

**Department of Legislative Services**  
 Maryland General Assembly  
 2004 Session

**FISCAL AND POLICY NOTE**

Senate Bill 733 (Senator Middleton)  
 Education, Health, and Environmental Affairs

**Piscataway Indians of Maryland - Recognition**

This bill confers formal State recognition of the Piscataway American Indians group as Maryland Indians, if the Maryland Commission on Indian Affairs determines that the group deserves that status. A member of the Piscataway American Indian group is entitled to the same rights, privileges, respect, and services provided members of other Maryland Indian groups, if the commission is satisfied that the member's status is valid. The bill does not create any rights of ownership or other rights to land or create any benefits or entitlements of any kind. It also does not entitle any American Indian group to a business tax exemption available to a group with Maryland Indian status.

**Fiscal Summary**

**State Effect:** General fund revenues would increase by approximately \$5,000 in FY 2005 only. Potential minimal increase in general fund revenues if tribal groups lose their exemption from State business taxes.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
GF Revenue	-	-	-		-
GF Expenditure	5,000	0	0	0	0
Net Effect	(\$5,000)	\$0	\$0	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

## **Analysis**

**Current Law:** If the Indian Affairs Commission determines that a particular tribe, band, group, or clan has met the requirements for recognition, it may recommend formal recognition to the Governor but is not required to do so. If the Governor concurs with the commission's recommendation, the Governor may propose by executive order to formally recognize the particular tribe, band, group, or clan. There is no time limit in which the Governor must issue the order. The executive order must first be presented to the Joint Committee on Administrative, Executive, and Legislative Review for review and will take effect 30 days after submission to the committee.

Recognition is not intended to create any rights of ownership or other rights to land or to create any benefits or entitlements of any kind, nor is it intended to impair valid existing rights, benefits, or entitlements belonging to American Indians residing in the State.

Prior to formal recognition of Maryland Indian status, members of the petitioning group must renounce all tribal rights of ownership with respect to land in the State. The criteria required to achieve formal recognition must be consistent with the federal criteria used to recognize tribes in the U. S. To be eligible for formal recognition, the petitioning group must be:

- identified from historical times until the present as "American Indian" or "aboriginal;"
- descendants from a tribe that existed historically and is either indigenous to Maryland or derived from historical tribes indigenous to Maryland prior to 1790;
- descendants of an Indian tribe that historically inhabited a specific area in Maryland prior to 1790; and
- composed principally of persons who are not members of any other North American tribe, band, group, or clan.

**Background:** The Indian Affairs Commission coordinates programs and projects to further the cultural, educational, economic, and social development of Maryland's American Indian communities. It also works to promote public awareness and appreciation of the contributions that Indians have made to life in the State. Petitions from Native-American groups are reviewed by the commission for recognition by the Governor as Maryland Indian tribes. There are no State-acknowledged tribes in Maryland; however, two of the Piscataway tribes have petitioned the State for recognition – Piscataway-Conoy Tribe and Piscataway Indian Nation. The Piscataway American Indian group from southern and central Maryland has approximately 6,000 members.

Legislation was introduced in the 2002 and 2003 sessions to alter the recognition process and establish deadlines for the commission to recognize an Indian tribe. HB 342 of 2002 was vetoed and HB 991 passed the House but was given an unfavorable report by the Senate Education, Health, and Environmental Affairs Committee. Governor Glendening, in vetoing HB 342, stated that while the bill did not directly allow a tribe to become federally recognized, “the applicants (in the past) have publicly stated an interest in gambling after federal recognition and acknowledged that developers with an interest in gambling provided some funds to support the group’s ancestry research efforts.”

**State Expenditures:** A Recognition Advisory Committee would be appointed to review the recognition petition submitted by the Piscataway Indian group. The committee is expected to have five members, each of whom would be paid \$1,000. As a result, general fund expenditures would increase by \$5,000 in fiscal 2005 only.

**State Revenues:** The Department of Housing and Community Development advises that all three of the existing Piscataway Indian groups are federally exempt 501c(3) nonprofit corporations and, therefore, exempt under current law from State income (excluding unrelated business income) and State sales use and property taxes. The bill would appear to remove the groups’ current exemption from business taxes. The Department of Legislative Services advises that State revenues could potentially increase under this scenario; the amount cannot be estimated at this time but is not expected to be significant.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Housing and Community Development,  
Department of Legislative Services

**Fiscal Note History:** First Reader - March 1, 2004  
mam/jr

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