COUNCIL OF STATE GOVERNMENTS WEST

JASON SMITH & SHANE MORIGEAU
*MONTANA STATE TRIBAL RELATIONS*
MONTANA INDIAN TRIBE DEMOGRAPHICS

- 8 tribal nations representing 12 tribes
- Approximately 6 million acres
- Percentage of Montana population: 6.77% at 66,598
- Revenue sharing agreements – cooperative agreements
- Limited financial resources – tax
  - Resources go to overhead
  - Not all gaming Tribes
# Montana's Reservation Unemployment Rates

<table>
<thead>
<tr>
<th>Rank</th>
<th>Reservation</th>
<th>Current Unemployment</th>
<th>Change over Year</th>
<th>Current Unemployment</th>
<th>Jobs Change from Last Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Flathead</td>
<td>4.3</td>
<td>-0.8</td>
<td>12,859</td>
<td>129</td>
</tr>
<tr>
<td>2.</td>
<td>Ft. Peck</td>
<td>6.4</td>
<td>-1.2</td>
<td>4,019</td>
<td>-127</td>
</tr>
<tr>
<td>4.</td>
<td>Rocky Boy's</td>
<td>11.8</td>
<td>-2.4</td>
<td>1,099</td>
<td>1</td>
</tr>
<tr>
<td>5.</td>
<td>Blackfeet</td>
<td>12.0</td>
<td>-0.6</td>
<td>3,879</td>
<td>-214</td>
</tr>
<tr>
<td>6.</td>
<td>Northern Cheyenne</td>
<td>13.6</td>
<td>0.5</td>
<td>1,451</td>
<td>-8</td>
</tr>
</tbody>
</table>
*TRIBES VS MONTANA UNEMPLOYMENT RATE*
**PRIVATE SECTOR IN INDIAN COUNTRY**

- What is the % of private sector in Montana? ~80%
- In Indian Country? ~27%

<table>
<thead>
<tr>
<th></th>
<th>Montana</th>
<th>Blackfeet</th>
<th>Flathead</th>
<th>Rocky Boy’s</th>
<th>Northern Cheyenne</th>
<th>Fort Peck</th>
<th>Crow</th>
<th>Fort Belknap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>18.8%</td>
<td>69.1%</td>
<td>35.0%</td>
<td>91.3%</td>
<td>65.8%</td>
<td>48.3%</td>
<td>77.8%</td>
<td>82.5%</td>
</tr>
<tr>
<td>Federal</td>
<td>3.0%</td>
<td>13.4%</td>
<td>0.9%</td>
<td>0.3%</td>
<td>14.1%</td>
<td>5.1%</td>
<td>16.4%</td>
<td>46.3%</td>
</tr>
<tr>
<td>State</td>
<td>5.3%</td>
<td>-</td>
<td>0.8%</td>
<td>-</td>
<td>-</td>
<td>2.8%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Local</td>
<td>10.5%</td>
<td>55.7%</td>
<td>33.3%</td>
<td>91.0%</td>
<td>51.8%</td>
<td>40.3%</td>
<td>61.3%</td>
<td>36.2%</td>
</tr>
<tr>
<td>Private</td>
<td>81.2%</td>
<td>30.9%</td>
<td>65.0%</td>
<td>8.7%</td>
<td>34.2%</td>
<td>51.7%</td>
<td>22.2%</td>
<td>17.5%</td>
</tr>
<tr>
<td>Total</td>
<td>436,885</td>
<td>2,945</td>
<td>8,164</td>
<td>875</td>
<td>1,335</td>
<td>3,248</td>
<td>2,173</td>
<td>315</td>
</tr>
</tbody>
</table>

Montana Economy at a Glance: Montana Reservation Labor Markets MDOLI Research & Analysis Bureau (September 2014)

“Government employment…appears to dominate the employment opportunities on most reservations.

