

Committee on Resources

Subcommittee on Fisheries Conservation, Wildlife and Oceans

Witness Statement

PRIBILOF ISLAND ALEUT COMMUNITY

of St. George Island / Traditional Council

P.O. Box 940 - ST. GEORGE ISLAND, ALASKA 99591 - (907)859-2205 - FAX (907)859-2242

TESTIMONY OF THE HONORABLE BORIS R. MERCULIEF, PRESIDENT

Pribilof Island Aleut Community of St. George Island / Traditional Council

Regarding a proposed Pribilof Islands Transition Act

Submitted to the Subcommittee on Fisheries Conservation, Wildlife and Oceans

U.S. House Committee on Resources

July 29, 1999 Hearing

Chairman Saxton, Chairman Young, Members of the Subcommittee, on behalf of my people I thank you for this opportunity to provide testimony today on the Pribilof Islands Transition Act and related issues.

My name is Boris Merculief and I am the elected President of the St. George Traditional Council. The St. George Traditional Council is the only federally-recognized tribal government entity on St. George Island and, pursuant to democratic elections, represents all of St. George's resident Aleuts. After providing a background for my remarks, my testimony will answer the questions Chairman Saxton asked in his July 6th letter, including a description of our claims, and then suggest specific changes to the draft bill Chairman Saxton forwarded with his July 6th letter.

A. Background

St. George Island is a small community located on a remote Pribilof island that has been our Aleut homeland for generations. We have about 150 year-round residents on our 44 square mile Island. Our homeland is located approximately 800 miles south and west of Anchorage in the middle of the Bering Sea.

Through the years, severe weather and a sparse natural environment have made our life on St. George island quite harsh. But in recent decades the realities endured by the Aleut families on St. George have been made even harsher by the actions of the United States government. I speak of the sudden and complete shutdown

in 1973, by Federal law, of our harvesting of fur seals on St. George, a trade that for more than a century had been the main livelihood and cultural centerpiece of our Aleut community of St. George. Suddenly, in the name of wildlife protection, fur seals became untouchable and our Aleut community unwelcome on our Island. This was not the first time we Aleut people were declared expendable. In World War II we were forcibly removed from our Islands and incarcerated as if we were a military threat. And in the early 1960s, Federal government officials burned fine homes on St. George Island in an effort to force more of our families to leave St. George. The implicit policy of the United States was to remove us from our homeland, our Island. But we have refused to succumb to this type of ethnic cleansing and we have not left the Island.

For decades before, my forebears and other St. George Aleuts survived on a modest and sustainable local economy based on sealing. We jealously protected our fur seal population. We depended on a well-managed, healthy and abundant fur seal population for our own livelihood. We cared for the fur seals. We were committed to the best of management and conservation. But somehow this was not enough, and outsiders who never understood our Aleut way of life, our culture, our values, and our history determined from afar that a complete ban on all harvesting of fur seals was necessary for the survival of the seal population. That verdict doomed the human families who have for decades shared St. George with the fur seals and other wildlife. We now have no local economy to speak of. We are increasingly a welfare economy dependent on cash assistance from outside our Island.

We believe there was no sound, rational basis for placing a complete ban on our fur seal trade over two decades ago. With proper management, the herd was not at risk. Today the ban itself is the main danger, as the male fur seal population has swelled so much that they are killing each other in territorial and hormonal spats. We Aleuts, who have been pauperized by an uninformed and callous Federal policy from afar, are now consigned to sit in dependency and watch our once valuable and healthy resource go to waste all around us while we teeter on the edge of survival.

I recite this historical background because it sets in context the wrongs that have been made in my and your lifetimes which must be redressed in our lifetimes in the proposed claims settlement legislation.

The Traditional Council was first organized in 1923. From then until after the 1983 Act was enacted, the Traditional Council was the only governmental entity on St. George Island. Since then, the City of St. George has been organized to represent both Aleuts and non-Natives who have moved to the Island and Tanaq, the Village Corporation, was organized under the Alaska Native Claims Settlement Act to represent St. George Aleut shareholders born before 1971 regardless of where they live. The Traditional Council addresses the economic, social and welfare needs of the Aleut residents of the Island of St. George. Because our economy has never recovered since the shut-down of commercial fur sealing, we have increasingly found it imperative that the Traditional Council focus its efforts on redeveloping our Island's economy. The Traditional Council has a good working relationship with the City and the Village corporation and we are prepared to cooperate further under the proposed Act. We believe all three organizations compliment each other.

