

**Calendar No. 948**110<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION**S. 2494****[Report No. 110-450]**

To provide for equitable compensation to the Spokane Tribe of Indians of the Spokane Reservation for the use of tribal land for the production of hydropower by the Grand Coulee Dam, and for other purposes.

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**IN THE SENATE OF THE UNITED STATES**

DECEMBER 17, 2007

Ms. CANTWELL (for herself, Mrs. MURRAY, and Mr. INOUE) introduced the following bill; which was read twice and referred to the Committee on Indian Affairs

SEPTEMBER 9, 2008

Reported by Mr. DORGAN, without amendment

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**A BILL**

To provide for equitable compensation to the Spokane Tribe of Indians of the Spokane Reservation for the use of tribal land for the production of hydropower by the Grand Coulee Dam, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Spokane Tribe of Indi-  
3 ans of the Spokane Reservation Grand Coulee Dam Equi-  
4 table Compensation Settlement Act”.

5 **SEC. 2. FINDINGS.**

6 Congress finds that—

7 (1) from 1927 to 1931, at the direction of Con-  
8 gress, the Corps of Engineers investigated the Co-  
9 lumbia River and its tributaries to determine sites at  
10 which power could be produced at low cost;

11 (2) under section 10(e) of the Federal Power  
12 Act (16 U.S.C. 803(e)), when licenses are issued in-  
13 volving tribal land within an Indian reservation, a  
14 reasonable annual charge shall be fixed for the use  
15 of the land, subject to the approval of the Indian  
16 tribe having jurisdiction over the land;

17 (3) in August 1933, the Columbia Basin Com-  
18 mission, an agency of the State of Washington, re-  
19 ceived a preliminary permit from the Federal Power  
20 Commission for water power development at the  
21 Grand Coulee site;

22 (4) had the Columbia Basin Commission or a  
23 private entity developed the site, the Spokane Tribe  
24 would have been entitled to a reasonable annual  
25 charge for the use of its land;

1 (5) in the mid-1930s, the Federal Government,  
2 which is not subject to licensing under the Federal  
3 Power Act (16 U.S.C. 792 et seq.)—

4 (A) federalized the Grand Coulee Dam  
5 project; and

6 (B) began construction of the Grand Cou-  
7 lee Dam;

8 (6) when the Grand Coulee Dam project was  
9 federalized, the Federal Government recognized  
10 that—

11 (A) development of the project affected the  
12 interests of the Spokane Tribe and the Confed-  
13 erated Tribes of the Colville Reservation; and

14 (B) it would be appropriate for the Spo-  
15 kane and Colville Tribes to receive a share of  
16 revenue from the disposition of power produced  
17 at Grand Coulee Dam;

18 (7) in the Act of June 29, 1940 (16 U.S.C.  
19 835d et seq.), Congress—

20 (A) granted to the United States—

21 (i) in aid of the construction, oper-  
22 ation, and maintenance of the Columbia  
23 Basin Project, all the right, title, and in-  
24 terest of the Spokane Tribe and Colville  
25 Tribes in and to the tribal and allotted

1 land within the Spokane and Colville Res-  
2 ervations, as designated by the Secretary  
3 of the Interior from time to time; and

4 (ii) other interests in such land as re-  
5 quired and as designated by the Secretary  
6 for certain construction activities under-  
7 taken in connection with the project; and

8 (B) provided that compensation for the  
9 land and other interests was to be determined  
10 by the Secretary in such amounts as the Sec-  
11 retary determined to be just and equitable;

12 (8) pursuant to that Act, the Secretary paid—

13 (A) to the Spokane Tribe, \$4,700; and

14 (B) to the Confederated Tribes of the  
15 Colville Reservation, \$63,000;

16 (9) in 1994, following litigation under the Act  
17 of August 13, 1946 (commonly known as the “In-  
18 dian Claims Commission Act” (60 Stat. 1049, chap-  
19 ter 959; former 25 U.S.C. 70 et seq.)), Congress  
20 ratified the Colville Settlement Agreement, which re-  
21 quired—

