

**Committee on Natural Resources**  
**Subcommittee on Indian and Insular Affairs**  
**Oversight Hearing**  
**1324 Longworth House Office Building**  
**February 15, 2024**  
**10:00 AM**

- *“Economic Diversification to Create Prosperous Tribal Economies”*

Questions from Rep. Westerman for Lance Morgan, CEO, Ho-Chunk, Inc.

- 1. Can you further expand on the impact of trust land on economic development plans and whether transitioning to restricted fee status, or another alternative would alleviate economic concerns?**

Trust land is a major impediment to Indian country’s economic growth as it cannot be sold, taxed, mortgaged, or used as collateral. Trust land status severely restricts a tribe’s ability to use our largest asset, our land and its natural resources. Ultimately, it leaves tribes more dependent upon the federal government.

If title to trust land were returned to tribes and individuals in fee under a new tribal status, it could help liberate Indian country economically. This new tribal status must confer permanent jurisdiction, complete with full taxation powers, to the tribe. This would ensure that the land will always be subject to tribal jurisdiction, regardless of the race or political classification of the landowner.

- a. What unintended consequences should Congress seek to avoid if establishing more processes for tribes to move land into restricted fee status?**

The federal government must uphold its general trust and treaty obligations to Indian country that encompasses health, education, and housing. However, this obligation does not need to include controlling all of our land. Tribes often chose to have their lands held in trust because of concerns about losing jurisdiction over those lands. As Congress seeks to assist tribes with expanding economic development opportunities through increasing the flexibility of tribal lands, it must ensure that this is not a prelude to some kind of back-door termination.

- 2. Your written testimony mentioned that it takes time for tribal corporate entities to gain capital and knowledge to provide an impact on their communities as well as others. Can you expand on the path Ho-Chunk Inc. has taken to develop that expertise and instances where Ho-Chunk Inc. may have assisted other tribal corporations in developing that capacity?**

Ho-Chunk, Inc. started small and with a simple mission to use the Tribe’s various economic and legal advantages to develop and operate successfully tribally owned businesses and to provide jobs and opportunities for tribal members. We have utilized a “learn by doing” approach that has resulted in creating long-serving, effective business managers with vast institutional knowledge. Ho-Chunk, Inc. has shared that knowledge and expertise with over 100 tribes who have visited our

headquarters. We have also made investments in the future generation of leaders through a multitude of internship, apprentice, scholarship, ambassador, and other education programs.

- 3. In your written testimony, you brought up the difficulties surrounding the taxation status for tribal corporations solely owned by the tribe, mainly their ambiguous nature. Could you elaborate further on those difficulties and how Congress could end that uncertainty?**

Uncertainty regarding tax treatment is a major impediment to tribal growth across Indian country. We urge the IRS to clarify the taxation status of wholly owned tribal corporations.

- 4. In your written testimony, you mentioned the B.I.A Loan Guarantee Program and how it needs to be expanded. Please elaborate further, especially with any policy changes the program may need from a tribal perspective.**

Considering the difficulty obtaining a loan on trust land, the BIA's Loan Guarantee Program ("Program") has proven to be a reliable resource for tribes. However, the Program could be made more efficient as it often takes a lot longer than it should to obtain a loan. We have found that some regions are far more efficient than others. Streamlining the Program and expanding the loans available would have far-reaching impacts for Indian country.

- 5. In your experience, what is the difficulty level for tribes to identify and access federal economic developmental programs, and how could Congress alleviate any issues?**

Over the years, Ho-Chunk, Inc. has learned of and taken advantage of many federal economic developmental programs. However, we acknowledge that not all tribal nations have the capacity to identify and access these programs. Congress and the Administration should work to ensure that tribes are aware of existing economic developmental programs, allow for flexible capital, and give tribes the opportunity to manage those programs.