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Bernard P. Becker

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COOPERATIVE AGREEMENTS BETWEEN TRIBES AND THE STATES

Bernard P. Becker
William Mitchell College of Law
United States Magistrate
St. Paul, Minnesota

(with the assistance of JoEllen Pfeifle)

NATURAL RESOURCE DEVELOPMENT IN INDIAN COUNTRY

Natural Resources Law Center
University of Colorado
School of Law

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1. INTRODUCTION: STATUTORY RESTRICTIONS AND POWERS

The validity of contracts with Indian tribes is governed by section 81 of Title 25 of the United States Code. That section provides that all contracts with Indian tribes or with non-citizen Indians "relative to their lands" shall be in writing and shall bear the approval of the Secretary of the Interior and Commissioner of the Bureau of Indian Affairs, in addition to other requirements. The effect of non-compliance with this statute is to render the contract null and void. Violators may be subject to suit by the aggrieved tribe in the name of the U.S. government for recovery of the full amount of money paid by the tribe under the contract.

Section 85 of Title 25 declares that contracts with Indians involving tribal funds or property, held by the United States government, are invalid.

Other statutes impose restrictions upon the transfer or encumbrance of Indian lands held in trust by the U.S. government. 25 U.S.C. §464 states that no sale, devise, gift or exchange of restricted Indian lands or of shares in assets of any Indian tribe or tribal corporation shall be approved by the Secretary. There are two exceptions to this statute: 1) such lands or interests may be sold or transferred to certain Indian tribes or tribal corporations or 2) such lands or interests may be exchanged by tribes where expedient and beneficial for or compatible with the consolidation of Indian lands.

Section 117 of Title 25 provides that "[n]o purchase, grant, lease, or other conveyance of lands, or of any title or claim thereto, from any Indian nation or tribe of Indians, shall be of any validity in law or equity, unless the same be made by treaty or convention entered into pursuant to the Constitution."
The powers of a tribe to organize and conduct business are contained in the Indian Reorganization Act. 25 U.S.C. §461, et seq. Section 476 confers upon tribes the right to organize and adopt a constitution and bylaws. The constitution adopted by a tribe shall provide for the tribe's right to prevent the sale, disposition, lease or encumbrance of its tribal lands or interests without the tribe's consent.

Further, tribes have the right to incorporate under section 477. Such corporations may be granted the power to purchase, hold, manage or dispose of real or personal property, including the power to purchase and exchange restricted Indian lands. The statute denies such corporations the power to sell, mortgage or lease any land within the limits of the reservation for greater than 10 years.

In summary, all contracts with Indian tribes must be in writing and must have the approval of the Secretary. Tribes may not sell or convey an interest in their lands absent a treaty or convention. Tribal corporations, however, may sell, mortgage or lease lands for up to 10 years, provided the tribe consents to any such conveyance or encumbrance.

2. CONTRACTS WHICH DO NOT REQUIRE THE SECRETARY'S APPROVAL.

a. Where tribal status is terminated or abandoned.

Contracts are not void for lack of the Secretary's approval where the tribe entering into the contract has terminated or abandoned its status as a tribe. For example, during the period in which the Menominee Indians' tribal status was terminated, the Menominee tribe and its members were not covered by 25 U.S.C. §81, which requires the Secretary's approval on all contracts. 


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b. Corporate status of tribal entity.

Where it is the tribal corporation, as principal, which enters into a contract and not the tribe, there is no need to comply with section 81 for a contract to be valid. *Inecon Agricorporation v. Tribal Farms, Inc.*, 656 F.2d 498 (C.A. 9th 1981).

Both *Inecon* and a second case, *S. Unique, Ltd. v. Gila River Pima-Maricopa Indian Community*, 674 P.2d 1376 (C.A. Ariz. 1984) involved tribe-related farming ventures. In *Inecon*, the tribe-created organization involved in farming was a corporation and fell outside section 81's "protected class" of Indians and Indian tribes. Thus, the contract was not invalid by reason of this statute and could be enforced. In *S. Unique*, the Arizona Court of Appeals analyzed the status of three entities: the tribe, a tribal corporation, and a farming venture. The court found that the farming venture, Gila River Farms, was a subordinate economic organization of the tribe's governmental body which could not be sued. On the other hand, the tribe's corporation had consented to suit in its charter. The court did not address the contract's validity in terms of section 81. However, the opinion discusses in some detail how to distinguish between a tribal organization acting pursuant to a tribe's constitution and bylaws and one that is either a corporation acting independently or as agent of the corporation. 674 P.2d 1382. Such a discussion should be helpful in determining which organizations are eligible to receive the protection of section 81.

c. Contracts not involving tribal lands or funds.

Contracts that do not involve tribal funds or lands need not be set aside as void for lack of the Secretary's signature. In *Native Village of Eyak v. G. C. Contractors*, 658 P.2d 756 (Alaska 1983), section 81 was not applicable to an agreement between a native village and a private contractor where the agreement involved a community center on property leased from a third party.
and did not involve tribal land.

Likewise, Economic Development Administration grant monies used to build a museum and cultural center were held to not constitute tribal funds and, thus, the contracts were not void for lack of approval by the Secretary. Sac & Fox Tribe of Indians of Oklahoma v. Apex Construction Co., Inc., 757 F.2d 221, (C.A. 10, Okla. 1985), cert. den. 106 S. Ct. 146, 474 U.S. 850, 88 L. Ed. 2d 121.

In summary, corporate entities created by a tribe, acting as principal in transactions with third parties, do not receive the protection of section 8l. Likewise, tribes that have lost or abandoned their tribal status may contract with others without the Secretary's approval.

3. CONTRACTS REQUIRING THE SECRETARY'S APPROVAL.

The Secretary's responsibility in approving contracts is "to protect the Indians from improvident and unconscionable contracts." In re Sanborn, 148 U.S. 222, 227, 13 S. Ct. 577, 579, 37 L. Ed. 429 (1893).

a. Contracts with state or local governments.

States and municipalities acquire only such rights and interests in Indian lands as specifically granted to them by the U.S. government. Bennet County, South Dakota v. United States, 394 F.2d 8, 11 (C.A. 8th 1968).

