

**UNITED STATES DEPARTMENT OF THE INTERIOR
OFFICE OF HEARINGS AND APPEALS
INTERIOR BOARD OF INDIAN APPEALS**

DAVID V. DILLENBURG)		
AND THOMAS G. SLADEK,)	Docket No. IBIA	15-005
Appellants,)		15-006
)		15-007
v.)		15-008
)		
MIDWEST REGIONAL DIRECTOR,)		
BUREAU OF INDIAN AFFAIRS,)	APPELLEE'S	
Appellee.)	ANSWER BRIEF	
)		

Appellants seek review of four decisions issued by the Midwest Regional Director (Regional Director), Bureau of Indian Affairs (BIA) in these consolidated appeals concerning the trust acquisition of 11 parcels of land for the Oneida Tribe of Indians of Wisconsin (Tribe) located in the City of Green Bay, Wisconsin. The parcels are referred to as Berglin; Beyer-Riley; Boudelais; Frelich; Gruber; Brusky; Fietz; Lemmen; Sigfred; Smith; and Goral and the legal descriptions are in the Regional Director's decisions.

Appellants' Opening Brief was due December 31, 2014. Appellants' Opening Brief was received by Appellee on January 5, 2015. Appellee sought an extension of time until March 23, 2015 to submit an Answer Brief. In an Order dated January 13, 2015, the Board granted Appellee's Request. The Tribe sought an extension of time to file its Answer Brief, consistent with Appellee's timeframe. Appellants sought an extension of time to submit a Reply Brief. The Board granted the requests and the Tribe's Answer Brief is due on or before March 23, 2015 and any Reply Brief from Appellants is due April 27, 2015.

Facts and Background

Section 5 of the IRA, 25 U.S.C. § 465, authorizes the Secretary of the Interior, acting through the BIA to acquire land for Indians:

The Secretary of the Interior is hereby authorized, in his discretion, to acquire, through purchase, relinquishment, gift, exchange, or assignment, any interest in lands, water rights, or surface rights to lands, within or without existing reservations, including trust or otherwise restricted allotments, whether the allottee be living or deceased, for the purpose of providing land for Indians.

25 U.S.C. § 465. The Secretary's authority is discretionary. In accordance with 25 U.S.C. § 465 land acquired in trust becomes exempt from state and local taxation. The regulations governing the acquisition of trust land are found at 25 C.F.R. Part 151 and set forth the criteria the BIA must consider when making a decision to acquire land in trust when the land is located on the applicant tribe's reservation.

Appellants generally complain that they are concerned about the accumulative effect of placing additional land into trust and are concerned that placing the parcels into trust will negatively impact other properties by creating a checker board patchwork of parcels subject to competing ordinances, zoning regulations and other laws. In their Statement of Reasons, Appellants challenge 25 U.S.C. § 465 generally, as well as the Secretary's authority as exercised under 25 U.S.C. § 465; argue that the Oneida Tribe was not under federal jurisdiction at the time of the Indian Reorganization Act was enacted in 1934; that the Tribe's reservation was disestablished; and argue that the BIA's decision interferes with the public trust doctrine rights of the State of Wisconsin by impairing or impeding the local government's stormwater utility and management plan.

Standard of Review

The Board has a well established standard of review in trust acquisition cases.

Decisions of BIA officials whether to take land in trust are discretionary, and the Board does not substitute its judgment in place of BIA's judgment in decisions based upon the exercise of BIA's discretion. Cass County v. Midwest Regional Director, 42 IBIA 243, 246 (2006). Instead, the Board reviews discretionary decisions to determine whether BIA gave proper consideration to all legal prerequisites to the exercise of its discretionary authority, including any limitations on its discretion established in regulations Id. Thus, proof that the Regional Director considered the factors set forth in section 151 must appear in the record, but there is no requirement that BIA reach a particular conclusion with respect to each factor. See Eades v. Muskogee Area Director, 17 IBIA 198, 202 (1989). Moreover, an appellant bears the burden of proving that BIA did not properly exercise its discretion. (Citations omitted.) Simple disagreement with or bare assertions concerning BIA's decision are insufficient to carry this burden of proof. Cass County, 42 IBIA 246-47.

Arizona State Land Department, Salt River Project: John Strathmere, and Arizona Department of Water Resources v. Western Regional Director, 43 IBIA 158 (2006), 2006 I.D. LEXIS 56,

*3,4,5.

