THE SHOSHONE-PAIUTE TRIBES OF THE DUCK VALLEY INDIAN RESERVATION

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February 29, 2016

Larry S. Roberts
Acting Assistant Secretary – Indian Affairs
MS-3642-MIB
Department of the Interior
1849 C Street, NW
Washington, D.C. 20240

Re: Shoshone-Paiute Tribes of the Duck Valley Reservation Water Rights Settlement

Investment Revenue

Dear Mr. Roberts,

I am writing to provide you additional information concerning the investment revenue issue relating to the Shoshone-Paiute Tribes of the Duck Valley Reservation Water Rights Settlement funds. Vice Chairman Buster Gibson and Councilmembers Cristi Walker and Rudy Blossom raised this issue when they met with you on February 24, 2016.

The Shoshone-Paiute Tribe of the Duck Valley Reservation Water Right Settlement Act, Pub. L. 111-11, Title X, Subtitle C (Mar. 30, 2009), became final on January 25, 2016, with the publication of the Secretary of the Interior's findings. 81 Fed. Reg. 4063 (January 25, 2016). At that point the waivers became final and the settlement funds became available to the Tribes. The settlement funds consist of \$45 million in development funds and \$15 million in operation and maintenance funds. The funds were appropriated over a five year period beginning in 2010, and all funds are now in the Tribes' Treasury accounts. As the funds were appropriated, they were deposited in the Tribes' development and O&M accounts, and OST began investing the funds. Regular account reports were provided to the Tribes, including the investment amounts. And, OST consulted with the Tribes concerning appropriate investments for the funds. There is now approximately \$5.5 million in investment revenue in the accounts.

At some point approximately a year and a half to two years ago – after the majority of the funds had been appropriated, deposited in the Tribes' accounts and invested -- OST questioned whether the Settlement Act authorized investment of the funds before the Secretary published the final findings in the Federal Register. OST therefore stopped investing the funds -- without notice to the Tribes -- apparently in reliance on the following language in section 10806 (e) of the Settlement Act:

(e) Administration of Funds. – Upon completion of the actions described in section 10808(d) (publication of the findings), the Secretary, in accordance with the American Indian Trust Fund Management Reform Act of 1994 (25 U.S.C. 4001 et seq.) shall manage the Funds, including investing amounts from the Funds...

We understand the Solicitor's office has been looking at this issue and may issue an opinion concluding that there was no authority to invest for the period before publication of the findings. Upon issuance of the opinion, we understand the investment funds of over \$5.5 million may be returned to the Treasury.

We are seeking your assistance in making sure that the investment revenues are not returned to the Treasury and that an administrative or legislative solution be identified to insure that the investment funds are paid to the Tribes. We are hopeful that an administrative solution is possible since we understand that legislation will take some time and is likely to be difficult.

This matter is of critical importance to the Tribes as we begin the process of implementing our water rights settlement and spending the settlement funds on crucial Reservation projects, including vital rehabilitation activities at the BIA's Duck Valley Irrigation Project. We have been counting on the investment revenues as a part of the overall settlement funds available to the Tribes, and such funds are essential to the settlement projects that we expect to undertake. We ask that you work with others within the Department of the Interior to find a way to make sure these critical funds are paid to the Tribes.

We very much appreciate your interest and willingness to look into this matter and look forward to a favorable outcome. Please contact our water rights attorney, Jeanne Whiteing, (303) 444-2549, if you need additional information.

Sincerely,

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