…Most of the [2013] wage growth in Montana comes from growth in the private sector.”
2007 CONTRIBUTIONS REPORT

- Commissioned by State Economic Development Commission (STED) Commission through Bureau of Business Economic Research (BBER)
- Prompted by State Rep. Margaret Campbell to identify the flow of resources coming into the state through tribal governments/tribal entities
- Identify revenue generated through tribes
- $1B+ in combined monetary contributions
*DATA COLLECTION*

- Eleanor Yellowrobe-consultant through CEIC
- Revenues received and expenditures made by tribal, state, federal and other public sector entities.
- Source-audited financial statements or government financial reports through FOIAs from government entities (tribal and non)
- Review audits and in person interviews with tribal/state officials
**RESERVATION ECONOMIC ANALYSES PROJECT (REAP)**

- Identify trends across larger time period
- State receives $494,000 grant from the Small Business Administration (SBA) to identify trends in revenues, sources (aggregate) across longer time frame (aggregate and per tribal nation)
- Establish a foundation to study consumer spending and business/government expenditures on reservations
- Inform policy development at all government levels and distribute potential strategies to grow tribal economies
*FUNDING SOURCES*

- Federal
- State
- Earned
- Fiduciary
- Various
*TRIBAL CONTRIBUTIONS 2003-2009

$6,634,090,855

**Does not include private sector expenditures**

What would the economy look like without Tribes?
Where does the money go?
Where could it go?
TRIBAL CONTRIBUTIONS VS. MONTANA GENERAL FUND

*Total Reservation Expenditures vs. MT General Fund*
*FUNDING SOURCES-2003-2009*

- Federal: $3,874,995,579 (58%)
- Earned: $1,695,765,894 (26%)
- State: $505,508,601 (8%)
- Various: $402,647,121 (6%)
- Fiduciary: $155,173,610 (2%)
*CONTRIBUTIONS BY TRIBE*

![Graph showing contributions by tribe]
**CONTRIBUTIONS BY ENTITY GROUP**

- Tribal Governments (8) $2,949,410,858
- School Districts (38) $1,228,042,272
- Private School Dist. (2) $83,490,955
- IHS Facilities (4) $847,610,028
- Health Self Gov.* (2) $250,430,807
- BIA Self Gov. (2) $166,476,977
- Housing (6) $228,629,247
- **Other** $156,265,859
- TANF $37,598,279
- Tribal Colleges (7) $306,866,344
- BIA (7) $179,269,228
- Private School Dist. (2) $83,490,955
- School Districts (38) $1,228,042,272

*CONTRIBUTIONS are grouped by entity.*
*BUSINESS AND CONSUMER SPENDING REPORT*

- Economic Leakage
- Churn rate
- Purchasing power
- New local business opportunities
- Buy Indian Act --> Indian Economic Enterprises for procurement with BIA
PRIVATE SECTOR DEVELOPMENT

- Indian Country Economic Development
  - Tribal Business Planning Grants
  - Native American Business Advisors Network
  - Indian Equity Fund
- Native American Collateral Support
- Industry Development
- Trust Land Zoning and Planning
RESOURCES FOR NATIVE BUSINESSES

INDIAN COUNTRY PROGRAMS

- NATIVE AMERICAN BUSINESS ADVISOR NETWORK
- INDIAN EQUITY FUND
- NATIVE AMERICAN COLLATERAL SUPPORT PROGRAM
- NATIVE AMERICAN MADE IN MONTANA DESIGNATION
*NATIVE AMERICAN BUSINESS ADVISOR (NABA) NETWORK*

- BLACKFEET
- FORT PECK
- NORTHERN CHEYENNE
- FORT BELKNAP
- CONFEDERATED SALISH & KOOTENAI
- CHIPPEWA CREE
- CROW
- LITTLE SHELL

**Logos:**
- NACDC Financial Services, Inc.
- Great Northern Development Corporation
- People’s Partner for Community Development
- Apsaalooke Development Fund
- NADC
- Stone Child College
*TRIBAL BUSINESS PLANNING GRANTS*

- Annual grants
- Each tribal nation (8) receive $28,000 for tribal government business planning projects
- Produces revenue producing tribal enterprises
- Local jobs
- Examples: stores, feasibility studies, equity grants to businesses, etc.
STED COMMISSION - INDIAN EQUITY FUND

- Grant to assist start-up or expanding Native American businesses in Montana.
- $320,000 awarded in 2017 to 27 businesses (~$7K-$14K/business)
- Funds are matched by the tribes – can be cash or infrastructure
- http://marketmt.com/ICP/IEF
Number and Types of Indian Equity Fund (IEF) Businesses Assisted 2007-2017

- Accommodation and Food Services
- Agriculture, Forestry, Fishing and Hunting
- Construction
- Construction
- Retail Trade
- Manufacturing
- Arts, Entertainment, and Recreation
- Agriculture, Forestry, Fishing and Hunting
- Other Services (except Public Administration)
- Administrative and Support and Waste Management and Remediation Services
- Professional, Scientific, and Technical Services
- Transportation and Warehousing
- Information
- Utilities
- Health Care and Social Assistance
- Wholesale Trade
- Real Estate and Rental and Leasing
- Utilities
- Educational Services

