

VETO

Committee: Health
Date: 3-5-07 Committee Date: 9-28-06

Author: Todd Hembree
Sponsor: J. Crittenden & D. Thornton

4/23/07

DATE

PRINCIPAL CHIEF

An Act

Legislative Act: 18-07

**ACT RELATING TO
Amendment of L.A. 16-96, the Cherokee Nation General Corporation Act, as Amended by
L.A. 2-03, L.A. 4-04, and L.A. 36-05**

BE IT ENACTED BY THE CHEROKEE NATION:

Section 1. Title and Codification

This act shall be known as the "Cherokee Nation Corporation Health Dividend Act of 2007" and codified as Title 18 Article 3 Section 18 of the Cherokee Nation Code Annotated.

Section 2. Purpose

The purpose of this Act is to increase the monthly dividend of corporation in which the Cherokee Nation is the sole or majority shareholder by Five Percent (5%) with said percentage being set aside exclusively for health related matters.

Section 3. Legislative History

L.A. 2-03 was passed January 13, 2003, amending the Cherokee Nation General Corporation Act, L.A. 16-96.

Section 4. Substantive Provisions

Article 3, Section 18 of Legislative Act 16-96 is hereby amended so as to read:

18. Those Corporations in which the Cherokee Nation is the sole or majority shareholder, and that are incorporated under Cherokee Nation law, shall issue a monthly cash dividend in the amount of ~~30%~~ 35% of net income. Five Percent of said dividend will be set aside exclusively for contract health services for Cherokee Citizens, including but not limited to for eyeglasses, dentures, prosthesis and hearing aids. In addition, the Board of Directors of such Corporations will have the discretion to declare any special quarterly dividend that they deem appropriate.

Section 5. Provisions as cumulative

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

Section 6. Severability

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

Section 7. 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 and be in full force after its passage and approval.

VETO

Enacted by the Council of the Cherokee Nation on the 16th day of April, 2007.

DATE

PRINCIPAL CHIEF

Meredith Frailey, Speaker
Council of the Cherokee Nation

ATTEST:

Don Garvin, Secretary
Council of the Cherokee Nation

Approved and signed by the Principal Chief this _____ day of _____, 2007.

Chadwick Smith, Principal Chief
Cherokee Nation

ATTEST:

Melanie Knight, Secretary of State
Cherokee Nation

YEAS AND NAYS AS RECORDED:

| | | | |
|------------------------|------------|------------------------|---------------|
| Audra Smoke-Conner | <u>Yea</u> | Melvina Shotpouch | <u>Yea</u> |
| Bill John Baker | <u>Yea</u> | Meredith A. Frailey | <u>Nay</u> |
| Joe Crittenden | <u>Yea</u> | John F. Keener | <u>Yea</u> |
| Jackie Bob Martin | <u>Nay</u> | Cara Cowan Watts | <u>Nay</u> |
| Phyllis Yargee | <u>Yea</u> | Buel Anglen | <u>Nay</u> |
| David W. Thornton, Sr. | <u>Yea</u> | William G. Johnson | <u>Nay</u> |
| Don Garvin | <u>Nay</u> | Charles "Chuck" Hoskin | <u>Absent</u> |
| Linda Hughes-O'Leary | <u>Yea</u> | Jack D. Baker | <u>Nay</u> |
| Taylor Keen | <u>Yea</u> | | |



CHEROKEE NATION®

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Chad "Cornassel" Smith
Principal Chief

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Joe Grayson, Jr.
Deputy Principal Chief

April 23, 2007

Meredith A. Frailey, Speaker
Charles "Chuck" Hoskin, Deputy Speaker
Council of the Cherokee Nation
Tahlequah, Oklahoma

Dear Speaker Frailey and Council Members:

I am returning the enactments passed by the Tribal Council at the regular meeting held on April 16, 2007 as required by our Constitution. The Cherokee Constitution (Article V, Section 11) requires that every enactment approved by the majority of the Council be presented to the Principal Chief before it becomes effective. I have carefully considered each enactment and I have approved all of them as follows, with the exception of one (1) vetoed legislative act.

