Center for Social Development

GEORGE WARREN BROWN SCHOOL OF SOCIAL WORK

Tribal Innovations in Children's Accounts

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2009

CSD Working Papers
No. 09-47

Campus Box 1196 One Brookings Drive St. Louis, MO 63130-9906 • (314) 935.7433 • csd.wustl.edu

Washington University in St. Louis

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An important frontier in savings policy and research is the effectiveness of accounts at birth. This paper presents ideas and initial findings from the experience of American Indian nations—America's first asset-builders—with such policies. It describes the motivations for creating "minors' accounts," which are offered by approximately 70 tribes. These tribes are the only jurisdictions in the nation to offer universal, unrestricted accounts for children. Increasingly, they also are using conditions and incentives to promote their policy goals. Their experiences and ideas offer important insights for mainstream policy makers and program managers (in the US and elsewhere) about how to design effective children's accounts policy. The paper closes by stressing a two-way flow of information, as ideas from experience and research in non-tribal communities offer new ways to strengthen tribal minors' account policies and further their welfare-enhancing goals.

Key words: *Native American; native assets; child savings; college savings; Child Development Accounts; policy*

The asset-building field has its genesis in the idea that things are not as they should be. The income supports available to low-income Americans (who are disproportionately people of color) are often insufficient to meet basic needs (DeNavas-Walt, Proctor, & Smith, 2008). A growing number of policymakers are calling for an alternate strategy—asset building—because of its different promise. As Sherraden has famously said, "income may feed people's stomachs, but assets change their heads" (Sherraden, 1991, pp. 155-6).

At this moment in Native America's history, these words provide important guidance. Especially since 1975, Indian nations (interchangeably termed tribes, Native nations, and Native communities in this paper) have had expanded opportunities for self-determination, and many tribal governments have leveraged these opportunities to generate new revenues. In other words, tribal governments,

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This paper also reflects the generous collaboration of staff of three other organizations that work on behalf of America's first asset builders. Peter Morris is Director of Strategy and Partnerships for the National Congress of American Indians Policy Research Center (NCAIPRC). His efforts moved the paper past an outline to an early first draft; he also commented on subsequent drafts and provided invaluable help with references. Sarah Hicks, Director of NCAIPRC, participated in formative discussions about the paper topic. NCAIPRC is the policy research arm of NCAI, the oldest and largest tribal government organization in the United States, which works to promote and protect the rights and interests of tribal governments. Amy Hertel and Kristen Wagner, Research Associates of the Kathryn M. Buder Center for American Indian Studies (KBCAIS) and the Center for Social Development (CSD) at Washington University's Brown School, organized initial conversations about the conference paper and wrote and revised early paper outlines. CSD is the leading academic policy center conducting research and designing policy in support of asset building around the world. In partnership with CSD, KBCAIS researches and develops asset-building policy solutions that match the unique needs and characteristics of tribal communities.

which once relied almost exclusively on transfer income, now have significant self-generated financial resources over which they have discretionary control. Such revenues present the tribal leaders and citizens with major decisions. How can a Native nation's collective resources be spent or invested to best advance its interests?

One option is to devote tribal government revenue to tribal government operations and government-provided services. Another is to treat the money as a tribal government surplus, which tribal government invests over the long-term to grow the assets of the nation. Similarly, it could re-invest in tribal government businesses and grow the productive capacity of the Native nation. It also could distribute some portion of the revenue to citizens on a per capita basis. In fact, just over 70 of the 225 tribal governments that own gaming enterprises make such payments,[1] and still more tribal governments make payments from other discretionary income sources (although there is no clear way to determine how many tribes do so).

Widely referred to as "per capitas" or simply "per caps," revenue distribution payments to tribal citizens may be made regularly (monthly or semi-annually, for example) or irregularly (one-off payments associated with a land settlement or periodic dividends from tribal enterprise earnings, for example). Generally, payments are made to all citizens—adults and children, with minors' resources maintained in trust accounts until a specified age of majority (often age 18).

Especially in the face of more trying economic times, citizen pressure for per capita payments—or for larger payments—has increased. Concurrently, Indian Country leaders are engaged in a non-systematic, but progressing and increasingly inclusive conversation about the intents and results of distribution policies. What do tribal policymakers want the payments to do? Are they achieving those purposes? How do they fit with the nations' overarching goals of promoting self-determination and strengthening sovereignty?

In this process of reflection, "per capita tribes" (those that distribute a portion of tribal government revenues to citizens) are beginning to make their experiences available to the broader asset-building field. Because so many Native nations manage minors' accounts (per capita distributions held in trust for young tribal citizens), much tribal information has relevance to mainstream conversations about child savings accounts (CSAs). This paper first addresses that comparability. Tribal minors' accounts are born of somewhat different motivations than mainstream CSAs, but they share a number of characteristics. Thus, Indian Country offers a natural experiment regarding CSAs, which may speak to important research questions in the field overall. The paper then turns to accumulated learning. What has been learned so far from the experiences of Native communities? The appraisal draws attention to two typical features of Indian Country minors' accounts that are much less common in the mainstream—*universality* and *unrestricted use*.[2] The paper's final topic is the need for an ongoing, two-way flow of information. Especially given the growing momentum for—and growing number of—CSAs in the mainstream, as-yet unstudied tribal experiences can provide valuable new information to the field. Similarly, ideas, experience, and research in non-tribal communities offer new ways to strengthen tribal minors' account policies and further their welfare-enhancing goals.

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[1] National Indian Gaming Association, "Indian Gaming Facts," retrieved on August 4, 2009, from http://www.indiangaming.org/library/indian-gaming-facts/index.shtml.

[2] Notably, Native nations that offer minors' accounts are the only jurisdictions in the U.S. where every child is endowed with a savings account at birth.

Before embarking, a caveat is necessary: the issues addressed in this paper are politically sensitive, and tribal policymakers are often reluctant to speak publicly about issues related to per capita distributions. In consideration, this paper presents policy data that are already publicly available and otherwise reports more generalized tribal experiences. While detailed, individual-level data are desirable (see the final section of this paper), research must be in the joint interest of Native nations and assets policy investigators. The individuals whose lives are touched by tribal assets policies are not mere "research subjects," but citizens of sovereign Native nations whose governments appropriately protect their privacy.

A Brief History of Asset Building in Indian Country

Historically, North America's Native peoples were asset-rich. Land, whether held in common, in more individualized tenancy arrangements, or both, was their most important asset.[3] Depending on a tribe's economic and social goals, land was worked for agricultural production, reshaped to optimize hunting and gathering, or transformed to support larger scale settlement. For example, modern scholarship now paints this picture of New England in the 1500s:

> New England's major river valleys…held large, permanent villages, many nestled in constellations of suburban hamlets and hunting camps. Because extensive fields of maize, beans, and squash surrounded every home, these settlements sprawled along the Connecticut, Charles, and other river valleys for miles, one town bumping up against the other (Mann, 2005, p. 42).

