U.S. Attorney: Federal Bootlegging Charges 'Unique'

BY KRISTI EATON Associated Press

SIOUX FALLS - Federal bootlegging charges against several people on the Pine Ridge Indian Reservation were filed in part because of concerns raised by community members, the top federal prosecutor for South Dakota said in an interview with The Associated Press.

The U.S. Attorney's Office for the District of South Dakota announced last week that five people had pleaded not guilty in federal court in February to charges of possessing and selling alcohol on the dry reservation where alcoholism is rampant.

"Nationally, it is pretty unique when a U.S. Attorney's Office brings bootlegging charges but here, given the impact it has on the community, I felt it was appropriate to do it," U.S. Attorney Brendan Johnson said.

The five people charged were Marnie Water, Darrell Spotted Elk Sr., Florine Chipps, Merle Leighton Sr., and Julia Marie Lamont. Separate trials have been scheduled for May 1. Each faces a maximum penalty of one year in prison and a \$100,000 fine.

Tribal courts typically handle cases involving alcohol, Johnson said, but a federal prosecutor may decide to take a case over depending on the specifics involved, such as the quantity of alcohol.

"It's case by case. Often times they're most appropriately prosecuted in tribal court," he said in the interview Wednesday.

Court records show the indictments are from incidents that took place in December in Wan-

Lawmakers **Advance Neb. 'Alcopops' Bill**

BY MICHAEL AVOK Associated Press

LINCOLN, Neb. - Nebraska lawmakers gave first-round approval Thursday to a measure that would undo a state Supreme Court decision to tax Mike's Hard Lemonade and other so-called "alcopops" at the same rate as hard liquor.

The Nebraska Supreme Court ruled last week that sweetened malt beverages should be taxed as hard liquor instead of beer. Beer is taxed at 31 cents per gallon in Nebraska, while liquor is taxed at \$3.75 per gallon.

That large tax jump had citi-

blee, Porcupine and the village of ment on the reservation. Pine Ridge.

Mark Salter, spokesman for the U.S. Attorney's Office, had said the indictments were the result of a joint operation between the Oglala Sioux Tribe's police department and the Bureau of Indian Affairs, Office of Justice Services that targeted bootlegging.

Johnson declined to comment on whether additional people would be charged but said any criminal case is not related to a civil case filed by a tribal govern-

The Oglala Sioux Tribe has sued several beer makers, including Anheuser-Busch InBev Worldwide and MillerCoors LLC, saying they are knowingly contributing to alcohol-related problems on the Pine Ridge reservation.

The lawsuit, filed last month in the U.S. District Court of Nebraska, seeks \$500 million in damages for the cost of health care, social services and child rehabilitation caused by chronic alcoholism on the reservation, located in some of the poorest

counties in the country.

The lawsuit also targets four beer stores in Whiteclay, Neb., a town near the reservation's border. Whiteclay has only about a dozen residents but sold nearly 5 million cans of beer in 2010, according to the federal lawsuit.

Johnson, who has been the U.S. Attorney for South Dakota since 2009, said he thinks alcohol will continue to be a problem on the reservation in the future but is hopeful in the changes leaders on the reservation are making.

Bill On Oil Pipeline Reclamation Moves Ahead

LINCOLN, Neb. (AP) - Nebraska lawmakers have advanced a measure setting guidelines for pipeline companies to follow when they restore farmland and ranchland disturbed during construction. Requirements under the Oil Pipeline Reclamation Act are intended

to restore construction areas as close as reasonably possible to the condition, contour and vegetation that existed prior to construction. Sen. Kate Sullivan of Cedar Rapids says her plan is based on recla-

mation rules in Montana and South Dakota and would not hinder pipeline construction in Nebraska.