22 (A) for past use of the Colville Tribes’  
23 land, a payment of \$53,000,000; and

24 (B) for continued use of the Colville  
25 Tribes’ land, annual payments of \$15,250,000,

1           adjusted annually based on revenues from the  
2           sale of electric power from the Grand Coulee  
3           Dam project and transmission of that power by  
4           the Bonneville Power Administration;

5           (10) the Spokane Tribe, having suffered harm  
6           similar to that suffered by the Colville Tribes, did  
7           not file a claim within the Indian Claims Commis-  
8           sion Act's 5-year statute of limitations;

9           (11) neither the Colville Tribes nor the Spokane  
10          Tribe filed claims for compensation for use of their  
11          land with the Commission before August 13, 1951,  
12          but both Tribes filed unrelated land claims prior to  
13          August 13, 1951;

14          (12) in 1976, over objections by the United  
15          States, the Colville Tribes were successful in amend-  
16          ing their 1951 Claims Commission land claims to  
17          add their Grand Coulee claim;

18          (13) the Spokane Tribe had no such claim to  
19          amend, having settled its Claims Commission land  
20          claims with the United States in 1967;

21          (14) the Spokane Tribe has suffered significant  
22          harm from the construction and operation of Grand  
23          Coulee Dam;

24          (15) Spokane tribal acreage taken by the  
25          United States for the construction of Grand Coulee

1 Dam equaled approximately 39 percent of Colville  
2 tribal acreage taken for construction of the dam;

3 (16) the payments and land transfers made  
4 pursuant to this Act constitute fair and equitable  
5 compensation for the past and continued use of Spo-  
6 kane tribal land for the production of hydropower at  
7 Grand Coulee Dam; and

8 (17) by vote of the Spokane tribal membership,  
9 the Spokane Tribe has resolved that the payments  
10 and land transfers made pursuant to this Act con-  
11 stitute fair and equitable compensation for the past  
12 and continued use of Spokane Tribal land for the  
13 production of hydropower at Grand Coulee Dam.

14 **SEC. 3. PURPOSE.**

15 The purpose of this Act is to provide fair and equi-  
16 table compensation to the Spokane Tribe for the use of  
17 its land for the generation of hydropower by the Grand  
18 Coulee Dam.

19 **SEC. 4. DEFINITIONS.**

20 In this Act:

21 (1) ADMINISTRATOR.—The term “Adminis-  
22 trator” means the Administrator of the Bonneville  
23 Power Administration or the head of any successor  
24 agency, corporation, or entity that markets power  
25 produced at Grand Coulee Dam.

1           (2) COLVILLE SETTLEMENT AGREEMENT.—The  
2 term “Colville Settlement Agreement” means the  
3 Settlement Agreement entered into between the  
4 United States and the Colville Tribes, signed by the  
5 United States on April 21, 1994, and by the Colville  
6 Tribes on April 16, 1994, to settle the claims of the  
7 Colville Tribes in Docket 181–D of the Indian  
8 Claims Commission, which docket was transferred to  
9 the United States Court of Federal Claims.

10           (3) COLVILLE TRIBES.—The term “Colville  
11 Tribes” means the Confederated Tribes of the  
12 Colville Reservation.

13           (4) COMPUTED ANNUAL PAYMENT.—The term  
14 “Computed Annual Payment” means the payment  
15 calculated under paragraph 2.b. of the Colville Set-  
16 tlement Agreement, without regard to any increase  
17 or decrease in the payment under section 2.d. of the  
18 agreement.

19           (5) CONFEDERATED TRIBES ACT.—The term  
20 “Confederated Tribes Act” means the Confederated  
21 Tribes of the Colville Reservation Grand Coulee  
22 Dam Settlement Act (108 Stat. 4577).

23           (6) FUND.—The term “Fund” means the Spo-  
24 kane Tribe of Indians Settlement Fund established  
25 by section 5.

1           (7) SECRETARY.—The term “Secretary” means  
2           the Secretary of the Interior.

3           (8) SPOKANE BUSINESS COUNCIL.—The term  
4           “Spokane Business Council” means the governing  
5           body of the Spokane Tribe under the constitution of  
6           the Spokane Tribe.