In other words, besides holding assets, Native Americans worked, saved, and traded to develop assets. As the excerpt intimates, they developed housing assets (such as tipis, wickiups, hogans), personal and family assets (such as horses, boats, farming and fishing tools, cooking and food processing equipment, and trade goods), and community assets (such as hunting camps, gathering places, and worship centers). Some Native peoples also built asset holdings for investment in community relations and prestige (see E. Brown, quoted in Hicks, Edwards, Dennis, & Finsel, 2005); these accumulations for potlatches, giveaways, and other ceremonial exchanges were often substantial.[4]

Yet most U.S.-based Native peoples also experienced a long period of asset deprivation, born of colonization. Through forced removal, war, confinement on reservations, restricted access to traditional territories and resources, expropriation of natural resources, theft and other unscrupulous practices, flooding for dam building, pollution, and so on, tribes across North America were plunged into a near assetless state for at least a century.

Contemporary observers and historians testify to this deprivation. Watching involuntary emigrants on the Trail of Tears, Alexis de Tocqueville notes,

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[3] Land tenancy and use arrangements among Indigenous North Americans were complex and diverse, varying according to tribes' economic and cultural norms; see, for example, Driver (1975, pp. 269-283).

[4] "The maximum number of each material item exchanged at any single Kwakiutl potlatch from 1729 to 1936 will give an idea of the immensity of some of these affairs: 6 slaves, 54 dressed elk skins, 8 canoes, 3 coppers, 2,000 silver bracelets, 7,000 brass bracelets, 33,000 blankets. As many as 50 seals were eaten at the accompanying feast" (Driver, 1974, p. 210).

> At the end of the year 1831, I was…at the place the Europeans called Memphis. …A numerous band of Choctaws…were leaving their country and seeking to pass over to the right bank of the Mississippi, where they hoped to find an asylum promised to them by the American government…They had neither tents nor wagons, but only some provisions and weapons" (de Tocqueville, 1988, p. 324).

A visitor to Pawnee Country (modern-day Nebraska) wrote in the 1840s: "one third of them had, neighter [*sic*] a kernel of corn nor a mouthful of meat in the world" (J. Dunbar, quoted in Milner, 1982, p. 32). By the 1860s in what is now California, "the majority of Indians found themselves virtually landless…Natives were reduced to a marginal existence on the fringes of settler communities" (Wilson, 1998, p. 239).

In fact, one of the most touted asset-building policies for non-Natives, the Homestead Act of 1862, contributed to this asset stripping. Together with the Dawes Severalty Act of 1887, it provided both a moral justification and policy framework for depriving tribes of land. Native Americans already had lost a majority of their land through broken treaties and confinement to reservations. The Homestead and Dawes Acts led to the loss of 87 million *more* acres, or two-thirds of the lands supposedly "reserved" for Native Americans (Limerick 1987). During this period, the Lakota leader Red Cloud described his losses:

> You see this barren waste…Think of it! I, who used to own rich soil in a well-watered country so extensive that I could not ride through it in a week on my fastest pony, am put down here! Why, I have to go five miles for wood for my fire. Washington took our lands and promised to feed and support us. Now I, who used to control 5,000 warriors, must tell Washington when I am hungry (recorded by W. K. Moorhead, quoted in Wilson, 1998, p. 293).

Fortunately, Native nations' opportunities to renew their asset bases changed dramatically in the 1960s and 1970s. U.S. government policy (as exemplified by the Indian Self-Determination and Education Assistance Act of 1975) shifted in favor of tribal self-determination and "nation rebuilding." Increased tribal government control of resources and changes in tribes' political standing led to new opportunities for economic development. As noted above, tribes generated new tribal government revenue—through land settlements, legal claims, natural-resource extraction activities, modest taxation, and government-owned enterprises.[5] The latter include businesses as diverse as mining operations, assembly plants, industrial parks, telecom businesses, organic farms, big-game hunts, and ski resorts.

Not only Native nation governments but also Native nation citizens have benefited from these efforts to rebuild Indigenous assets. In the 1990s and 2000s, two forces in particular have heightened attention to individual and family asset building. The first is the success of tribal government-owned casino enterprises. The Indian Gaming Regulatory Act of 1988 clarified tribes' rights to regulate gambling on tribal land, and by the late 1990s, numerous tribal governments (especially those near metro areas or leisure travel destinations) enjoyed significant revenue gains—and per capita distribution policies often followed on the heels of this success.

[5] These are comparable to "state-owned enterprises" in the mainstream economics literature.

A second force increasing the attention paid to individual asset building is the rise of a movement focusing on asset building for tribal community and tribal citizen empowerment. This effort (pioneered by the First Nations Development Institute but now a priority for many organizations supporting Native development) identifies asset control as a key determinant of Native peoples' historical and contemporary economic health. Today, a growing number of tribes have integrated citizen-focused asset-building programs—ranging from financial education, homebuyer education, and entrepreneurship promotion to Earned Income Tax Credit (EITC) campaigns, matched savings programs, and access to community development finance institutions (CDFIs)—into their overall economic development strategies.[6]

This history provides context for the discussion that follows, but it also is offered as a reminder that the push for tribal government revenue generation and for revenue distribution policies is inextricably tied to a history of asset loss. This paper is about one of the attempts that tribes are making to reverse it.

Motivations for Per Capita Distributions and Minors' Accounts

Native nation leaders and citizens have offered a variety of rationales for per capita tribal government revenue distributions. The following is a summary of common arguments for payments (significantly, there is an equally long list of reasons *against* them):[7]

- Per capita payments help tribal citizens meet urgent needs. Where jobs are few and incomes are low, revenue distributions can be critical sources of support.
- Payments diminish paternalism by shifting decisions about how money should be used from the government to citizens, who have the best knowledge about their own needs.
- If a Native government wastes money, per capitas may have a greater impact on citizens' lives than increased funding for government operations, programs, and initiatives.[8]
- Channeling all tribal revenues into tribal government encourages dependency, or the view that it is the government's job to provide for citizen needs.
- Per capita distributions help prevent unnecessary tribal government growth and discourage the bureaucratization of functions that could remain in citizens' own hands.
- Per capita payments are an equalizer when some citizens—for political, geographic, or other reasons—are otherwise excluded from the benefits of tribal economic activity.