In Ringsred v. City of Duluth, a Minnesota Home Rule Charter City, 828 F.2d 1305 (C.A. 8th 1987), the Circuit Court of Appeals discussed the Secretary's approval of a contract between an Indian Band and the City of Duluth within the context of whether such approval constituted a major federal action requiring an environmental assessment. The agreement provided that the tribe would remodel and equip a building as a gaming facility and the city would purchase land next door and construct a parking ramp there-
on. The agreement further provided that the city would lease the
parking ramp to a commission consisting of city representatives
and members of the Indian tribe. Only this "development" agree-
ment was before the court. Id. at 1308. However, in a footnote,
the court referred to the other contracts entered into by the
parties: 1) a "Commission agreement," which authorized the com-
mission to run the gaming facility; 2) a "guarantee agreement,"
which provided that the bonds for the parking ramp would be paid
and guaranteed by the Band and the Commission; and 3) a "parking
lease agreement," which permitted the Commission to rent and
operate the ramp. Id., footnote 3.

In Prince v. Board of Education of Central Consolidated Inde-
pendent School District No. 2, 86 N.M. 548, 543 P.2d 1176 (1975),
the Indian tribe leased land to the school district for the
purpose of constructing schools for use by both Indian and non-
Indian children. The leases were approved by the Secretary and
authorized by 25 U.S.C. §415, which allows for the leasing of land
for up to 99 years for educational purposes.

Section 177 of Title 25 prohibits the purchase, grant, lease
or other conveyance of restricted Indian lands from Indian tribes
or nations without a treaty or convention. The U.S. District
Court for the District of Connecticut specifically held this
statute applicable to purchases by a state. Mohegan Tribe v.
clear import of this [statutory] language," said the court, "is
to prohibit all sales of Indian land without federal consent."
Id. at 1364.

All the cases discussed in this section involved Indian
tribes, not tribal corporations. Each of these agreements
required some form of approval. It is apparent from the Prince
case that not all long term leases of land must be executed in
the form of a "treaty" to be valid; in that case, a specific
statute dealing with education intervened to provide the
authority for such a lease. 25 U.S.C. §415. See, generally,
Chapter 12 of Title 25, "Lease, Sale, or Surrender of Allotted or
"Unallotted Lands." Absent such a statute, leases would need to be executed pursuant to Secretarial agreement. 25 U.S.C. §177, or by the tribe's corporation for a term not exceeding ten years, 25 U.S.C. §477.

b. Contracts between Indian tribes and individuals.

The failure to receive the Secretary's approval of an agreement giving a contractor the exclusive right and obligation to "finance, construct, improve, develop and manage, operate and maintain" a bingo parlor caused the contract to be null and void under section 81. The Ninth Circuit Court of Appeals found such a contract to be "relative to Indian lands" and thus invalid, even though the agreement prohibited the tribe from encumbering its trust land. Barona Group of Capitan Grande Band of Mission Indians v. American Management and Amusement, Inc., 824 F.2d 710 (C.A. 9th 1987). See also A.K. Management Co. v. San Manuel Band of Missions Indians, 789 F.2d 785 (C.A. 9th 1986); U.S. ex rel. Shakopee Mewakanton Sioux Community v. Pan American Management Co., 616 F. Supp. 1200 (D. Minn. 1985).

A number of old cases have held leases between tribes and "white men" to be invalid for lack of U.S. consent. These cases involved use of the land for agricultural purposes: for grazing, pastureland or growing crops. Coey v. Law, 36 Wash. 10, 77 P. 1077 (1904); Light v. Conover, 10 Okla. 732, 63 P. 966 (1901); and Cherokee Strip Live Stock Association v. Cass Land, etc., 138 Mo. 394, 40 S.W. 107 (1897). The courts in these cases found such leases void for lack of the Secretary's approval and/or for lack of a "treaty" or act of Congress approving the same.

c. Contracts between tribal members and private parties.

Individual Indians who hold an undivided interest in tribal land or who hold an interest which is not vendible may not contract away their interest in the land. Franklin v. Lynch, 34 S. Ct. 505, 506, 233 U.S. 269, 58 L. Ed. 954 (1913). "Since the
Indian title in lands is only a right of occupancy, the fee being in the United States, an Indian or tribe is incapable of alienating lands except to the United States, or with its consent."


Section 396d of Title 25 permits the leasing of Indian lands for oil and gas exploration and development upon approval by the Secretary. In Kenai Oil and Gas, Inc. v. Dept. of Interior, 522 F. Supp. 521 (D. Utah 1981) aff'd 671 F.2d 383 (10th Cir. 1982), oil and gas mining lessees brought suit against the tribe's business committee, tribal corporation, individual tribal members and U.S. government officials to prevent the lapsing of oil and gas leases resulting from the Secretary's disapproval of a "communitization agreement." Thirty leases had been entered into, with 23 having individual Indian allottees as lessors. Id. at 525. Two of the leases clearly named the tribal corporation as lessor. In five of the leases, however, the court was unable to determine, without more evidence, who were the lessors. These five leases named the tribal governing body, a tribal corporation and the individual allottee, but it was not clear to the court which organization was acting as agent and which was lessor. Id. at 527. Without resolving the issue, the court focused on its jurisdiction over the parties and found it to be lacking with respect to the tribe's business committee, due to the tribe's immunity from suit. Id. at 531.

The Kenai lessees also argued that the Secretary abused his discretion in deciding not to renew the "communitization" agreement. Specifically, they argue that the Secretary had no authority to refuse to approve the agreement on purely economic grounds. Id. at 532. Rather, "[t]hey argue that the Secretary's discretion extends only to matters of conservation and protection of natural resources." Id. In rejecting this argument, the court cited the Secretary's broad discretion generally, id. at 533-34, and with respect to the government's function as trustee of Indian
lands, id. at 534. Said the court:

"That the Secretary of the Interior is required to approve transactions involving Indian land is entirely consistent with the high fiduciary responsibility it has to manage land held in trust for Indian use. As a trustee the Secretary is expected to manage Indian land so as to maximize the benefits obtaining to the Indians. The court is willing to admit that the protection afforded by the Secretary does not extend to include overseeing the economic interests of Indian lessors. To the contrary, the devotion of Indian land to uses designed to maximize lease revenues is the conventional goal of trust management."


