislative Branch

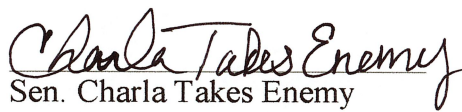
Date

CERTIFICATION

I hereby certify that this Bill for Act entitled “**APPROVAL OF FISCAL YEAR 2025 FIRST QUARTER BUDGET FOR THE OPERATION OF TRIBAL GOVERNMENT AND EXPENDITURE OF TRIBAL REVENUE FOR FISCAL YEAR 2025**” was duly approved by the Crow Tribal Legislature with a vote of 10 in favor, 4 opposed, and 0 abstained, and that a quorum was present on this 4th day of October, 2024.


Sen. Darwin Spotted, Sr.
Speaker of the House
Crow Tribal Legislature

ATTEST:


Sen. Charla Takes Enemy
Secretary of the House
Crow Tribal Legislature



EXECUTIVE ACTION

I hereby
 X **APPROVE**
 VETO

this Bill for an Act entitled “**APPROVAL OF FISCAL YEAR 2025 FIRST QUARTER BUDGET FOR THE OPERATION OF THE CROW TRIBAL GOVERNMENT AND THE EXPENDITURE OF TRIBAL REVENUE FOR FISCAL YEAR 2025**” 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 ____ day of October, 2024.


Frank White Clay, Chairman
Crow Tribal Executive Branch