[6] Not all programs are offered in every community, but it is more typical for a group of programs, rather than just a single program, to be offered; see First Nations Development Institute (2007) for more details.

[7] This list draws substantially from previous work of the lead author; see Cornell, Jorgensen, Rainie, Record, Seelau, & Starks (2008). The paper also makes explicit the many arguments against issuing per capita payments.

[8] This argument—and the next two—parallel common arguments in the U.S. as a whole for lower taxes.

- Used strategically, distributions can be an effective policy tool in support of everything from school attendance to well-baby check-ups.

- Tribal citizens are shareholders in the tribal estate. This is their money.

Although at first glance, asset building does not appear to be one of the reasons that tribal citizens have pursued per capita payments, the "waste and fraud," "discourage dependency," and "tribal estate" arguments have at least a flavor of asset building. Moreover, tribal leaders indicate that while they may not have used this terminology when initial policy decisions were made, individual citizen and family asset building has been part of their intent for per capita distributions from the outset. The hope was that seeding assets today would create increased individual and community wealth in the future. This goal is most obvious in the trust accounts tribes have established for minor citizens; distribution monies are deposited regularly and accumulate until the child reaches adulthood.

Yet the point is not to extol the positives of per capita payments; it is to underscore several important differences between tribal trust accounts and mainstream CSAs. First, tribal minors' accounts originate from a different (or more diffuse) logic than do CSAs. They are as much a product of popular demand as they are of elite policymakers' benevolence. Second, because minors' accounts are essentially per capita payments to youthful citizens, they necessarily replicate characteristics of those payments. If a tribe's younger citizens are eligible for distribution payments, minors' accounts are established for *all* of them, without deposit requirements or matching policies.[9] And while Native child accounts are sometimes structured to include conditions on the timing of account maturity and the dollar amount received, once Native citizens receive access to their accounts, there are no restrictions on how the money may be spent. As compared to the U.S. mainstream, *universality* and *unrestricted use* are distinct Indian Country policy features that merit research and analysis.

Minors' Accounts as CSAs

Of course, there also are substantial similarities between tribal minors' accounts and CSAs. Typical minors trust accounts have these familiar characteristics:

- They are established for a tribe's citizens at birth (or from the point at which citizenship in the community is confirmed).

- The tribal government makes deposits/payments into the accounts.

- Account funds are held in trust for the Native nation's minor citizens.

- Account holders (and their parents or guardians) receive regular reports on the value of the accounts.

[9] Minors may be ineligible for distribution payments in some Native nations. However, it appears that for the majority of tribes making distributions, minors' accounts are the norm.

- Minor children (and their parents or guardians) have limited or no access to account funds before the account holder reaches adulthood.
- Account holders receive access to funds upon maturity, although account holders who do have not met certain benchmarks may receive funds somewhat later.

Using publicly available data, Table 1 provides more detail on the policies, regulations, and procedures of several tribes with respect to these points. Importantly, the list of examples is not exhaustive: *all* tribes that sponsor minors' accounts do so through governing policies and regulations. Clearly, Native nations' experience with minors' accounts is extensive.

Table 1. Examples of tribal CSA policies

Characteristic	Example
Accounts at birth	Stockbridge-Munsee Community[a]: "Newborns: All babies born after March 1, but prior to June 1, and whose applications for enrollment have been properly submitted to the Land and Enrollment Office by July 31 shall be eligible for the payment *from this fiscal year*. Payment shall be paid to the Minors' Trust Fund upon completion of the enrollment process." (Italics added; babies born June-February become eligible for distributions in the following fiscal year.) Tunica-Biloxi Tribe[b]: "When a child is born to a tribal member, the tribal parent takes steps to enroll the minor [as a tribal citizen]. Once enrolled, the finance department moves to establish a trust account for the child after the parent has completed a Trust Adoption Agreement (TAA)."
Tribal government payments into accounts	Eastern Band of Cherokee Indians[c]: "Per capita payments shall be made two times each year to all competent adult members eligible for the distribution as set forth in section 16C-4. Likewise, an appropriate share shall be set aside twice each year in the Minors Trust Fund…" Hoopa Valley Tribe[d]: "Per capita payments shall be made four times annually, on the second Wednesday of the months of March, June, August and December." Tunica-Biloxi Tribe[b]: "From the point that the TAA [Trust Adoption Agreement] is executed, the tribe begins making monthly deposits in the minor's trust account."
Funds held in trust	Confederated Tribes of Siletz Indians[e]: "The distributions to enrolled tribal members who are minors…shall be maintained in trust for the benefit of the minor until he or she reaches the age majority...The Trust Officer shall be responsible for setting up and managing a trust account or accounts with an appropriate financial or investment institution to maintain distribution funds… The form of the trust account (for example, individual trust accounts for each minor or one trust account for all minors) shall be at the discretion of the Trust Officer, so long as the balance and accumulated earnings can be separately identified and monitored for each individual with funds held in trust and the account or accounts meet fiduciary standards."

Funds held in trust	Eastern Band of Cherokee Indians[c]: "The Tribe shall establish a legal trust (hereinafter 'the Minors Trust Fund') for the benefit of all minor members and legally incompetent members who shall be eligible for per capita payments… The Trustees shall select an institutional Manager and such other advisors as they deem necessary, with suitable expertise and discretion to administer the Minors Trust Fund and invest its assets. The Minors Trust Fund shall be invested in a reasonable and prudent manner so as to protect the principal and seek a reasonable return. The Minors Trust Fund shall be established as a 'grantor' trust, under which the Tribe is the grantor and owner of the trust for the benefit of its enrolled minor and incompetent members." Stockbridge-Munsee Community[a]: "The Tribal Council hereby authorizes that per capita payments designated for minor qualified tribal members shall be deposited into a 'Minors' Trust Fund' established in a low-risk interest bearing account in a federally insured financial institution, and in accordance with any trust agreement the Tribe may have with a trustee. If the minor qualified tribal member will be eligible to receive the per capita payment directly by the end of the upcoming fiscal year, the Tribal Treasurer may instead deposit the per capita payment into a federally insured certificate of deposit, if it is to the financial benefit of the minor."
Regular reports to account holders	Confederated Tribes of Siletz Indians[e]: "Reports of trust account status, including accumulated earnings, shall be sent on an annual basis to the parent or legal custodian of the minor whose distribution funds are being held in trust." Prairie Island Mdewakanton Dakota Community[f]: "The Tribal Council shall make available a monthly bank statement of any monies placed into trust for a minor or individual declared legally incompetent to the legal guardian of such person." Tulalip Tribes[g]: Parents and account holders "will receive quarterly statements showing account balance and earnings."
Regular reports to account holders	Confederated Tribes of Siletz Indians[e]: "Reports of trust account status, including accumulated earnings, shall be sent on an annual basis to the parent or legal custodian of the minor whose distribution funds are being held in trust." Prairie Island Mdewakanton Dakota Community[f]: "The Tribal Council shall make available a monthly bank statement of any monies placed into trust for a minor or individual declared legally incompetent to the legal guardian of such person." Tulalip Tribes[g]: Parents and account holders "will receive quarterly statements showing account balance and earnings."
Limited or no access during accumulation period	Hoopa Valley Tribe[d]: "For each per capita payment made to a minor Tribal member who has not demonstrated proof of emancipation, the Tribe shall deposit into an IIM [Individual Indian Money] account at least one-half of each payment of less than or equal to $1,500.00 and at least two-thirds of each payment of more than $1,500.00. …The money is not to be released until such minor reaches the age of eighteen (18) or otherwise becomes emancipated." (IIM accounts are interest-bearing accounts administered by the Bureau of Indian Affairs.)
	Tulalip Tribes[g]: Early withdrawal of a child's trust account funds is not allowed. "The only exceptions are: (1) if the minor has a terminal illness or (2) the minor has a documented serious medical condition requiring long term care. The trust is restricted because other more basic health, education and welfare needs of the child may be met though the parents electing to receive 50% of their child's per capita payment to provide for their child's needs."

