

## NOTES TO THE NATION MARCH 16, 2009

Sometime this week I will be introducing a bill to create a Per Capita Payment for our Osage citizens. I want to talk to you about that and explain the thinking behind it.

About a year and a half ago, in September of 2007, I mentioned in the Notes that I was thinking about a per capita payment. I said then that I had never been in favor of it, but it appeared at that time that the Congress was going to spend everything we had and only a small amount was going directly to the citizens. I indicated the Osage government didn't seem to be using very good judgment in spending. Since then, I don't think it has improved.

I introduced a bill to form a subcommittee to study the question of a per capita payment.<sup>i</sup> Immediately, the executive branch began to criticize the idea, even sending out a letter to tribal employees telling them "Supernaw has introduced a resolution to study per capita payments that could lead to directly competing with future capital from the tribe," and then the Chief, when speaking at an employee's meeting, said, "I wouldn't vote for anyone who was in favor of a per capita payment." Why would these objections be raised when a direct payment to citizens is considered?—they weren't raised when the Chief supported:

- \$1 million for a strategic plan.
- \$1 million for his attorneys.
- \$4.9 million for an airport—purchased without an appraisal.
- \$11 million increase in the cost of government administration during the last 2 1/2 years.
- A \$14 million dollar loan at 9 1/2 % interest that we didn't even need. (Congress was able to stop this and this is why we are debt free now.)

Even now, there seems to be support for funding another health benefits bill<sup>ii</sup> that would cost the Nation \$5 million. In the beginning, it was suggested that the program could be administered for \$50,000. As time has gone on, the estimates have gone up to \$300,000<sup>iii</sup> with the additional cost of a full-time administrator. Originally it was thought that a card could be issued that could be used like a credit card—now it is obvious that many claims would have to be made on paper claim forms, and not all types of medical expenses would be covered.<sup>iv</sup> Many citizens would receive nothing. The costs and complications associated with running the health benefits program are proving to be an inefficient and costly way to get only a small amount of money to our Osage citizens: Maximum of \$500 annually and even then, many Osages are excluded.

The more I think about it the more it reminds me of a Rube Goldberg cartoon created to show, in a humorously exaggerated way, how government can make simple things complicated:



If the economy was different, and this administration had demonstrated wisdom in the use of your money, I might look at things differently. But I am convinced from past experience and what I'm seeing now, your money is going to be spent anyway; in a way that little of it is going to end up in your pocket. It's going to be spent building an even larger bureaucracy; a few families may benefit, most of you will not. If what we are trying to do is get the money to our citizens in the most efficient way, a per capita payment plan seems to be the best answer.

The Per Capita Payment I will propose will be small, probably about \$500 annually to each individual<sup>v</sup>—tribes that have experienced difficulty with per capita payments have tried to pay out too much and then have gotten into trouble when revenues fell. The Plan can be established without adding to the bulging bureaucracy; no additional people in the CDIB Department (membership); possibly no additional people needed in accounting. It will require that a claims account be set up and provision for holding funds for those people we can't contact. Procedures will have to be established for the length of time unclaimed funds are held and a myriad of other details must be worked out—we know that. What will not be necessary is: a whole new bureaucracy; and no one, except law, will control who does or does not benefit; no insiders will have any advantage over anyone else and all will share equally no matter where they live. What I hope the Plan will accomplish, is: Osage citizens will begin to take more interest in what is going on here and all can receive some help from the Nation in the most efficient manner.

Congress went into session today. Already we have been advised of many budget modification requests. Already it has been suggested that we turn the airport land the Nation purchased for \$4.9 million over to the LLC—if that happens, you can say goodbye to that money for at least five years. It has been suggested that we approve money for the purchase of Sugarloaf Mound in St. Louis and one congressman, who seem to be in favor of it, suggested that project could cost from \$2 to \$3 million over time; and there is no proof that it ever was an Osage mound. Even though the Competitive Bidding Act is law, it is not being enforced—how much is that costing the Nation?—and we are hearing there will even be attempts to weaken it.

Let me say this so that you know that at least some of us in Congress realize: Government has no money of its own, all the money that we spend is your money. Congress approves it wholesale and the Executive Branch spends it retail. Neither seems to use the care that they would use if it was their money. Some in Congress have tried to be conservative, some have tried to be responsible, but it takes a majority—and nine votes to over ride a veto.

Please let me know what your think about this proposal.

Kugee

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<sup>i</sup> Enough time has lapsed that the bill is ready to go to committee for study. If it comes out of committee and passes, it then has to be approved by the Bureau of Indian Affairs.

<sup>ii</sup> There is a Clinical/Medical Services program in operation now—not to be confused with the Health Benefits Act. It has a maximum benefit of \$500 per person. It is operating as a reimbursement pilot program with few restrictions. It was funded for \$200,000 and still has funds available.

<sup>iii</sup> Discussions have been held about letting existing departments of the Nation bid against private firms for the administration contract. Think about that: who does it cost if the department fails to perform?

<sup>iv</sup> Johnny Red Eagle and The Health and Wellness Board are looking at a more comprehensive medical plan for the Nation, including taking over the IHS Clinic here in Pawhuska. They have only had token input in the current Health Benefits Act which has not been funded.

<sup>v</sup> At \$500 per person the total amount will be around \$ 5 million dollars. Doug Revard has already introduced the funding bill.