OFFICIAL TRANSCRIPT PROCEEDINGS BEFORE THE SUPREME COURT

OF THE

UNITED STATES

CAPTION: HAROLD F. RICE, Petitioner v. BENJAMIN J.

CAYETANO, GOVERNOR OF HAWAII

- CASE NO: 98-818 C.Z.
- PLACE: Washington, D.C.
- DATE: Wednesday, October 6, 1999
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IN THE SUPREME COURT OF THE UNITED STATES 1 - - - - - - - - - - X 2 3 HAROLD F. RICE, : Petitioner 4 : : No. 98-818 5 v. BENJAMIN J. CAYETANO, GOVERNOR : 6 OF HAWAII 7 : 8 - - - - - - X 9 Washington, D.C. 10 Wednesday, October 6, 1999 The above-entitled matter came on for oral 11 argument before the Supreme Court of the United States at 12 13 11:02 a.m. 14 **APPEARANCES:** THEODORE B. OLSON, ESQ., Washington, D.C.; on behalf of 15 16 the Petitioner. 17 JOHN G. ROBERTS, JR., ESQ., Washington, D.C.; on behalf of 18 the Respondent. EDWIN S. KNEEDLER, ESQ., Assistant to the Solicitor 19 General, Department of Justice, Washington, D.C.; on 20 21 behalf of the United States, as amicus curiae, supporting the Respondent. 22 23 24 25 1 ALDERSON REPORTING COMPANY, INC.

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1	PROCEEDINGS
2	(11:02 a.m.)
3	CHIEF JUSTICE REHNQUIST: We'll hear argument
4	next in Number 98-818, Harold Rice v. Benjamin Cayetano.
5	Mr. Olson.
6	ORAL ARGUMENT OF THEODORE B. OLSON
7	ON BEHALF OF THE PETITIONER
8	MR. OLSON: Mr. Chief Justice, and may it please
9	the Court:
10	This is a case of ballot box racial
11	discrimination, plain and simple, that violates the two
12	bedrock constitutional provisions that commit our Nation
13	to racial equality. Petitioner Harold Rice, his parents,
14	his grandparents, his great-grandparents, as well as his
15	children and grandchildren, were born in Hawaii. His
16	ancestors first arrived in Hawaii in 1831. He is a
17	citizen of the United States, and a citizen
18	QUESTION: Mr. Olson, I just want to make one
19	question. Is it not correct that your case would be
20	precisely the same if your plaintiff were any one of
21	thousands of other voters?
22	MR. OLSON: It would be, particularly with
23	respect to the Fifteenth Amendment, Justice Stevens. I
24	make the point about my client's relationship with the
25	State of Hawaii and the Territory of Hawaii because of the
	3

arguments that are made by the respondent with respect to
 the justification for the racial classification under the
 Fourteenth Amendment.

4 QUESTION: No, but your answer to my question is 5 yes, isn't it?

6 MR. OLSON: Yes, particularly with respect to 7 the Fifteenth Amendment, but Hawaii prohibits, despite the 8 fact he is a citizen, Mr. Rice from voting in a State-9 conducted election for State officials who annually 10 distribute millions of dollars of proceeds from State-11 owned property and money appropriated from Hawaiian 12 taxpayers.

13 When it comes time to vote in the election for the board of Office of Hawaiian Affairs, it no longer 14 matters that Mr. Rice is a Hawaiian citizen and a Hawaiian 15 16 native. In that election, because he has the wrong 17 ancestors he is no longer a Hawaiian, and he may not vote. 18 The clearest, simplest, and narrowest ground for 19 deciding this case may be found in the Fifteenth 20 Amendment, which declares that no citizen may be denied 21 the right to vote on account of race. The right to vote, this Court has said, is the essence of a democratic 22 23 society.

24 QUESTION: Well, wouldn't a clear, simple way to 25 resolve this case in your favor be to say that the

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mechanism here is just an overreading of Salyer and James v. Ball, and that it denies one person one vote? This is a general agency which is involved in housing, health, education, taking general appropriations, and so it just denies one person, one vote.

