

Prepared Statement of John L. Berrey, Chairman
Business Committee, Quapaw Tribe of Oklahoma (O-Gah-Pah)

To the House Subcommittee on Indian and Alaska Native Affairs

Legislative Hearing on the
Indian Tribal Trade and Investment Demonstration Project Act (H.R.2362)

November 3, 2011

Good afternoon Chairman Young, Ranking Member Boren, and members of the Subcommittee on Indian and Alaska Native Affairs. My name is John Berrey, and I am the Chairman of the Business Committee of the Quapaw Tribe of Oklahoma (O-Gah-Pah).

Thank you for your invitation to appear before you today and for holding this hearing on the *Indian Tribal Trade and Investment Demonstration Project Act (H.R.2362)*. I also commend Rep. Tom Cole (R-OK) for introducing this importation legislation.

With our current financial crisis and faced with unemployment rates of up to 80 percent in some tribal communities, Indian tribes must find creative ways to encourage economic development and bring prosperity to their communities. H.R.2362, legislation I strongly support, encourages and expands economic development opportunities in Indian Country; creates investment opportunities by the private sector in the Republic of Turkey; and establishes robust relationships between Turkey and Indian tribal communities.

H.R.2362 will create the “Indian Tribal Trade and Investment Demonstration Project” within the U.S. Department of the Interior to include up to six Indian tribes or consortia. The measure authorizes participating Indian tribes or consortia to lease land held in trust by the United States without the approval of the Interior Secretary if the lease is in furtherance of a commercial, economic, or business development undertaking with a Turkish entity and is executed under the tribal regulations approved by the Interior Secretary.

Authorized activities to be conducted on such leased lands would include business and economic development; public, educational, or residential purposes; development or use of natural resources in connection with operations under such leases; and grazing and farming activities. The bill would not authorize subsurface mineral development activities.

In addition, the measure requires the Interior Secretary to approve tribal lease regulations if they are consistent with regulations issued by the Secretary, and subjects proposed activities to an environmental review that meets specified requirements. It authorizes participating tribes or consortia to rely on Federal environmental reviews included in the *Indian Long Term Leasing Act* if proposed actions are Federally-funded.

In November 2010, the Turkish Coalition of America (TCA) sponsored an economic, educational, and cultural exchange with various Indian tribes, in which I participated. During my stay in Istanbul, I had the honor to represent the Quapaw Tribe. I met with distinguished

high level Turkish officials, including Zafer Caglayan, the Turkish Minister of Foreign Trade. We were well received by the Republic of Turkey and the exchange established enduring and positive working relationships and investment opportunities between Turkey and American Indian tribes.

Since our trip to Turkey, tribal leaders and Indian organizations continue to work with TCA to help the Government of Turkey and the Turkish private sector develop a more thorough understanding of Federal Indian law and policy regarding business development, the protocols of working with tribal governments, and a better understanding of what projects might be jointly undertaken by these companies and host tribes. Our strategic objective is to establish long-term and lasting commercial ties between Turkey and Indian tribal communities as well as promoting cultural and education relations.

Following the meeting in Istanbul, in March 2011, along with the Honorable Michael Finley, Chairman of the Confederated Tribes of the Colville Reservation; Cemalettin Damlaci, Turkey Deputy State Minister for Foreign Trade; and G. Lincoln McCurdy, President of TCA, I participated in a panel at the Annual Reservation Economic Summit (RES2011) & American Indian Business Trade Fair entitled *Native American Trade Mission Overseas & Free Trade Zones*. This summit has led to deeper and more extensive commercial ties and is the kind of venue that will lead to greater levels of trade and investment.

Over recent decades, many Indian tribes have evolved to become successful owners and managers of sophisticated commercial businesses in various fields such as gaming, energy, finance, and manufacturing. These tribes have also grown to play an important role in the economic stability and future of their communities and regional economies.

Large tribal land bases, abundant natural resources, and often-attractive locations provide prime opportunities for economic development and prosperity. When coupled with sustained and strong tribal leadership and business integrity, it is not surprising that many tribes are experiencing significant economic growth and are increasingly participating in business ventures with private sector entities within the United States and, increasingly, with partners from abroad.

There are available to potential private sector partners significant investment and business development incentives designed to encourage outside investment and job creation in tribal communities. For instance, as part of the 1993 *Omnibus Budget Reconciliation Act* (Pub.L.103-66), Congress enacted two key tax incentives aimed at encouraging private sector employers to locate their business operations on or near Indian lands and to hire and retain qualified Indian employees or their spouses. The incentives are a wage and health care credit to the federal taxpayer for hiring qualified Indian employees and an accelerated depreciation provision for locating qualified physical infrastructure and property on Indian lands. Since 2003, both incentives have been extended for one year periods, and will expire on December 31, 2011. I urge Congress to permanently extend these tax incentives.

Thank you for your leadership and strong support of Indian tribal communities, and for your consideration of my comments. At this time, I would be happy to answer any questions you might have.