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Secretary of the Interior Fred A. Seaton has submitted a proposed bill to Congress that would equalize the value of tribal property divided among members of the Ague Caliente Band of Indians on the Palm Springs Reservation in California.

The legislation was developed after numerous conferences with the Ague Caliente Band. It would affect 92 Indians, 31 adults and 61 minors," who live in and around the resort community of Palm Springs. Also affected would be undivided tribal properties estimated to be worth over $12,000,000.

Under the proposed legislation the title to this property would be transferred from the Secretary of the Interior, who now holds it in trust for the Band, to a tribal corporation to be organized under State law. Income from the corporation would be used to equalize the divisions or “allotments" of tribal property previously made. They range in estimated value from $22,200 to $164,740, According to the best available estimates, about $9,000,000 would be needed to accomplish the equalization.

In the background of the Department’s legislative proposal is a long history of litigation extending back to the late 1930's. The litigation culminated in a United States District Court order of 1956 directing that an equalization program be formulated and carried out.

Allotment of the land on the Palm Springs Reservation, originally established under 1891 law, to individual members of the Agua Caliente Band was begun in 1923. Because of various complications in legislation, administration and litigation, however, the first allotment schedule was not formally approved by the Secretary of the Interior until 1949 and the process is still going on. Meanwhile many property values in the area have soared tremendously. So far 101 allotments have been made and five are currently pending.

Under the allotment procedure used, each Band member has been entitled to 47 acres consisting of a two-acre town lot, five acres of irrigated land, and 40 acres of dry land. Although the allotments are thus all equal in acreage, they vary today greatly in value and this has given rise to the litigation. With a little over 4,700 acres so far allotted, about 26,000 acres remain in tribal ownership.

Full consideration, Secretary Seaton said, was given to the possibility of accomplishing equalization by making additional allotments from this tribal acreage. However, since the land at Palm Springs has to be developed in relatively large blocks to realize its full value, the Department and the Indians jointly came to the conclusion that the basic approach embodied in the proposed legislation would be more advantageous to the tribal members.

The actual technique of equalization proposed would be through the issuance of stock certificates by the tribal corporation. Each member would be entitled to equalization stock in multiples of $100 in sufficient amount to make up the difference between the appraised value of his allotment and that of the allotment with the highest appraised value. Income realized by the tribal corporation would be used to redeem these certificates.

The tribal corporation would also issue membership stock in equal amounts to all present and future members of the Band. Through the ownership of this stock the members would share equally in any income realized by the corporation after redemption of all equalization shares.

Since the equalization stock would be issued as an alternative to making further allotments of the tribal land, both the equalization stock and the payments made to redeem it would be exempt from all taxation while in the hands of the original Indian owner or his Indian heirs or devisees.
