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119TH CONGRESS }
1st Session }

SENATE

{ REPORT
119-77

A BILL TO ACCEPT THE REQUEST TO REVOKE THE
CHARTER OF INCORPORATION OF THE LOWER SIOUX
INDIAN COMMUNITY IN THE STATE OF MINNESOTA AT
THE REQUEST OF THAT COMMUNITY, AND FOR OTHER
PURPOSES

OCTOBER 14, 2025.—Ordered to be printed

Ms. MURKOWSKI, from the Committee on Indian Affairs,
submitted the following

R E P O R T

[To accompany S. 621]

[Including cost estimate of the Congressional Budget Office]

The Committee on Indian Affairs, to which was referred the bill (S. 621) to accept the request to revoke the charter of incorporation of the Lower Sioux Indian Community in the State of Minnesota at the request of that Community, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill, do pass.

PURPOSE

The purpose of S. 621 is to revoke the corporate charter under Section 17 of the Indian Reorganization Act for the Lower Sioux Indian Community in the State of Minnesota, at the request of the Community.

BACKGROUND AND NEED

Under Section 17 of the Indian Reorganization Act of 1934 (IRA),¹ a Tribe may form a federally-chartered corporation to carry out commercial activities upon approval by the Secretary of the Interior. Once issued, however, such a charter can only be revoked

¹ Indian Reorganization Act of 1934, 25 U.S.C. § 5124.

by Congress. Congress has acted numerous times to revoke Section 17 IRA charters for Tribes.²

The Secretary issued a Section 17 IRA charter to the Lower Sioux Indian Community in 1937.³ The charter requires express approval of the Secretary of the Interior for numerous business activities, thus limiting the Community's corporate income abilities, and further prohibits the sale of land held by the corporation. The Community seeks to revoke its corporate charter as burdensome and unnecessary to accomplish its economic development goals.

LEGISLATIVE HISTORY

S. 621 was introduced by Senators Smith and Klobuchar on February 18, 2025. The Committee held a business meeting on March 5, 2025, to consider S. 621 and ordered the bill to be reported favorably, without amendment, by voice vote.

In the 118th Congress, an identical bill, S. 2868, was introduced by Senators Smith and Klobuchar on September 20, 2023. The Committee held a legislative hearing on S. 2868 on February 8, 2024 (S. Hrg. 118–416). At its business meeting on May 1, 2024, the Committee on Indian Affairs ordered S. 2868 reported, without amendment, favorably (S. Rept. 118–212). The bill passed the Senate on November 21, 2024, by voice vote.

COMMITTEE RECOMMENDATION

The Senate Committee on Indian Affairs in an open business meeting on March 5, 2025, by a majority voice vote of a quorum present, recommends that the Senate pass S. 621, without amendment.

SECTION-BY-SECTION ANALYSIS

Section 1—Revocation of charter of incorporation of the Lower Sioux Indian Community

This section approves the request made to Congress by the Lower Sioux Indian Community for the revocation of the Tribe's charter of incorporation, made under Section 17 of the Indian Reorganization Act.

²*E.g.*, Miami Tribe of Oklahoma (P.L. 114–28); the Stockbridge-Munsee Community of Mohican Indians (P.L. 106–216); the Minnesota Chippewa Tribe (P.L. 104–109); and the Prairie Island Indian Community (P.L. 104–261).

³U.S. Dep't of the Interior, Office of Indian Affairs, Corporate Charter of the Lower Sioux Indian Community in Minnesota (1937), 21–273.

COST AND BUDGETARY CONSIDERATIONS

S.621, a bill to accept the request to revoke the charter of incorporation of the Lower Sioux Indian Community in the State of Minnesota at the request of that Community, and for other purposes

As reported by the Senate Committee on Indian Affairs on March 5, 2025

By Fiscal Year, Millions of Dollars	2025	2025-2030
Direct Spending (Outlays)	0	0
Revenues	0	0
Increase or Decrease (-) in the Deficit	0	0
Spending Subject to Appropriation (Outlays)	*	*
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Statutory pay-as-you-go procedures apply?
		Mandate Effects
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2036?	No	Contains intergovernmental mandate?
		Contains private-sector mandate?
* = between zero and \$500,000.		

S. 621 would accept the request of the Lower Sioux Indian Community, a federally recognized Indian tribe in Minnesota, to revoke the community's charter of incorporation. Using information from the Department of the Interior, CBO estimates that the administrative costs to implement S. 621 would not be significant; any related spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Margot Berman. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

REGULATORY AND PAPERWORK IMPACT STATEMENT

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 believes that S. 621 will have minimal impact on regulatory or paperwork requirements.

EXECUTIVE COMMUNICATIONS AND TESTIMONY

The testimony provided by the U.S. Department of the Interior from the February 8, 2024, hearing on S. 2868 follows:

STATEMENT OF KATHRYN ISOM-CLAUDE, DEPUTY ASSISTANT
SECRETARY FOR POLICY AND ECONOMIC DEVELOPMENT FOR
INDIAN AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR

S. 2868, A BILL TO ACCEPT THE REQUEST TO REVOKE THE
CHARTER OF INCORPORATION OF THE LOWER SIOUX INDIAN
COMMUNITY IN THE STATE OF MINNESOTA AT THE RE-
QUEST OF THAT COMMUNITY, AND FOR OTHER PURPOSES

Good morning, Chairman Schatz, Vice Chairman Murkowski, and members of the Committee. My name is Kathryn Isom-Clause and I am the Deputy Assistant Secretary for Policy and Economic Development for Indian Affairs at the Department of the Interior (Department). Thank you for the opportunity to present testimony on . . . S. 2868, A bill to accept the request to revoke the charter of incorporation of the Lower Sioux Indian Community in the State of Minnesota at the request of that Community, and for other purposes . . . The Lower Sioux Indian Community (Community) is a federally recognized Indian Tribe organized under a Constitution and Bylaws adopted by the Communities membership on May 16, 1936, pursuant to Section 16 of the Indian Reorganization Act (IRA) under which it organizes its businesses. On July 17, 1937, the Community was issued and ratified a corporate charter (Charter) pursuant to Section 17 of the IRA. The IRA requires that, "Any charter so issued shall not be revoked or surrendered except by Act of Congress," (25 U.S.C. § 5124). S. 2868, at the request of the Community, would revoke the Charter.

In a November 2021 resolution, the Community stated that it has not used the Charter since ratification in 1937 and it serves no function. The Department, consistent with the Administration's support for Tribal self-determination and self-governance, believes that the decision whether to maintain or revoke such a charter ultimately should be the Community's and therefore supports S. 2868.

CHANGES IN EXISTING LAW

In compliance with subsection 12 of rule XXVI of the Standing Rules of the Senate, there are no changes to existing law that would be made by S. 621 as ordered reported.