7           (9) SPOKANE TRIBE.—The term “Spokane  
8           Tribe” means the Spokane Tribe of Indians of the  
9           Spokane Reservation, Washington.

10 **SEC. 5. SETTLEMENT FUND.**

11           (a) ESTABLISHMENT OF FUND.—There is estab-  
12           lished in the Treasury of the United States an interest-  
13           bearing trust fund to be known as the “Spokane Tribe  
14           of Indians Settlement Fund”, consisting of—

15           (1) amounts deposited in the Fund under sub-  
16           section (b); and

17           (2) any interest earned on investment of  
18           amounts in the Fund.

19           (b) DEPOSITS.—From amounts made available under  
20           section 11—

21           (1) for fiscal year 2008, the Secretary shall de-  
22           posit in the Fund \$23,900,000; and

23           (2) for each of the 4 fiscal years thereafter, the  
24           Secretary shall deposit in the Fund \$18,900,000.

1 (c) MAINTENANCE AND INVESTMENT OF FUND.—  
2 The Fund shall be maintained and invested by the Sec-  
3 retary in accordance with the Act of June 24, 1938 (25  
4 U.S.C. 162a).

5 (d) PAYMENT OF FUNDS TO SPOKANE BUSINESS  
6 COUNCIL.—

7 (1) REQUEST.—At any time after funds are de-  
8 posited in the Fund, the Spokane Business Council  
9 may submit to the Secretary written notice of the  
10 adoption by the Spokane Business Council of a reso-  
11 lution requesting that the Secretary pay all or a por-  
12 tion of the amounts in the Fund to the Spokane  
13 Business Council.

14 (2) PAYMENT.—Not later than 60 days after  
15 receipt of a notice under paragraph (1), the Sec-  
16 retary shall pay the amount requested to the Spo-  
17 kane Business Council.

18 (e) USE OF FUNDS.—

19 (1) CULTURAL RESOURCE REPOSITORY AND IN-  
20 TERPRETIVE CENTER.—

21 (A) IN GENERAL.—Of the initial deposit  
22 under subsection (b)(1), \$5,000,000 shall be  
23 used by the Spokane Business Council for the  
24 planning, design, construction, equipping, and  
25 continuing operation and maintenance of a Cul-

1 tural Resource Repository and Interpretive Cen-  
2 ter to—

3 (i) house, preserve, and protect the  
4 burial remains and funerary and cultural  
5 resources affected by the operation of the  
6 Grand Coulee Dam; and

7 (ii) provide an interpretive and edu-  
8 cational facility regarding the culture and  
9 history of the Spokane Tribe.

10 (B) EFFECT.—The funding under sub-  
11 paragraph (A) does not alter or affect any au-  
12 thority, obligation, or responsibility of the  
13 United States under—

14 (i) the Native American Graves Pro-  
15 tection and Repatriation Act (25 U.S.C.  
16 3001 et seq.);

17 (ii) the Archaeological Resources Pro-  
18 tection Act (16 U.S.C. 470aa et seq.);

19 (iii) the National Historic Preserva-  
20 tion Act (16 U.S.C. 470 et seq.); or

21 (iv) the National Environmental Pol-  
22 icy Act of 1969 (42 U.S.C. 4321 et seq.).

23 (2) OTHER USES.—Of all other amounts depos-  
24 ited in the Fund (including interest generated on  
25 those amounts)—

1 (A) 25 percent shall be—

2 (i) reserved by the Spokane Business  
3 Council; and

4 (ii) used for discretionary purposes of  
5 general benefit to all members of the Spo-  
6 kane Tribe; and

7 (B) 75 percent shall be used by the Spo-  
8 kane Business Council to carry out—

9 (i) resource development programs;

10 (ii) credit programs;

11 (iii) scholarship programs; or

12 (iv) reserve, investment, and economic  
13 development programs.

