

The Tulalip Tribes of Washington

TRIBAL EMPLOYMENT RIGHTS OFFICE (TERO)

TULALIP TERO MISSION STATEMENT

The Tulalip TERO has a mission to help improve the quality of life for Tulalip Tribal members and other Native American families through opportunities that can assist them in pursuing quality jobs or careers with decent wages and by protecting their rights of preferential employment, training, business and economic opportunities on and near the Tulalip Reservation. Also, to assist business in achieving compliance with hiring Native American qualified workers.

Information

6404 Marine Drive, Tulalip, WA 98271

Office: (360) 716-4747

Fax: (360) 716-0612

Alternate Fax: (360) 716-0249

Driving Direction From Seattle:

Go North on highway I-5. At exit 199, turn RIGHT onto Ramp and turn LEFT (West) onto SR-528 [4th St]. Road name changes to Marine Dr NE. Turn RIGHT (North-East) onto 64th Street NW.

Driving Direction From Mount Vernon:

Go South on highway I-5. At exit 199, turn RIGHT onto Ramp and bear RIGHT (West) onto Marine Dr NE. Turn RIGHT (North-East) onto 64th Street NW.

In 1996, the Tulalip Tribes board of Directors enacted the Tribal Employment Rights Ordinance #60 and #89 which is the preferential employment and contracting laws of the land within the boundaries of the Tulalip Reservation.

Tulalip TERO office requires businesses to:

- Hire TERO qualified and certified workers;
- Give Native owned businesses the opportunity to bid;
- Fill out and negotiate a compliance plan prior to commencing work; and
- Pay 1.75% TERO fee on all construction projects over \$10,000

FREQUENTLY ASKED QUESTIONS

The following presents a list of the most frequently asked questions and inquiries about Native American Preference and Tribal Employment Rights Ordinance (TERO).

1. *WHAT IS THE PURPOSE OF TERO?*

To access more employment & training opportunities for Native Americans and their families. To provide more business & economic opportunities for businesses owned by Native Americans.

2. *WHY IS THERE A NEED FOR TERO?*

Since unemployment rate in Native communities remains high, Tribes must take strong actions to protect the employment rights of Native American people.

3. *WHAT ARE THE BASIC REQUIREMENTS OF TERO?*

All employers operating within tribal jurisdiction are required to provide Indian preference in employment, training, contracting, and subcontracting. Following are the major

provisions and requirements found in most TERO Ordinances that employers must adhere to:

- A. To ensure Native preference, employers need to submit and negotiate a detailed compliance plan of employer workforce needs with a TERO Compliance Officer.
- B. To utilize the TERO skills banks for all referrals and consider Native applicants before interviewing or hiring any Non-Native worker.
- C. To negotiate with the TERO Compliance Officer(s) the specific number of Natives in each job classification and to cooperate with tribal training programs to hire a certain number of trainees.
- D. To eliminate all extraneous job qualification criteria or personnel requirements which may act as a barrier to Native employment. TEROs are guided by EEOC guidelines for verifying legitimate Bona-fide Occupational Qualifications (BFOQ's).
- E. To keep in contact with the TERO office in order to resolve any employee problems and issues.
- F. To acknowledge and respect tribal religious beliefs and cultural difference and to cooperate with TERO to provide reasonable accommodations.
- G. All employers who have collective bargaining agreements with one or more unions must secure a written agreement from their unions indicating that they will comply with TERO.
- H. The TERO certified worker shall be treated the same as the other employees. There will be a Zero tolerance to discrimination within the boundaries of the Tulalip Reservation.

The success of TERO programs can be directly attributed to the fact that these programs embody all of the critical elements listed above.

4. *WHAT IS A COMPLIANCE PLAN?*

A Compliance Plan is a written document that provides detailed descriptions of a construction project with all the pertinent information. This is where you list your key personnel and your work force needs. A Key employee is a permanent employee who is in a supervisory or specialized position and without this person an employer would face a financial loss. This document is then negotiated with a TERO Compliance Officer for approval.

5. *WHAT TERO REQUIREMENTS ARE THERE IN CONTRACTING BIDS?*

The TERO Office has a Native American Owned Business Registry (NAOB) in which TERO certifies that the companies are owned by Native Americans. TERO Ordinance #89 requires that Contractors and or Subcontractors provide opportunities to every NAOB that is qualified to do the work.

6. *IS THERE A DIFFERENCE BETWEEN TRIBAL AND NATIVE AMERICAN PREFERENCE?*

Yes, on Tribally funded projects TERO can require Tribal member preference. This is permissible under Federal law because tribes are exempt from Title VII of the Civil Rights Act, Executive Order 11246 and most other employment rights legislation. Native American preference is permissible under some federal laws i.e., Indian Self Determination Act, Buy Indian Act and under most federal laws.

7. *WHAT IS THE EXTENT OF TERO JURISDICTION?*

A Tribe has the authority to enact and enforce any Indian employment preference law that is grounded in its inherent sovereign powers of self-government. This legal doctrine

is the most basic principle of Indian law and is supported by a host of Supreme Court decisions. The jurisdiction is legally described or defined by treaty or legislation. The exterior boundaries of the reservation including cede territories and lands where jurisdiction has not been extinguished. TERO has a political preference, not a racial preference and does not violate Title VII or any other Federal Employment Law.