Legal Arguments

A. Appellants lack Standing to bring this appeal

The Board specifically instructed the Appellants to address their standing to bring this appeal in the Board's November 17, 2014 Order Setting Briefing Schedule (Order). As the Board noted, interested parties is defined as any person whose interests could be adversely affected by a decision in an appeal. 25 C.F.R. § 2.2. Therefore Appellants must establish that they were adversely affected by a decision. See Anderson v. Great Plains Regional Director, 52 IBIA 327, 331-32 (2010). Here Appellants are appealing the decisions to take 11 parcels into trust for the Tribe. Appellants have not established that they were adversely affected by those decisions. As the Board noted in its Order, Appellants assert impacts "on the local community," impacts on "other properties within the community" or allege that it is "not in the public interest."

The Board has a well-established standard for determining standing. Specifically an Appellant before the Board must show that: 1) he or she has suffered an actual or imminent, concrete and particularized injury to or invasion of a legally protected interest; (2) the injury is fairly traceable to the challenged action; and (3) the injury will likely be redressed by a favorable decision. See, e.g., DuBray v. Great Plains Regional Director, 48 IBIA 1, 19 (2008) citing Lujan v. Defenders of Wildlife, 504 U.S. 555 (1992). The Appellants fail to meet the three standing requirements.¹

Dillenburg states that he owns rental property in the area of the City of Green Bay where the 11 properties are located and he brings the appeal “as an owner of rental properties in the community, a taxpayer, and a citizen who is aggrieved by the transfer of applicant parcels into trust.” Dillenburg Affidavit ¶ 2. Sladeck brings the appeal “as a community member, a taxpayer, and a citizen who is aggrieved by the transfer of the applicant parcels into trust.” Sladeck Affidavit ¶ 2. Both Appellants alleged injury is that they will suffer an increased tax burden or a reduction of services if the parcels are to be acquired in trust. Affidavits ¶ 5. Dillenburg also claims that if a rental property is placed in trust, and not subject to property tax, he will be at an unfair disadvantage due to the Tribe’s lower overhead and ability to charge lower rent. Dillenburg Affidavit ¶ 7. Sladeck objects to the agreement between the City of Green Bay and the Oneida Tribe. Sladeck Affidavit ¶ 6. Both Appellants also generally complain that ordinances may not be enforced, the creation of “islands” of land placed in trust status is disruptive to community interests, and the Secretary lacked authority to acquire the lands in trust. Dillenburg Affidavit ¶¶ 8-10; Sladeck Affidavit ¶¶ 7-9.

¹ Appellee prepared a map of the 11 parcels relative to the appealing residents and attach it to this Answer Brief for the Board and the parties’ reference.

Appellants have not established an actual or imminent injury or invasion to a legally protected interest. Appellants claim injury that their taxes will go up or services will decrease. However, that is speculative. As already referenced, there is an agreement between the Tribe and the City to address the tax loss. Dillenburg's claim that he will suffer an unfair disadvantage as a landlord is also speculative. Landlords have varying levels of costs inevitably. For instance, it is not clear in the record how other overhead costs vary between the 2 properties, such as the price paid to purchase the properties or the amount needed for maintenance. In addition, the Tribe addresses this issue in its Answer Brief when it points out that the Tribe's rental property is a low-income rental property which would not appear to compete against Dillenburg's rental property. Also, any alleged injury Appellants list is not traceable to the decisions to take these 11 parcels in trust. As evidenced by the arguments made in the Opening Brief, the Appellants' complaints are really about the Tribe's status and the reservation status. The Regional Director's decision to take these parcels into trust status, although related, is independent from the Tribe's status and the reservation status. Additionally, Sladek's complaint is really about the agreement between the Tribe and the City. Further, any alleged injury will not likely be redressed by a favorable decision. Not taking these parcels into trust will have no effect on the Tribe's status or the status of the reservation. Importantly, it must be remembered that it is Appellants' burden to establish standing. See, e.g., Reeves v. Great Plains Regional Director, 54 IBIA 207, 213 (2012).

