Let me begin with a short history of the more salient points taken from the writings of Melissa Tantaquidgeon Zobel.

The Mohegans first petitioned for federal acknowledgement in 1978. In a 1989 "Proposed Finding," the Tribe was denied federal status due to insufficient evidence regarding tribal social and political activities during the 1940s and 1950s. The system of Mohegan female sociocultural authority, prevalent during that time frame, had escaped the notice of government researchers who had limited their focus to male leadership.

The Tribe submitted more interpretive evidence in 1989 and the Federal Government conducted a Field Review of the Tribe in November 1993. During this time, the Town hired legal counsel in Washington D.C. to join in the State's opposition to the Tribe's recognition. Then on March 7, 1994, Mohegan Federal Recognition was approved in a "Final Determination" by the Assistant Secretary of the Interior for Indian Affairs, Ada Elizabeth Deer.

On May 15, 1994, sixty days after the publication of Mohegan Federal Recognition in the Federal Register, the Mohegans legally received the benefits and privileges of Federal status. For a personal perspective, I closed on my home on May 6, nine days earlier.

Following "Mohegan Recognition," "Memorandums of Understanding" (or "Compacts") were signed by the Mohegans and Mashantucket Pequot Tribes with the State of Connecticut. In their accord, the Mohegan Tribe agreed to terminate their ancient land claim suit. In that lawsuit, the State was cited for violating the 1790 Trade and Intercourse Act. The State agreed to not appeal the Tribe's federal recognition and acknowledged the Tribe's right to purchase lands to establish an initial reservation and pursue long-term economic development. The Mohegans formally ended their land case in October of 1994 when their Federal Settlement Act was approved by the United States Congress and President Bill Clinton. In return for extinguishing their land claim, the Tribe received neither monetary compensation nor land. Rather, the State agreed not to challenge Mohegans' federal recognition and the State acknowledged the right to pursue the economic development of their choice on their traditional reservation.

The extinguishing of the land claims was critical to the town entering into our agreement with the Mohegan Tribe. I personally experienced the angst of potentially losing our home, along with hundreds of our neighbors who were understandingly nervous about their future. Further, I was forced to pay an exorbitant cost for extra title insurance as our lender had valid concerns about the Tribe making a land claim against our property.

In exchange for not challenging the Tribe's federal acknowledgement and establishment of tribal trust lands, the town entered into a agreement calling for an annual payment of \$500,000 to be used for capital improvements in the town, dollar for dollar payments in lieu of real estate taxes and personal property taxes for lands over 700 acres AND an agreement to pay personal property taxes with limited exclusions. Let us remember that the state and federal governments urged both parties to enter into this agreement to avoid litigation and pave the way for gaming enterprises and the slot revenue for the state. This agreement was approved by Congress which should trump state statute. As previously testified to, the Courts have repeatedly upheld the right of local governments to tax NON-NATIVE personal property. We were previously given the report of the Treasury Tribal Advisory Committee's recommendations. I point to number 7:

## <u>Tribal tax codes, agreements and Tribal tax compacts with</u> <u>states and local governments, free from interest-balancing</u> <u>tests or dual taxation schemes, should serve as the legal</u> <u>basis relationships between tribes and federal, state and</u> <u>local governments.</u>

This is exactly what the Town of Montville and the Mohegan Tribe have done. Now it seems the legislature is looking to overturn this compact that has been in place and working for 30 years. All we have asked, time and time again, is to protect the integrity of both Tribes, recognizing they have fully functioning sovereign governments, maintain a level playing field for both Tribes, and to hold Montville harmless and offer a solution to hold Ledyard harmless against future revenue loss as well. If action is taken to invalidate our agreement with the Mohegan Tribe, the Town of Montville would have no choice but to pursue legal remedy in the courts. Our agreement provides for binding arbitration to resolve any disputes with Mohegan and as elected officials of the Town it is our responsibility to uphold this agreement, even if it means litigation.