Over the past several years, the Traditional Council has engaged in a discussion with other Pribilof Island entities and with our Alaska congressional delegation on how best to gain a fair resolution of our claims against the United States for the harm it has caused our people and our Island by taking away our entire means of livelihood. To this day, Federal agencies micro- manage much of our Island for purposes having nothing to do with our people who have inhabited the Island for more than a century. Some of our claims could be resolved through the annual appropriations process. Others will necessarily have to be resolved through the legislation pending before you.

In summary form, the claims we seek to resolve through this legislation can be divided into two classes of relief, one involving monetary compensation and one involving non-monetary transfers of property and changes to subsistence law. Our monetary claims total \$12,975,000 in adjusted year 2000 dollars. These and the non-monetary claims are described below in answer to Question #4.

B. Answers to Questions Raised in July 6th Letter and Description of Claims

Question #1) In addition to environmental cleanup work required by the Two Party Agreement, what other environmental cleanup work have you asked or do you intend to ask NOAA to complete? We have asked NOAA for the following involving the residential homes transferred by NOAA to individuals: (a) asbestos assessment and abatement involving roof shingles; (b) removal or permanent repair of leaking underground storage tanks attached to these residences; and (c) lead paint abatement in these homes. Some of these activities were included in our "Claim #5" we submitted pursuant to P.L. 104-91 (\$340,000 on houses for which individual claims were filed, \$995,000 on houses for which no individual claim was filed totaling \$1,335,000 or \$1,500,000 in year 2000 dollars). We intend to ask NOAA to remediate where the leaking underground storage tank was attached to our Community Council Building which NOAA transferred to the Tanaq Corporation who in turn transferred it to the Traditional Council.

Question #2. What Federal funds has your group received since 1983? We received a cumulative total of \$865,089 from the Pribilof Island Trust Fund, which we applied as follows: \$95,903 for training, \$92,000 for clinic repair, and \$677,186 for subsistence. We received no direct Federal funds for Alaska Native subsistence. We have received a cumulative total of \$1,260,000 through contracts with the Public Indian Health Service to provide community health aides through our health clinic. On the upgrade, repair or replacement of facilities or equipment formerly owned by the Federal government, we have received a \$90,000 grant from NOAA for repair of our health clinic and \$50,000 of the Island upgrade funds were devoted to rehabilitation of our Council Hall's roof. As to economic development and facilities construction, we have received since 1983 \$5,400,000 from the Bureau of Indian Affairs to construct the road, nearly all of which was passed through to the sub- contractor South Coast Construction. We also received a \$100,000 grant from the Administration for Native Americans (ANA) for analysis and development of an infrastructure, a \$200,000 ANA grant for fisheries research and development, and a \$33,000 BIA grant for restaurant development. The Traditional Council has received no funds for the planning, design or construction of harbors or harbor-related facilities.

Question #3. What expenditures has your group made to: (a) upgrade, repair or replace facilities or equipment formerly owned by the Federal Government; and (b) plan, design and construct harbors or harbor-related facilities? (a) Formerly Federal Buildings: NOAA turned over to us a health clinic facility that could not be used as is for health services. We were forced to spend \$435,167 in emergency repairs to our clinic to make it fit for use. However, much work was left undone due to lack of funds. This included major work needed to correct serious plumbing, heating, structural and electrical deficiencies. Those deficiencies have now ripened into complete failure of the plumbing, electrical, and central heating systems. In addition to the \$90,000 in NOAA funds mentioned in response to question #2, the \$435,167 expended included \$92,000 from the Pribilof Island Trust Fund, and \$253,167 from Traditional Council's general funds. These funds put on a new roof, remodeled the interior, removed obsolete and junk medical equipment abandoned by NOAA, and installed new front doors. More than one-third of these funds were devoted to creating quarters for a physician assistant. The irony is that while NOAA transferred to the Traditional Council the responsibility to provide health care for the entire Island and the dilapidated clinic facility, it transferred the NOAA physicians quarters (Cottage D) to the City. The City and Tanaq received various

NOAA cottages. The Traditional Council received none. We were forced to spend our own funds and to devote a portion of the clinic space to house the Island's medical professional. Today, as medical professionals are occasionally flown in for dental, eye and other specialty care, we do not have lodging for them and the trip must be cancelled unless one of the few hotel rooms is available at a price that hemorrhages our limited medical care budget. For this reason, Claim #3 which we filed under P.L. 104-91 includes a request for transfer from NOAA to the Traditional Council of "Cottage C", a former medical clinic, so that we can adequately lodge medical personnel and provide back-up space for our clinic. NOAA has failed from the beginning of the transition to provide even minimal support for the transfer of health care responsibilities. The Traditional Council needs Cottage C to fulfill our obligation to provide basic health care for the Island.

