

TESTIMONY OF CHAIRMAN MATTHEW WESAW Chairman, Pokagon Band of Potawatomi Indians Before the HOUSE WAYS AND MEANS COMMITTEE SUBCOMMITTEE ON SELECT REVENUE MEASURES

March 4, 2020

Chairman Thompson, Ranking Member Smith, and members of the Subcommittee, I am Matt Wesaw, Chairman of the Pokagon Band of Potawatomi Indians. Our tribe is unique in that our reservation lands are located in two states. We have reservation lands in southwest Michigan, near New Buffalo, and in northern Indiana, in the South Bend area.

We are fortunate to have two Members of Congress – Jackie Walorski and Fred Upton – who have been very supportive of our Tribe and Indian Country. We are especially grateful to Congresswoman Walorski's for her leadership on theses tribal tax issues.

The Pokagon Band has a long history in our region of the country. Our ancestors lived in the area for centuries and survived many hardships – including the Potawatomi Trail of Death in the mid-1800's, when so many of our people were forcibly removed from our homelands.

In 1994, Congress reaffirmed the status of our Tribe and we began the long journey of reestablishing our homelands and building a future for our people. We were fortunate to establish a successful gaming operation, which in turn funds our tribal government and provides for services and jobs to our people. We have also established the Mno-Bmadsen companies to help diversify and strengthen our tribal economy.

58620 Sink Road • PO Box 180 • Dowagiac, MI 49047 • www.PokagonBand-nsn.gov (269) 782-6323 • (888) 376-9988 toll free • (269) 782-9625 fax POKAGON BAND OF POTAWATOMI TRIBAL COUNCIL

Through Mno-Bmadsen, our Tribe has built a network of self-sustaining trade and employment within our community. We have always maintained that it is important to give our citizens a hand-up – not a hand-out. And that means using all the tools available to us to provide economic opportunities for both our tribal citizens and for the non-native people that live in our communities. Today, we employ over 3,000 people in good paying jobs with excellent health care and other benefits.

But there is a limit to what tribes can achieve as governments, as my fellow tribal leaders have stated, because we operate in different circumstances than other governments in the American family AND we are treated unfairly when it comes to our treatment in the tax code.

Tribal governments, unlike other forms of state, territorial and local governments, do not have a tax base from which to raise funds because our land is not privately owned. It is especially important to us then, that we have access to other ways to raise capital.

Yet, we are often precluded from alternative opportunities to raise funds because of simple drafting errors or omissions. The simple omission of the word "tribal" can and does bar us from participating in crucial programs which we could use successfully.

For our governments to function as efficiently as possible, I believe it is critical that Tribes are treated the same as state, territorial and local governments in accessing capital markets and federal programs that would provide us with further economic opportunities on par with other governments.

Whether it is creating access to New Market Tax Credits or eliminating the burdensome "essential government function" criteria for tax exempt bonds, Congress needs to take action to bring long overdue changes to the tax code to reflect the times we live in today.

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Our Tribe has experience in this area when we used TED bonds to finance a power plant and parking garage for a new hotel we are constructing in South Bend, Indiana. Since the TED bond provision has expired, and the "essential government function" restricts the use of tax exempt tribal governmental bonds, this could hamper our ability to pursue other economic development opportunities in the future.

Indian Country has come together behind common sense proposals that would begin to address these inequities in the tax code – many of which have existed for decades.

These issues are not partisan issues – they are simply issues of fairness. In Indian Country, we always strive to look at the decisions we make today and how it would impact on seven generations in the future.

Congress taking the steps to pass legislation that will help all of Indian Country to provide a better quality of life for our children for generations to come.

Thank you for this opportunity to testify and I am happy to answer any questions.