MR. OLSON: Well, I think that issue was in the 6 case and was withdrawn from the case. I do agree with you 7 that it violates that provision of the Fourteenth 8 Amendment, but I think it is much easier to say that it 9 denies the right to vote on account of race. This is a 10 racial determination, and the right to vote is being 11 denied here. This Court has been particularly scrupulous 12 about holding that there are no exceptions to the 13 Fifteenth Amendment. Evasions and subterfuges such as 14 grandfather clauses, white primaries, and racial 15 gerrymanders --16

QUESTION: But if we were to say it denies one person one vote under Reynolds v. Sims, that would give you the relief you seek.

20 MR. OLSON: If this Court rules in our favor on 21 that grounds, we of course would be satisfied. As I say, 22 it has been briefed and argued in this case on the 23 Fifteenth Amendment and Fourteenth Amendment with respect 24 to a racial discrimination. Hawaii --

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QUESTION: You say it was in the case earlier

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1 and withdrawn. Would you explain that?

MR. OLSON: I can't recall the circumstances, 2 3 Justice O'Connor. I remember reading something as I was preparing today that that issue was involved in the case, 4 but it was brought as a racial discrimination case, and 5 pursued as a racial discrimination case. 6 OUESTION: May I ask on the racial 7 discrimination point, supposing there is a citizen of 8 Hawaii who has the same racial makeup as the native 9 Hawaiian, he came, however, from Tahiti or some place 10 else, and is a citizen of the State, has exactly the same 11 12 race as the others, but he's denied the vote. Would he be 13 denied the vote on account of race? MR. OLSON: Yes, he would be denied a vote on 14 15 account of race, because --16 QUESTION: Even though he's of the same race as those who were allowed to vote? 17 18 MR. OLSON: Well, it depends upon -- this Court has said repeatedly that the definition of race relates to 19 20 drawing a line with respect to a person's ancestors. This 21 is what Hawaii has done, and the reason why they have 22 drawn that line, and they've drawn it on the year 1778, is 23 that is the first date on which a European arrived on a 24 permanent basis on the islands. 25 There is no question that what Hawaii was

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attempting to do here was discriminate on the basis of race. It defines the program's beneficiaries in terms of their race or their blood. It defines the right to vote in terms of aboriginal peoples, having an ancestor with aboriginal peoples that were there in 1778, and when that definition was adopted the legislature said, make no mistake about it, aboriginal peoples means race.

8 The Attorney General of the State of Hawaii has 9 issued a formal legal opinion that says racial descent is 10 what is the key to voting in this election. If you an 11 adopted child of a person, persons that qualify for 12 election, because you do not have the right racial descent 13 you are not qualified to vote.

QUESTION: Well, I -- even if the Tahitian is of the same race, I mean, the fact that you give special privileges to some people of one race, though not to all people of that race, would not make it any better, would it?

MR. OLSON: I agree completely. That is - that -- racial discrimination doesn't --

21 QUESTION: The thing is, unless you're of that 22 race, you can't qualify.

23 MR. OLSON: That's --

24 QUESTION: Not everybody of that race may 25 qualify.

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MR. OLSON: That's correct, and an interesting 1 example of that is Loving v. Virginia, where the Supreme 2 3 Court there was dealing with racial discrimination with respect to miscegenation, interracial marriage. There was 4 a particular definition that allowed certain ancestors, 5 6 descendants of American Indians to qualify as white 7 persons for that purpose on the grounds that they may have been descendants of Pocahontas. 8

9 It is a question of ancestry, which this Court 10 has repeated over and over again, the decision of this 11 Court in College of St. Francis involved the 12 discrimination against an individual because he was of the 13 Arabian race. Even though he may have looked like other 14 people that were going to be admitted to the faculty --

QUESTION: The Twenty-sixth Amendment treats age 15 16 identically to race in the Fifteenth Amendment, doesn't it? The words are the same, but age instead of race, so 17 is it unconstitutional -- I'm sure it isn't. I would 18 think it wasn't -- to say that every 18-year-old in the 19 20 neighborhood has to vote for the director of the 21 neighborhood senior services center? I mean, sometimes 22 you make discriminations, don't you? I'm going back to 23 the point that they're not being treated on the basis of 24 race, but because they're beneficiaries of a trust. MR. OLSON: Well, Justice Breyer, the definition 25

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1 ties to race. The legislature thought it was connected to 2 race.

