



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #148

### **Director of Native American Affairs (Administration -- Division of Gaming)**

[LFB 2021-23 Budget Summary: Page 51, #5]

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#### **CURRENT LAW**

There are 11 federally-recognized tribal governments in Wisconsin. The Department of Administration (DOA) coordinates with tribal governments through its Divisions of Intergovernmental Relations and Gaming. The Division of Intergovernmental Relations provides services and resources to strengthen the relationship between the state and tribal governments, while the Division of Gaming administers regulatory activities under state-tribal gaming compacts. In addition, each cabinet agency has designated at least one staff member to serve as a tribal liaison and to work with DOA to make sure tribal leaders receive information on a timely basis.

#### **DISCUSSION POINTS**

1. State agencies coordinate with tribal governments on a variety of issues, ranging from public health to economic development. However, there is no single state employee dedicated to fostering partnerships and resolving issues with tribal governments. The Division of Intergovernmental Relations administers the state-tribal relations program in addition to providing support services for local governments in land use planning, land information and records modernization, municipal boundary review, plat review, demography, and coastal management. Of the 16 staff assigned to the Division, only two focus on state-tribal relations, including the Division Administrator.

2. According to DOA, the tribes have requested that the administration elevate consultation between the state and the tribes. Assembly Bill 68/Senate Bill 111 would create an unclassified position to serve as the Director of Native American Affairs. The Director would be appointed by the Secretary of DOA. The bill would provide \$125,600 PR in 2021-22, \$160,100 PR in 2022-23, and 1.0 PR position annually, funded by tribal gaming revenues. The position would be placed in

executive salary group 3 (a salary range of \$76,315 to \$125,923 under the 2019-21 compensation plan) and located in the Secretary's Office.

3. The Director of Native American Affairs would be responsible for coordinating across state agencies to improve the tribal consultation process and increase collaboration on issues that impact tribal communities. According to DOA, creating this position would signal the importance the state gives to the tribal governments and further the state's interest in having effective communication and cooperation with these governments.

4. The Department indicates that the proposal reflects efforts in other states to foster state-tribal relations. According to the National Conference of State Legislatures, over 40 states have a dedicated committee or office to coordinate state-tribal relations. For example, the Montana Office of Indian Affairs serves "as a liaison between the state and the tribes and promotes economic development, environmental protection, education, support for social services, and enduring good will." In Utah, the Commission on State Indian Affairs has three staff members who "serve as liaison and promote positive intergovernmental relations" between the tribes, the Office of the Governor, and local, state, and federal agencies.

5. Under AB 68/SB 111, the position would be funded by tribal gaming revenues. Tribal gaming revenue paid to the state is based on provisions under state-tribal compacts. The first draw on gaming revenue is to state agencies and remaining revenue is deposited in the general fund. The administration estimates that gaming revenues will total \$55.7 million in 2021-22 and \$61.5 million in 2022-23.

6. Nine of the 11 state-tribal compacts include an ancillary memorandum of understanding (MOU) relating to government-to-government matters, including the intended use of tribal gaming payments to the state. In general, the MOUs indicate that the Governor must undertake his or her best efforts to assure that monies paid to the state are expended for: (a) economic development initiatives to benefit tribes and/or American Indians within Wisconsin; (b) economic development initiatives in regions around casinos; (c) promotion of tourism within the state; and (d) support of programs and services of the county in which the tribe is located.

7. Given that the state does not have a single point of contact for tribal governments, and that tribal gaming revenues are intended to be used for the benefit of tribal communities, it could be argued that the provision is an appropriate use of funds. Further, there appears to be sufficient gaming revenue to support the position. Therefore, the Committee could create a Director of Native American Affairs position in accordance with AB 68/SB 111. [Alternative 1]

8. On the other hand, it could be argued that the current level of coordination facilitated by DOA and other cabinet agencies is sufficient. Therefore, the Commission could take no action. If the provision is not approved, staff within the Division of Intergovernmental Relations would continue to support both tribal relations and other programs, and the administration would continue to collaborate with tribal governments through each cabinet agency's tribal liaison. [Alternative 2]

## ALTERNATIVES

1. Create an unclassified position to serve as the Director of Native American Affairs, responsible for managing relations between the state and tribes. Provide \$125,600 PR in 2021-22, \$160,100 PR in 2022-23, and 1.0 PR position annually, funded by tribal gaming revenues. Specify that the position be placed in executive salary group 3 and appointed by the Secretary of DOA.

<b>ALT 1</b>	<b>Change to Base</b>	
	<b>Funding</b>	<b>Positions</b>
PR	\$285,700	1.00

2. Take no action.

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