14 **SEC. 6. PAYMENTS BY ADMINISTRATOR.**

15 (a) INITIAL PAYMENT.—On March 1, 2008, the Ad-  
16 ministrator shall pay to the Spokane Tribe an amount  
17 equal to 29 percent of the Computed Annual Payment for  
18 fiscal year 2007.

19 (b) SUBSEQUENT PAYMENTS.—Not later than March  
20 1, 2009, and March 1 of each year thereafter, the Admin-  
21 istrator shall pay the Spokane Tribe an amount equal to  
22 29 percent of the Computed Annual Payment for the pre-  
23 ceding fiscal year.

24 (c) PAYMENT RECOVERY.—

1           (1) IN GENERAL.—In accordance with the pay-  
2           ment schedule described in subsection (b), the Ad-  
3           ministrator shall make commensurate cost reduc-  
4           tions in expenditures, on an annual basis, to recover  
5           each payment to the Spokane Tribe under this sec-  
6           tion.

7           (2) REQUIREMENT.—The Administrator shall  
8           include a description of a cost reduction plan as re-  
9           quired under paragraph (1) in the annual budget  
10          submitted by the Administrator to Congress.

11 **SEC. 7. TREATMENT AFTER FUNDS ARE PAID.**

12          (a) USE OF PAYMENTS.—Payments made to the Spo-  
13          kane Business Council or Spokane Tribe under section 5  
14          or 6 may be used or invested by the Business Council in  
15          the same manner and for the same purposes as other Spo-  
16          kane Tribe governmental funds.

17          (b) NO TRUST RESPONSIBILITY OF THE SEC-  
18          RETARY.—Neither the Secretary nor the Administrator  
19          shall have any trust responsibility for the investment, su-  
20          pervision, administration, or expenditure of any funds  
21          after the date on which the funds are paid to the Spokane  
22          Business Council or Spokane Tribe under section 5 or 6.

23          (c) TREATMENT OF FUNDS FOR CERTAIN PUR-  
24          POSES.—The payments of all funds to the Spokane Busi-  
25          ness Council and Spokane Tribe under sections 5 and 6,

1 and the interest and income generated by the funds, shall  
2 be treated in the same manner as payments under section  
3 6 of the Saginaw Chippewa Indian Tribe of Michigan Dis-  
4 tribution of Judgment Funds Act (100 Stat. 677).

5 (d) TRIBAL AUDIT.—After the date on which funds  
6 are paid to the Spokane Business Council or Spokane  
7 Tribe under section 5 or 6, the funds shall—

8 (1) constitute Spokane Tribe governmental  
9 funds; and

10 (2) be subject to an annual tribal government  
11 audit.

12 **SEC. 8. REPAYMENT CREDIT.**

13 (a) IN GENERAL.—The Administrator shall deduct  
14 from the interest payable to the Secretary of the Treasury  
15 from net proceeds (as defined in section 13 of the Federal  
16 Columbia River Transmission System Act (16 U.S.C.  
17 838k))—

18 (1) in fiscal year 2008, \$1,300,000; and

19 (2) in each subsequent fiscal year in which the  
20 Administrator makes a payment under section 6,  
21 \$1,300,000.

22 (b) CREDITING.—

23 (1) IN GENERAL.—Except as provided in para-  
24 graphs (2) and (3), each deduction made under this  
25 section shall be—

1 (A) a credit to the interest payments oth-  
2 erwise payable by the Administrator to the Sec-  
3 retary of the Treasury during the fiscal year in  
4 which the deduction is made; and

5 (B) allocated pro rata to all interest pay-  
6 ments on debt associated with the generation  
7 function of the Federal Columbia River Power  
8 System that are due during the fiscal year.

9 (2) DEDUCTION GREATER THAN AMOUNT OF  
10 INTEREST.—If, in any fiscal year, the deduction is  
11 greater than the amount of interest due on debt as-  
12 sociated with the generation function for the fiscal  
13 year, the amount of the deduction that exceeds the  
14 interest due on debt associated with the generation  
15 function shall be allocated pro rata to all other inter-  
16 est payments due during the fiscal year.