B. The Regional Director properly exercised authority under the IRA

The Regional Director determined that she had authority to acquire the tracts at issue pursuant to the general discretionary land acquisition authority of the Indian Reorganization Act (IRA). 25 U.S.C. § 465. Appellants make a Carcieri challenge to the decisions, arguing the Tribe was not under federal jurisdiction in 1934. See Appellants' Opening Brief p. 1-2; 9-38. The

Board has already addressed these identical claims in Village of Hobart v. Midwest Regional Director, 57 IBIA 4 (2013). In Village of Hobart, the Board held that the Tribe was under federal jurisdiction in 1934.² This holding is consistent with the Department's Carcieri analysis formalized in a March 12, 2014 M-opinion (M-37029).

To the extent a response is required in this appeal by different Appellants, as background it is noted that in Carcieri v. Salazar, 555 U.S. 379 (2009), the Supreme Court considered whether the United States could acquire land for the Narragansett Tribe of Rhode Island under section 465. Section 465 provides the Secretary of the Interior with authority to acquire land in trust for Indians, and the term "Indians" is defined at § 479. More specifically, the Carcieri decision addresses the authority to take land into trust for "persons of Indian descent who are members of any recognized Indian tribe now under Federal jurisdiction." The case does not address the authority to take land into trust for groups that fall under the other definitions of "Indian" in § 479 of the IRA. Writing for the majority of the Court, Justice Thomas found that the Court's task was to interpret the statutory phrase "now under federal jurisdiction" in § 479 of the IRA. Section 479 provides:

The term 'Indian' as used in this Act shall include all persons of Indian descent who are members **of any recognized Indian tribe now under Federal jurisdiction**, and all persons who are descendants of such members who were, on June 1, 1934, residing within the present boundaries of any Indian reservation, and shall further include all other persons of one-half or more Indian blood. . . The term 'tribe' wherever used in this Act shall be construed to refer to any Indian tribe, organized band, pueblo, or the Indians residing on one reservation...

² In the Village of Hobart, the Board rejected the Village's procedural challenges and lacked jurisdiction to consider the Village's constitutional challenges. The Board affirmed the Regional Director's decisions as to her authority to accept land into trust on behalf of the Tribe under §465, her consideration of the Tribe's need for the land, the Tribe's purpose for and uses of the land, and the BIA's ability to absorb any additional responsibility. The Board reversed and remanded in part the Regional Director's decisions for limited consideration of certain factors, including the consideration of the impact of the tax loss, consideration of potential land use conflicts and environmental concerns.

25 U.S.C. § 479 (emphasis added). The Supreme Court applied a strict statutory construction analysis to determine whether the term “now” in the definition of Indian in § 479 referred to 1998 when the Secretary made the decision to accept land in trust for Narragansett Tribe or referred to 1934 when the IRA was enacted. The Court held that the term “now under federal jurisdiction” in § 479 unambiguously referred to those tribes that were under federal jurisdiction when the IRA was enacted in 1934, and because the Narragansett Tribe was not under federal jurisdiction in 1934, the IRA provided no authority for the Secretary to acquire land in trust for it. In its decision in Carcieri, the Court focused on the word “now” in the phrase “now under federal jurisdiction,” but failed to provide any guidance as to the meaning of the balance of the phrase “under federal jurisdiction.” Justice Thomas noted that the Narragansett Tribe had not argued that it was under federal jurisdiction in 1934 and that there was no evidence in the file to the contrary.

Justice Breyer, in a separate opinion concurring in the majority opinion, noted that the majority’s interpretation of “now” as 1934 may be less restrictive than first appears. He noted that a tribe may have been “under federal jurisdiction” in 1934 even though the federal government did not believe so at the time. He referred to *Ten Years of Tribal Government Under I.R.A.* by Theodore H. Haas, Chief Counsel, United States Indian Service (1947) (*Haas Report*) and noted that there were tribes erroneously left off the list. The tribes listed on Table A to the Haas Report is evidence that the BIA determined them to be under federal jurisdiction in 1934 and eligible to vote to accept or reject the terms of the IRA.³ Justice Breyer correctly