Receipt of funds upon maturity or achievement of benchmark	Confederated Tribes of the Grand Ronde Community[h]: "The Tribe shall hold in trust, for the benefit of each minor member of the Tribe, such amounts as are made available for withdrawal by enrolled members of the Tribe in the form of investment benefits, until each reaches the 21 years of age, or as otherwise provided by this ordinance… [However], upon reaching the age of 18, members who have completed high school or received their GED may petition for an early withdrawal of all or a portion of the balance of trust funds held on their behalf for the purpose of education or a down payment on a home." Confederated Tribes of Siletz Indians[e]: "Upon reaching the age of majority (18), a newly adult tribal member may request that any and all amounts (plus accumulated earnings) shall be distributed in a lump sum to the member… If the tribal member does not validly request that disbursement within five (5) years, the existing account funds shall be moved to the Unclaimed Funds Account…" Hoopa Valley Tribe[d]: No payment from an IIM [Individual Indian Money] account that has accumulated prior to a Tribal Member reaching the age of eighteen (18) shall be accessed, unless said Tribal member has graduated from high school or has earned a General Equivalency Diploma (GED). Such specific per capita trust funds shall be held in a specific per capita trust account. Upon graduation from high school or obtaining a GED, or when the person reaches the age of twenty-one (21) years old, said specific per capita trust funds held shall be paid to the Tribal member. Tunica-Biloxi Tribe[b]: The term of this trust shall last, as to any beneficiary, until that beneficiary attains the age of twenty-one (21) years and further that each beneficiary shall have taken a financial planning course of no less than six (6) in-classroom hours of instruction.

Sources:

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b. Tunica-Biloxi Tribe of Louisiana, "Second Amended and Restated Master Trust Document," retrieved on August 2, 2009, from http://www.tunicabiloxi.org/PDF/2ndAmendMTD.pdf, and "Council Reviews Trust Programs," *Tribal News*, 2007, retrieved on August 2, 2009, from http://www.tunicabiloxi.org/article_trust_program_review.php.

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d. Hoopa Valley Tribe, Tribal Code Title 40, Per Capita Ordinance, retrieved on August 2, 2009, from http://doc.narf.org/nill/Codes/hoopacode/t40percap.htm. e. Confederated Tribes of Siletz Indians of Oregon, Tribal Code §4.100, Tribal Member Distribution Ordinance, retrieved on August 2, 2009, from http://www.ctsi.nsn.us/uploads/downloads/Ordinances/Tribal%20Member%20Distribution%206-19-09.pdf.

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g. Tulalip Tribes of Washington, Codes and Regulations, Tulalip Tribes Per Capita Distribution Policy, retrieved on August 2, 2009, from http://www.narf.org/nill/Codes/tulalipcode/tulalip119distpolicy.htm,

and "Tulalip Minors Trust, Frequently Asked Questions," retrieved on August 2, 2009, from http://www.tulaliptribes-nsn.gov/Home/Government/Departments/Enrollment/TulalipMinorsTrust.aspx.

h. Confederated Tribes of the Grand Ronde Community of Oregon, Tribal Code §440, Member Benefit Ordinance, retrieved on August 2, 2009, from http://www.tribalresourcecenter.org/ccfolder/gr440membene.htm.

Universality and Unrestricted Use

These comparisons argue that Indian Country offers a natural experiment regarding CSAs, to which the mainstream ought to be paying attention. Experience and research in Native communities can speak to important questions in the field overall. For example, what policies and practices are associated with "effective" CSAs? What account designs meet the goals of growing assets, building financial literacy, stabilizing individuals and families, and changing financial behavior? Two of the distinct characteristics of tribal minors' accounts—universality and unrestricted use—offer initial opportunities for policy learning. The benefits and challenges of these characteristics are considered below.

Universality supports the ideal of fair treatment, a democratic benefit in all societies. It also raises the probability of a "greater-than-the-sum-of-the-parts" community-level benefit: rising individual and family incomes and changed behaviors might give rise to a new growth path for a community's economy overall. More prosaically, universality may decrease administrative costs through automatic program enrollment and reductions in either recruitment or selection efforts. Recruitment costs are high when it is difficult to meet program enrollment goals[10]; selection costs are high where programs are over-subscribed. But if a child's CSA can be opened once proof of birth or citizenship is established (through application for a Social Security or tribal identity card, for example), there is little need to spend additional time recruiting participants or determining their eligibility.[11]

Truly unrestricted use carries a similar administrative benefit: no time need be spent matching disbursements to designated asset-building activities. While largely undocumented, these costs are not trivial. Summarizing the findings from surveys of financial institutions conducted by the Federal Reserve Bank of Chicago and the Center for Community Capitalism, Cytron and Reid note, "The start-up and administrative costs of running an IDA program can also be high. In addition to holding accounts, financial institutions are often involved with submitting the paperwork for match funds and *monitoring accounts for unauthorized withdrawals*" (2005, p. 12, italics added).

Unrestricted use also supports the economists' ideal for utility maximization—that individuals know best what kinds of spending will improve their wellbeing. By contrast, when CSAs place restrictions on the kinds of purchases participants can make, they constrain these consumers' achievable optima and "reduce utility." Taking the argument one step further, restrictions also suggest a lack of

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[10] In Indian Country—and elsewhere—managers of limited-enrollment pilot programs in asset building have reported difficulty in recruiting sufficient participants, which translates to higher administrative costs; see, for example, Morris (2007).