APPROVED RESOLUTIONS

1. Resolution No. 31-07, A Resolution In Support of the Preservation and Development of Cherokee and Other Native American Languages Throughout Oklahoma.
2. Resolution No. 32-07, A Resolution Confirming the Nomination of Pam Iron as a Governing Board Member of the Cherokee Nation Comprehensive Care Agency.
3. Resolution No. 33-07, A Resolution Confirming the Nomination of Tom Herrian as a Governing Board Member of the Cherokee Nation Comprehensive Care Agency.
4. Resolution No. 34-07, A Resolution Authorizing the Donation of the Health Services Mobile Unit to Cherokee County Emergency Management.
5. Resolution No. 35-07, A Resolution Authorizing the Submission of an Application for the 2007 National Breast and Cervical Cancer Early Detection Program to the Centers for Disease Control and Prevention (CDC).
6. Resolution No. 36-07, A Resolution Authorizing the Submission of an Application for the 2007 National Comprehensive Cancer Control Program to the Centers for Disease Control and Prevention (CDC).
7. Resolution No. 37-07, A Resolution Authorizing the Department of Children, Youth and Family Services to Submit an Application to the U.S. Department of Health and Human Services, Family Violence Prevention and Services Program, for Victims of Family Violence.
8. Resolution No. 38-07, A Resolution Authorizing the Child Care and Development Department to Prepare and Submit an Application to the Department of Human Services or Their Contracted

Agency for Child Care Resource and Referral.

9. Resolution No. 39-07, A Resolution Authorizing the Submission of a Proposal to the National Endowment for the Humanities.

APPROVED LEGISLATIVE ACTS

1. Legislative Act No. 17-07, A Legislative Act Amending Title 51, "Officers", of the Cherokee Nation Code Annotated; Relating to the Duties of the Office of the Marshal; and Declaring an Emergency.
2. Legislative Act No. 19-07, A Legislative Act Relating to the Native American Arts and Crafts Copyright Act of 2007.
3. Legislative Act No. 20-07, A Legislative Act Amending Title 10 of the Cherokee Nation Code Annotated – Paternity; Repealing Section 111; Amending Section 110; and Declaring an Emergency.
4. Legislative Act No. 21-07, A Legislative Act Amending Title 43 of the Cherokee Nation Code Annotated – Marriage and Family; Repealing Section 512, Subsection 3; and Declaring an Emergency.
5. Legislative Act No. 22-07, An Act Amending Legislative Act #26-06 Authorizing the Comprehensive Budget for Fiscal Year 2007 – Mod. 6; and Declaring an Emergency.

VETOED LEGISLATION

1. Legislative Act No. 18-07, Act Relating to Amendment of L.A. 16-96, the Cherokee Nation General Corporation Act, as Amended by L.A. 2-03, L.A. 4-04, and L.A. 36-05.

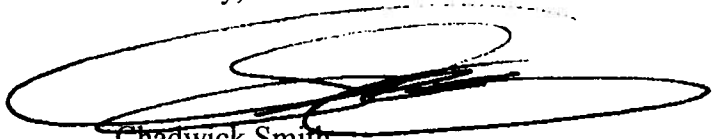
This Act would change the dividend from the Nation's businesses to 35%. What is the most disturbing about this legislation is that in February's Council meeting, only two months prior, the Council unanimously told a bank that the Cherokee Nation would not raise the dividend in exchange for a \$50 million loan to allow for further business expansion to create jobs and increase profits. We gave our word, as a Nation, that we would not raise the dividend, and two months later some of our Council members are already breaking their word. If I were to approve LA 18-07, the Nation would be going back on its word which often results in legal consequences. Because the Council has waived our sovereign immunity for this transaction, Bank of America could seek legal recourse. The Nation made the financing agreement in good faith with Bank of America, and I can see no compelling reason to break our word.

Further, we have sufficient funds in the General Fund to supplement health services, which we all agree is a worthy use of Cherokee Nation funds.

I encourage us all to look for the highest and best use of our resources for health services. The Council has not considered what the highest medical priorities are, rather, LA 18-07 earmarks funds for items that are either fully funded, or not critical medical priorities. Conversely, when the Nation's Health professionals *are* consulted, they often recommend supplementing services for truly life-threatening conditions like cancer treatment. We should have a dialogue about these priorities

and judiciously appropriate funding. While I support raising the health status of our citizens to the highest possible level, we should base our decisions on solid information and principles. We can do both -- keep our word and preserve our reputation in the business community as well as address the highest medical needs of our citizens. I am glad to work with the Council to bring forward a plan to accomplish both.

Sincerely,

A handwritten signature in black ink, appearing to read "Chadwick Smith", is written over a large, loopy scribble that partially obscures the text below it.

Chadwick Smith
Principal Chief

cc: Legislative Aide, Council of the Cherokee Nation
Councilors (17), Council of the Cherokee Nation
Melanie Knight, Secretary of State
File