³ Commonly referred to as the *Haas Report* it was essentially an analysis of the ten years following the passage of the IRA and contains a table showing which tribes, bands and communities at the time of the report, voted to accept or reject the terms of the IRA, including the dates on which elections were held and the vote count. A copy of the Report was appended to the Regional Director’s brief for IBIA Docket Nos. 10-091, 10-092, and 10-107. The Board has previously relied on Haas to inform its decisions in matters implicating a tribe’s organizational status. See Turtle Mountain Band of Chippewa Indians v. Great Plains Regional Director, 36 IBIA 297 (2001). See also,

points out, however, that it may not be authoritative of the status of those tribes not included on the list because they may have been left off erroneously. For purposes of the Board's review in the instant case, the *Haas Report* resolves the inquiry of whether the Oneida Tribe was under federal jurisdiction in 1934. The Tribe is included on Table A in the list of tribes in the State of Wisconsin and the report notes that the Tribe voted on the IRA on December 6, 1934 and accepted the IRA by a vote of 1844 persons voting "yes" and 688 persons voting "no." In this regard, the organizational history of the Oneida Tribe is factually distinct from the Narragansett Tribe which was the subject of the Carcieri decision.

Despite the Board's holding in Village of Hobart, Appellants argue that the Tribe was not under federal jurisdiction in 1934. Like the Appellant Village of Hobart, these Appellants base their argument on miscellaneous departmental correspondence from which they cite only excerpted parts, rely heavily on misapprehension of the effect of the allotment laws on continued reservation and tribal existence, and a misapplication of the phrase "under federal jurisdiction." The Appellants argue that the allotment of land to individuals under the General Allotment Act, sometimes referred to as the Dawes Act, as amended by the Burke Act, and the passage of trust title to individually allotted land to fee status resulted in the loss of the tribal federal relationship and the disestablishment of the reservation. Based on this, Appellants assert that the Tribe could not have been under federal jurisdiction because all of the land on the Oneida Reservation had been allotted to individuals and therefore there was no longer any federal jurisdiction over the land by 1934. As the Regional Director previously argued, the underpinning for their argument is both factually and legally flawed. Neither the allotment of land nor the grant of citizenship to individual tribal members terminates the legal-political status of an Indian tribe. *Felix S. Cohen's*

Coyote Valley Band of Pomo Indians v. United States, 639 F.Supp. 165, 175 (E.D. CA 1986) which cites and relies on the *Haas Report*.

Handbook of Federal Indian Law, pp. 18-19 (1982 Ed.). Moreover, the federal policies in place at the time of the Dawes Act and the Burke Act were explicitly rejected by the IRA. The IRA was intended to remedy precisely the kind of land loss which occurred at the Oneida reservation as a result of the allotment policies. The Supreme Court has considered and rejected the argument that disposal of lands under the Dawes Act operated to terminate the reservation on which the allotments were made. Mattz v. Arnett, 412 U.S. 481, 496 (1973); Seymour v. Superintendent of Washington State Penetentiary, 368 U.S. 351 (1962); Donnelly v. United States, 228 U.S. 243 (1913); United States v. Celestine, 215 U.S. 278 (1909). The Supreme Court has also rejected the argument that sales of surplus lands on a reservation acts to terminate or diminish the reservation unless Congress explicitly intended that the reservation be terminated. Solom v. Bartlett, 465 U.S. 463 (1984). Regardless of the status of the reservation however, nothing in the Dawes Act terminated the legal-political status of the Oneida Indian Nation.

The Appellants also raise to the Board again the argument that the Oneida reservation no longer existed in 1934 by relying on two cases: 1) United States v. Hall, 171 F.214 (E.D. Wis. 1909), which held that the U.S. could not prosecute liquor violations on allotted land; and 2) an unpublished opinion in Stevens v. County of Brown (E.D. Wis. November 3, 1933), which held that allotted lands were subject to state taxation. Neither case may be relied on to support the Appellants' assertion that the reservation was disestablished because the holding in both cases have been deprived of precedential value by the Supreme Court cases noted herein above. The Appellants further rely on legislation enacted in 39 Stat. 969 (March 2, 1917) and 41 Stat. 408 (February 14, 1920) which authorized the sale of school lands no longer needed as evidence that the reservation no longer existed. While the Appellants cite some language from the deed

conveying such lands in support of their argument that the reservation was disestablished, the language of the deed more fully supports the opposite conclusion. As the Regional Director previously noted, the face of the deed notes the land is located on the Oneida Indian Reservation. The Appellants again raise the argument that the sale of excess school lands is evidence of the abandonment of the federal/tribal relationship and the elimination of the reservation. The Appellants cannot overcome the cases cited herein above holding that the sale of land within a reservation does not operate to terminate the reservation.

