

## Public Law 85-731

## AN ACT

August 23, 1958  
[S. 3051]

To amend the Act terminating Federal supervision over the Klamath Indian Tribe by providing in the alternative for private or Federal acquisition of the part of the tribal forest that must be sold, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of August 13, 1954 (68 Stat. 718), is amended by adding a new section 28 as follows:

“SEC. 28. Notwithstanding the provisions of sections 5 and 6 of the Act of August 13, 1954 (68 Stat. 718), and all Acts amendatory thereof—

“(a) The tribal lands that comprise the Klamath Indian Forest, and the tribal lands that comprise the Klamath Marsh, shall be designated by the Secretary of the Interior and the Secretary of Agriculture, jointly.

“(b) The portion of the Klamath Indian Forest that is selected for sale pursuant to subsection 5 (a) (3) of this Act to pay members who withdraw from the tribe shall be offered for sale by the Secretary of the Interior in appropriate units, on the basis of competitive bids, to any purchaser or purchasers who agree to manage the forest lands as far as practicable according to sustained yield procedures so as to furnish a continuous supply of timber according to plans to be prepared and submitted by them for approval and inclusion in the conveyancing instruments in accordance with specifications and requirements referred to in the invitations for bids: *Provided*, That no sale shall be for a price that is less than the realization value of the units involved determined as provided in subsection (c) of this section. The terms and conditions of the sales shall be prescribed by the Secretary. The specifications and minimum requirements to be included in the invitations for bids, and the determination of appropriate units for sale, shall be developed and made jointly by the Secretary of the Interior and the Secretary of Agriculture. Such plans when prepared by the purchaser shall include provisions for the conservation of soil and water resources as well as for the management of the timber resources as hereinbefore set forth in this section. Such plans shall be satisfactory to and have the approval of the Secretary of Agriculture as complying with the minimum standards included in said specifications and requirements before the prospective purchaser shall be entitled to have his bid considered by the Secretary of the Interior and the failure on the part of the purchaser to prepare and submit a satisfactory plan to the Secretary of Agriculture shall constitute grounds for rejection of such bid. Such plans shall be incorporated as conditions in the conveyancing instruments executed by the Secretary and shall be binding on the grantee and all successors in interest. The conveyancing instruments shall provide for a forfeiture and a reversion of title to the lands to the United States, not in trust for or subject to Indian use, in the event of a breach of such conditions. The purchase price paid by the grantee shall be deemed to represent the full appraised fair market value of the lands, undiminished by the right of reversion retained by the United States in a nontrust status, and the retention of such right of reversion shall not be the basis for any claim against the United States. The Secretary of Agriculture shall be responsible for enforcing such conditions. Upon any reversion of title pursuant to this subsection, the lands shall be-

Klamath Indians.  
25 U S C 564-  
564w.

25 U S C 564d,  
564e.

Designation of  
boundaries.

Klamath Indian  
Forest.  
Sales.

Terms and con-  
ditions.

come national forest lands subject to the laws that are applicable to lands acquired pursuant to the Act of March 1, 1911 (36 Stat. 961), as amended.

“(c) Within sixty days after this section becomes effective the Secretary of the Interior shall contract by negotiation with three qualified appraisers or three qualified appraisal organizations for a review of the appraisal approved by the Secretary pursuant to subsection 5 (a) (2) of this Act, as amended. In such review full consideration shall be given to all reasonably ascertainable elements of land, forest, and mineral values. Not less than thirty days before executing such contracts the Secretary shall notify the chairman of the House Committee on Interior and Insular Affairs and the chairman of the Senate Committee on Interior and Insular Affairs of the names and addresses of the appraisers selected. The cost of the appraisal review shall be paid from tribal funds which are hereby made available for such purpose, subject to full reimbursement by the United States, and the appropriation of funds for that purpose is hereby authorized. Upon the basis of a review of the appraisal heretofore made of the forest units and marsh lands involved and such other materials as may be readily available, including additional market data since the date of the prior appraisal, but without making any new and independent appraisal, each appraiser shall estimate the fair market value of such forest units and marsh lands as if they had been offered for sale on a competitive market without limitation on use during the interval between the adjournment of the Eighty-fifth Congress and the termination date specified in subsection 6 (b) of this Act, as amended. This value shall be known as the realization value. If the three appraisers are not able to agree on the realization value of such forest units and marsh lands, then such realization values shall be determined by averaging the values estimated by each appraiser. The Secretary shall report such realization values to the chairman of the House Committee on Interior and Insular Affairs and to the chairman of the Senate Committee on Interior and Insular Affairs not later than January 15, 1959. No sale of forest units that comprise the Klamath Indian forest designated pursuant to subsection 28 (a) shall be made under the provisions of this Act prior to April 1, 1959.