17 (3) CREDIT.—To the extent that a deduction  
18 exceeds the total amount of interest described in  
19 paragraphs (1) and (2), the deduction shall be ap-  
20 plied as a credit against any other payments that  
21 the Administrator makes to the Secretary of the  
22 Treasury.

1 **SEC. 9. TRANSFER OF ADMINISTRATIVE JURISDICTION**  
2 **AND RESTORATION OF OWNERSHIP OF LAND.**

3 (a) **TRANSFER OF JURISDICTION.**—The Secretary  
4 shall transfer administrative jurisdiction from the Bureau  
5 of Reclamation to the Bureau of Indian Affairs over all  
6 land acquired by the United States under the Act of June  
7 29, 1940 (16 U.S.C. 835d), that is located within the exte-  
8 rior boundaries of the Spokane Indian Reservation estab-  
9 lished pursuant to the Executive Order of January 18,  
10 1881.

11 (b) **RESTORATION OF OWNERSHIP IN TRUST.**—

12 (1) **IN GENERAL.**—All land transferred under  
13 this section—

14 (A) shall be held in trust for the benefit  
15 and use of the Spokane Tribe; and

16 (B) shall remain part of the Spokane In-  
17 dian Reservation.

18 (2) **FEDERAL TRUST RESPONSIBILITY.**—The  
19 Federal trust responsibility for all land transferred  
20 under this section shall be the same as the responsi-  
21 bility for other tribal land held in trust within the  
22 Spokane Indian Reservation.

23 (c) **COLVILLE-SPOKANE RESERVATION BOUND-**  
24 **ARY.**—Nothing in this section establishes or affects the  
25 precise location of the boundary between the Spokane In-

1 dian Reservation and the Colville Reservation along the  
2 Columbia River.

3 (d) RESERVATION OF RIGHTS.—

4 (1) IN GENERAL.—The United States reserves  
5 a perpetual right, power, privilege, and easement  
6 over the land transferred under this section to carry  
7 out the Columbia Basin Project under the Columbia  
8 Basin Project Act (16 U.S.C. 835 et seq.).

9 (2) RIGHTS INCLUDED.—The rights reserved  
10 under paragraph (1) further include the right to op-  
11 erate, maintain, repair, and replace boat ramps,  
12 docks, and other recreational facilities owned or per-  
13 mitted by the United States and existing on the date  
14 of enactment of this Act.

15 (3) RETENTION OF NATIONAL PARK SYSTEM  
16 STATUS.—

17 (A) IN GENERAL.—Land transferred under  
18 this section that, before the date of enactment  
19 of this Act, was included in the Lake Roosevelt  
20 National Recreation Area shall remain part of  
21 the Recreation Area.

22 (B) ADMINISTRATION.—Nothing in this  
23 section shall affect the authority or responsi-  
24 bility of the National Park Service to admin-  
25 ister the Lake Roosevelt National Recreation

1 Area under the Act of August 25, 1916 (39  
2 Stat. 535, chapter 408; 16 U.S.C. 1 et seq.).

3 (4) MEMORANDUM OF UNDERSTANDING.—The  
4 cognizant agencies of the Department of the Interior  
5 shall enter into a memorandum of understanding  
6 with the Spokane Tribe to provide for coordination  
7 in applying this subsection.

8 **SEC. 10. SATISFACTION OF CLAIMS.**

9 Payment by the Secretary under section 5 and the  
10 Administrator under section 6 and restoration of owner-  
11 ship of land in trust under section 9 constitute full satis-  
12 faction of the claim of the Spokane Tribe to a fair share  
13 of the annual hydropower revenues generated by the  
14 Grand Coulee Dam project for the past and continued use  
15 of land of the Spokane Tribe for the production of hydro-  
16 power at Grand Coulee Dam.

17 **SEC. 11. AUTHORIZATION OF APPROPRIATIONS.**

18 There are authorized to be appropriated such sums  
19 as are necessary to carry out this Act.

20 **SEC. 12. PRECEDENT.**

21 Nothing in this Act establishes any precedent or is  
22 binding on the Southwestern Power Administration, West-  
23 ern Area Power Administration, or Southeastern Power  
24 Administration.

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