Author: Chuck Hoskin, Jr.

Sponsor: <u>Kevin Easley, Kendra McGeady, Sasha Blackfox-Qualls,</u> Candessa Tehee, Lisa Hall, Joshua Sam, Joe Deere, Daryl Legg, Codey Poindexter, E. O. Smith, Dora Patzkowski, Danny Callison,

Melvina Shotpouch

## An Act

### Legislative Act <u>07-25</u>

## THE CHEROKEE NATION USA TRUST SETTLEMENT INVESTMENT AUTHORIZATION ACT OF 2025

### BE IT ENACTED BY THE CHEROKEE NATION:

### Section 1. Title and Codification

This legislative act shall be titled and codified as the "Cherokee Nation USA Trust Settlement Investment Authorization Act of 2025" or alternative the "Cherokee Nation Justice Center Act of 2025."

### Section 2. Purpose and Findings

- A. Purpose: The purpose of this Act is to authorize spending and investment of certain funds transferred by the United States to Cherokee Nation in connection with pending trust accounting litigation between the United States and Cherokee Nation.
- B. Findings: The Council finds that it previously authorized legal action by Cherokee Nation against the United States asserting various claims relating to the United States' failure to meet its trust accounting obligations to Cherokee Nation, resulting in litigation by the Cherokee Nation's Attorney General, including: Cherokee Nation v. United States Department of Interior, 1:19-CV-02154 (2019). On January 14, 2025, the Cherokee Nation Attorney General announced that the dispute reached a settlement on terms favorable to the Cherokee Nation. The net settlement amount to be realized by the Cherokee Nation is approximately \$60,000,000. The Council finds that the Sovereign Wealth Fund Improvement Act of 2021 requires. absent legislative amendment thereof or legislative exception thereto, the deposit of one half of the proceeds of the aforementioned settlement into the Sovereign Wealth Fund. The Council finds that the exigent need to construct a Justice Center and district court facility to house Cherokee Nation's growing criminal and civil justice system was not fully identified by the Council when the Sovereign Wealth Fund Act was enacted in 2017 and amended in 2021, but the need for such a facility is now apparent due to dramatic changes in the scope of Cherokee Nation's criminal justice system obligations. See McGirt v. Oklahoma, 591 U.S. 894 (2020); see also Hogner v. Oklahoma, 2021 OK CR 4. The Council of the Cherokee Nation therefore finds that exigent circumstances exist requiring the authorization and the expenditure of funds from the aforementioned settlement for the construction of a "Cherokee Nation Justice Center" and a "Cherokee Nation District Courthouse" above any condition imposed by the Sovereign Wealth Fund Improvement Act (LA 33-21). The same is warranted as a narrow exception to that Act.

### Section 4. Definitions

- A. "USA Trust Settlement" or "Settlement" shall mean the settlement resolving *Cherokee Nation v. United States Department of Interior*, 1:19-CV-02154 (2021) and further memorialized in a report to the Council dated January 17, 2025.
- B. "USA Trust Settlement Funds" or "Settlement Funds" shall mean the net funds realized by Cherokee Nation pursuant to the USA Trust Settlement.

### Section 5. Policy of Accountability

- A. All funds pursuant to this Act under the care of the Cherokee Nation shall be expended as authorized by this enactment unless amended.
- B. Any official who intentionally and willfully misuses, misapplies, diverts or embezzles the application or use of any public funds entrusted to the care of the Cherokee Nation from any sources may be prosecuted according to applicable criminal statutes.

### Section 6. Substantive Provisions

- A. **Authorized use of settlement funds:** Beginning in fiscal year 2025 through fiscal year 2030, expenditure of Settlement Funds is authorized for:
  - 1. Cherokee Nation Justice Center: \$50,000,000, plus any interest realized on said funds invested pursuant to Cherokee law, is authorized for the construction of a facility suitable for housing various operations relating to the administration of criminal and civil justice within the Cherokee Nation reservation, including the Cherokee Nation Supreme Court and District Court, to be located in Tahlequah, Cherokee Nation Reservation, provided:
    - a. The Principal Chief shall provide the Council, the presiding District Court Judge and the Chief Justice of the Supreme Court a report summarizing the planned location, basic architectural rendering and estimated cost of the facility described herein for a period of review and comment of no less than 45 days before commencing physical construction of the facility.
    - b. "Construction of a facility" shall include construction of the facility, furnishing, equipment and art in accordance with Cherokee Nation law.
    - c. Said facility shall be known as the "Cherokee Nation Justice Center."