3 QUESTION: Well, I understand that, but is it 4 your opinion you do have to let every 18-year-old in the 5 neighborhood vote for the board of the senior services 6 center?

7 MR. OLSON: I think that's a totally
8 different -- no, I don't.

9 QUESTION: All right. Now, once you're down 10 that road, once you're down that road, then I get to where 11 Justice Kennedy began. I'm not certain what I'm supposed 12 to assume about the characteristics of this "trust." If 13 it's really just like a trust, I don't see why you can't 14 say the beneficiaries of the trust, and only they, will 15 vote for the trustees.

MR. OLSON: First of all, Justice Breyer, the 16 land was put in trust, and it's not like a bank, a trust 17 in the concept of banks and trustees and beneficiaries. 18 It was a so-called public trust. The land is held by the 19 State of Hawaii for all the citizens of Hawaii. Hawaii 20 has simply decided arbitrarily to set aside 20 percent of 21 22 the proceeds of that property, plus taxpayer revenue on 23 behalf of people, because they're descended of certain people that lived in the island in 1778. 24

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That seems to me, whatever the law might be with

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respect to 18-year-olds, as this Court has said, the right to vote, and the right to vote and not being abridged the right to vote on the basis of race, or color, or condition of servitude, is vital to the functioning of the democracy.

6 And this Court has frequently equated -- in fact, the grandfather clauses are a good example, where 7 this Hawaii situation is indistinguishable, in a sense, 8 9 because it allows people to vote if they have an ancestor 10 that was in the islands in 1778 in the same way that Oklahoma didn't impose a literacy test if you had an 11 ancestor that was permitted to vote in 1866 in Oklahoma. 12 This situation falls squarely within that limitation. 13

The word trust is an arbitrary term, and there 14 isn't really any -- there aren't any decisions from this 15 Court that say, simply because you call something a trust, 16 17 if the State of X decides we will provide benefits for people of certain ancestry, suppose they're descendants of 18 19 people who were in the State of Texas when it was a 20 Republic, if that money is set aside from public funds, 21 and we will call it a trust, and therefore we will justify the discrimination in the voting on the basis of the 22 discrimination in the giving, this Court --23

24 QUESTION: Mr. Olson, isn't the Salyer case and 25 the Ball v. James case a useful tool for analyzing that

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very thing? I mean, is this a special use district, or is
 it really more like a general governmental agency?

MR. OLSON: It's a very good question, and the respondent has relied upon that case. You will recall that that case involves a water irrigation district created by the landowners in that area, the funds for which came from the landowners, and the landowners in that very narrow, local irrigation area or water conservation district were the ones that voted as to how that worked.

10 This is an agency created by the constitution of 11 the State of Hawaii. It is called a State agency by the 12 Hawaiian supreme court. The officials on this agency are 13 public officials under the definition of the law of 14 Hawaii. They give out money that belongs to all of the 15 citizens of Hawaii.

They perform general governmental functions like 16 education, providing benefits for economic advantage, 17 health care, and all of those things, the same sort of 18 general things that were not involved in Salyer, and in 19 20 fact in the Ninth Circuit, in an earlier case, the Office 21 of Hawaiian Affairs even claimed Eleventh Amendment 22 immunity on the grounds that they were, in fact, the State 23 of Hawaii, so this is -- there really is no comparison 24 with the Salyer case on the merits.

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In addition, of course, Salyer did not create an

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exemption for racial discrimination. It was not a case
 involving race. It was not a case involving voting.

3 QUESTION: Well, I think Mancari deserves some 4 comment, where special provisions and preferences were 5 provided for Native Americans. Is it the case that 6 Mancari indicates that some preference can be given to 7 Native Americans, at least, by Congress?

8 MR. OLSON: What this Court, Justice O'Connor, 9 did in the Mancari case is make it very clear that it was 10 analyzing the extent to which Congress had power under the 11 Constitution to act with respect to Indian tribes as 12 quasi-sovereigns under the Constitution. The Commerce 13 Clause provides the Congress the authority to deal with 14 Indian tribes.

