

RESOLUTION OF THE GOVERNING BODY OF  
THE THREE AFFILIATED TRIBES  
FORT BERTHOLD RESERVATION

WHEREAS, This Nation having accepted the Indian Reorganization Act of June 18, 1934, and authority under said Act, and

WHEREAS, the Constitution and Bylaws of the Three Affiliated Tribes authorizes the Tribal Business Council to engage in activities for the welfare and benefit of the Tribe, and Tribal members, and

WHEREAS, it is in the best interest of the Three Affiliated Tribes and its members to establish a grazing rate fee for lands owned by the Three Affiliated Tribes that are included in Range Units on the Fort Berthold Reservation, and

WHEREAS, the Area Director, Aberdeen Area Office has established the minimum rate of \$78.00 per animal unit on lands held in trust by individuals, and

WHEREAS, those ranch operators who have large amounts of tribal lands located within their range units pay less amounts than those range operators who have virtually all allotted lands in their range units, and

WHEREAS, the Three Affiliated Tribes Tribal Business Council wish to insure that all Indian ranch operators be treated fairly and equally, and

NOW THEREFORE BE IT RESOLVED THAT, the Three Affiliated Tribes established their grazing rate of \$78 per animal unit, and

BE IT FURTHER RESOLVED THAT, the Three Affiliated Tribes Tribal Business Council will provide a rebate in the amount of \$21 per animal unit to each enrolled member of the Three Affiliated Tribes who has received an allocation in accordance with Tribal Resolution 81-155 and amendments thereto, and also

BE IT FURTHER RESOLVED THAT, the maximum number of animal units to receive a rebate shall be 200 per ranch operator, or the actual number of animal units allocated, which ever is the lessor number, and

BE IT FURTHER RESOLVED THAT, a maximum of \$140,000 from tribal grazing income be used for this purpose, and in the event the total rebate would exceed this amount, the rebate per animal unit shall be prorated in accordance with the number of actual allocation units approved not to exceed \$21.00 per animal unit.

## TRIBAL RANGE UNIT REBATE PROGRAM

Landowners have increasingly insisted on a grazing permit rate commensurate with the fair market value of their land. At the same time the Indian cattle operator maintains that he cannot stay in business and pay the increased fee. When grazing fees are lower on tribal than on allotted land, the range unit permittee having a high percentage of tribally owned land has an advantage over the permittee having little or no tribal land. In effect the lower fee on tribal land is a subsidy to the permittee to the extent the unit is comprised of tribal land the more tribal land in the unit, the greater the subsidy. In contrast a rebate alternative distributes the subsidy evenly among all allocated permittees.

A further question arises on behalf of all tribal members as to why tribal money (owned by all enrolled members) should be used to subsidize one segment of the population rather than all enrolled members. For example, why not subsidize Indian farmers, businessmen or even wage earners? Therefore, the desirability of this program must be a value judgement of the tribal council.

EXAMPLE 1:

Permittee A - Without rebate program.

Has 2600 acre range unit - 1300 acres tribal land 1300 acres allotted land. Permitted 100 animal units yearlong, 50 head on tribal 50 head on allotted. Tribal grazing fee \$57.00 - Allotted grazing fee \$78.00 per Animal Unit Year (AUY).

Grazing fee:

50 X \$57.00 = \$2,850 fee on Tribal land

50 X \$78.00 = 3,900 fee on Allotted land

\$6,750 Total fees

or \$67.50/head

Permittee B - Without rebate program.

Has 2600 acre range unit - all allotted land. Permitted 100 animal units yearlong. Tribal grazing fee \$57.00 - Allotted grazing fee \$78.00 per AUY.

Grazing fee:

100 head X \$78.00 = \$7,800

or \$78.00/head

From the above, it can be seen that permittee A with the tribal land has a \$10.50/head advantage over permittee B.

EXAMPLE 2:

Permittee A - With rebate program of \$21.00/head and \$78.00/head grazing fee on both allotted and tribal land.