(b) Harbor-Related Facilities: In 1995 the Traditional Council expended \$26,000 in engineering fees associated with the preparation of an application for a \$450,000 Indian Community Development Block Grant. The application was not funded, but the engineering fees had to be paid. The application was for the construction, with some matching contributions, of a multipurpose building on land we own at the harbor. The building was designed to service the fishing fleet and would have employed local residents.

Question #4: Which of your claims result directly from the failure to build a harbor in a timely manner and the need to upgrade, repair or replace facilities and equipment formerly owned by the Federal Government? All of our claims directly relate to this failure and the needs arising from the inadequate transfer. They derive directly from the fact that no economy has replaced our shut-down fur seal industry, and from the fact that the Traditional Council was forced to divert and deplete all of its other funds, previously dedicated to other purposes, to the fundamental purpose of keeping people alive and fed in the absence of an economy. Our claims are set out here and described below:

CLAIM #	CLAIM DESCRIPTION	Claims in <u>2000</u> <u>Dollars</u>
1	Inadequate Transitional Funding	5,400,000
2	Income maintenance (ICC funds "Corned Beef")	2,500,000
3	Transfer Cottage "C" or Cash	500,000
4	Repair clinic	1,100,000
5	Repair of residential housing	1,500,000
6	Forced Relocation	875,000
8	Fur Seal Plant	1,100,000
TOTAL		\$12,975,000

Claim #1 -- Inadequate Transition Funding. During the pull-out transition, the St. George Trust made several investments on behalf of the St. George Aleuts. We have divided these investments into two categories, those which temporarily succeeded but had to be terminated due to the failure of the overall economy, and those investments which failed.

The Trust invested a total of \$1,750,000 in what turned out to be temporarily successful ventures, including \$900,000 on the purchase and retrofitting of an 89 foot liner-fish black cod/halibut, \$450,000 for a fish plant, \$150,000 to create an Anchorage-based construction company, and \$250,000 on purchasing 28 foot fishing boats. With these investments, the Trust tried to create Aleut-managed ventures to employ local St.

George Aleuts and generate profits, which were to provide the Traditional Council and the City with revenues we could use to provide services to meet basic human needs. The fishing vessels and construction company did employ St. George Aleuts and were profitable ventures. However, because of the inadequate level of funding devoted by the Trust to St. George Island, no self-sustaining economy replaced the one based on fur sealing and basic human needs quickly reached crisis proportions. The Island residents' immediate emergency cash needs became paramount. As the human survival needs intensified, the Traditional Council determined that it was necessary to sell these profit-making ventures and assets and use the proceeds for basic human needs.

The Trust also invested \$470,000 in several efforts that went out of business due to lack of a viable replacement economy. It spent \$300,000 on preliminary work for what was to become the CDQ program. It spent \$110,000 on an Aleut-owned building supply operation in Anchorage. And \$60,000 on a restaurant on St. George.

When combined at the time of expenditure, these figures total \$2,220,000. Adjusted forward (at 6.5% per annum) from the time of expenditure to year 2000 dollars, these failed expenditures represent \$4,400,000 in today's terms for investments by the Trust on behalf of the Traditional Council which did not result in the establishment of an enduring economy. Instead, some of these investment proceeds were captured and necessarily diverted to the provision of basic human services to enable survival on St. George Island. Any resolution of our claims against the United States for its failure to establish a replacement economy must include the \$4,400,000 previously applied to this objective but necessarily diverted.

In addition, our Claim #1 includes a \$500,000 allocation to fund a ten-year job training and education initiative for St. George Aleuts. Any "final" settlement must include feasible steps toward the development of a self-sufficient and enduring Island economy. A critical first step for our members is assistance in job training, especially for those younger Aleuts entering the work force in an era of expanded communications technologies.