The first and governing principle is that only Congress can divest a reservation of its land and diminish its boundaries. Once a block of land is set aside for an Indian Reservation and no matter what happens to the title of individual plots within the area, the entire block retains its reservation status until Congress explicitly indicates otherwise.

Solom v. Bartlett, 465 U.S. 463, 470 (1984)(citing United States v. Celestine, 215 U.S. 278, 285 (1909). Diminishment or disestablishment is not lightly interred and requires that Congress clearly evince an intent to change boundaries. Congressional intent must be clear and plain. Rosebud Sioux Tribe v. Kneip, 430 U.S. 584 (1977); South Dakota v. Yankton Sioux Tribe, 522 U.S. 329 (1998). The fact that the status of title to individual lands has no bearing on the existence or non-existence of a reservation was made perfectly clear by Congress when it enacted 18 U.S.C. § 1151(a) and defined "Indian country" as "all land within the limits of any Indian reservation... notwithstanding the issuance of any patent." The Appellants' repeated attempt to argue that allotment disestablished the reservation is simply legally incorrect. Moreover, it is not indicative of whether the Tribe was under federal jurisdiction in 1934 for purposes of the IRA.

The Appellants also allege again that all of the trust land of the Oneidas had been lost to fee status. That allegation is factually incorrect. It is indisputably clear from the correspondence

that the Oneida Tribe never left federal jurisdiction. Indeed, the evidence shows the Tribe was “under federal jurisdiction” in 1934 by virtue of the IRA – the very statute they now seek to acquire land under. As previously stated, the Board has agreed that the Tribe’s IRA participation is dispositive that the Tribe was under federal jurisdiction in its decision in Village of Hobart. The Board also found in the Village of Hobart that the historical record also supported that conclusion. While it is also undisputed that a diminution of contact with the Tribe and its members occurred during the period of federal policy which promoted tribal assimilation, and federal correspondence from that period reflected federal attempts to diminish its role in the lives of individual tribal members, the same correspondence shows that the Tribe and some of its members at all times retained trust lands which required federal supervision. Further, Breyer’s concurring opinion in Carcieri notes that a lack of active federal supervision is not necessarily determinative of a tribe’s status in 1934 since a tribe may have been under federal supervision even though the Federal Government did not believe so at the time. Once established, federal jurisdiction continues to exist, even if dormant, unless Congress takes explicit action to terminate it. Congress took no explicit action to terminate its jurisdiction over the Oneida Tribe. Additionally, the allotment policy itself is evidence of the United States exercising its jurisdiction over the Tribe and the subsequent IRA reflects new policy adopted by the United States in its exercise of its jurisdiction over Indian tribes.

Appellants confuse the termination of federal supervision over individual fee patented allotments with the termination of the reservation and the federal/tribal relationship. The Supreme Court has made clear that this is not the case. The fact that the Department of the Interior held an election for the Oneida Tribe to determine whether it wanted to accept the terms of and organize itself under the IRA is clear evidence that the United States viewed the Oneida

Tribe as being under its jurisdiction in 1934. In addition, the Tribe has provided additional evidence that it was under federal jurisdiction in 1934. Administrative Record, Vol. 2, Tab 14. Therefore, the Regional Director properly determined that the Supreme Court's decision in Carcieri v. Salazar did not prohibit the use of 25 U.S.C. § 465 as authority for the United States to acquire land in trust for the Oneida Tribe. Again, the Board has already agreed with the Regional Director's decision on her authority in the Village of Hobart.

Finally, given that the IRA does not define the meaning of "under federal jurisdiction" the canons of construction applicable to Indian law which are based on the unique trust relationship between the United States and Indian tribes dictate that the terms of the IRA be construed liberally in favor of the Tribe. Statutory silence or ambiguity is not to be interpreted to the detriment of the Tribe. Any ambiguities should be resolved in the tribes favor. Minnesota v. Mille Lacs Band of Chippewa Indians, 526 U.S. 172, 200 (1999); County of Yakima v. Confederated Tribes and Bands of the Yakima Indian Nation, 502 U.S. 251, 269 (1992). The Board follows these canons of construction in its decisions. Statutes passed for the benefit of Indians are to be construed liberally in favor of Indians with ambiguous provisions interpreted for their benefit. Todd County v. Aberdeen Area Director, 33 IBIA 110, 113 (1999).