In conclusion, some type of federal approval is necessary where contracts involve tribes and their land or other assets. Political subdivisions are treated no differently than individuals with respect to leases or other contracts involving tribes and tribal resources. Finally, as shown by the Kenai case, the Secretary's power to approve or disapprove contracts is very broad, absent Congressional limitation. In addition, the Secretary is imbued with the duties of the United States as a trustee in cases involving lands or mineral resources.

4. IMPACT OF THE UNITED STATES' TRUST RESPONSIBILITY ON CONTRACTS.

With respect to any sale or other conveyance of Indian lands, the United States has a fiduciary responsibility to ensure that such agreements be openly and fairly made. The Seneca Nation of Indians, the Tonawanda Band of Seneca Indians v. U.S., 173 Ct. Cl. 917, 925 (1965). Further, the role of the United States is to prevent fraud, deception or duress in the making of contracts respecting lands, as well as to prevent improvidence, unfairness and the payment of an unconscionably low consideration. Id. The court cited 25 U.S. §177 as the source of this fiduciary obligation.
Seneca involved the sale of land to private parties by Indian tribes in what is now New York state. The lands became state-owned some time after the sale by the Indians. The tribes sued the United States for violation of its fiduciary duty to guard against the payment of unconscionably low consideration. The court held that this duty applied only to transactions after 1970, when the Congress, pursuant to the newly-adopted Constitution, undertook the responsibility to oversee Indian land sales in what is now codified as 25 U.S.C. §177.

There are limits in the United States' trust responsibility. In a companion case to Seneca, the Court of Claims stated that the federal government need not exercise constant supervision over a tribe's affairs where such tribe is organized and customarily takes steps to further its own interests. The Seneca Nation of Indians v. U.S., 173 Ct. Cl. 912, 916 (1965). The measure of accountability, said the court, depends on a complex of factors relevant to the particular facts of the case. Id.

The tension between the United States' trust responsibility and the rights of Indian tribes to self-determination was illustrated in Kenai, supra. In Cheyenne River Sioux Tribe v. Kleppe, 424 F. Supp. 448 (D.C.S.D. 1977), rev'd on other grounds 566 F.2d 1085, cert. den. 99 S. Ct. 83, 439 U.S. 820, 58 L. Ed. 2d 111, the court opined that the federal government's trust responsibility is not to be broadly used as an administrative tool to overcome the policy of Indian self-determination. Although the case does not relate to contracts or tribal property--the issue was whether the 26th Amendment was applicable to tribal elections--it boldly asserted the rights of Indians to make their own choices on matters not determined by the Congress.

The United States' trust responsibility has been held not to exist in other situations. For example, in Hydaturg Co-op Association v. U.S., 667 F.2d 64, 229 Ct. Cl. 250, cert. den. 103 S. Ct. 207, 459 U.S. 405, 74 L. Ed. 2d 166, the court held that 25 U.S.C. §470 imposed no fiduciary duty upon the United States to ensure the continuation and viability of a cannery enterprise in
Alaska; rather, the loans extended to the cooperative by the U.S. created a relationship akin to that of creditor-debtor. The fiduciary duty owed to the tribe by the government, said the court, existed with respect to trust land only, and not with respect to funds borrowed under the Act. Id. at 68. The court specifically declined to extend the fiduciary duty found in Mitchell v. U.S., 229 Ct. Cl. 664 F.2d 265 (1981), regarding timber management to the area of economic development without more specific legislative intent. Id. at 69.

As stated earlier, the court in Kenai found the U.S. trust responsibility to strengthen the Secretary's discretion regarding the leasing of mineral rights to Indian lands. Such discretion was found to exist for both economic and natural resource matters. The Secretary used his discretion to deny approval of the leasing arrangements.

In light of the power of tribal organizations to incorporate, and thus to contract without the Secretary's approval if incorporated, the question remains as to what extent a corporation may expose its resources to risk. The Alaska Supreme Court's decision in Atkinson v. Haldane, 569 P.2d 151 (Alaska 1977), describes the importance of having two legal entities: one corporate, and one political. Said the court:

"In our view, the section 16 governmental unit and section 17 corporate unit are distinct legal entities . . . The legislative history of the Indian Reorganization Act also supports a determination of separateness. Additionally, we think a construction which recognizes two legal entities would be indicated by considerations of sound public policy. There is little doubt that the claims to sovereign immunity have been allowed in the courts in order to protect the limited and irreplaceable resources of the Indian tribes from large judgments. However, strict application of the immunity principle could severely retard the tribe's economic growth in a modern business world. Recognition of two legal entities, one with sovereign immunity, the other with the possibility for waiver of that immunity, would enable the tribes to make maximum use of their property. The property of the corporation would be at risk, presumably in an amount
necessary to satisfy those with whom the tribe deals in economic spheres. Yet some of the tribal property could be kept in reserve, safe from a judgment execution which could destroy the tribe's livelihood, in recognition of the special status of the Indian Tribe." 569 P.2d at 174-75.

Of course, the question remains just how much can a tribal corporation risk? And the next question is when should the Secretary or Congress step in to prevent improvident use of resources by an Indian corporation or improvident transfers by the tribe to the tribal corporation?
97A.151 LEECH LAKE INDIAN RESERVATION AGREEMENT.

Subdivision 1. Purpose. The purpose of this section is to give recognition and effect to the rights of the Leech Lake Band of Chippewa Indians that are preserved by federal treaty relating to hunting, fishing, and trapping, and to the gathering of wild rice on the Leech Lake Indian Reservation. These rights have been recognized and given effect by the decision of the United States District Court in the following entitled actions: Leech Lake Band of Chippewa Indians, et al v. Robert L. Herbst, No. 3-69 Civ. 65; and United States of America v. State of Minnesota, No. 3-70 Civ. 228. The state of Minnesota desires to settle all outstanding issues and claims relating to the above rights.

Subd. 2. Definitions. The definitions in this subdivision apply to this section.

(a) "Band" means the Leech Lake Band of Chippewa Indians.

(b) "Committee" means the reservation business committee of the Leech Lake Band of Chippewa Indians.

(c) "Reservation" means the Leech Lake Indian Reservation described in the settlement agreement.


Subd. 3. Ratification of settlement agreement. Notwithstanding the provisions of any other law to the contrary, the state of Minnesota by this section ratifies and affirms the agreement set forth in the settlement agreement.

