TESTIMONY OF CLIFFORD LYLE MARSHALL, CHAIRMAN HOOPA VALLEY TRIBE BEFORE THE HOUSE NATURAL RESOURCES COMMITTEE OVERSIGHT HEARING ON THE "EVOLVING WEST"

February 28, 2007

Mr. Chairman, Members of the Committee,

Thank you for this opportunity to testify today about Indian Country in the evolving West. I am Clifford Lyle Marshall, Chairman of the Hoopa Valley Tribe. The Hoopa Valley Indian Reservation is the largest reservation in California, comprised of 144 square miles. Over ninety five percent (95%) of the reservation is trust land and over ninety percent (90%) is designated timberland. The Hoopa Valley Tribe is a Self-Governance Tribe pursuant to the Self-Governance Act of 1988, an amendment to the Indian Self Determination Act of 1975, Public Law 93-638. The Hoopa Tribe was one among the first tier of Self-Governance Tribes and was the first to have its compact signed in 1990. Before 1988, the Hoopa Tribe had contracted most BIA programs under 93-638. Through Self-Governance, the Tribe has assumed management authority over all federal programs. Currently the Tribe manages fifty-three (53) programs.

Being a Self-Governance Tribe is something that the Hoopa Tribe takes very seriously, it is in fact how we define sovereignty. The tribe governs itself; it governs as any municipality governs, and it manages its lands and natural resources as any other regulatory agency does. The Tribe has a public utilities district that provides water to our community through a reservation wide water system. We have education and social services programs and an Indian Health Service clinic to address our community's social needs. Hoopa was the first to compact health care with Indian Health Service in California and now has a hospital, a dental clinic and the only ambulance service and emergency room within 70 miles of the reservation. We have a law enforcement program to protect persons and property, a civil court to provide legal remedy to our citizens and to protect our children and elders from neglect.

We have fire departments to protect our lands and our homes from fire. And we have a realty program, an environmental protection program, a forestry program and a fisheries program to protect and manage our natural resources. The Tribe has compacted realty from the Bureau of Indian Affairs (BIA) Regional office. Through tribal ordinances the Tribe assigns land to tribal members for housing, agriculture, and grazing.

We have compacted resource management from the BIA and manage our forest lands under a ten-year forest management plan approved by the BIA that exceeds environmental standards required by federal law. This plan has allowed our timber to be "Smart Wood" certified, a certification that allows lumber products produced from our timber to be exportable to Europe. This is a ten-year plan, which has been extended through 2008. We are in the process of evaluating and updating the plan and expect it to be renewed at the end of next year. What we have strived for in timber harvest plans is

balance between the need to generate revenues to fund government and other programs and maintain an employment base, and the need to protect our cultural areas for gathering of traditional foods, basket weaving materials, and firewood, to protect spawning streams from erosion and sediment for anadromous fisheries such as salmon, steelhead trout, sturgeon, and Pacific lamprey. We also manage our timberlands to protect those places our people deem spiritual and sacred.

Balance is a concept that we stress in resource management. For nearly thirty years, beginning in the 1950's, the BIA sold 40 million board feet of timber per year from tribal timberlands. This over harvesting by clear cutting devastated our timberlands, and caused massive erosion that choked our tributary streams used for spawning by anadromous fisheries. Today our annual harvest is less than ten million board feet per year which is considered the "sustainable yield" for maintaining timber as a renewable resource. Balance was something that did not exist before the Tribe took over timber management.

The Tribe's forestry program must comply with all federal laws and regulations that protect endangered species that live in our mountains and streams. We have a number of wildlife monitoring programs to protect species that are endangered, like the fisher and the peregrine falcon, and for other species that are not necessarily endangered such as the black bear, deer, and the pileated woodpecker. Our culture obligates us to protect all wildlife. We have our own nursery to grow trees for replanting. Hoopa has its own Tribal Environmental Protection Agency (TEPA) that ensures that our resource management programs perform in compliance with Federal EPA regulations. TEPA is also responsible for enforcement of the Tribes solid waste ordinance.

Managing our timberlands has a considerable cost. Indian tribes are essentially federal contractors performing activities previously conducted by federal employees. These contracts, however, do not provide for benefits that would otherwise be provided to the federal employee were the BIA still performing these trust functions. Employee benefits of federal employees, such as workers compensation and health care policies, are more expensive to tribal employees who must purchase small group policies.

We ask that Congress allow tribes which are compacting to perform trust functions be allowed to purchase insurance through the federal insurance program. Coverage by the Federal Employment Compensation Act ("FECA") and Federal Employees Health Benefits contracts can be extended to tribal contractors without cost to the federal government. Federal health insurance policies, covering millions of workers, are negotiated by the Office of Personnel Management with private carriers. Costs are paid by the employees and the agencies. Permitting tribes to participate in those large negotiated contracts will have a *de minimus* effect on the federal insurance group size and characteristics. Tribes and tribal employees will pay the costs of coverage.

Injured employees' FECA benefits costs are charged back to federal agencies in the following fiscal year. Such costs can also be charged back to tribal employers if FECA covers tribal employees. Tribal employees are already covered by the Federal Tort Claim Act when carrying out the Indian Self Determination Act, Pub. L. 93-638. The Northwest Portland Area Indian Health Board and various Indian tribes participating in

the self-governance project support permitting tribes to participate in these federal benefit programs.