In the alternative, Appellants argue that even if the Tribe was under federal jurisdiction in 1934, "Congress does not have the authority to remove land from state jurisdiction or to restore or create tribal sovereignty over such land. Consequently, the IRA is unconstitutional as applied in this situation if the result is to extend tribal sovereignty over the parcels to be taken into trust." Appellants' Opening Brief p. 2. This is exactly what Congress intended when it passed the IRA. Appellants also make additional attacks to the Secretary's authority under the IRA, including constitutional attacks. See Appellants' Opening Brief pp. 38-47. However, the Secretary's land

acquisition authority under 25 U.S.C. 465 is well established. See, e.g., County of Charles Mix v. United States Department of the Interior, 674 F.3d 898 (8th Cir. 2012). Further, the case law is well established that the Board lacks authority to declare a statute unconstitutional. See, e.g., City of Yreka, California v. Pacific Regional Director, 51 IBIA 287, 294 (2010); State of Kansas v. Acting Southern Plains Regional Director, 36 IBIA 152; State of South Dakota and Moody County v. Acting Great Plains Regional Director, 39 IBIA 283, 289 (2004). The Appellants' constitutional arguments will therefore not be discussed further herein. However, to the extent a response is required, the Appellants' constitutional allegations have been previously considered and rejected. See Village of Hobart v. Midwest Regional Director, 57 IBIA 4 (2013); State of South Dakota v. United States, 775 F.Supp.2d 1129 (D.S.D. 2011); Carcieri v. Kempthorne, 497 F.3d 15, 43 (1st Cir. 2007); State of South Dakota v. United States, 487 F.3d 548 (8th Cir. 2007); South Dakota v. United States Department of the Interior, 423 F.3d 790 (8th Cir. 2005), cert. denied, 127 S.Ct. 67 (2006); Shivwits Band of Paiute Indians v. Utah, 428 F.3d 966 (10th Cir. 2005), cert. denied, 549 U.S. 809 (2006); United States v. Roberts, 185 F.3d 1125 (10th Cir. 1999), cert. denied, 529 U.S. 1108 (2000).

C. The Regional Director's decision is supported by the record

Appellants do not focus in the brief on any challenges to the Regional Director's consideration of the factors in 25 C.F.R. Part 151. In their Statement of Reasons Appellants both generally complain about the cumulative effects of the tax loss. However, the Board's case law on this is clear. The Regional Director does not have to consider the cumulative effect on tax loss. See Shawno County, Wisconsin v. Acting Midwest Regional Director, 53 IBIA 62 (2011); State of Kansas v. Acting Southern Plains Regional Director, 53 IBIA 32 (2011); Roberts County, South Dakota v. Acting Great Plains Regional Director, 51 IBIA 35, 51 (2009). The

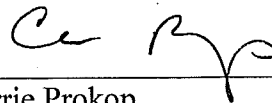
Regional Director properly considered the impact of the tax loss in each decision. Appellants also complain about creating “islands” presumably related to a concern about potential jurisdictional conflicts. The Board has already considered and rejected an identical speculation. See Roberts County, 51 IBIA 35, 52 (2009). The Regional Director properly considered this factor. There is no requirement for the Regional Director to resolve those problems or issues. Id. Appellants’ bare allegations regarding the tax loss or jurisdictional concerns alone are not enough to meet Appellants’ burden of proof.

Conclusion

The BIA has made a reasonable determination to acquire the 11 parcels in trust for the Oneida Tribe. Appellants lack standing to bring this appeal and therefore the appeal should be dismissed. Moreover, the Appellants’ dissatisfaction with the BIA’s decision does not entitle them to relief. See Cent. S.D. Co-op Grazing Dist. v. Secretary of U.S. Department of Agriculture, 266 F.3d 889, 898 (8th Cir. 2001). The Regional Director has considered all of the appropriate factors under 25 C.F.R. § 151.10 and appropriately exercised her discretion under 25 U.S.C. § 465. Appellants have failed to meet their burden. The Board is hereby requested to affirm the Regional Director’s decision.

Dated: March 23, 2015

Respectfully submitted,



Carrie Prokop
Department Counsel

