



# Bois Forte

## TRIBAL GOVERNMENT

March 18, 2025

Hon. Lisa Demuth  
Speaker of the House  
Minnesota House of Representatives  
2nd Floor Centennial Office Building  
St. Paul, MN 55155

Hon. Erin P. Murphy  
Majority Leader  
Minnesota Senate  
3113 Minnesota Senate Bldg.  
St. Paul, MN 55155

Re: Bois Forte Band of Chippewa's Opposition to Governor's Budget Proposal Reducing Sustainable Forest Incentive Act (SFIA) Payments

Dear Speaker Demuth and Majority Leader Murphy,

On behalf of the Bois Forte Reservation Tribal Council, the governing body of the Bois Forte Band of Chippewa (the "Band"), we write to express our strong opposition to the Governor's proposed 30% annual reduction in Sustainable Forest Incentive Act (SFIA) payments from Fiscal Year 2026 to 2029. The proposed change not only undermines a central source of funding upon which the Band relies, but also violates state law.

SFIA as a Central Source of Funding for the Band. In 2022, the Band purchased approximately 28,000+ acres of land within the Nett Lake Sector of the Bois Forte Reservation in an effort to restore Reservation lands for the benefit of the Band and its members. Land restoration efforts ensure that the Band is able to maintain a stable land base that its current members and future generations rely on for subsistence hunting, recreation, housing, and economic development. The Band enrolled nearly all of these 28,000+ acres in the SFIA program in order to provide a stable source of funding for debt payments on the Band's land restoration purchase. Indeed, the Band's annual SFIA payment is the principal source of funding for its debt service on the land. Any proposed cuts to SFIA would critically undermine the Band's plan for debt repayment, potentially forcing the Band to cut other critical areas of government services in order to make its payments.

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Vacant  
Chairperson

Tara Geshick  
Secretary/Treasurer

Shane Drift  
District I Representative

Perry Drift  
District I Representative

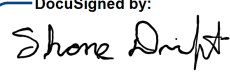
Robert Moyer  
District II Representative

**Violation of State Law.** As a condition of SFIA program participation, landowners sign a contract with the State of Minnesota that is binding for up to 50 years. Violating the contract has very onerous penalties for the landowner, including paying back all payments plus interest, and potentially a penalty of 25% of the estimated market value added by any unallowed improvements made on the property.

In return, landowners are promised an annual payment from the State of Minnesota. The formula for that payment includes land value, term of covenant, and other factors. However, payment amount is not dependent upon the State's ability to pay. Minnesota Statutes 290C.07(b) states: "The calculated payment must not increase or decrease by more than ten percent relative to the payment received for the previous year. In no case may the payment be less than the amount paid to the claimant for the land enrolled in the program in 2017." (Emphasis Added). The Governor's Budget Proposal runs directly counter to Minn. Stat. § 290C.07(b), as well as the guidance landowners received from the Department of Revenue when they agreed to make these long-term commitments to sustainable forest management (see "Payment Rates": <https://www.revenue.state.mn.us/sustainable-forest-incentive-act>).

In summary, we urge the Walz Administration and the Minnesota Legislature to carefully consider the severe ramifications of the Governor's proposal for a SFIA Program payment reduction – both to the Band and all participating landowners in the State of Minnesota – and to uphold its payment commitment to the Band, just as the Band has upheld its commitments to the State.

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Shane Drift

Vice-Chairperson

Bois Forte Reservation Tribal Council