[11] Certainly, Native nations spend a considerable amount of administrative time determining who is and who is not a tribal citizen, and the activity level increases (at least for a time) when a tribe initiates a per capita distribution. Because state and country populations are so much larger than tribal populations, however, it is hard to imagine that initiating CSAs would have more than a marginal impact on the administrative effort they expend on citizenship determinations.

conviction about the effectiveness of asset-building policy. If financial education is successful and assets do transform how people envision their financial futures (the "head changing" effect cited by Sherraden), the policy should be working at the level of preferences, and policymakers should be able to trust account holders to make the best choices for their specific circumstances.

For practical reasons, this argument is not terribly persuasive. A similar, more compelling point is that no one really knows whether the restricted list of assets for investment right. Members of communities that have different cultural mores than mainstream America have questioned the idea that investments in education, small business development, and home ownership are the primary means of transforming the asset and wealth trajectories of individuals, families, and communities. As one tribal citizen asked at a Native asset building coalition meeting, "when are IDA researchers going to look at the impact of investing in other assets, like community-held assets?"[12] What if the short-list of assets approved for CSA use are not the optimal assets for strengthening Native communities? What if they do not resonate with culturally legitimate concepts of asset ownership and accumulation? Then, even well-meaning policies and programs—meant to serve those formerly excluded from the asset-building path to economic prosperity—will miss the mark. Until these questions are resolved, it might be better to allow account holders discretion in their asset conversion decisions. In one interpretation, this is what longitudinal impact studies of the Eastern Band of Cherokee Indians' revenue distribution show (Akee, Copeland, Keeler, Angold, & Costello, forthcoming; Costello, Compton, Keeler, & Angold, 2003); with pure additions to income, recipients apparently have invested in a variety of human capital-increasing strategies, with positive results.

Most persuasively, however, tribal policymakers understand unrestricted asset use as a powerful policy tool for behavior modification. If a youth sees himself as the recipient of an account which he can claim upon his majority regardless of whether he pursues higher education, buys a home, or starts a business, there is an opportunity for tribal governments to use the expectation of an account as a lever on behavior for *all* youth account holders, not just those whose plans align with the CSA goals.

Tribal governments are experimenting with a variety of regulations for deterring undesirable behavior via per capita payments. These laws may be aimed primarily at adult citizens, but most do not appear to exclude minors—and some actively target youth. One Native nation deducts from parents' and children's payments when a child is truant from school.[13] Some tribes reduce citizens' revenue shares if they are convicted of certain crimes.[14] Most Native nations garnish distributions

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[12] Question posed to Miriam Jorgensen at the Native Financial Education Coalition Strategic Planning Convening, Seattle, WA, February 20, 2008.

[13] "Weary of poor grades and low graduation rates, the Fort McDowell Yavapai Nation [levies] a minimum of $100-a-day fines on families whose kids skip school… The get-tough fines escalate in increments of $50 for each new offense, meaning that families with chronically or tardy students can be charged thousands of dollars… For kids 13 and younger, the money comes out of parents' casino dividends and other tribal payments. But for kids 14 or older, the fines are double: half is paid by parents, the other half by the teen. The students' fines are deducted from the tribal money they receive when they turn 18" (Sowers, 2005, retrieved on August 3, 2009, from http://www.azcentral.com/arizonarepublic/local/articles/0531truant31.html).

[14] For example, Chapter 16 of the Eastern Band of Cherokee Indians Code, Section C-4 (Membership and Eligibility) specifies a three strikes rule: "Any member of the Eastern Band who has been convicted on three separate occasions of any drug offense, or any offense for which exclusion is allowed whether or not that punishment has been imposed, shall

for unpaid child support[15] and for debt owed to the tribal government.[16] This blanket "debt owed" provision allows Native nations to address issues from substance abuse (where the debt may be payment for court-ordered treatment) to misuse of public housing (where the debt may be the cost of cleanup and repair).[17] While they are reductions from a distribution for negative behaviors rather than new payments conditional upon positive actions, these policies have a great deal in common with conditional cash transfers, which have a strong record outside Indian Country.[18] Indeed, given loss aversion (people's tendency to strongly prefer avoiding losses to acquiring gains), reducing payments may be a more powerful tool for behavior change than conditional payments.

Of course there are disadvantages to universality and unrestricted use too. For one, incentives associated with selective participation and restricted use disappear. Restoring incentives is an increasing focus for tribes; they are especially focused on restoring incentives for educational attainment (which despite foregoing arguments, shows tribal leaders' agreement with mainstream policymakers that education is a transformational asset) and actual asset investment.

Many tribes motivate high school completion by deferring account awards for young citizens without a degree. Typically, tribes prevent those without a high school degree or equivalent from accessing minors' trust accounts until age 21 (for examples, see the "receipt of funds upon maturity

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forfeit his or her right to receive per capita distributions of net gaming proceeds. This section shall apply only to offenses that occur after the effective date of this section. The Cherokee Court shall notify the Tribal Finance Office of any person to whom this section applies" (retrieved on August 2, 2009, from http://www.tribalresourcecenter.org/ccfolder/eccodech16cgamingrev.htm).

[15] For example, Title 2 of the Ho-Chunk Nation Code, Section 8 (Claims Against Per Capita Ordinance), specifies: "The following claims shall be recognized and enforced by the Nation against a Per Capita Share at the time of Payment of the Per Capita Distribution of which it is a part and prior to the distribution of such Per Capita Share to a Tribal Member: … Any order of garnishment issued by the Trial Court for purposes of child support pursuant to the *Recognition of Foreign Child Support Orders Ordinance,* the Children's Code or other applicable law of the Nation" (retrieved on August 3, 2009, from http://www.ho-chunknation.com/UserFiles/2HCC08_Claims.pdf).

[16] For example, Title 28, Hoopa Valley Tribal Code, Section 11.2 (Tribal Debt Collection Ordinance, per capita payments section), specifies: "Per capita payments are authorized to be applied, in part of in full, with or without first obtaining a judgment, toward any debt of any Tribal member to a Tribal entity" (retrieved on August 3, 2009, from http://www.hoopa-nsn.gov/documents/Codes/Title28-UniformDebtCollection.pdf).

Chapter 16 of the Eastern Band of Cherokee Indians Code, Section C-5(d)(2) (Garnishment for debts owed) sets for a full list: "The Tribe, or a Tribal entity as defined in this chapter, may administratively garnish a member's per capita payment to reimburse the Tribe or the Tribal entity for any outstanding fees, costs, rent, judgments, user fees, or other charges owed to the Tribe or the Tribal entity" (op cit.).