*INDIAN EQUITY FUND (IEF)*
# Native American Collateral Support (NACS)

## Flowchart

**Flowchart Diagram**

- **Applies for loan**
- **Makes loan**
- **Makes loan payments**

### Borrow
- Business applies for loan
- Lender applies for collateral agreement with State
- State deposits collateral with lender
- Lender makes loan to businesses
- Business uses loan for growth or expansion

### Payments
- Business makes payments to lenders
- Lender repays collateral to State
- Program funding results in increased business loan

### Results
- Equity in businesses community increases
- New jobs created
- New goods/services for community

[Website: nacs.mt.gov](http://nacs.mt.gov)
TRIBAL TOURISM COHORT DEVELOPMENT
TRIBAL TOURISM

- Tourism is #1 industry in Montana!!
- Indian Country → tourists and locals want to experience the culture and resources
- MT Commerce Scholarship support (leaders and businesses) to attend the American Indian Alaska Native Tourism Association (AIANTA), Governor’s Conference on Tourism, and Interpretive Guide Training
- Provide grants for tourism operators
- SB 309 – Revise economic development laws regarding Indian country tourism (signed August 16, 2017)
  - Adds tribal member of private sector to the Tourism Advisory Council board
  - Establishes an Indian tourism region
  - 1.4% of state special revenue (already existing funds) to STED for establishing activities for the tourism region
  - Promotes job growth and builds the state economy
  - Promotes culture and traditions in Indian country (all of MT)
*NATIVE AMERICAN MADE IN MONTANA*

SOMETIMES IT’S OK TO BE LABEL CONSCIOUS.
BUY GENUINE MONTANA

Website: www.madeinmontanausa.com
*NATIVE YOUTH SMALL BUSINESS PROGRAM*

• Launched this year
• Each of the 8 tribal nations receive approximately $18,000
• Money is used in partnership with tribal member owned businesses to compensate tribal youth participating in summer internship programs.
• Each participating business will provide $500 in cash match to Commerce’s $1,500 to compensate youth interns.
• Developing the future leaders in Indian country and in Montana
WHAT’S DOES IT TAKE TO GET THESE BILLS PASSED?

- A LOT OF HOT AIR!!!
- Here we go…
- Educate your colleagues on tribes and current issues – both sides of aisle
  - Why don’t tribes sponsor their only tribal members and their businesses??
- Educate on the real tangible benefits – both sides of aisle
- Lobbyists – support or neutral
- Executive branch
- Community members and local entities
- Ask your friends their true concerns and feelings to construct your materials and talking points
- ICED funding example and background
*SUCCESS STORIES & ACCOMPLISHMENTS*

- Tribal Government Assistance: $5,287,950
- Indian Equity Fund Small Business Grants: $1,285,125
- Business Counseling and Advising: $372,000
- Total Leveraged Funds: $29,898,790
- Jobs Created and/or Retained: 250
- Businesses Supported: 280
- Technical Assistance and Training: 1,337 individuals
- Workforce Training: 541
- Educate folks with these numbers – program success & tangible impacts
*SUCCESS STORIES & ACCOMPLISHMENTS*

- 130 businesses supported with ICED funding and Native American Collateral Support Program
- Indian Equity Grants – various to needs of communities
  - Raft Company
  - Fabric and quilt shop
  - Wild game and livestock meat processing
- Tribal Business Planning Program
  - CSKT re-granted a portion of funds. Tribes awarded small business grants to 37 tribal-member entrepreneurs, 34 of which are still in operation. These businesses provide 85 jobs on the Flathead Reservation.
MOVING THE SUCCESS TO URBAN COMMUNITIES

- 6.7% of Montana population
- 43%+ live in urban areas in 2000 – likely higher now
- See the impacts on Reservations
- Identify the unemployment rates for urban Indians and determine if we need to expand the programs
  - Would help local economies and communities
  - Montana economy wins
BE AT THE TABLE, NOT ON THE MENU

• Executive Branch – Montana American Indians
  • Appointments → commissions and boards
  • Governor staff appointments
  • Tribal liaisons

• Montana American Indian Caucus
  • 10 caucus members
  • Bi-partisan
  • Indian majority districts – reservations (9)