While the job training and education represents only a modest \$50,000 per year, we intend to seek additional grant funds from agencies other than NOAA and so our Claim #1 also includes an additional allocation of \$500,000 to engage grant writing services during the same ten-year period which brings the total to \$5,400,000. We expect the investment in grant applications will generate significant funding to us as we have been limited in the past with no funds available to assist us in seeking and obtaining grants. We do have significant needs that we believe will be highly competitive and will secure new grant resources to our Island. However, our applications must be prepared in a competitive manner, and that will require the seed resources we have identified here.

The Traditional Council has developed a fiscally conservative plan to manage all proceeds it receives for its Claim #1. Our original Claim #1 totaled \$3,200,000 in historical dollars, which when adjusted for 2000 dollars, now totals \$5,400,000. Since this is being described as a "final" settlement, we have decided to maximize our assets, which include our Aleut peoples' decades-long motivation to not only survive but succeed at self-determination. We will invest the proceeds from Claim #1 in a secured account to maximize interest while we draft and refine a detailed business development plan scaled to the proceeds made available. Such a detailed plan would be premature and a waste of our scarce resources when we have no present certainty about when and what we will finally receive. If the amounts recovered are not sufficient to generate a self-sustaining replacement economy, we may need to consider revising our plan to provide a tribal trust fund. The interest from such a fund could help assure the delivery of social and welfare services to the people into the future. We of course hope for more than a mere tribal trust fund, which remains static

and provides little if any potential for future growth, hope and opportunity. With additional proceeds, we plan to establish several revolving loan programs to assist our fishermen in acquiring boats and gear and with the startup of fishing-related small businesses. These loans will be administered as a true revolving loan program, not a grant program as in the past. We will assist our local businesses to capture whatever economic dollars that are available, by providing technical assistance, start up capital and grant-writing help.

While carrying out its role in the economic development efforts associated with this claims process, the Traditional Council will not shirk its ongoing responsibilities for handling social and welfare issues on our Island. We do not have any daycare facilities, teen centers, or senior center housing as does St. Paul. While we are not looking to the claims process to build these facilities, we will devote some of the claims proceeds to seeking capital funding elsewhere.

Claim #2 -- Income Maintenance ("corned beef" settlement). As a direct result of the pull-out by NOAA and the Federal shut-down of our fur seal economy, a permanent fund established by the Traditional Council to support health care was necessarily diverted and depleted in order to meet the emergency needs of Island residents left by NOAA to try to survive without jobs or an Island economy. Our permanent fund was initially established by a portion of the \$8,500,000 in Indian Claims Commission case funds awarded on June 25, 1979 by the U.S. Court of Claims in a compromise settlement (known as the "corned beef" settlement) to the Aleut Communities of St. Paul and St. George. This award was made because of a lack of "fair and honorable dealings" with our Aleut people for the period 1870 through 1946. The Court of Claims found that a "special relationship" existed between the Islands and the Federal Government arising from the Acts of April 21, 1910 and July 1, 1970. The Plan of distribution published in the Federal Register on August 28, 1980 required that 80% of St. George Island's funds was to be paid to duly enrolled members of the Traditional Council with the remaining 20% to be used by Traditional Council for community-wide purposes. For several years, the Traditional Council was able to implement its original plan for these funds, which involved investing the principal and devoting interest earnings to the delivery of improved health care. However, as the St. George economy collapsed, the Traditional Council was forced to quickly deplete its entire "corned beef" funds in order to support emergencies arising out of the St. George Aleuts' basic human needs such as food and heating fuel. There are no longer any funds remaining. Local health care remains far below minimally acceptable standards. The Traditional Council plans to invest \$1,900,000 of its new settlement proceeds into a permanent fund and use the interest earnings to provide much-needed medical and health services.

Claim #4 -- Repair Health Clinic Facility. The clinic was transferred to the Traditional Council in 1986 along with a grant of \$90,000 from NOAA to fix it up. NOAA proposed the transfer on a take it or leave it basis. The Council received an additional \$92,000 from the St. George Trust and contributed another \$253,167 in Traditional Council funds in order to bring the clinic to a minimally useable condition. Since then, severe weather conditions and a poor design have caused the clinic's foundation to settle. The settling has crushed the sewage piping under the building's foundation, preventing some toilets from draining or flushing. The hot water pipes feeding the central heating system for the clinic have now rusted away, leaving us with no central heat for the past two years. Instead, we now must use space heaters. There is growing concern that leaking sewage is tainting our limited supply of fresh water. None of the electrical wiring throughout the clinic is grounded. Wiring itself is far from adequate for modern-day health equipment, and there is significant asbestos contamination. These conditions would not be tolerated anywhere else in America! A 1996 inspection by an Environmental Health Specialist from the U.S. Public Health Service (PHS) listed 9 recommendations of which the most significant was to build an entirely new, replacement clinic. Our \$980,000 claim is based upon an engineering estimate of the cost. Section 204 of the