[17] For example, the Couer d'Alene Tribal Housing Authority Drug and Alcohol Policy, Section 8 (Per Capita Garnishment), notes: "In those cases in which the tenant(s) facing eviction proceedings is an enrolled Coeur d'Alene tribal member and the reason for eviction involves noncompliance with this policy…capita payments made by the Coeur d'Alene Tribe to the tenant(s) will be subject to garnishment for…vacated damages, including but not limited to: 1. Delinquent amounts owed, 2. Testing of home for drug use, 3. Clean up costs, 4. Repair costs, 5. Administrative costs associated with bringing the vacated home to livable condition" (retrieved on August 3, 2009, from http://www.cdatribe-nsn.gov/docs/housing/2009/drugPolicy.pdf).

[18] Conditional payments have been used throughout the developing world (see the Foreign Policy Association's discussion, retrieved on August 3, 2009, from http://www.fpa.org/topics_info2414/topics_info_show.htm?doc_id =522390) and have been tested in targeted low-income communities in New York City (see presentation retrieved on August 3, 2009, from http://siteresources.worldbank.org/SOCIALPROTECTION/Resources/280558-1138289492561/CCTinNY_9-17-07.pdf).

or achievement of benchmark" row of Table 1); others have phased or even later payouts based on high school completion.[19] To encourage higher education, some Native nations provide additional tuition support for students who enter college.[20] Anecdotal reports suggest that some tribes also are experimenting with policies that tie minors' account access and per capita payment amounts to higher education outcomes. Extending the high school completion incentive, for example, tribes might disburse a certain percentage of a minor trust account's value when the student receives a diploma or GED and pay out the remainder when the student receives a college degree; students who do not complete college would have to wait longer to receive the remainder of their money. Or, per capita distributions might be matched to a citizen's higher education credentials, with the distribution amount rising as credentials rise.

Countering the "blow it all" tendency—and restoring the incentive to convert current dollars into assets that build wealth for the future—is harder. Some tribes have borrowed a page from the trust advisers that serve the wealthy, and pay out trust balances over time. Young citizens may not take control of the entirety of their funds until their late 20s or mid-30s.[21] Some tribes continue the

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[19] For example, the Stockbridge-Munsee begins to phase in payments from age 18 onward, as soon as a young tribal citizen gains a high school degree. The Stockbridge-Munsee Tribal Law, Chapter 27 (Revenue Allocation Plan), Section 27.7(C)(3) specifies: "Beneficiaries shall be eligible for the receiving payment of the monies accumulated in the Minors' Trust Fund, including interest, less expenses, for the particular beneficiary, provided that the minor qualified tribal member has participated in a the financial planning/investment consultation with the Trustee's financial advisor and: (a) Upon reaching the age of eighteen (18), provided that the tribal member has graduated high school or obtained a G.E.D., the beneficiary shall be paid 25% of the balance of their portion of the Minor's Trust Fund. (b) Upon reaching the age of nineteen (19), provided that the tribal member has graduated high school or obtained a G.E.D., the beneficiary shall be paid 25% of the of the balance of their portion of the Minor's Trust Fund. (c) Upon reaching the age of twenty (20), provided that the tribal member has graduated high school or obtained a G.E.D., the beneficiary shall be paid 25% of the balance of their portion of the Minor's Trust Fund. (d) Upon reaching the age of twenty-one (21), the beneficiary shall be paid the remaining balance of their portion of the Minor's Trust Fund (retrieved August 3, 2009, from http://mohican-nsn.gov/Departments/Legal/Ordinances/ Ch%2027%20Revenue%20Allocation%20Plan.pdf).

The Ho-Chunk Nation delays disbursement to age 25 in the absence of high school degree. The Ho-Chunk Nation Code, Title 2, Section 12 (Per Capita Distribution Ordinance), Article 8b(1) states: "The trust assets of each such account maintained for a minor shall be disbursed to the Member-beneficiary thereof upon the earlier of (i) said Member-beneficiary meeting the dual criteria if (a) reaching the age of eighteen (18) and (b) producing evidence of personal acquisition of a high school diploma to the Department of Enrollment (HSED, GED, or any similar substitute shall not be acceptable), or (ii) the Member reaches the age of twenty-five (25)" (retrieved on August 3, 2009, from http://www.ho-chunknation.com/UserFiles/2HCC12_Per%20Cap.pdf).

[20] For example, Saipe, Goralka, & DeStefano (2002) point to three programs of tribes in the San Diego County region. The Barona Band of Mission Indians "provides college scholarships up to $15,000/year for tribal members who want to attend college; however, the Education Committee approves scholarships for greater amounts, if needed" (p. 17). The Campo Kumeyaay Nation "provides transportation, tuition and books to Members who wish to further their education" (p. 21). The Viejas Band of Kumeyaay makes "full scholarships for vocational training, college or university education…available to all Members who maintain attendance and grade requirements" (p. 82).

[21] For example, the Prairie Island Indian Community revised fifth Gaming Revenue Allocation Ordinance (no. 98-3-25-37) states: "The Tribal Council shall place…the per capita payment of every minor into a trust to be entitled the 'Irrevocable Minor's Trust of the Prairie Island Indian Community in the State of Minnesota' and shall be administered by an independent institutional trustee. The principal and interest shall be disbursed to the parent or legal guardian of a minor or the minor in accordance with the trust document that shall allow for the following distributions: Distributions Directly to Minor as Follows: Twenty-five percent (25%) of the principal at age 18; Twenty-five percent (25%) of the principal at age 21; Twenty-five percent (25%) of the principal at age 25; Twenty-five percent (25%) of the principal at

practice of paying distribution funds into an investment account after a youth reaches maturity, clearing showing that funds withdrawn diminish the amount invested for the future.[22] Other tribes use secondary accounts to encourage a "spend some, save some" approach (see the "limited or no access during accumulation period, Hoopa Valley Tribe" row of Table 1).

Much discussion, however, has focused on financial and investor education as a means of ensuring wise use of resources when an account matures. For example, in May 2007 over 500 tribal leaders gathered to identify an economic plan for Indian Country at the National Native American Economic Policy Summit. One of their recommendations focused specifically on the development of "programs that provide incentives for young people and others receiving per capita payments, to invest their money in higher yielding, longer term assets that will stabilize their financial position and expand economic opportunity" (NCAI & USDOI, 2007, recommenddation 61). Summiteers also identified the more general needs for "more specific training focused on investment and business management skills for tribal leaders and members" and "comprehensive financial literacy" (ibid., recommendations 14 and 15).

