Tribal Concerns and Discussion Points
North Dakota Legislative Management
Tribal and State Relations Committee
October 8, 2012
Tex "Red Tipped Arrow" Hall, Chairman
Mandan, Hidatsa, and Arickara Nation
Fort Berthold Indian Reservation

Greetings Chairman O'Connell and Members of the Tribal State Relations Committee, my name is Tex Hall, or Ihbudah Hishi, which means "Red Tipped Arrow". I am providing the following concerns on behalf of our tribal Nation.

The Negative Impact of Oil and Gas Development on Fort Berthold Continues. Historically, as a result of our interaction with the United States, our tribal nation has suffered from severe hardship, such as forced taking of our land, disease and health disparity, and destruction of our economic base. With the onset of the explosive oil and gas development, our difficulties have increased exponentially. Despite new revenue from oil and gas development, our tribal nation is still faced with applying limited resources to address the negative impacts of the oil boom, as well as the other continuous needs of the Fort Berthold Indian Reservation and our membership. Our Tribe needs resources and funding to address several important areas, including, but not limited to the following. Road Repair (with estimated cost of reconstruction at least \$1.3 million per mile), where most of our roads on Fort Berthold are severely impacted or destroyed, and not just Highways #22, #23 or #37. The existing roadways on our Reservation are not only very damaging to vehicles, and but are dangerous and impossible to negotiate, particularly during inclement or severe winter weather. An important example of this comes from the health needs of our people, where enrolled members as Dialysis patients cannot get the dire medical services they need in many instances, and our ability to have adequate ambulatory services are affected as well. Traffic Safety is also an extreme concern, as the heaviest volume of traffic in the State make Fort Berthold roadways dangerous and a matter of life and death. As the State's own records and research show, onset of oil and gas development has increased accidents and deaths in record numbers for our membership and communities.

Increased Criminal Activity, including illegal drug trading, violence (rape, murder, assault and battery, domestic disputes), theft, and prostitution, has made

our Reservation a very difficult place to live and protect our families. Our government alone cannot combat this situation. An Immense Housing Shortage, has also compounded a pre-existing shortage on Fort Berthold, where available housing is either too expensive or non-existent. Although we understand that this problem affects all of western North Dakota, the situation on Fort Berthold is acutely more critical, as we lack the infrastructure and resources to create additional housing to meet the demands. Environmental Harm, is not just conceptual and a mere risk, as well. It occurs daily, with air, land, and water pollution and contamination, sometimes by accident, but too often by deliberate and wrongful means. Our government continues to develop laws and impose regulations for better protection, but with limited resources, we lack the full capacity and means to better protect our land, air, and water on Fort Berthold.

Lack of Federal and State Assistance, in addressing the negative impact of the oil boom on Fort Berthold, has left our Nation in a critical state of affairs, as our own resources stemming from oil development activity remain inadequate to substantially address our needs. Two important issues must be addressed:

1. Unshared State Revenue Derived From Oil Development on Fort Berthold: We are deeply concerned with the State's failure to provide assistance directly to our Nation to help us address the negative effects of the developing oil industry. Despite a significant appropriation of more than a billion dollars by the North Dakota Legislature in 2011 for Impact Aid to address the oil boom, our Tribes' request for assistance have been ignored or denied, leaving us without adequate resources to protect the health and welfare of the residents of the Fort Berthold Reservation, who are also citizens. Most importantly, since July of 2008, the State has received more than \$218 Million in tax revenue under the Tribal-State Oil and Gas Tax Agreement, wherein a significant amount stems from tribal trust lands and wells! To our dismay, the State of North Dakota continuously asserts that these funds are restricted from usage as we request and need them. It is our hope and expectation that the State will appropriately fund and re-invest revenue realized by the State from oil and gas development on the Fort Berthold Reservation by acknowledging and funding our requests.

2. Inequitable Tax Agreement:

Since July of 2008, the Tribal-State Tax Agreement has provided a disparate and inequitable distribution of tax revenue for our Tribe. While the Agreement has accomplished the important purpose of alleviating the industry's fear of duotaxation, the State realizes significantly more than the Mandan, Hidatsa, and Arickara Nation from oil development and taxes on Fort Berthold. Our

government remains strongly opposed (see Resolution #11-116-VJB) to a continuation of this inequity, and adamantly request that the State reconsider amending the Tribal-State Oil and Gas Agreement to assist our nation to contend with the negative impact of oil and gas development on the Fort Berthold Reservation. As Chairman of the Mandan, Hidatsa, and Arickara Nation, I am committed to working diligently with the representatives of the State government to amend and change this unfair Agreement, as well as to address all the other significant concerns expressed herein and prevalent on Fort Berthold.