“(d) If all of the forest units offered for sale in accordance with subsection (b) of this section are not sold before April 1, 1961, the Secretary of Agriculture shall publish in the Federal Register a proclamation taking title in the name of the United States to as many of the unsold units or parts thereof as have, together with the Klamath Marsh lands acquired pursuant to subsection (f) of the section, an aggregate realization value of not to exceed \$90,000,000, which shall be the maximum amount payable for lands acquired by the United States pursuant to this Act. Compensation for the forest lands so taken shall be the realization value of the lands determined as provided in subsection (c) of this section, unless a different amount is provided by law enacted prior to the proclamation of the Secretary of Agriculture. Appropriation of funds for that purpose is hereby authorized. Payment shall be made as soon as possible after the proclamation of the Secretary of Agriculture. Such lands shall become national forest lands subject to the laws that are applicable to lands acquired pursuant to the Act of March 1, 1911 (36 Stat. 961), as amended. Any of the forest units that are offered for sale and that are not sold or taken pursuant to sub-

16 USC 480-563,  
*passim.*

Appraisals.

Notice to Con-  
gressional com-  
mittees.

Appropriation.

Report to Con-  
gress.

National Forest  
lands.

Publication in  
F. R.

Appropriation.

16 USC 480-563,  
*passim.*

section (b) or (d) of this section shall be subject to sale without limitation on use in accordance with the provisions of section 5 of this Act.

"(e) If at any time any of the tribal lands that comprise the Klamath Indian Forest and that are retained by the tribe are offered for sale other than to members of the tribe, such lands shall first be offered for sale to the Secretary of Agriculture, who shall be given a period of twelve months after the date of each such offer within which to purchase such lands. No such lands shall be sold at a price below the price at which they have been offered for sale to the Secretary of Agriculture, and if such lands are reoffered for sale they shall first be reoffered to the Secretary of Agriculture. The Secretary of Agriculture is hereby authorized to purchase such lands subject to such terms and conditions as to the use thereof as he may deem appropriate, and any lands so acquired shall thereupon become national forest lands subject to the laws that are applicable to lands acquired pursuant to the Act of March 1, 1911 (36 Stat. 961), as amended.

"(f) The lands that comprise the Klamath Marsh shall be a part of the property selected for sale pursuant to subsection 5 (a) (3) of this Act to pay members who withdraw from the tribe. Title to such lands is hereby taken in the name of the United States, effective April 1, 1961. Such lands are designated as the Klamath Forest National Wildlife Refuge, which shall be administered in accordance with the law applicable to areas acquired pursuant to section 4 of the Act of March 16, 1934 (48 Stat. 451), as amended or supplemented. Compensation for said taking shall be the realization value of the lands determined in accordance with subsection (c) of this section, and shall be paid out of funds in the Treasury of the United States, which are hereby authorized to be appropriated for that purpose.

"(g) Any person whose name appears on the final roll of the tribe, and who has since December 31, 1956, continuously resided on any lands taken by the United States by subsections (d) and (f) of this section, shall be entitled to occupy and use as a homestead for his lifetime a reasonable acreage of such lands, as determined by the Secretary of Agriculture, subject to such regulations as the Secretary of Agriculture may issue to safeguard the administration of the national forest and as the Secretary of the Interior may issue to safeguard the administration of the Klamath Forest National Wildlife Refuge.

"(h) If title to any of the lands comprising the Klamath Indian Forest is taken by the United States, the administration of any outstanding timber sales contracts thereon entered into by the Secretary of the Interior as trustee for the Klamath Indians shall be administered by the Secretary of Agriculture.

"(i) All sales of tribal lands pursuant to subsection (b) of this section or pursuant to section 5 of this Act on which roads are located shall be made subject to the right of the United States and its assigns to maintain and use such roads."