Subd. 4. Commissioner's powers and duties. (a) Notwithstanding the provisions of any other law to the contrary, the commissioner, on behalf of the state of Minnesota, shall take all actions, by order or otherwise, necessary to carry out the duties and obligations of the state of Minnesota arising from the agreement entered into by the parties to the settlement agreement.

(b) These actions include but are not limited to the following:

(1) the implementation of the exemption of members of the band and other members of the Minnesota Chippewa tribe from state laws relating to hunting, fishing, trapping, the taking of minnows and other bait, and the gathering of wild rice within the reservation, together with exemption from related possession and transportation laws, to the extent necessary to effectuate the terms of the settlement agreement;

(2) the establishment of a system of special licenses and related license fees for persons who are not members of the Minnesota Chippewa tribe for the privilege of hunting, fishing, trapping, or taking minnows and other bait within the reservation. All money collected by the commissioner for special licenses shall be deposited in the state treasury and credited to the Leech Lake Band and White Earth Band special license account, which is hereby created. All money in the state treasury credited to the Leech Lake Band and White Earth Band special license account, less any deductions for administrative costs authorized by the terms of the settlement agreement, is appropriated to the commissioner who shall remit the money to the committee pursuant to the terms of the settlement agreement;

(3) to the extent necessary to effectuate the terms of the settlement agreement, the promulgation of rules for the harvesting of wild rice within the reservation by non-Indians;

(4) to the extent necessary to effectuate the terms of the settlement agreement, the establishment of policies and procedures for the enforcement by conservation officers of the conservation code adopted by the band; and

(5) the arbitration of disputes arising under the terms of the settlement agreement.

History: 1986 c 386 art 1 s 29
97A.155 AMENDMENTS TO LEECH LAKE INDIAN RESERVATION AGREEMENT.

Subdivision 1. Payment in lieu of special licenses. The commissioner may enter into an agreement with authorized representatives of the Leech Lake Band of Chippewa Indians to amend the settlement agreement adopted by section 97A.151 by providing that in lieu of the system of special licenses and license fees for persons who are not members of the Minnesota Chippewa tribe for the privilege of hunting, fishing, trapping, or taking minnows and other bait within the reservation, five percent of the proceeds from all licenses sold in the state for hunting, fishing, trapping, and taking minnows and other bait shall be credited to the special license account established by section 97A.151. The funds shall be remitted to the Leech Lake Band in the manner and subject to the terms and conditions that may be mutually agreed upon.

Subd. 2. Payment in lieu of migratory waterfowl stamp fee. The commissioner may enter into an agreement with the reservation business committee of the Leech Lake Indian Reservation to amend the settlement agreement adopted in section 97A.151 by providing that in lieu of collecting an additional fee in connection with the state migratory waterfowl stamp for the privilege of hunting waterfowl on the Leech Lake Indian reservation five percent of the proceeds from the sale of state migratory waterfowl stamps shall be credited to the special license account established by section 97A.151. The funds shall be remitted to the Leech Lake reservation business committee in the manner and subject to the terms and conditions provided in section 97A.151.

History: 1986 c 386 art 1 s 30

97A.161 AGREEMENT WITH WHITE EARTH INDIANS.

The commissioner may enter into an agreement with authorized representatives of the White Earth Band of Chippewa Indians on substantially the same terms as the agreement adopted by section 97A.151 and amended under section 97A.155; except that the agreement shall provide that 2-1/2 percent of the proceeds from all licenses sold in the state for hunting, fishing, trapping, and taking of minnows and other bait shall be credited to the special license account established by section 97A.151. The funds shall be remitted to the White Earth Band in the manner and subject to the terms and conditions that may be mutually agreed upon. An agreement negotiated under this section shall be for a term of at least four years following the date of its execution.

History: 1986 c 386 art 1 s 31

97A.165 SOURCE OF PAYMENTS FOR INDIAN AGREEMENT.

Money to make payments to the Leech Lake Band and White Earth Band special license account under sections 94.16 and section 97A.151, subdivision 4, is annually appropriated for that purpose in a ratio of 60 percent from the game and fish fund and 40 percent from the general fund.

History: 1986 c 386 art 1 s 32

ENFORCEMENT

97A.201 ENFORCEMENT.

Subdivision 1. Enforcement by the commissioner. The commissioner shall execute and enforce the laws relating to wild animals. The commissioner may delegate execution and enforcement of the wild animal laws to the director, game refuge managers, and conservation officers.

Subd. 2. Duty of county attorneys and peace officers. County attorneys and all peace officers must enforce the game and fish laws.

History: 1986 c 386 art 1 s 33
The above-captioned consolidated matters were instituted by the Leech Lake Band of Chippewa Indians and the United States of America alleging violations of certain federal treaty rights of the Leech Lake Band and Minnesota Chippewa Tribe by the State of Minnesota and various state offices. On January 25, 1972, this Court entered an amended judgment declaring that the Leech Lake Band has a treaty right to hunt, fish, trap and gather wild rice within the boundaries of the Leech Lake Reservation without state regulation or control. The judgment of this Court was appealed to the United States Court of Appeals for the Eighth Circuit by the State. Cross-appeals were filed by the Band and the United States of America on the issue of the Band's exclusive
authority to regulate non-Indians as well as Indians within the boundaries of the Leech Lake Reservation. United States Court of Appeals for the Eighth Circuit, Docket numbers 72-1154, 72-1155, 72-1163.

On June 30, 1972, judgment was entered by the United States Court of Appeals for the Eighth Circuit remanding the cases to this Court for appropriate proceedings based upon a joint motion and affidavits by the attorneys for all parties to the litigation stating that a settlement of the controversy had been reached and that on ratification and implementation of that settlement by the Minnesota Legislature, application would be made to this Court for the entry of a consent judgment.

On January 26, 1973, a formal Memorandum of Agreement and Settlement was signed by all parties and filed with this Court.

On April 23, 1973, Chapter 124, Laws of Minnesota, 1973 First Regular Session, ratifying the settlement agreement and conferring implementing powers on the Commissioner of Natural Resources was signed by the Governor of Minnesota.

It is therefore ORDERED, ADJUDGED and DECREED as follows:

I.