- 2. Cherokee Nation District Courthouse: \$10,000,000, is authorized for the construction or remodel of a facility suitable for housing various operations relating to the administration of criminal and civil justice within the Cherokee Nation reservation, including a Cherokee Nation District Court, to be located within the Cherokee Nation Reservation, other than in Tahlequah, at a location to be designated by executive action at a later date, provided
  - a. The Principal Chief shall provide the Council, the presiding District Court Judge and the Chief Justice of the Supreme Court a report summarizing the planned location, basic architectural rendering and estimated cost of the facility described herein for a period of review and comment of no less than 45 days before commencing physical construction of the facility.
  - b. "Construction of a facility" shall include construction of the facility, furnishing, equipment and art in accordance with Cherokee Nation law.
  - c. Said facility shall be known as the "Cherokee Nation District Courthouse"
- 3. **Sovereign Wealth Fund:** Notwithstanding provisions in the Cherokee Nation Sovereign Wealth Fund Improvement Act (LA 33-21) requiring a greater amount, the balance of the Settlement Funds not authorized and expended pursuant to Section 6(1) of this Act by September 30, 2030, shall be deposited in the Sovereign Wealth Fund in fiscal year 2031.

### Section 7. Supplementing Funds Permitted

Nothing herein prohibits the supplementing of funds authorized for capital construction herein with any other authorized and appropriated sources, which may be authorized in any act of council, including but not limited to by an amendment of Section 8 of this Act.

# Section 8. Supplemental Funds, Increasing Section 6 Cherokee Nation Justice Center and Cherokee Nation District Courthouse Authorization [Reserved]

- A. Supplemental Funding Sources [Reserved]
- B. Supplemental Amounts Authorized [Reserved]

### Section 9. Council Appropriations and Oversight Reserved

Nothing herein supplants the Council's constitutional and statutory role in budget appropriations or oversight.

### Section 10. Reference to the Act

# ADMINISTRATIVE CLEARANCE Dept/Program: Date Signature/Initial **Executive Director:** Signature/Initial Date Treasurer (Required: Grants/Contracts/Budgets): Date Signature/Initial Government Relations: Date Signature/Initial Administration\_Approval: LEGISLATIVE CLEARANCE: Legal & Legislative Coordinator: Standing Committee & Date:

# Cherokee Nation Act/Resolution Proposal Form

Χ	Act	Resolution
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TITLE:

THE CHEROKEE NATION USA TRUST SETTLEMENT INVESTMENT AUTHORIZATION ACT OF 2025

DEPARTMENT CONTACT:	Chuck Hoskin Jr.
RESOLUTION PRESENTER:	Canaan Duncan
COUNCIL SPONSOR: 1	win Easley, Kendra McGeady,

NARRATIVE:

Sasna Blackfor Qualls, Canders at enec, Lisa Hall, Josh Sam, Joe Deere, Daryl Legg, Codey Poindexter, E.O. Smith, Dora Patzkowski

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The expenditure of any funds authorized under this Act for any portion of any capital project, program or service authorized by this Act shall be designated as having been "funded by," "administered by," or "made possible by" the Cherokee Nation USA Trust Settlement Investment Authorization Act of 2025 or alternatively the Cherokee Nation Justice Center Act of 2025.

#### Section 11. Provisions as cumulative.

The provisions of this act shall be cumulative to existing law.

#### Section 12. Severability

The provisions of this act are severable and if any part of provision hereof shall be deemed void the decision of the court so holding shall not affect or impair any of the remaining parts or provisions of this act.

#### Section 13. Effective Date: Emergency Declared

It being immediately necessary for the welfare of the Cherokee Nation, the Council hereby declares that an emergency exists, by reason whereof this Act shall take effect immediately upon its approval and signatures.

Enacted by the Council of the Cherokee Nation on the 10<sup>th</sup> day of February, 2025

Mike Shambaugh, Speaker

Council of the Cherokee Nation

ATTEST:

Johnny Jack Kidwell, Secretary

Council of the Cherokee Nation

Chuck Hoskin, Jr., Principal Chief

Cherokee Nation

ATTEST:

Shella Bowlin, Secretary of State

Cherokee Nation

### YEAS AND NAYS AS RECORDED:

Sasha Blackfox-Qualls	Yea	Melvina Shotpouch	Yea_
Candessa Tehee	<u>Yea</u>	Dora Smith Patzkowski	<u>Yea</u>
Lisa Hall	<u> 1200</u>	Kendra McGeady	Yea
Mike Dobbins	Absent	Joe Deere	Yea
E. O. "Jr." Smith	Yea	Kevin Easley Jr	<u>Yea</u>
Daryl Legg	Vea	Danny Callison	Xea
Joshua Sam	<u>Yea</u>	Julia Coates	Y60'
Codey Poindexter	<u>Yea</u>	Johnny Jack Kidwell	Yea
Mike Shambaugh	Yea		