The Court, in the space of a relatively short 15 opinion, about six or seven pages of opinion focusing on 16 that particular issue, used the words Indian tribes, 17 quasi-sovereign tribes, federally recognized tribes, over 18 19 20 times to make the point very clearly that -- and to use 20 the language or the words of the Court in that case, the 21 preferences granted to Indians, which was a hiring preference in the Bureau of Indian Affairs, not as a 22 discrete racial group, rather as members of guasi-23 24 sovereign entities.

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The preference relates to a legitimate nonracial

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goal, because it related to tribes, and this Court --1 QUESTION: Is it possible that the Congress 2 3 and/or the State could treat Hawaiians as it treats Native 4 Americans --MR. OLSON: Well, in the first place --5 6 OUESTION: -- under the Indian Commerce Clause? 7 Is that possible? MR. OLSON: No, because the unit that we're 8 9 talking about, the collection of people that we're talking 10 about in the first place has never been considered or perceived of as a tribe. As respondent --11 12 QUESTION: Right. 13 MR. OLSON: -- states -- I just want to make that point if I may. First, preliminarily, they say the 14 15 tribal concept simply has no place in Hawaiian history, so we're talking about the possibility of extending the 16 doctrine in a context in which there's no --17 18 QUESTION: Is it your view, Mr. Olson -- I understand your point about Mancari involving tribes --19 20 that if you had the same case as Mancari, but they 21 included within the preferred group some people who are not members of a tribe, would that have compelled a 22 23 different result, in your view? 24 MR. OLSON: I think one would have to examine 25 the context of the case, because --13

QUESTION: The only change in -- it's actually 1 exactly the same, except that the preferred group is 2 defined to include some Native Americans who are not 3 tribal members. 4 MR. OLSON: That seemed to be the clear import 5 of the --6 I understand. Is your view --7 OUESTION: MR. OLSON: Yes. 8 QUESTION: -- that if those were the facts, that 9 would be unconstitutional? 10 11 MR. OLSON: Yes, and it seems to be the clear import of the case, and then the Court -- this Court 12 13 reinforced that in the Yakima Nation case by saying, the unique status of Indian tribes under -- and this is a 14 partial answer to Justice O'Connor's question -- permits 15 16 the Federal Government, not the State government, to enact 17 legislation singling out Indians because of the tribal 18 characteristic, legislation that otherwise might be constitutionally offensive. 19 OUESTION: So then --20 21 OUESTION: You think it would be unconstitutional for Congress to provide that casinos that 22 23 are otherwise impermissible in certain States can be conducted by Indians who are not members of tribes? 24 MR. OLSON: I think -- well --25 14

QUESTION: Suppose they passed a law that 1 2 said --MR. OLSON: That -- of course, that is not a 3 Fifteenth Amendment case. That would have to be examined 4 under the Fourteenth Amendment. 5 6 QUESTION: I understand that, but we're talking 7 about --MR. OLSON: And, of course --8 9 QUESTION: -- discrimination on the basis of 10 race. 11 MR. OLSON: And I think that that may raise a serious constitutional question under the Fourteenth 12 Amendment if it was limited to -- if the State was --13 14 OUESTION: Yes. 15 MR. OLSON: -- enacted legislation --16 QUESTION: Well, we have some that allow tribes to run casinos. 17 18 MR. OLSON: Yes. 19 QUESTION: If that kind of legislation were 20 expanded to allow any group of American Indians to, 21 whether they're tribal or not to run a casino but nobody 22 else. 23 MR. OLSON: I'm not sure I'm understanding the 24 question. Is the -- if the --25 QUESTION: The question's very easy. 15