The Memorandum of Agreement and Settlement as amended, heretofore filed with this Court, is approved and each of the parties is hereby directed to implement and perform the terms of this Judgment which incorporates the provisions of said Agreement.

II.

The Amended Judgment of this Court dated January 25, 1972, is withdrawn and this Consent Judgment adopted in its place.

III.

Definitions.

For purposes of this Judgment, the following expressions
shall have the meanings assigned to them respectively:

A. "The Band" means the Leech Lake Band of Chippewa Indians.

B. "Band member" means an Indian duly enrolled in the Band pursuant to the regulations of the Band and of the Minnesota Chippewa Tribe.

C. "Tribal member" means a duly enrolled member of the Minnesota Chippewa Tribe who is not a Band member.

D. "RBC" means the Reservation Business Committee of the Leech Lake Band of Chippewa Indians.

E. The "Reservation" means the Leech Lake Reservation described as follows and depicted graphically on the map marked Exhibit A and attached to the Memorandum of Agreement and Settlement on file with this Court.

Leech Lake Indian Reservation Boundary Description

Beginning at a point on the Mississippi River, opposite the mouth of the Wanoman River (Vermillion River in Cass County), as laid down on Sewell's map of Minnesota; thence north to a point two miles further north than the most northerly point of Lake Winnibigoshish; thence west to the range line between ranges 25 and 26 West; thence north on said range line to the twelfth standard parallel; thence west on said standard parallel to the range line between Ranges 23 and 29 West; thence south on said range line to the High-Water Mark on the north shore of Dixon Lake; thence southerly along the High-Water Mark on the easterly shore of Dixon Lake to the High-Water Mark on the right bank (looking downstream) of the Third River at its outlet from Dixon Lake; thence southerly along the High-Water Mark on the right bank (looking downstream) of the Third River to a point two miles further north than the most northerly point of Lake Winnibigoshish; thence west to a point two miles west of the most westerly point of Cass Lake; thence south to the High-Water Mark on the left bank (looking downstream) of the Kabekona River; thence southeasterly along the High-Water Mark on the left bank (looking downstream) of the Kabekona River to its mouth at Kabekona Bay of Leech Lake; thence easterly along the High-Water Mark on the north shore of Kabekona Bay of Leech Lake to Walker Bay of Leech Lake; thence northeasterly along the High-Water Mark of Walker Bay of Leech Lake to the easterly extremity of Sand Point of Leech Lake; thence southerly through Walker Bay of Leech Lake to the most southern point of Leech Lake (said point being the southwest corner of Government Lot 4 of Section 11, Township 141 North, Range 31 West); thence in a direct line to
the southeast corner of Government Lot 6 of Section 32, Township 141 North, Range 27 West; thence northerly along the High-Water Mark on the west shore of Inguadona Lake to the High-Water Mark on the right bank (looking downstream) of the Little Boy River at its outlet from Inguadona Lake; thence northerly along the High-Water Mark on the right bank (looking downstream) of the Little Boy River to its inlet into Boy Lake; thence northerly through Boy Lake by the shortest water route to the High-Water Mark on the right bank (looking downstream) of the Little Boy River at its outlet from Boy Lake; thence northerly and westerly along the High-Water Mark on the right bank (looking downstream) of the Little Boy River to its mouth at Boy Bay of Leech Lake; thence in a direct line to the southern extremity of Sugar Point of Leech Lake; thence northeasterly along the High-Water Mark of Boy Bay of Leech Lake to the range line between Ranges 28 and 29 West; thence north on said range line to the High-Water Mark on the southerly shore of Waboose Bay of Leech Lake; thence northerly along the High-Water Mark of Waboose Bay of Leech Lake to the High-Water Mark on the right bank (looking downstream) of the main channel of the Leech Lake River, as it now exists, at its outlet from Waboose Bay of Leech Lake; thence easterly along the High-Water Mark on the right bank (looking downstream) of the main channel of the Leech Lake River, as it now exists, to its intersection with the original channel of the Leech Lake River, said intersection being approximately 4500 feet west of the inlet of the main channel into Mud Lake as it now exists; thence along the High-Water Mark on the right bank (looking downstream) of the original channel of the Leech Lake River in an easterly and northerly direction to its inlet into Mud Lake; thence southerly and easterly along the High-Water Mark of Mud Lake to the inlet of the Bear River; thence northerly along the High-Water Mark of Mud Lake to the High-Water Mark on the right bank (looking downstream) of the main channel of the Leech Lake River, as it now exists, at its outlet from Mud Lake; thence easterly along the High-Water Mark on the right bank (looking downstream) of the main channel of the Leech Lake River, as it now exists, to its junction with the High-Water Mark on the right bank (looking downstream) of the main channel of the Mississippi River; thence along the High-Water Mark on the right bank (looking downstream) of the main channel of the Mississippi River to the mouth of the Wanoman River (Vermillion River in Cass County); thence northeasterly across the Mississippi River to the point of beginning.

Also, beginning at a point north of a point on the Mississippi River, opposite the mouth of the Wanoman River (Vermillion River in Cass County) as laid down on Sewell’s map of Minnesota, where the section line between Sections 14 and 11, and 10 and 13, of Township 55 North, Range 27 West of the fourth principal meridian, if extended west would intersect the same; thence east on said extended section line to section corner between Sections 11, 12, 13 and 14; thence north on the section line between Sections 11 and 12, and 1 and 2, all of the same township and range above mentioned; to the township line between Townships 55 and 56 North; thence continuing north on the section line between Sections 35 and 36,
and 26 and 25 to the northeast corner of Section 26, Township 56 North, Range 27 West; thence west on the section line between Sections 26 and 23, and 27 and 22 to the High-Water Mark on the easterly shore of Big White Oak Lake; thence westerly along the High-Water Mark on the north shore of Big White Oak Lake to a point north of a point on the Mississippi River, opposite the mouth of the Wanoman River (Vermillion River in Cass County), as laid down on Sewell's map of Minnesota; thence south to the point of beginning.

Definitions:

High-Water Mark is the line which the water impinges on the soil by covering it for sufficient periods of time to deprive it of vegetation.