8. *ARE THERE ANY EXEMPTIONS TO TERO REQUIREMENTS?*

Yes, there are several exemptions. Direct employment by Federal / State governments, schools, churches and some non-profits are not covered by TERO. Some Tribes also exempt themselves from TERO coverage. It is important to note however, that any contract or sub-contract let by any of these entities is covered by TERO.

9. *WILL TERO INTERRUPT MY DAILY BUSINESS OPERATIONS?*

No. Since TERO is pro-active, the compliance plans are signed by TERO and the employer prior to the commencement of work prevents disputes. The Compliance Officers will monitor the TERO requirements by doing onsite compliance visits that would not be detrimental to business operations. TERO can sanction employers for violations which may shut down operations but only in severe disputes and in accordance with the applicable law.

10. *DOESN'T TERO DO AWAY WITH THE COMPETITIVE BIDDING PROCESS AND FAIR COMPETITION?*

No. It provides preference to certified and qualified Native American businesses on projects on or near the Tulalip Reservation. As with employment contracting preference is permissible or required under Federal, Tribal, State or other Local laws. Preference is not provided to the exclusion of other businesses. Price and quality are still primary considerations.

11. *ARE EMPLOYERS PROTECTED AGAINST UNFAIR TERO VIOLATION CHARGES?*

Yes. The first level of protection comes from the TERO Compliance Officer who handles the charge. These officers are trained to deal with facts and merits of the case before making determinations. Beyond the TERO Commission, grievant can seek relief in the Tribal and Federal Courts.

12. *WHAT SANCTIONS DO EMPLOYERS FACE FOR VIOLATIONS OF TERO?*

Violation of TERO requirements may result in severe sanctions. If the TERO office determines that employers willfully and intentionally breached TERO requirements. TERO may:

- A. Deny such party the right to commence business on the reservation;
- B. Impose a civil fine on such party ranging on most reservations anywhere from \$500.00 to \$5,000.00 per violation;
- C. Terminate or suspend party's operation and deny them the rights to conduct further business on the reservation; and or
- D. Order any party to dismiss any illegally hired Non-Natives, take action to ensure future compliance and to make back payment of any lost wages be paid to the TERO certified Native Americans.

13. *CAN SANCTIONS IMPOSED BY THE TERO COMMISSION BE APPEALED?*

Yes. Sanctions imposed by the TERO Commission can be appealed in tribal court. Appeals of tribal court decisions can be made to the federal court system.

It is important to note that only one appeal to a TERO commission and tribal court decision has ever been appealed to the federal court. The case ended at the Ninth

Circuit Court of Appeals and Appellate that upheld the TERO complaint and the Tribal Courts decisions.

14. *ARE TERO FEES LEGAL?*

Yes. Tribal authority to access a fee is equal to that of any government. Taxation, licenses and fees are a valuable source for financing Tribal governmental operations. Tribes therefore consider their social and economic needs and priorities and set the TERO requirements to suit them just as National, State, and other units of government do.

Many contractors without complaint pay taxes and comply with the governmental requirements of states, counties, etc, but openly oppose doing so with Tribes. This "cultural discrimination" is indicative of the lack of knowledge and acceptance of the sovereign authority of the Tribes. Employers can realize a substantial savings since Tribal taxes or fees pre-empt state or other local taxation on the reservation projects often to the benefit of the employer.

The Tulalip Tribes' TERO fee is 1.75% of total cost on any project over \$10,000.

TERO has the responsibility to ensure due process of the employer under the Tribal ordinance and that only qualified and screened referrals are made to the employer.

15. *HOW HAVE VARIOUS FEDERAL, STATE AND OTHER AGENCIES VIEWED TERO IN THEIR OPERATION?*

When TERO first appeared in the late seventies there was opposition from some and difference from others. Over the past twenty years a great deal of progress has been made, some by direct legal action but most through pro-active, non-adversarial, synergistic effort. The results are Native American preference and TERO provisions, policies and procedures figure prominently in the following:

- A. The Civil Rights Handbook.
- B. The Job Training and Partnership Act.
- C. The Small Business Administration 8(a) Program.
- D. Public Law 93-638, The Indian Education Assistance and Self-Determination Act of 1974.
- E. HUD Regulations.
- F. BIA Acquisition Assistance Agreement 84-1.
- G. EEOC / TERO Contracts.
- H. OFCCP Indian Employment Initiative.
- I. FHWA ISTEA "Indians in Highway Construction Initiative".
- J. Indian Health Service Alaska Native Hiring Agreement.
- K. US DOL/BAT Notice 84-1.
- L. Indian Education Impact and Programs Under PL 81-815 (Construction) and PL 81-874 (OPS/Admin).

CONTRACTORS

The following outlines the TERO expectations and responsibilities placed on all contractors and subcontractors doing work on or near the Tulalip Reservation. This document should be read carefully, along with TERO Ordinances #60 and #89. If you have any questions or concerns contact a TERO Compliance Officer.