1 MR. OLSON: It's the answer that's hard, 2 perhaps. 3 (Laughter.) QUESTION: The special permission is not given 4 to Indian tribes. It's given to Indians. Any Indian can 5 run a casino. 6 I think -- I think that that would 7 MR. OLSON: be unconstitutional, because Congress' power to operate 8 9 with respect to Indians, as this Court has made clear over and over again, derives from the Indian Commerce Clause or 10 the Indian Treaty Clause, and that has to do with the 11 12 status of Indian tribes, not as Indian people. QUESTION: So if you had Alaska Natives, the 13 result would have to be different? 14 MR. OLSON: Well, there are -- in fact there was 15 16 a specific distinction between the way Alaska was treated 17 and the way Hawaii was treated when it was entered into 18 the Nation, because there were Indian tribes in Alaska, so 19 to the extent we're talking about people who were not members of tribes --20 QUESTION: Well, that may have been in the Act 21 22 of Admission or in the statutes, but constitutionally, as 23 I understand your answer both to Justice Scalia and 24 Justice Stevens, constitutionally the answer would have to be different. 25

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1 MR. OLSON: The answer would be the same to the 2 extent that the people in Alaska were part of a tribe, any 3 tribe.

- 4 QUESTION: No, but they --
- 5 MR. OLSON: If they were --

QUESTION: My question is assuming that they were not organized on the same tribal scheme, the tribal sovereignty scheme that the Indians of the Lower 48 States were, so the result would have to be different.

10 MR. OLSON: We'd have to make -- we'd make the 11 same case there as we would here.

12

QUESTION: Yes.

13 MR. OLSON: And --

14 QUESTION: Mr. Olson, one part of it I don't 15 understand. Hawaii wasn't organized into many tribes, but it did -- it was a kingdom. It was a sovereign kingdom, 16 17 with its language and culture, and even cuisine, and the 18 United States had a large hand in destroying that 19 sovereignty, and indeed Congress passed this Remorse 20 Resolution recognizing that the United States was in large 21 measure responsible for the destruction of the sovereignty 22 of these people.

23 So if the idea of tribal sovereignty, restoring 24 some of the dignity that was lost as a result of what this 25 Nation did, works for Native Americans, I don't understand

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why it doesn't also work for people who were a sovereign nation, who were stripped of their sovereignty, whose land was taken without their consent and without any compensation. The analogy seems to me quite strong.

5 MR. OLSON: Let me answer that -- there are 6 several answers to that, Justice Ginsburg. In the first 7 place, that when those events occurred, and that was in 8 the 1890's, when the Hawaii constitutional monarchy was 9 replaced with a republic and then became ceded to the 10 United States.

Native Hawaiians, as they are being defined in this case, were less than half the population of that constitutional monarchy. In other words, there were people that had nothing to do with ancestry in 1778 that were a part of that operation, that country and that area at that time.

Secondly, this business about the lands being 17 taken, the land that was ceded to the United States was 18 land owned by the Government of Hawaii. It didn't leave 19 the Government of Hawaii. It was ceded back to the 20 Territory immediately, and immediately when that was done 21 it was made for the benefit of all the inhabitants of 22 23 Hawaii, so that the land never was taken from any individuals. To the extent that land was taken --24 25 QUESTION: You mean you're contradicting the

18

1 congressional resolution that said we were guilty? Do we
2 have to accept that -- does -- that resolution as an
3 accurate description of history?

4 MR. OLSON: Of course, and this Court -5 QUESTION: Can't Congress make history?
6 (Laughter.)

7 Congress does make history, but MR. OLSON: Congress, of course, can't change history. I'm not --8 we're not accepting everything that's in the so-called 9 Apology Resolution. What I am saying is, it would make no 10 difference, because it would not have any rational 11 12 relationship between the arbitrary date established by the Hawaiian Government of 1778 and the dates that those 13 events took place. 14

15 That's one of the reasons why I was explaining, in response to Justice Stevens' question, my client has 16 17 ancestors that go back to 1831. He had two ancestors that 18 were in the legislature of that constitutional monarchy, 19 so to the extent we're singling out people to be victims, 20 it is not -- cannot conceivably be limited to people that 21 have relations in Hawaii in 1778, when, by the way, there 22 was no such thing as the United States.

QUESTION: No, but your theory is that about 85 percent of the population of Hawaii are the victims we're talking about.