Leaders of thriving Native nations note that their youth are growing up in communities that are only "20 years rich," having faced multi-generational poverty prior to the economic success born of increased self-determination. In these circumstances, even adult citizens may lack personal financial skills, ruling out a usual route for skill transfer—parents teaching children (Jorgensen & Mandell, 2007). Leaders also characterize their task as having 18 years to prepare tribal youth to "win the lottery"—pointing to research showing that, on average, lottery winners are further behind financially five years after buying the winning ticket than they were before (Hankins, Hoekstra, & Skiba, 2009). These challenges argue that tribal youth need deliberate financial education in order to gain the financial skills (budgeting, saving, banking, investing) and attitudes necessary to manage their minors' accounts for wealth building upon maturity.

age 31; and One hundred percent (100%) of the net interest income at age 35" (retrieved on August 3, 2009, from http://www.nigc.gov/Portals/0/NIGC%20Uploads/readingroom/gamingordinances/prairieisland/prairieislandord061298). Readers should further note that the cited document is an ordinance review by the National Indian Gaming Commission, and while the ordinance appears to have been in effect in the late 1990s, it may not be today; the tribe does not post a full copy of its code, and gaming revenue allocation laws may have changed since the 1998 review.

[22] For example, the Confederated Tribes of the Grand Ronde Community of Oregon Tribal Code, Section 440 (Member Benefit Fund Ordinance) states that, absent early withdrawal for investment in education or a home purchase: "Each minor shall be entitled to withdraw his or her trust funds on the distribution date immediately following his or her 21st birthday. Such distribution shall be by transfer to the Travel Member Benefit Savings Fund where the funds may be accessed by each individual according to his or her needs." Earlier in the ordinance, the member benefit funds are explained as follows: "The Tribe will hold the amounts of any benefit distribution made available to the members of the Tribe in fully invested funds managed in accordance with the disciplines specified for the Tribal Social Funds until each member requests withdrawal of such funds, and to credit each member's account for its proportionate share of investment earnings, except when said withdrawal occurs within the first 60 days after the distribution date" (retrieved on August 4, 2009, from http://www.tribalresourcecenter.org/ccfolder/gr440membene.htm). Tribal policy further provides a brief waiting period for withdrawal, encourages withdrawals that will be reinvested in safe but higher return opportunities, and notes the desirability of tribal citizen deposits into the member benefit accounts.

A few Native nations have made financial education mandatory for any access or for early access to funds.[23] An increasing number offer financial education programs designed for and marketed to youth who will soon reach maturity and have access to their minors' accounts.[24] Curricula vary, although there is at least one financial education curriculum specifically designed for and widely used by Native communities ("Building Native Communities," developed by First Nations Development Institute).[25]

To best prepare young Native nation citizens, "financial" education also should include education about the role of tribal government. When minors' accounts mature, tribal government will bequeath them with substantial resources—and there's a possibility that in so doing, young citizens will get the wrong message about the function of government. Is government merely an entitlement agency that hands out goodies? Or is it a vehicle for tribal self-sufficiency, laying the foundation for long-term community success? Certainly it is the latter, and education must address this point. Minors' accounts should be understood as one element in an overall policy strategy aimed at developing capable and engaged Native nation citizens; they should not start tribal youth on a path toward dependency. Nonetheless, "tribal civics" have yet to be integrated into most tribes' youth financial education programming.

Policy Lessons for CSAs

Tribes' experiences suggest that CSA policies must address more than revenue distribution, particularly if there are few restrictions on the use of the funds at maturity. In other words, "accounts at birth" is a tidy summary but an oversimplified approach: to increase the chances of success, incentives and financial education should be part of the child account policy package.

[23] The Tunica-Biloxi Tribe of Louisiana's "Second Amended and Restated Master Trust Document" states: The term of this trust shall last, as to any beneficiary, until that beneficiary attains the age of twenty-one (21) years and further that each beneficiary shall have taken a financial planning course of no less than six (6) in-classroom hours of instruction" (retrieved on August 2, 2009 from http://www.tunicabiloxi.org/PDF/2ndAmendMTD.pdf). Additionally, an informative discussion about the financial education requirement and its perceived importance is summarized "Council Reviews Trust Programs," *Tribal News*, 2007, retrieved on August 2, 2009, from http://www.tunicabiloxi.org/article_trust_program_review.php.

[24] See, for example, "Notice to All Eligible Enrolled Klamath Tribal Members," and "Klamath Tribal Minors & Their Parents/Guardians: You are Invited to Attend a Financial Education Workshop," *Klamath News*, January 2009, p. 4. The notice and invitation appear side-by-side in the newsletter and reinforce one other. The invitation is to "minors, and those who have reached the age of eighteen (18) or will be eighteen by June 19, 2009 and have or will obtain a GED or high school diploma by June 19, 2009 and your parents," and is intended "to help prepare you to deal with money in the real world and to help you understand the recent market turmoil and outlook for investments" (retrieved on August 3, 2009 from http://www.klamathtribes.org/documents/klamathnews/2009/Klamath%20News%20January%202009.pdf).

Also see Latham (2004) for a discussion of the Eastern Band of Cherokee's program. The picture caption states, "Thanks to a collaborative education program, children from the Qualla Boundary reservation are taught financial management lessons well in advance of the time they receive their share of tribal profits" (retrieved on August 3, 2009, from http://www.cals.ncsu.edu/agcomm/magazine/fall04/n_extension.htm).

[25] First Nations Development Institute also provides a follow-on investor education curriculum and instructor guides for both courses (retrieved on August 4, 2009, from http://www.firstnations.org/default2.asp?active_page_id=298).

Clearly, tribes have developed numerous policy innovations to help prepare young people before they receive distributions. Still more policies have been discussed and recommended but not yet put into practice; they are part of tribal leaders' active conversation as they seek to improve outcomes. Many of these ideas might be fruitfully applied to mainstream CSA policy as part of that larger package for success, especially if an account can be used for broader purposes than those most commonly proposed.[26] In capsule form, they are:

- *Phased pay-outs.* A phased pay-out spreads access to resources over several years. This allows young people to learn by doing and make mistakes without losing all of their money. Accelerated access to resources could be allowed for approved purposes (such as going to college or purchasing a home), especially if the purchase itself strengthens the account holder's financial management skills.

- *Education requirements.* These might include the completion of a high school diploma (or equivalent), completion of a college degree, and financial skills education. Of course, placing conditions on the receipt of account monies is much easier to do at the front end—when a CSA policy is developed—than after the fact, since recipients may take a very dim view of unilateral changes in the rules of the game.