F. "The State" means the State of Minnesota.

G. "DNR" means the Department of Natural Resources of the State of Minnesota.

H. "Commissioner" means the Commissioner of the Department of Natural Resources of the State of Minnesota.

I. "Additional sum" means the amount added to the total charge imposed by the State for the privilege of hunting, fishing and trapping within the Reservation.

J. "Unrestricted License" means a hunting, fishing or trapping license or permit valid within the boundaries of the Leech Lake Reservation pursuant to this Agreement for which an additional sum has been charged.

K. "Restricted License" means a hunting, fishing or trapping license or permit issued by the State of Minnesota and valid throughout the State of Minnesota, except within the boundaries of the Leech Lake Reservation or other Indian country, for which no additional sum has been charged.

L. "Separate License Stamp" means a stamp which, when affixed to the Restricted License, is the equivalent of an Unrestricted License and for which an additional sum has been charged.

M. "The Code" means the Conservation Code of the Leech
Band of Chippewa Indians affixed to the Memorandum of Agreement and Settlement as Exhibit B as filed with this Court.

N. "Non-game" fish means the fish species called buffalo-fish, burbot, bullhead, carp, catfish, coho, dogfish, gar, quillback, sheephead, suckerfish, tulibee and whitefish and any other species which may be added by agreement of the parties.

O. "Confiscated game" means all fish, game and wild rice taken into custody by the DNR because of violation of the state game, fish and wild rice laws.

P. "Ricing" means the harvesting of wild rice.

Q. "Persons entitled to harvest wild rice" means those persons defined in Minnesota Statutes 1971 §84.10.

R. "Taking for commercial purposes" means the taking of fish or game for barter or sale.

S. "Fishing" shall mean angling, spearing, netting and erection of fish houses for the purposes of angling, netting or spearing.

T. "Fish station" shall mean a facility maintained and operated for the purpose of capturing fish, stripping and retaining the fish eggs and returning the fish to the waters.

IV.

Term

A. This Judgment shall be binding upon the parties so long as there continues to be a Reservation and/or Tribal and Band hunting, fishing and ricing rights, recognizing that termination of the Reservation and/or Tribal and Band hunting, fishing and ricing rights may only be accomplished by action of the United States Congress expressly stating that the Reservation and/or all hunting, fishing and ricing rights of the Tribe or Band are terminated.
B. In the event there is a final judgment of the United States Supreme Court or a Federal Appellate Court of competent jurisdiction in which the Band or the Tribe is a party holding that the treaties and statutes construed in this litigation do not reserve to or confer upon the Minnesota Chippewa Tribe or the Band any rights to hunt, fish, trap and gather wild rice upon public lands and waters other than those generally provided under Minnesota law to all persons, then this judgment shall terminate as provided herein.

C. Should the Congressional action referred to in paragraph A above occur or the judicial decision referred to in paragraph B above be rendered, then any of the parties hereto may apply to the United States District Court for the District of Minnesota for vacation of this Consent Judgment. If an application for vacation of this Judgment is based on the occurrence of the events described in paragraph B above, the parties may also request the entry of a fresh, original judgment from which an appeal may be taken.

V. Agreements

A. The Band will uniformly and fairly enforce the Code upon all of its members and Tribal members duly licensed pursuant to the Code. The Code shall only apply to Band and Tribal members. The Band or the Tribe shall have no jurisdiction over non-members of the Band or Tribe. Said non-members shall at all times remain subject to State law only except as otherwise provided by Federal law. All Band and licensed Tribal members shall be exempt from State law governing hunting, fishing, trapping or gathering while within the Reservation, except for the offense of trespass relating
to privately owned land which has been posted pursuant to Minnesota Statutes 1971 §100.29(21), and in lieu thereof shall be subject to the Code. All Band and licensed Tribal members shall be exempt from State law governing the possession and transportation anywhere within the State of game, non-game fish and wild rice which has been taken within the Reservation. The Code shall not be modified, amended or altered except by agreement of each of the parties or as provided in the Memorandum of Agreement and Settlement, and in no event shall the Band or Tribe permit the commercial taking or sale of game fish or game.

3. The State shall establish and maintain:

1. Licensing System

a. From and after June 22, 1973, all persons required to hold a hunting, fishing or trapping license or permit in order to exercise the privilege of hunting, fishing or trapping within the State of Minnesota shall be required to pay an additional sum over and above the amount otherwise assessed by the State of Minnesota for said license or permit (including surcharges) for the privilege of hunting, fishing or trapping within the boundaries of the Reservation. Said additional sum shall be an amount established annually by the RBC, which amount shall not exceed fifty percent (50%) of the State resident license fee (including any surcharge) then in effect for the purchase of hunting, fishing or trapping licenses.

b. The additional sum shall be collected by the DNR in the following manner:

(i) The DNR shall offer for sale through all agencies then selling hunting, fishing and trapping licenses, as the State's primary license, an
Unrestricted License as defined in Part III hereof, except that in the year of enactment of the legislation, the Commissioner in his discretion need not sell an Unrestricted License.

(ii) It is understood and agreed that the State and/or the DNR will continue to sell a Restricted License as defined in Part III hereof, and may in the future enter into agreements covering other Indian country and special licensing arrangements for said Indian country.

(iii) The DNR shall offer for sale, in addition to the Unrestricted License, a Separate License Stamp as defined in Part III hereof. The amount charged for the Separate License Stamp need not be the same as the additional sum included in the Unrestricted License fee; however, the cost of the Separate License Stamp shall not exceed fifty percent of the State resident license fee (including any surcharge) then in effect for the license in question.

(iv) The RBC shall inform the Commissioner no later than thirty (30) days after it receives notice from the Commissioner of the State's license fee schedule each year of the Band's determination of the amount to be added for the Unrestricted License and the amount to be charged for the Separate License Stamp for the year in question. In the event the RBC fails to timely inform the Commissioner of the additional sum, then the previous year's additional sum shall be charged. The sum to be added to the
Unrestricted License for the year 1973 shall be $1.00; the sum to be charged for the Separate License Stamp for fishing licenses and small game licenses for the year 1973 shall be $1.00; in all other cases the charge for the Separate License Stamp shall be $2.00, except in those cases where the charge for the Restricted License is less than $4.00, in which case the Separate License Stamp shall be 50% of the Restricted License fee.

c. The additional sums collected from sales of Unrestricted Licenses and Separate License Stamps shall be remitted to the RBC at least quarterly. The State may, however, deduct from the receipts the added administrative cost and sales commission incurred by it in connection with the sale of said Unrestricted Licenses and Separate License Stamps which it would not otherwise incur but for the existence of the unrestricted license system.