19

1	MR. OLSON: As a matter of fact, the
2	QUESTION: Is that not right?
3	MR. OLSON: No. As it presently stands, the
4	number of people who are Hawaiians, or Native Hawaiians
5	are about 20 percent of the population.
6	QUESTION: So that 80 percent are the victims of
7	the discrimination we're talking about.
8	MR. OLSON: Yes. Yes, I'm sorry, I
9	misunderstood your question. That's correct.
10	QUESTION: If assume it didn't happen, but
11	assume that in 1790 the United States discovered Hawaii,
12	Cook discovered Hawaii. Could the Congress then have
13	treated with the Hawaiians under the treaty, or the
14	commerce laws?
15	MR. OLSON: Well, in fact, the United States had
16	treaties with the monarchy of Hawaii.
17	QUESTION: No, no, I'm talking about before
18	1810, before Kamehameha.
19	MR. OLSON: No, because there wasn't a tribal
20	government at the time.
21	QUESTION: So the United States is simply
22	powerful?
23	MR. OLSON: Before 18
24	QUESTION: Powerless. It comes into this island
25	in 1790, it can't recognize these people?
	20

1 MR. OLSON: Well, as I understand it, between 2 1890 and 19 -- 1810 there was a civil war going on. 1810 3 is the date when Hawaii --

QUESTION: But -- no. What I'm trying to probe is the status of these people, and so I'm putting a hypothetical case of 1790, before Kamehameha. From what you indicated, it seems to me Congress would have no power under the Commerce Clause or the Treaty Clause to deal with these people.

10 MR. OLSON: It may have had power to deal with 11 the entity. It may have had power under --

12

QUESTION: There was no entity.

MR. OLSON: Foreign policy powers to deal with 13 the entity, but we're talking about, and we're talking 14 about a period of time before the Fourteenth and Fifteenth 15 16 Amendment, which made very clear what our country would do with respect to racial discriminations, and if we pick any 17 date in history after 1778, the Hawaiian population 18 19 consists of people that are in protected -- in the benefited class here, and are not in the benefited class. 20

And I want to return to Justice O'Connor's question about Indians. The respondents state at page 2 of their brief that Hawaiians, the Native Hawaiians and Hawaiians here are historically and anthropologically distinct from American Indians. That's a concession in

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the case. It's a concession in the case that they are not
 tribes.

This group of individuals, however we define them, wouldn't receive recognition by the Federal Government as a tribe, because they have not had a substantially continuous tribal existence. They haven't functioned throughout history as an autonomous tribal entity. They haven't had historical political influence as a tribe.

10 What we have here is a very difficult situation 11 in which an arbitrary date in history is selected out. 12 What the State of Hawaii and the United States Government 13 are saying here is that because someone is related to 14 someone who is in a part of the United States before it 15 became a part of the United States --

16 QUESTION: Let me ask a question that Justice Kennedy's question prompted. Supposing today we approach 17 18 an island that we had previously not any political relationship with, but it's populated by a group of 1,000 19 20 people who are just all farmers. They don't even have a Government. Could we make an arrangement with that group 21 22 that you can become a part of the United States and in 23 exchange we give all of you and your descendants a tax 24 exemption, say, or free baseball tickets to the World 25 Series.

22

(Laughter.) 1 **OUESTION:** Some preference. 2 MR. OLSON: I don't think so, Justice Stevens. 3 QUESTION: You don't think --4 MR. OLSON: I do not think so, and --5 Congress would not have the power to OUESTION: 6 7 make that kind of a deal. MR. OLSON: I don't see where it would come from 8 in the Constitution. 9 Secondly, what we have here is, and I'm going to 10 put back into your hypothetical what we have here, which 11 are remote descendants of the people. Now, let's move 12 13 forward 200 years. QUESTION: Right, I'm saying, we'll give this to 14 you and all of your descendants. 15 MR. OLSON: Forever and ever and ever. 16 QUESTION: Right. 17 MR. OLSON: I don't think that that's consistent 18 19 at all with the Fourteenth and Fifteenth Amendment to the Constitution, especially if it involved voting. If it 20 didn't involve voting, we'd only be dealing with the 21 Fourteenth Amendment to the Constitution. 22 This Court is required, with respect, if we step 23 24 to the Fourteenth Amendment --QUESTION: And make my hypothetical saying, and 25 23 ALDERSON REPORTING COMPANY, INC.

your descendants can vote when they're only 15 years old.
 That would be the vote.