Grazing fee:

100 head X \$78.00 = \$7,800

less rebate            2,100

Total fee                \$5,700

or \$57.00/head

Permittee B - With rebate program of \$21.00/head and \$78.00/head grazing fee. Range unit 100% allotted land.

Grazing Fee:

100 head X \$78.00 = \$7,800

Less rebate            2,100

Total fee                \$5,700

or \$57.00/head

Both permittees pay the same per head regardless of the amount of tribal land in his range unit.

The tribal government will receive the following income from 83,744 acres within range units depending on the rate/animal unit charged.

Rate	Animal Units	Income
\$57.00 X 3,350		= \$190,950
\$60.00 X 3,350		= \$201,000
\$70.00 X 3,350		= \$234,500
\$78.00 X 3,350		= \$261,300

The difference between income at \$57.00 per animal unit year and income at \$78.00/year is \$70,350.00. The estimated animal units under allocation is 6,400. \$70,156.00 will provide money for a rebate of \$11.00/head:

$$(A) \quad \$70,350 / 6,400 = \$11.00$$

Therefore, with the additional money derived by charging \$78.00/animal unit year on tribal land rather than \$57.00, a rebate of \$11.00 per allocated head can be given to each allocatee.

If the entire FHA land payment of \$122,000 is paid from the remaining \$190,950 received from range unit fees, then \$68,950 is remaining which can be used as an additional rebate (\$190,950 - \$122,000 = \$68,950). \$68,950 will provide money for a rebate of \$10.77/animal unit year.

$$(B) \quad \$68,950 / 6,400 = \$10.77$$

Combining the money from additional income (A) and from money in excess of your land payment (B) the money available for a rebate program is \$21.77/head.

$$(A) \quad \$ 70,350 / 6,400 = \$11.00/AUY$$

$$(B) \quad \underline{68,950} / 6,400 = \underline{10.77/AUY}$$

$$\text{TOTAL} \quad \underline{\$139,300} \quad \underline{\$21.77/AUY}$$

Should the FHA land payment be divided proportionately so that income from tribal range unit land is used only to pay for land within range units, then  $\$190,950 - 51,240 = \$139,710$  is available in addition to (A) above for a rebate program. This amounts to  $\$21.83$  per AUY.

(C)  $\$139,710 / 6,400 = \$21.83/\text{AUY}$

(A)  $\$70,350 / 6,400 = \$10.77/\text{AUY}$

(C)  $\underline{139,710} / 6,400 = \underline{21.83}/\text{AUY}$

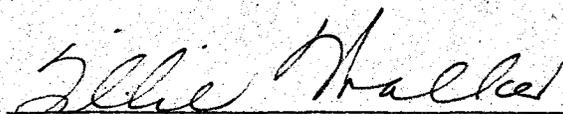
TOTAL  $\$21,060$   $\underline{\underline{\$32.60/\text{AUY}}}$

i.e., after making the annual payment for the land in range units that was bought through FHA, a maximum of  $\$210,060$  can be paid to permittees as a rebate with the financing coming entirely from the range unit fees and no other source.

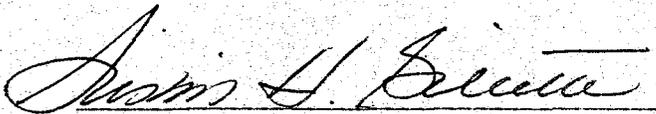
C E R T I F I C A T I O N

I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Reservation, hereby certify that the Tribal Business Council is composed of 11 members of whom 7 constituting a quorum, 9 were present at a Regular Meeting, thereof duly called, noticed, convened, and held on the 14 day of November, 1980: that the foregoing resolution was duly adopted at such meeting by the affirmative vote of 4 members, 3 members opposed, 2 members abstained, 0 members not voting, and that said resolution has not been rescinded or amended in any way.  
Chairman      (voting)              (not voting)

Dated this 14 day of November, 1980.

  
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Secretary, Tribal Business Council

ATTEST:

  
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CHAIRMAN, Tribal Business Council