SEC. 2. Section 4 of the Act of August 13, 1954, is amended by adding thereto a new sentence reading thus: "Property which this section makes subject to inheritance or bequest and which is inherited or bequeathed after August 13, 1954, and prior to the transfer of title to tribal property as provided in section 6 of this Act shall not be subject to State or Federal inheritance, estate, legacy, or succession taxes."

SEC. 3. No funds distributed pursuant to section 5 of the Act of August 13, 1954, as amended, to members who withdraw from the tribe shall be paid to any person as compensation for services pertaining to the enactment of said Act or amendments thereto and any

Sale of retained lands to Secretary of Agriculture.

16 USC 48-563, *passim*.  
Wildlife Refuge.

16 USC 718d.  
Appropriation.

Homesites.

Tax exemption.  
25 USC 564c.

25 USC 564e.

Penalty.  
25 USC 564d.

person making or receiving such payments shall be guilty of a misdemeanor and shall be imprisoned for not more than six months and fined not more than \$500.

SEC. 4. The Secretary of the Interior is directed to terminate the contract between him and the management specialists by giving immediately the sixty-day notice required by paragraph 18 of such contract. When the contract is terminated, all of the functions of the management specialists under section 5 of the Act of August 13, 1954, as amended, shall be performed by the Secretary.

Termination of contract.

SEC. 5. Nothing in this Act shall in any way modify or repeal the provisions of subsection 5 (a) of the Act of August 13, 1954 (68 Stat. 718), as amended, providing for and requiring members of the Klamath Tribe to elect to withdraw from or remain in the tribe, following the appraisal of the tribal property.

SEC. 6. The first proviso of subsection 5 (a) (3) of the Act of August 13, 1954 (68 Stat. 718), relating to distributions in \$200,000 installments, is repealed.

Repeal.

SEC. 7. The second proviso of subsection 5 (a) (3) of said Act, as amended, relating to Indian preference rights, is further amended by deleting "any individual Indian purchaser may apply toward the purchase price all or any part of the sum due him from the conversion of his interest in tribal property" and by inserting in lieu thereof "any individual Indian purchaser who has elected to withdraw from the tribe may apply toward the purchase price up to 100 per centum of the amount estimated by the Secretary to be due him from the sale or taking of forest and marsh lands pursuant to subsections 28 (b), 28 (d), and 28 (f) of this Act, and up to 75 per centum of the amount estimated by the Secretary to be due him from the conversion of his interest in other tribal property".

Preference rights.  
71 Stat. 348.  
25 USC 564d.

SEC. 8. The Act of August 13, 1954 (68 Stat. 718), is amended by adding at the end of subsection 5 (a) (5) the following sentence: "If no plan that is satisfactory both to the members who elect to remain in the tribe and to the Secretary has been prepared six months before the time limit provided in subsection 6 (b) of this Act, as amended, the Secretary shall adopt a plan for managing the tribal property, subject to the provisions of section 15 of this Act, as amended."

Management plan.

25 USC 564e.

25 USC 564n.

SEC. 9. Except as provided below the provisions of the Act of August 13, 1954 (68 Stat. 718), as amended, shall not apply to cemeteries within the reservation. The Secretary is hereby authorized and directed to transfer title to such properties to any organization authorized by the tribe and approved by him. In the event such an organization is not formed by the tribe within eighteen months following enactment of this Act, the Secretary is directed to perfect the organization of a nonprofit entity empowered to accept title and maintain said cemeteries, any costs involved to be subject to the provisions of section 5 (b) of said Act of August 13, 1954, as amended.

25 USC 564-564w.

25 USC 564d.

SEC. 10. Subsection (b) of section 6 of the Act of August 13, 1954 (68 Stat. 718), as amended, is further amended by striking out "six years" and inserting in lieu thereof "seven years".

25 USC 564e.

SEC. 11. Subsection 8 (b) of the Act of August 13, 1954 (68 Stat. 718), as amended, is further amended by changing the colon to a period and by deleting the following language: "Provided, That the provisions of this subsection shall not apply to subsurface rights in such lands, and the Secretary is directed to transfer such subsurface rights to one or more trustees designated by him for management for a period not less than ten years."

25 USC 564g.

Approved August 23, 1958.