3

MR. OLSON: Pardon?

QUESTION: To get voting into it, I'd say we give you, a) a tax exemption, and b) the right to have your children vote when they're 14 years old, and all your descendants. We could not make that --

MR. OLSON: I think that is a discrimination on 8 9 the basis of ancestry which this Court has said over and 10 over again is a discrimination on the basis of race. To the extent that there's a Fourteenth Amendment issue that 11 will focus on, this Court has said racial classifications, 12 13 and we don't need to look into motives here, or legislative history, or anything else. This is a racial 14 15 classification on its face.

QUESTION: In Justice Stevens' hypothetical and my hypothetical, would the United States have power to pass legislation consistent with the Fourteenth and Fifteenth Amendment, and to make agreements with those people?

21 MR. OLSON: I think I answered that, and I think 22 the answer is no. I don't know where the power, that 23 power would come from.

24 QUESTION: The United States is simply 25 powerless. That's a --

24

MR. OLSON: To --

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2 QUESTION: Under the foreign affairs power? 3 MR. OLSON: Well, to make a distinction among 4 citizens on the basis of race in the voting booth, I think 5 that is precluded by the Fifteenth --

6 QUESTION: No, the hypothetical is, can they 7 deal with them at all? Does the United States have power 8 to deal with a people that is not organized?

9 MR. OLSON: No, I think that -- yes. I think 10 the answer is yes under the foreign policy powers of the 11 United States. Yes, they can deal with this group of 12 people. We're not talking about bringing them in and 13 making them citizens.

QUESTION: The Government can annex territory.
That was the Louisiana Purchase.

16 MR. OLSON: Of course. Of course. Let me just 17 say, and I'd like to reserve the balance of my time for 18 rebuttal, that there is nothing remotely close to a compelling governmental reason here even offered by 19 20 respondent, except to justify, we have to have -- limit 21 people on the basis of race in the voting booth because 22 we're going to limit people on the basis of race on the 23 recipient end.

That is discrimination as an end justifying a discriminatory means. That cannot be a compelling

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1 justification. There's not remote narrow tailoring here. It's obvious overclassification and underclassification. 2 It is unlimited in time, to use the words of the Adarand 3 4 decision, and unlimited in terms of descendants from the individuals who are purportedly related to the class. 5 I will reserve the balance of my time, with the 6 7 Court's permission. 8 QUESTION: Very well, Mr. Olson. 9 Mr. Roberts, we'll hear from you. 10 ORAL ARGUMENT OF JOHN G. ROBERTS, JR. ON BEHALF OF THE RESPONDENT 11 12 MR. ROBERTS: Thank you, Mr. Chief Justice, and may it please the Court: 13 14 Petitioner was not denied the right to vote on 15 account of race. He was not permitted to vote for Office of Hawaiian Affairs trustees because he is not a 16 beneficiary of the trusts they administer. That 17 18 beneficiary group is singled out not because of race, but because of its status, its congressionally recognized 19 20 status as the subject of a trust relationship with the United States. 21 22 QUESTION: Well now, just a minute. What is the 23 significance of it being a congressionally recognized 24 status? 25 MR. ROBERTS: Because it flows from the Indian 26

affairs power, and under that power Congress has the 1 authority to determine what groups should be beneficiaries 2 of the trust status, for how long, and to what extent. 3 QUESTION: So you think -- and what did Congress 4 do? 5 6 MR. ROBERTS: Congress has singled out Hawaiians as a beneficiary of a trust relationship, just like the 7 trust relationship that is extended to American Indians --8 9 QUESTION: Did Congress ratify this particular statute that's being challenged here? 10 MR. ROBERTS: It hasn't ratified it. It has 11 recognized it in recent legislation. It has referred --12 13 QUESTION: What does that mean, Mr. Roberts, to say Congress has recognized a State statute? 14 MR. ROBERTS: Congress, in the Statehood Act, 15 delegated to the State of Hawaii the responsibility for 16 implementing the trust relationship "in such manner as the 17 constitution and laws of the State may provide." 18 19 One way that Hawaii chose to fulfill that 20 obligation is by establishing OHA, including this voting 21 provision. Congress has recognized the existence of OHA. It gives Federal funds to OHA and says you, OHA, represent 22 and serve the interests of Hawaiians. It is a Native 23 24 Hawaiian organization, and therefore will get the Federal funds in implementing the trust responsibility. 25 27

