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SENATE

{ REPORT
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PROVIDING FOR THE USE AND DISTRIBUTION OF THE FUNDS AWARDED
TO THE QUINULT INDIAN NATION UNDER UNITED STATES CLAIMS
COURT DOCKETS 772-71, 773-71, 774-71, AND 775-71 AND FOR OTHER
PURPOSES

SEPTEMBER 3, 2002.—Ordered to be printed

Mr. INOUE, from the Committee on Indian Affairs,
submitted the following

R E P O R T

[To accompany S. 1308]

The Committee on Indian Affairs, to which was referred the bill S. 1308 to provide for the use and distribution of the funds awarded to the Quinault Indian Nation under United States Claims Court Dockets 772-71, 773-71, 774-71, and 775-71 and for other purposes have considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of S. 1308 is to authorize the transfer of funds that were awarded to the Quinault Indian Nation from the Department of Interior to the Quinault Indian Nation and to establish 3 separate accounts into which specified monies will be deposited and used for certain purposes.

BACKGROUND AND NEED

In 1989, the United States Claims Court awarded the Quinault Nation \$600,000 as compensation for damages to the tribe's salmon fishery caused by certain forestry and logging practices. The Department of Interior currently holds these funds in trust, and Federal legislation is required to authorize the transfer of funds to the Quinault Nation. There will be three separate accounts established. The first account, a Permanent Fisheries Fund, will consist of the remaining principal balance of the judgment funds, which is now \$540,000 after legal fees. The funds in the Permanent Fisheries Fund may not be expended. The second account will consist of the

investment income generated from the Permanent Fisheries Fund after the date of distribution of the funds to the Tribe. These funds may be used for fisheries enhancement projects and the costs associated with administering the Permanent Fisheries Fund. The third account will consist of the interest earned on the principal judgment funds since 1989, the date of the award to the Tribe, to the date of distribution to the Tribe. These funds may be used for tribal government activities.

LEGISLATIVE HISTORY

S. 1308, the Quinault Permanent Fisheries Fund Act, was introduced by Senator Murray, for herself, and Senator Cantwell on August 2, 2001, and was referred to the Committee on Indian Affairs. A companion measure, H.R. 2524, was introduced by Representative Norm Dicks in the House of Representatives on July 17, 2001. On March 21, 2002, the Committee favorably reported S. 1308 to the full Senate.

SECTION-BY-SECTION ANALYSIS

Section 1. Short Title. Section 1 provides the Short Title of the Act as the “Quinault Permanent Fisheries Fund Act.”

Section 2. Distribution of Judgment Funds. Subsection (a) authorizes the establishment of three separate accounts in which specified funds are to be deposited. The first account, a Permanent Fisheries Fund, will consist of the principal amount of the judgment funds. These funds shall be invested by the Tribe in accordance with the Tribe’s investment policy and may not be expended. The second account will consist of investment income earned on the Permanent Fisheries Fund from the date that the judgment funds are distributed to the Tribe and forward. These funds may be used for fisheries enhancement projects and the costs associated with administering the Permanent Fisheries Fund. The third account shall consist of the investment income earned on the judgment funds from September 19, 1989, to the date of disbursement of the funds to the Tribe. These funds may be used for tribal government activities specified in the Tribe’s approved annual budget.

Subsection (b) provides that the Tribe has discretionary authority to determine the amount of funds available for expenditure under the second and third accounts.

Subsection (c) requires the Tribe to maintain the records and investment activities of the three accounts separately. The records and activities shall be audited annually.

Subsection (d) mandates that a full accounting of the previous fiscal year’s investment activities and expenditures from all funds shall be made available to the tribal membership no later than 120 days after the close of the Tribe’s fiscal year.

Section 3. General Provisions. Section 3 provides for the judgment funds to be disbursed to the Tribe not later than 30 days after enactment of this Act. It also relieves the United States of all trust responsibility and liability for the investment, supervision, administration, or expenditure of the judgment funds once the funds are disbursed to the Tribe. Finally, the funds distributed shall be subject to section 7 of the Indian Tribal Judgment Funds Use or Distribution Act, relating to the use or distribution of cer-

tain judgment funds awarded by the Indian Claims Commission or the Court of Claims.

COMMITTEE RECOMMENDATION AND TABULATION OF VOTE

The Committee on Indian Affairs, in an open business session on March 21, 2002, ordered S. 1308 to be reported favorably to the Senate.

COST AND BUDGETARY CONSIDERATIONS

The cost estimate for S. 1308 as provided by the Congressional Budget Office is set forth below:

S. 1308—Quinault Permanent Fisheries Fund Act

S. 1308 would direct the Secretary of the Interior to distribute a judgment awarded to the Quinault Indian Tribe in 1989. About \$1 million in judgments and accumulated interest is being held in a trust fund on behalf of the tribe; however, the Secretary does not have the authority to distribute the funds without Congressional action. S. 1308 would allow the tribe to withdraw the \$600,000 award and over \$600,000 in interest from the Treasury.

Based on information from the Department of the Interior, CBO estimates that enacting S. 1308 would cost about \$1 million in 2002 for the payment to the tribe. Because S. 1308 would result in direct spending, pay-as-you-go procedures would apply. S. 1308 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Enactment of this legislation would benefit the Quinault Indian Nation.

The CBO staff contact for this estimate is Lanette J. Walker. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

EXECUTIVE COMMUNICATIONS

The position of the Administration on S. 1308 has not been received.

REGULATORY AND PAPERWORK IMPACT

Paragraph 11(b) of rule XXVI of the Standing Rules of the Senate requires each report accompanying a bill to evaluate the regulatory and paperwork impact that would be incurred in carrying out the bill. The Committee finds that S. 1308 will not require the promulgation of regulations so the regulatory and paperwork impact should be minimal, if any.

CHANGES IN EXISTING LAW

In compliance with subsection 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by a bill are required to be set forth in the accompanying Committee report. There are no changes in existing law.