TERO ACKNOWLEDGMENT:

Requirement: The contractor / employer must comply with all rules and regulations as set forth in the TERO Ordinance. This agreement will be affirmed in writing and will be signed and dated by the TERO Manager. Furthermore, if a project is expected to be of one month duration or more, the contractor must arrange a pre construction meeting with the TERO Manager or TERO Compliance Officers prior to submitting a Compliance Plan to the TERO department.

TERO LIAISON:

Requirement: All contractors and employers must designate a responsible company official to coordinate all employment, training and contracting related activities with the TERO department to ensure that the company is in compliance with the TERO Ordinance during all phases of the project.

NATIVE AMERICAN OWNED BUSINESS REGISTRY:

Requirement: The TERO Office maintains a certified Native American Owned Business Registry. All the businesses on the registry need to be given the opportunity to bid on any projects that they are qualified for. If they are within ten-percent (10%) of the lowest bid, you need to negotiate to see if they can reduce their price. But the fact remains that the bid will be awarded on: price, quality and capability unless other requirements are set forth in the bid documents.

TERO COMPLIANCE PLAN:

Requirement: All contractors, sub-contractors and or employers must have an approved written compliance agreement filed, negotiated and approved by the TERO Office prior to commencement of any construction activities on the Tulalip Reservation. There is a 1.75% TERO fee on any projects over \$10,000 to be paid in full or negotiated with the TERO Compliance Officers.

COMPLIANCE PLAN WORKFORCE / KEY EMPLOYEE:

Requirement: Contractors and or Employers shall be required to hire and maintain as many TERO / Native American preference employees as apply for and are qualified for each craft or skill.

Exception: Prior to commencing work on the Tulalip Reservation the prospective employer, contractor and subcontractors shall identify key, regular and permanent employees.

Key employee: One who is in a top supervisory position or performs a critical function such that an employer would risk likely financial damage or loss if that task were assigned to a person unknown to the employer. A maximum of twenty-five percent (25%) of the work force may be considered key. A key employee has been on the employers' or contractors' annual payroll for a period of one year continuously in a supervisory capacity, or is an owner of the firm. An employee who is hired on a project-by-project basis shall not be considered a key employee.

TERO HIRING HALL & RECRUITMENT EFFORTS:

Requirement: Contractor or employer is required to contact the TERO Office for recruiting and placement services on all non-key positions. The TERO Office shall be given a minimum of (78) seventy-eight hours to furnish a qualified referral. Furthermore contractors and employers are required to provide TERO with a written list of their projected workforce needs, job classifications, openings, hiring policies, rate of pay, experience / skill requirements, employment screening procedures and anticipated duration of employment.

NATIVE PREFERENCE:

Requirement: While working on, or near the Tulalip Reservation contractors and employers must give preference to qualified, native applicants for all employment positions. The order of preference shall be given to the following persons in the following enumerated order:

1. Members of the Tulalip Tribes.
2. Indian Spouses of members of the Tulalip Tribes who contribute to the support of a Tulalip household.
3. Other Indians.

Exception: Where prohibited by applicable Federal Law, the above order of preference set out in subsection 4.2, shall not apply. In such cases preference shall be given in the following enumerated order:

1. Indians who are local residents.
2. Other Indians.

Requirement: If the TERO Office is unable to refer an adequate number of qualified, preferred employees for a Contractor, TERO will notify the Contractor who may fill the remaining positions with non-TERO workers. When this occurs, TERO work permits may be valid for one month from the date of issuance and may be renewed. Work permits are non-transferable.

Requirement: When work permits are issued, the contractor is still required to notify the TERO Office of all future job openings on the project so that qualified, preferred employees have an opportunity to be dispatched.

JOB QUALIFICATIONS, PERSONNEL REQUIREMENTS & RELIGIOUS ACCOMODATIONS:

Requirement: An employer may not use any job qualification criteria or personnel requirements which serve as barriers to the employment of Natives which are not required by business necessity. The TERO department will review the job duties and may require the employer to eliminate the personnel requirements at issue. Employers shall also make reasonable accommodation to the religious beliefs and cultural traditions of Native workers.

TRAINING:

Requirement: Contractors and or Employers may be required to develop on the job training opportunities and or participate in Tribal or local training programs, including upgrading programs, and apprenticeship or other trainee programs relevant to the employer's needs.

LAY-OFFS:

Requirement: In all lay-offs and reductions in force, no preferred employee shall be terminated if a non-preferred employee worker in the same job qualifications is still employed. If an employer lays-off workers by crews, all qualified Native workers shall be transferred to a crew to be retained.

DISCIPLINARY ACTIONS & TERMINATIONS:

Requirement: Prior to the discipline or termination of any TERO Employee the contractor or employer shall notify a TERO Compliance Officer. The Compliance Officer will then request verification that:

1. The TERO Employee has received one or more warnings;
2. The TERO Employee has been counseled regarding the areas in which they deficient; and
3. The TERO Employee has been given an opportunity to improve their performance

NOTE:

The TERO Office is here to help in any way we can. Communication with the TERO Compliance Officers is very important in that it will help ensure the job to run smoothly.