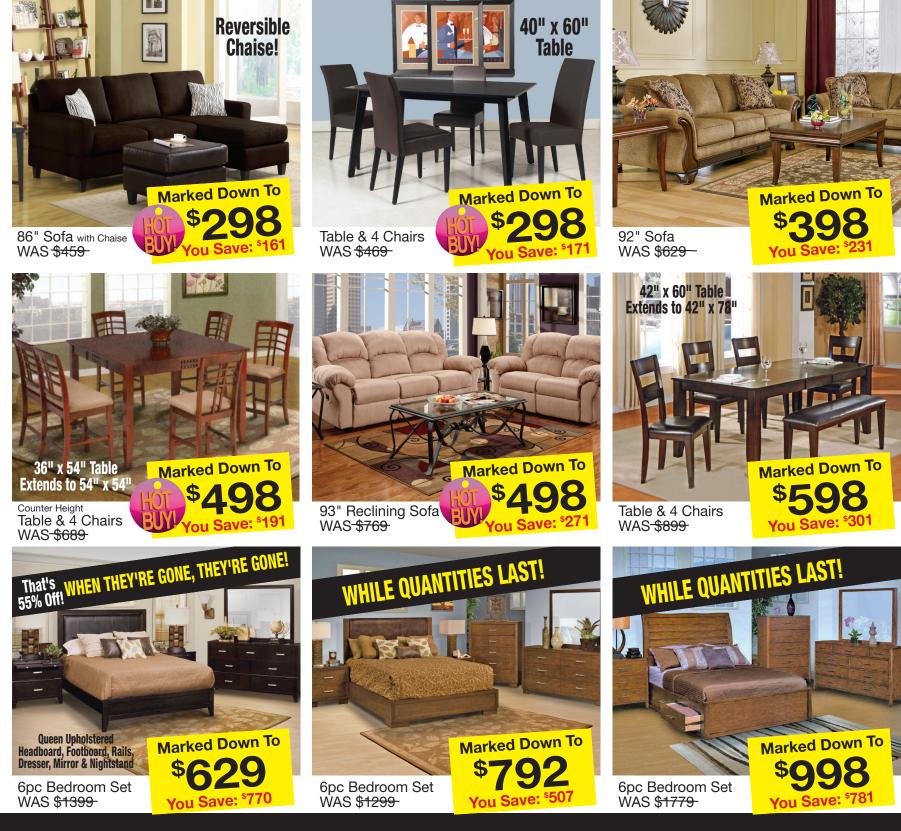
S.D. Gov: Most Blender Pump Money Awarded

PIERRE (AP) - Gov. Dennis Daugaard says applications have been received for this year's entire first round of grants to help pay for installation of ethanol blender pumps.

Daugaard says that \$755,000 of the available \$950,000 in grant money has been awarded to South Dakota gasoline retailers.

The Governor's Office of Economic Development began accepting grant applications on Jan. 9, and a majority of the funds were awarded on a first-come, first-served basis.









zens and lawmakers buzzing, and the Legislature debated more than $2 \frac{1}{2}$ half hours on the issue Thursday.

Lawmakers voted 27-7 to advance a bill defining "alcopops" as beer, keeping the tax where it is now. It still faces two more rounds of debate.

"I know this strikes an emotional chord," said bill sponsor Sen. Russ Karpisek of Wilber. "I know we have a problem with underage drinking. But not all of these flavored malt beverages are even the same alcohol content as beer. Some are lower.

"It is the Legislature's role, along with the governor, to set tax policy. I do not believe we should raise these taxes."

Critics said the beverages are aimed at young customers because of their sweet taste and should be taxed at the higher rate.

Sen. John Harms of Scottsbluff said more and more young Nebraskans are drawn into alcohol use by fruity drinks, and alcohol manufacturers know that beer consumption is down.

"It's about greed," he said. "It's about grabbing a share of the market. I think we need the higher price. The higher it is, the less people will purchase it."

Sen. Mark Christensen of Imperial said "alcopops" open the door to more youth alcohol problems. "When you look at it, people

say this is a gateway drug. If you have a very sweet and flavorful drink, it makes it easier to start drinking."

Karpisek and other supporters said the higher tax would not affect underage drinking.

"These flavored malt beverages have been classified by some as the worst thing because they are targeted to teens," he said. "Federal investigations show that they are not."

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