Fur Seal Amendments Act of 1983, 16 U.S.C. 1151, says "the Secretary of Health and Human Services shall provide medical and dental care" and that the Federal government is to bear the cost of maintaining and constructing our health facilities. From the beginning of the transition, the Federal government has failed to meet its most basic obligations, forcing us to divert our own meager resources to repair and maintenance of this facility.

Claim #5 -- Repair of Residential Housing. In compiling our \$1,500,000 claim for repair of residential housing, the Traditional Council surveyed our entire community and excluded all commercial and governmental buildings. Housing is critically scarce on our Island, as a result of the growing demand and the Federal government's destruction of inhabitable dwellings of residents who chose to leave the Island in the 1970s. All this housing was constructed by NOAA long before it pulled out of St. George. Most of the residents inherited these homes from the days when our families were Federal employees who were compensated in part by Federal housing. When the United States ended our status as Federal employees, closed down our fur seal harvest, and pulled out of our Island, we were left with deteriorated houses that suffered from years of Federal neglect and lack of maintenance. NOAA made wide-spread use of asbestos materials and lead-based paint when it constructed and maintained the housing. The last time NOAA repaired any St. George residential housing was in 1976. When these Federal homes were transferred, the United States deeded over seriously flawed facilities under conditions that accelerated their wear and tear. The effects of salt water infiltration provide a good example of the nature of our home maintenance problems. Throughout the 1980s, salt water infiltrated our fresh water supply. Finally, in about 1990 we created a new fresh water system that kept the salt water at bay. However, during the preceding ten years, the salt water had seriously damaged our residential plumbing pipes and our residential furnaces. We have fresh water again. But we are left with an inoperable infrastructure. Once again, it seems the Federal agencies dumped problems on the local people and ran. This problem has now become acute for our families. In the more than two decades since it was transferred, the housing stock has not received proper maintenance work. Without a functioning economy, many residents were unemployed and those with jobs have not earned enough to properly maintain the housing stock. As time goes on and the housing deteriorates further, there will be a need to invest some dollars in major housing rehabilitation. If deferred maintenance is properly made, this will remove one more stumbling block from the path of developing a self-sustaining economy. The Traditional Council intends to use these Claim #5 and #6 funds to operate a housing maintenance and replacement program after first performing a detailed assessment.

Claim #6 -- Forced Relocation/Replacement of Homes. This claim is closely related to Claim #5 (housing). In the early 1960s, Federal officials decreed that the best thing for the Natives of St. George was to remove them (again) from St. George and re-settle everyone on St. Paul Island in order to consolidate the two Islands. In order to induce people to remove from St. George, the Federal government promised higher wages and jobs on St. Paul. When some people left, the Federal government destroyed their houses on St. George even though there was then and remains today an acute housing shortage on St. George. They burned the homes to prevent people from returning to St. George and to pressure, not relieve, those who remained. Six houses, of which one was a duplex, were destroyed in this way. Senator Bartlett's committee documented this in hearings held on St. George two decades ago. Seven housing units were destroyed and our people were terrorized. The replacement cost of those seven housing units in year 2000 dollars is \$875,000.

Claim #8 -- Fur Seal Plant. St. George Aleuts have a special relationship with the fur seal that goes back over two hundred years. The fur seal has been central to our entire way of life. While we recognize that we can no longer have an economy that is totally based on fur sealing, there are aspects of our local economy

which can and should be based upon a limited amount of subsistence fur sealing and related activities. The fur seals remain our principal natural resource and we, of all people, should have access to the value this resource holds for the rest of the world.

We have refined the focus of our Claim #8 to include the full use of the fur seals from our annual harvest. Presently, our use of the fur seals we take is sharply restricted by Federal regulation. As a consequence, the pelts are thrown away in the dump along with other valuable body parts. In order to fully utilize the fur seals, we need the law to be changed, the restoration of an Island facility with which to process the pelts, and the development of a marketing plan. The labor force necessary is more than available. What we need but cannot provide ourselves is an appropriate facility to render the pelts useable for making crafts, clothing and other marketable items. In addition, we would anticipate receiving pelts from St. Paul Island as well, since no processing capacity exists there.