The State may pay the same percentage of sales commission to the Vendor of the Unrestricted License and Separate License Stamp it pays for the sale of Restricted Licenses.

The books and records of the State with respect to license sales, amounts collected and costs of administering and selling shall at all times be open to inspection by any duly authorized representative of the signatory parties hereto. Any disputes with respect to the sale and administrative costs shall be subject to arbitration as hereinafter provided.

d. The holder of a Restricted License, an Unrestricted License or a Separate License Stamp, who is not a Band or
Tribal member duly licensed pursuant to the Code, will at all times remain subject to the laws, regulations, rules and ordinances of the State of Minnesota and its political subdivisions with respect to hunting, fishing and trapping and all other restrictions presently enacted or hereinafter enacted, including specifically but not exclusively seasons, limits and methods of taking. The purchase of the Unrestricted License and/or the Separate License Stamp shall confer no exemption upon the holder thereof from any law or regulation governing hunting, fishing, or trapping. The existence of the Unrestricted License system shall impose no duty upon the State or the DNR to establish seasons, limits or methods of taking for the Reservation which in any way differ from the seasons, limits or methods of taking established for other areas within the State.

e. It is expressly understood and agreed that in the event the Code is not uniformly and fairly enforced by the Band, the State may withhold all receipts due the Band until such time as fair enforcement is resumed. The State shall give prompt notice of its intent to withhold funds because of unfair enforcement by the Band. Upon receipt of said notice, the Band may request a hearing in ten days before the arbitrators, who thereafter, and upon the evidence and in the manner provided in Part VII hereof, shall decide if there has been a breach of the Band's duty to enforce the Code and the period of time during which said breach has continued.

In the event that it is determined by the arbitrators
that there has not been uniform and fair enforcement of the Code, so much of the sums held by the State and collected during the period in which there has not been uniform and fair enforcement shall be forfeited by the Band.

2. Wild Rice Regulating

a. From and after June 22, 1973, the regulation and licensing of wild rice harvesting by Band and Tribal members within the Reservation shall be vested in the RBC.

b. The RBC shall adopt and shall recommend to the Commissioner for adoption appropriate regulations to control:

(i) Methods of harvesting,

(ii) Seasons of harvesting,

(iii) The number of persons permitted to harvest, by requiring the issuance of Band permits to all persons entitled to harvest wild rice, whether or not Band or Tribal members.

(iv) The lakes and rivers or portions of lakes and rivers open to ricing, and

(v) Licensing of buyers.

The Commissioner shall promulgate regulations consistent with the regulations adopted and recommended by the RBC for the purpose of regulating and licensing persons entitled to harvest wild rice within the Reservation, save and except that no regulation, limitation or license fee recommended by the Band may be adopted or imposed which will discriminate against or among those otherwise entitled to harvest wild rice or buy the same within the Reservation.
c. All persons entitled to harvest wild rice within the Reservation shall provide appropriate identification to the RSC or its agents when obtaining a Band permit to harvest wild rice. Said permit shall be carried upon the person and displayed to authorized conservation officers of the Band and/or the State upon reasonable request while engaged in harvesting.

d. All persons other than Band or duly licensed Tribal members shall be required to have a State rice license, in addition to a Band permit. No additional sum shall be added to the State rice license, and in lieu thereof, the Band may charge a fee for a Band permit. The fee for the Band permit shall be the same as that charge to Band members.

3. Non-Game Fish Taking

a. From and after June 22, 1973, the taking of non-game fish from the waters within the Reservation for commercial purposes shall be the exclusive right of the Band.

b. Non-game fish may be taken for non-commercial purposes at times, by methods and in amounts prescribed by the Commissioner or by State law by any person otherwise entitled to fish within the Reservation. The Commissioner agrees to promulgate a regulation limiting netting of non-game fish to residents of the State and further limit the number of whitefish taken within the Reservation to 25 such fish in the possession of any person at any time.

c. The DNR retains the right to remove non-game fish
from the waters of the Reservation in the event that, in the opinion of the Commissioner, the Band does not take sufficient quantities of said fish to maintain proper ecological balance within the waters. Prior to taking any action to remove non-game fish, the Commissioner shall notify the Band of the amount of non-game fish he desires to have removed and allow the Band a reasonable opportunity to remove said non-game fish.

4. Minnows and Other Baits
   a. From and after June 22, 1973, the taking of minnows and other bait from the waters within the Reservation for commercial purposes shall be the exclusive right of the Band, save and except that resort owners or bait dealers whose resorts or bait shops are within the Reservation boundaries may take minnows for resale at retail at their resorts or bait shops within the boundaries of the Reservation.

   Bait dealers or resort owners authorized to take minnows within the Reservation shall have added to the State license for such taking an additional sum equal to 50% of the State license fee, which additional sum shall be remitted to the Band in the same manner as provided in Section 3 of this Part.

   b. The sale of minnows and other baits from whatever source shall remain unrestricted within the Reservation.

5. Confiscated Game and Fish
   From and after June 22, 1973, confiscated game (not
including furs, pelts, hides or skins), fish and wild rice taken into custody by the DNR within the Reservation or within a reasonable distance from the Reservation boundaries and all game or fish injured or killed in connection with conservation activities of the DNR within the Reservation shall be offered without cost or other charge to the RBC for consumption and use by Band members. The State shall have no duty to transport said confiscated game, fish or wild rice.

6. Fry

The State shall place, in the lakes of the Reservation annually, in the form of fry, a minimum of 10% of the green eggs taken at fish stations in the waters of the Reservation or in waters adjacent to the Reservation. The minimum percentage may be raised by mutual consent of the parties. In the event a dispute arises over raising the minimum percentage, the matter shall be submitted to arbitration.

7. Posting

The State shall post the boundaries of the Reservation by placing appropriate signs on all public roads leading into the Reservation at or near the boundaries of the Reservation. The sign shall contain a notice indicating that special licenses are required for hunting, fishing, trapping and gathering within boundaries of the Reservation and shall further indicate the penalties for destruction of the signs.

