



THE NAVAJO NATION

RUSSELL BEGAYE PRESIDENT
JONATHAN NEZ VICE PRESIDENT

Submitted via email to consultation@bia.gov

Ryan Zinke, Secretary
United States Department of the Interior
1848 C Street NW
Washington, DC 20240

October 30, 2017

Dear Secretary Zinke:

As Navajo Nation President I write again to strongly urge this administration to support tribal self-determination, economic empowerment and thereby a comprehensive update all of the Licensed Indian Traders regulations. I have previously submitted detailed comments (on April 10 and August 27, 2017) on how updating the Indian Traders regulations can have an unprecedented and transformative impact on Native Nation's economies. Specifically, tribes currently operate at a competitive disadvantage to other non-tribal jurisdictions with regards to taxation incentives. Tribes cannot offer the same tax incentives states can offer because tribes do not have determination over external state taxes on commerce occurring on our own tribal land. However, if the Indian Trader regulations are updated, and the Department of the Interior exerts statutory authority to regulate commerce on Indian lands, tribes will have the opportunity to use tax incentives as an economic development tool.

Nowhere is this opportunity to grow and support Indian economies more apparent than the situation with the Navajo Generating Station (NGS). As you are aware, NGS provides thousands of good jobs on the Navajo Nation in an area with 40% unemployment. The vast majority of NGS and Kayenta mine employees are Navajo, the coal mined and burned at NGS is from Navajo lands, the NGS site is Navajo, and all other NGS-related activities happen on Navajo land. However, despite the Navajo Nation's overriding interest in NGS, the state still has the ability to levy a tax on any NGS or coal mining economic activity. In an environment where every economic advantage critical to saving good coal jobs on the Navajo Nation, it is imperative that external taxation be eliminated from activities occurring wholly on Indian lands. I believe that allowing tribes to operate at the same level as states with regards to tax incentives will truly be an Indian Country economic game changer.

Again, I strongly urge this administration take advantage of this opportunity to modernize the tribal economic toolbox and eliminate burdensome externalities. My April and August letters provide additional detail on this subject. I am more than happy to meet and expand upon how a comprehensive update to the Indian Trader regulations can be a huge step in the path towards economic prosperity in Indian Country.

Sincerely,

A handwritten signature in black ink, appearing to read "Russell Begaye".

Russell Begaye, *President*
THE NAVAJO NATION