We hope to have the old blubbering plant or "Wash House" transferred to us by the Department of Commerce after the foundation is repaired. Much of the "Wash House" has been abandoned for over 20 years, and deferred maintenance is substantial. We understand the Tanaq Corporation has received a contract to renovate this facility of approximately \$2.45 million and plans call for transfer of this property from the Department to Tanaq. Tanaq has indicated it supports a subsequent transfer of title to this property to the Traditional Council so long as we use it for local economic development purposes. In our discussions with Tanaq, we have learned that its renovation contract estimate focuses on overall facility renovation but does not cover activities necessary to restore the facility to productive uses nor to have it comply with restoration as a National Historic Landmark. Based on an engineering analysis, we estimate an additional \$1,100,000 is required for the interior renovation, waste out-fall, and other hookups necessary to restore the facility to productivity. We understand that Fish & Wildlife personnel stay in the quarters during the summer but their use is very infrequent and we have need for the facility during the balance of the year. We certainly can reserve accommodations for these personnel when they need to be on the Island.

Non-Monetary Claim to Transfer NOAA Facility ("Cottage C"). The St. George Traditional Council manages a tribally-operated health Clinic funded by the Indian Health Service (IHS). Ours is the only health facility and provider on St. George Island. Due to our remote Island location, and often extreme weather conditions that regularly preclude travel off of our Island, all residents and visitors depend on our Clinic for vital health services. Our health clinic serves everyone on our Island.

Our health clinic facility is dangerously dilapidated. At present we have two health professionals stationed permanently on our Island. Periodically, IHS physicians and other medical professionals travel to our Island to provide specialty services at our clinic. These professionals must be housed while they are on our Island. The travel costs plus the high per diem charges we must pay for overnight accommodations at the only hotel on our Island have sharply limited the medical services we can obtain. The lone, 10-room hotel on St. George charges \$130 per night, sorely taxing our scarce operating budget.

Meanwhile, across the street from our clinic is a mostly unused and empty NOAA facility. Known as "Cottage C", this facility is not a cottage but a 4,800 square foot building that has three floors containing seven bedrooms and three baths. In previous years it served as the Island's hospital. It is now only used by the National Marine and Fisheries Service (NMFS) about 10% of the year, typically by supervisory personnel when they visit our Island. In view of this minimal use, the cost to NOAA in maintaining this facility cannot be justified.

When the Federal government pulled out of St. George Island in 1983, various Federal agencies transferred

to the City of St. George and Tanaq facilities and staff quarters. However, as the entity responsible for all medical care on St. George Island, the St. George Traditional Council has no quarters to house the visiting medical personnel.

IHS has notified us that we are slated to receive new primary care recurring funds as part of the Alaska Native Medical Center (ANMC) Rural Anchorage Service Unit. These funds will be used to increase family physician, dental, optometry and audiology visits to our Island in an effort to reduce our backlog of basic health needs. However, a substantial amount of these funds will have to be diverted to lodging costs unless we are transferred the ownership of "Cottage C". We want to maximize the funds available for those medical visits. A transfer of Cottage C to the Traditional Council would increase the amount of IHS funding which can be used towards these basic specialty health services.

In addition to serving as temporary staff housing, "Cottage C" could also serve as temporary or overflow space for our existing clinic in-patient load. Our present clinic only has two beds. A couple years ago, when there were 8 to 10 fishermen injured in an accident, we were forced to lay them in the hallways. Fortunately, our local people contributed bedding and other bedside care until we could get a medical evacuation plane into our landing strip. Daily air service is no longer provided to our Island and inclement weather routinely makes landing or takeoff of charter medical evacuation aircraft impossible.

We have suggested language which would effect the immediate transfer of "Cottage C" to the St. George Traditional Council for its use for public health purposes. On at least three separate occasions, we have requested of NOAA and NMFS that they transfer this property to us, but have been refused. A statutory change is necessary to get this facility transferred to us immediately. If "Cottage C" is not transferred, we have received an estimate that it will take \$500,000 to construct a comparable new facility.

Non-Monetary Claims to Provide Self-Sufficiency and Appropriate Subsistence Regulation of Fur Seals.