VI.

Enforcement

A. Duly constituted and properly identified conservation officers of the DNR may arrest Band or Tribal members for violations of the Code committed in their presence and may initiate such
proceeding under the Code for violations as are provided for therein.

B. Duly constituted and properly identified Band conservation officers may arrest non-Band members and Tribal members not duly licensed under the Code for violations of State game and fish laws committed in their presence, and may initiate such proceedings for violation of State law as are provided by statute.

VII.

Arbitration

A. Any dispute or disagreement between the parties, including specifically but not exclusively:

1. Fair enforcement of the Code,
2. Modifications of the Code as provided therein,
3. Game or fish management,
4. Protection of endangered species, and
5. Administration and sale of licenses,

shall be settled by arbitration at the request of any party. In any such arbitration, the State shall be considered as one party, and the Band, the United States and the Minnesota Chippewa Tribe shall be the other party, although the Band, the United States and the Minnesota Chippewa Tribe need not act unanimously in any matter other than selection of the arbitrators, and each may demand arbitration of any dispute with the State pursuant to this section without the consent of the others. The party desiring to initiate arbitration shall serve on the other party, by certified mail (return receipt requested) a written demand for arbitration setting forth (a) the nature of the dispute to be resolved, (b) the claim of the party initiating arbitration with respect to such dispute, and (c) the name and address of one arbitrator selected by the party.
initiating arbitration. The other party shall have ten days after receipt of such demand to select a second arbitrator. If no second arbitrator is selected within such ten-day period, then the sole arbitrator shall be the one selected by the party initiating arbitration. If within such ten-day period the party receiving the demand for arbitration selects a second arbitrator by giving written notice of the arbitrator's name and address to the party initiating arbitration and to the first arbitrator by certified mail, then the two arbitrators so selected shall choose a third arbitrator within ten days after the receipt by the first arbitrator of notice of the selection of the second arbitrator. If the first two arbitrators fail to choose a third arbitrator within the prescribed ten-day period, then either party to the arbitration, on notice to the other, may apply to the Chief Judge of the United States District Court for the District of Minnesota for the appointment of a third arbitrator.

B. As promptly as practicable after their appointment, the arbitrators shall hold a preliminary meeting with the parties to determine the most expeditious method of assembling all pertinent evidence. The arbitrators, in their discretion, may require the parties to appear for depositions and produce documents, answer interrogatories and make admissions in accordance with the discovery procedure specified in the Federal Rules of Civil Procedure. Should any party fail to comply with any procedural order or requirement of the arbitrators, such failure may be given such weight as the arbitrators deem appropriate in the determination of the issue presented for arbitration.

C. After presentation of the evidence, the matters in dispute shall be arbitrated by the three arbitrators so chosen,
and the award of the arbitrators, or a majority of them, shall be
final, and judgment upon the award rendered may be entered in the
United States District Court for the District of Minnesota. The
arbitrators may include in their award a determination of responsi-
bility for the expenses of arbitration. Prior to the making of
the award by the arbitrators, none of the parties to this Judgment
shall commence any lawsuit or other proceeding against any other
party hereto, if such lawsuit or proceeding arises out of any dis-
pute or disagreement between the parties relating to the matters
set forth in this Judgment. When an award has been made by the
arbitrators hereunder, all parties shall be subject to the personal
jurisdiction of the United States District Court for the District
of Minnesota for the entry of judgment thereon in these proceedings,
and all parties may be served by certified mail in such proceeding
in such Court for the entry of such judgment.

VIII.

Assignment

A. All rights, duties and privileges recognized or
granted hereunder are exclusively the property of the Band pursuant
to the delegation and assignment from the Minnesota Chippewa Tribe
and not of any individual member thereof.

B. None of the rights, duties and privileges recognized
or granted herein may be assigned or delegated by the Band to
other than its administrative and judicial agencies, save and except
that the Band may permit hunting, fishing, trapping and riceing by
tribal members pursuant to the Code.

IX.

Severability

No portion of this Judgment shall be severable except by
mutual consent then given by all the signatory parties hereto and agreement by the Court.

In the event that the Memorandum of Agreement and Settlement or any portion of said Agreement or any portion of the legislation enacted pursuant to the Agreement is held void, illegal or unconstitutional by the Supreme Court of the State of Minnesota or by any Federal Court of competent and final jurisdiction, then in that event, this Judgment shall terminate and any party may apply to this Court for a new appealable judgment consistent with the judgment entered by this Court on January 25, 1972, in this litigation.

X.

Implementation

1. The defendant State of Minnesota shall cause copies of this Judgment to be served either in person or by certified mail - personal return receipt requested - to the county attorneys of Beltrami, Cass, Itasca, and Hubbard Counties, all village or city attorneys in said counties, all Justices of the Peace, county court judges, county court judicial officers and all peace officers having any jurisdiction within any of said counties.

The State shall make and retain a verified list of the names and addresses of the persons to whom such personal service or mailing was made. Within thirty (30) days of the date of the filing of this Judgment, the State shall file with the Court and serve upon plaintiffs an Affidavit of Compliance with the foregoing provisions of this paragraph setting forth that such mailings have been made, that such verified list has been made and retained, and describing any other action taken by defendants to ensure receipt of actual notice of this Judgment.
2. This Judgment shall be binding upon plaintiffs and defendants, their officers, agents, servants, employees and attorneys, and upon those persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise.

Dated this 19th day of June, 1973.

LET JUDGMENT BE ENTERED ACCORDINGLY.

/\nEdward J. Devitt
Chief Judge
United States District Court

APPROVED AS TO FORM AND SUBSTANCE,

UNITED STATES OF AMERICA

By
Robert G. Renner
United States Attorney
596 United States Court House
110 South Fourth Street
Minneapolis, Minnesota

STATE OF MINNESOTA

By
Morris M. Sherman
Special Assistant Attorney General
818 Farmers & Mechanics Bank Bldg.
520 Marquette Avenue
Minneapolis, Minnesota 55402

LEECH LAKE BAND OF CHIPPEWA INDIANS

By
Bernard P. Becker
Legal Aid Society of Minneapolis, Inc.
501 Park Avenue
Minneapolis, Minnesota 55415