- *Conditional transfers***.** These incentives could be structured either as sanctions (smaller account deposits by the government or sponsoring agency) for negative behaviors or as rewards (larger or additional account deposits) for positive behaviors. Conditional transfers make it possible to use CSA policy for broader social purposes—and to keep account holders on track for making ultimate asset purchases that build wealth.

- *Pre-K through 12 financial education.* With accounts at birth, children can start thinking differently about money from an early age. Research supports the promise in age-appropriate financial education as early as pre-school (Holden, Kalish, Scheinholtz, Dietrich, & Novak, 2009); it also points to the importance of more intensive *pre-high school* financial education (Mandell 2008). Apparently, starting early and offering ongoing learning opportunities not only increases the amount children learn but also increases the likelihood of future financially prudent behavior. However, as curricular offerings expand, cultural appropriateness is a concern. Mainstream approaches do not work well for some Native children (Anderson, Jorgensen, Brantmeier, & Mandell, 2008), and other ethnic or minority youth may experience similar barriers. Curricula must be created or adapted to engage students from a perspective that makes sense to them.

- *Basic to advanced financial education.* Basic personal finance education is not enough to create savvy asset owners—especially if account holders receive relatively large amounts of money upon maturity (as can be the case with tribal minors' accounts and in some CSA implementations[27]). Some tribes now offer well-integrated programming for youth and

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[26] Many mainstream CSA policy proposals have similar restrictions to Roth IRAs, with eligible withdrawals for post-high school education, homeownership, and retirement.

[27] For example, under a set of reasonable assumptions, young UK Child Trust Fund account holders may realize as much as £18,000, or $30,500 at current mid-2009 conversation rates (Child Trust Fund, 2009).

adults that addresses everything from basic financial skills to homeownership, investing, business management, and philanthropy.[28]

- *"Real" financial experiences.* Opportunities to "make it real" are correlated with stronger youth financial literacy outcomes (Mandell 2006). In Indian Country, research suggests that having a job in the formal employment sector (thus experiencing first-hand the flow of wages and taxes) and having responsibility for some of the financial costs of a car (making or contributing to loan or insurance payments) are associated with higher financial literacy (Anderson, et al., 2008). This suggests that watching funds accumulate in a minor's account or CSA may be too passive an experience to learn from; education needs to make students active participants in their own financial futures.[29]

- *Money management mentors.* When children come from families with little financial expertise—or they are at the age when the last thing they want is advice from their parents—they need someplace to turn for financial guidance. Recognizing this need, some tribal governments are considering engaging financial advisors for account holders who are nearing or at the pay-out point. The hope is that providing this service for a brief but critical period in a young adult's life will generate life-long benefits. Even when account uses are restricted, young adults may benefit from professional financial advice; it can provide a dose of reality from a trustworthy source or expose them to ideas and opportunities that they otherwise might not have considered.

Where to from Here?

In 2007, both the National Congress of American Indians and the Native Nations Institute for Leadership, Management, and Policy at the University of Arizona convened tribal leaders for private and candid conversations about the challenges and opportunities inherent in tribal revenue distribution policies. Two firm conclusions emerged from these meetings—conclusions which mirror the ideas of this paper. First, per capita revenue distributions and minors' accounts have many it possible for many Native nation citizens to build their assets (by buying or refurbishing homes, starting businesses, going to college or vocational school, buying cars so they can actually get to jobs, and so on). Second, tribal leaders and policy makers would like to do better. They would like to improve revenue distribution policies to boost asset building,[30] and they would like to further develop and refine their communities' tools for asset-building.

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[28] One example is "Salt River University," which joins all of the courses and workshops of the Salt River Financial Services Institution and its partners under one umbrella; see *2006-2007 Inaugural Report, Salt River Financial Services Institution*, p. 3, for a schematic of services and courses (retrieved August 4, 2009, from http://www.srfsi.com/docs/SRFSI_Innaugural_Annual_Report.pdf).

[29] The Ariel Academy in Chicago, where elementary and middle school students first learn about and then manage their own investment portfolio is one example of a more active approach to financial education; see "Ariel Nuveen Investment Program," retrieved on August 4, 2009, from http://schools.cuip.net/ariel/?page_id=113.

[30] For example, "Since before the spring of 2004, the Tribal Council [of the Tunica-Biloxi Tribe of Louisiana] has allowed members wishing to close out their trust accounts to submit a letter from a financial advisor stating clearly that the member has met with them and discussed the importance of financial planning… Discussions of late have focused on the importance of adhering to the more stringent requirement especially in light of the Council's desire to have tribal

In other words, Native nations have learned much about using revenue distribution to support asset building, but they also need more information. To that end, more opportunities for exchange among Native community leaders, policymakers, and researchers would be useful. Opportunities for collaboration among Native and mainstream policymakers and researchers are equally important.

With converging interest around child accounts, and information to be shared in both directions, CSAs could be an initial focus of conversation. As a next step, research is a particularly promising venue for collaboration. Two of the primary obstacles to understanding how CSAs operate at scale—funding and data—could be addressed through creative partnerships with tribal governments. Because many tribes already support universal minors' accounts, the primary funding challenge is eliminated. With tribal governments' close cooperation, non-Native government or philanthropic funds could be used wholly for data collection and analysis. In other words, there may be a cost-effective way to answer many of the questions important to the field overall. For example, what choices do youth make for their money given phased versus in toto payouts (especially when these youth have not been selected for participation in a "special program")? How much does a conditional early release policy affect college matriculation—do more young adults go to college if they have to apply for a special release of funds as opposed to simply receiving their minors' account payout after high school completion? How much do different financial education regimes matter? Do "spend some/save some" provisions change the likelihood of future financially prudent behavior? And so on.

Eventually, the conversation could (and should) be broadened from its focus on child accounts. Tribal experience with per capita distributions offers a particular insight into the strategic considerations that will face the asset-building movement in 2009 and beyond. For example, Native nations' policies in support of universal, unrestricted, and *life-long* accounts offer broad scope for learning about incentives for asset building throughout citizens' lives. Their emerging focus on the link between financially responsible individuals and civically responsible citizens may shed light on the ways financial education promotes the development of a responsible and engaged citizenry And, as advocates promote asset-building policy in the midst of a significant financial crisis, they will engage in discussions that are very similar to those that have occurred in tribal communities in the last decade: what balance between short- and long-term priorities and between collective and individual needs should American policy support?

This paper is a first step in promoting these conversations, policy sharing, and research.

members closing out their trusts act responsibly in the handling of their trust funds," Tunica-Biloxi Tribe of Louisiana, "Council Reviews Trust Programs," *Tribal News* (op cit.).

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