We request that the settlement legislation include statutory language permitting St. George Aleuts to sell and market parts of seals that have been taken for subsistence purposes without having to first incorporate them into Native articles of handicrafts or clothing. The regulatory requirement that these parts first be fashioned into handicrafts has meant that many subsistence seal parts have gone to waste on our remote Island that could have significant commercial value.

We request that the settlement legislation include statutory language requiring that all seals on St. George Island which are taken pursuant to Federal management of the fur seal herd or seized and forfeited after having been taken in violation of the Fur Seal Act, shall be delivered by the United States to St. George Aleuts at their request for the Aleuts' use in an expanded subsistence manner.

We request that the settlement legislation include statutory language specifically protecting the Aleuts' taking of seal pups for traditional subsistence purposes.

We request that the settlement legislation include statutory language permitting the expansion of the number of fur seals that can be taken for subsistence purposes by St. George Aleuts by a factor of three for each year that the Traditional Council certifies that the population of the fur seal herd on St. George Island during the preceding year was greater than the average annual population of that herd for the preceding five years.

Non-Monetary Claim to Permit Traditional Council to Assume Fur Seal Management. We request that the settlement legislation include statutory language authorizing the St. George Traditional Council upon its request and on a demonstration basis, to assume administrative management of the funding, decision-

making and operation of Federal programs, services, functions and activities, or portions thereof, related to the natural resources on and around St. George Island and its Aleut community, including but not limited to the management and care of the fur seal herd, the St. George rookeries, and other wildlife management responsibilities of the Departments of Commerce and the Interior now carried out on and around St. George Island. The demonstration should be modeled after the successful Tribal Self- Governance Act of 1994 of which the Traditional Council is already a participating Native entity. Such authority would be consistent with both the Federal policy favoring Native Self- Determination and the principle that the administration and management of programs and operations is done best by the local government closest to the situation.

C. Support for Proposed Changes to Draft Bill Language and Conclusion

We appreciate very much the leadership being shown by Chairman Young in bringing a fair and just resolution to our claims. As a young adult, I watched as my people experienced the end of a century of servitude by the Federal government only to see the United States ban our livelihood and consign us to even more abject poverty. The unmistakable message from Federal officials has been that we should flee our homeland. But my people will continue to fight this type of ethnic cleansing. We will not leave.

We desperately need prompt action on this legislation. The three entities on St. George Island are committed to working closely together in a cooperative fashion to re-establish a viable economy on our Island. We can and will jointly craft a development plan that works. We have suggested language for the proposed draft bill which would provide a total of \$250,000 to the three St. George entities to enable us to develop the joint St. George Island plan required under the proposed bill. Unless funds are provided to develop such a plan, our three cash-strapped entities on St. George Island will be hard-pressed to find the funds necessary to develop a competitive plan.

We are concerned that differences between the two Pribilof Islands, St. George and St. Paul, could slow or de-rail this legislation. While these two Islands share a common history, for the past two decades the Federal government has provided greater funding and support to St. Paul than to St. George. The Secretary's 1997 Report in response to P.L. 104-91 acknowledges this, and notes that while St. Paul has recovered a robust economy, no economy nor infrastructure exists at St. George. St. George has the greater and more urgent needs. It is St. George which suffers most harshly from the unaddressed P.L. 104-91 claims. We who consider St. George our homeland ask only that we receive equitable treatment under this legislation. Funding allocations should be applied to the area of greatest need, and in no case should result in less than 50% of the overall appropriations being devoted to St. George. We certainly remain willing to continue to work in a cooperative fashion with our neighbors on St. Paul, but if differences with St. Paul or among St. Paul entities threaten to slow or prevent enactment of this claims settlement legislation, we ask that St. George's interests be severed from those of St. Paul and that separate St. George legislation proceed to enactment before the end of 1999.

We also wish to support the concept of direct funding transfer to the three entities on St. George. We ask that you sharply limit any discretion given to NOAA so as to prevent any diversion of the funds appropriated for the St. George entities.

We have attached a copy of the draft legislation with the amendments we seek to have included in the bill. These changes are our suggestions for how the legislation could be improved so as to better enable us to regain our self-sufficiency and self-reliance on St. George Island.

Thank you for this opportunity to testify today. I would be happy to answer any questions you may have.

Enclosure: Revisions Proposed by St. George Traditional Council to draft bill attached to July 6, 1999
Letter from Subcommittee

#