The Tribe also owns and operates its own logging company creating seasonal employment and additional revenue from annual timber harvests. Here again we work to create balance. We have been very successful at protecting the environment, less successful, perhaps, at laying out profitable timber sales for our logging company as of late. This is because the Hoopa Reservation is made up primarily of steep rugged terrain, and because most of the more easily accessible timber was harvested in the 1950's, 60's and 70's. Hoopa Forest Industries has had to shift from primarily cat logging to logging the annual timber harvest by high lead yarder, a piece of equipment that lifts and suspends logs through use of cables as it yards them to the landing to reduce significantly the impact to topsoil and prevent erosion. Tribal loggers have an opinion of how logging should go and how to be more productive and we respect that. Our goal is to have both departments work together and agree on a harvest management plan that achieves the Tribe's two objectives of environmental protection and timber harvest.

An integral part of forestry management is forestry protection from fire and theft. Hoopa created its own Wildland Fire Protection, the largest and most developed tribal program in the state and, possibly, the Nation. All tribal fire fighters meet the same qualification requirements of the United States Forest Service and the California Division of Forestry. Our fire crews are dispatched across the West as needed to fight fire on state, federal and tribal lands. Our program includes a wildland "urban interface" component to remove fuels and protect both homes and timberlands from fires. This program is also considered by the BIA and other tribes to be a model for Indian Country.

The lands adjacent to our Eastern border were recently changed to wilderness. I raise this today because of concerns regarding catastrophic fire. Last year two fires on our Eastern border each grew to 100,000 acres. Six years ago a 100,000 acre fire breached our border and was stopped by backfires ignited on our reservation, causing significant loss to plantation. Nature is a messy place. There is significant blowdown and knockdown of timber and hardwoods annually from strong seasonal storms in our area. Nature cleans up its mess as well, through fire. Fire, however, is indiscriminate when it reaches the boundary of a wilderness area. Prior to the designation of this area as wilderness, the Hoopa Valley Tribe was working with the Six Rivers National Forest on a stewardship agreement that would have allowed for manual release of these "fuels." We would like to address these concerns through such an agreement that would allow us to manually remove understory brush and downed timber and hardwoods for fire protection in the newly designated section of the Trinity Wilderness and Six Rivers National Forest.

Our law enforcement program includes a resource protection component that is not eligible for United States Department of Justice funding because Hoopa is in a Public Law 280 state. Without tribal law enforcement, there is no protection of our timber resources from theft. We ask that the law be amended to allow application for law enforcement funding in California to support tribal law enforcement responsibilities. A priority is protection of timber resources.

We also charge to logging the cost of road betterment. When Hoopa assumed forestry management, it also took over the BIA roads department. Though the reservation contains over two hundred miles of roads the Tribe receives \$113,000 a year for roads maintenance, not enough to maintain five miles of road. To maintain and upgrade our forest roads neglected for decades by the BIA a percentage of annual timber sales goes towards roads maintenance. Five years ago the Tribe invested in an aggregate plant, with revenues generated from the sale of sand, gravel, road base, and cement, which now helps subsidize the roads program by paying the salaries of roads department employees. That plant, Hoopa Valley Tribal Roads and Ready Mix, also works and contracts with The Humboldt County Roads Department and the California Department of Transportation ("Cal Trans") to coordinate roads maintenance and improvement. This program is now recognized as a model for Indian nations.

Hoopa's second major resource program is its fisheries program. This is not an income generator for the Tribe, but protection of salmon, steelhead, sturgeon and lamprey has significant, social, cultural, and economic significance to our people. These anadromous species have given sustenance to the Hoopa people since the beginning of time. They supplement our otherwise unhealthy diet and reduce our cost of living. The Hoopa Valley Tribe is committed to advocating for, defending, protecting, and restoring the fishery of the Trinity and Klamath Rivers basins. The Klamath and Trinity Rivers constitute the third largest producer of wild salmon on the West Coast but this system is under extreme stress and its production has dropped to the lowest in recorded history. Restoration programs for both rivers need to be implemented and funded immediately. The Hoopa Valley Tribe strongly supports the removal of the four dams on the lower Klamath River to restore fishery habitat and access for salmon to the upper Klamath basin. These four dams provide no water for irrigation.

Finally, the Hoopa Valley Tribe has sought to diversify by investing in a new industry to reduce it's reliance on its timber for income and jobs. The Tribe created Hoopa Modular Building Enterprises (HMBE) in 2005. Last year was a very rough year for this business because Northern California was declared a disaster area from a flood event that inundated the North State. We struggled through this first phase of development, learning as we went, and I believe that we have made a sound business decision that will achieve the Tribes objectives. HMBE builds low cost, high quality housing to meet the needs of new tribal and non-tribal homebuyers. We have created an enterprise that employs fifty employees inside the plant. Investment and diversification are difficult concepts for impoverished Indian communities. I believe we are blazing a trail that will create opportunity for the Hoopa Tribe, its people and its children for the future and for generations to come.

Thank you for your time. I would be glad to respond to any questions that you may have.