QUESTION: And this is all done under Congress' 1 power to regulate commerce with the Indian tribes? 2 MR. ROBERTS: Yes, it is. The Framers, when 3 they used the word, Indian, meant any of the Native 4 inhabitants of the new-found lands. 5 QUESTION: It doesn't say Indian, it says Indian 6 tribes. 7 Indian tribes. OUESTION: 8 9 OUESTION: It says Indian tribes. Did Congress have power to regulate commerce with Native Americans who 10 now are no longer living on reservations --11 MR. ROBERTS: Congress --12 OUESTION: -- and say, you know, we have the 13 exclusive power to regulate commerce with Native 14 15 Americans, whether they're on reservations or not? 16 MR. ROBERTS: Two points. The answer is, their power does, in fact, extend to Indians who are not members 17 of a tribe. This Court recognized that in United States 18 v. John. It recognized it in United States v. McGowan. 19 It is recognized that Congress' power continues, for 20 example, when tribal status has been terminated, continues 21 22 beyond that, and in fact the IRA, the Indian 23 Reorganization Act definition of an Indian includes 24 Indians who are not members of any tribe. 25 QUESTION: They remain wards of the United 28

1 States, and the United States --

2 MR. ROBERTS: Congress is -- Congress --3 QUESTION: -- is the Great White Father 4 perpetually.

5 MR. ROBERTS: Your question contains, it seems, 6 an objection to Indian law jurisprudence, and that's not 7 the point. The point is, does it extend to the Native 8 Americans who happen to live on the islands of Hawaii.

9 QUESTION: The question is whether its source is 10 the tribal character of the Indians. That's the question. 11 MR. ROBERTS: Yes.

QUESTION: Now, the only provision in the 12 13 Constitution I know of that refers not to Indian tribes but to Indians is the provision of the Fourteenth 14 Amendment altering the way you count citizens in order to 15 decide how many votes a State has, and it says 16 representatives shall be apportioned among the several 17 States according to their respective numbers, counting the 18 whole number of persons in each State, excluding Indians. 19 20 It doesn't mention tribes. Excluding Indians not taxed.

Now, it's pretty clear what Indians not taxed meant. It meant Indians who were not in the tribes, and if -- I'm quoting here from Cohen's Handbook of Federal Indian Law, a standard source. Only those few Indians who had severed their tribal relations and individually joined

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non-Indian communities were considered to be subject to 1 2 ordinary laws in a manner that made it appropriate to 3 count them in the apportionment of direct Federal taxes, or for representation in Congress. 4 5 It seems to me that there was a clear tradition of treating Indian tribes differently from Indians who had 6 7 abandoned their tribal status. 8 MR. ROBERTS: The question is what tribes meant 9 in the Constitution, and tribes at the time of the Framing was defined as a distinct body of people divided by family 10 or fortune or any other characteristic. That's a 11 dictionary quotation. 12 Now, Hawaiians, as singled out by Congress, 13 certainly satisfy that definition. The Framers --14 15 OUESTION: But Mancari was more restrictive than that, wasn't it? 16 17 MR. ROBERTS: I'm sorry, Your Honor. 18 QUESTION: What we said in Mancari was more restrictive than that, wasn't it? 19 20 MR. ROBERTS: Mancari referred to federally 21 recognized tribes because that's the way the preference 22 was written in that case, but that --23 QUESTION: But it emphasized the organizational 24 or organized character of the tribes, and -- which seems 25 to go against this great level of generality which you're 30

trying to import into it by reference to the 18th Century
 definitions.

MR. ROBERTS: Well, it's not a level of generality. The power rests with Congress, not the Bureau of Indian Affairs that gives the stamp of approval and says, this is a tribe.

QUESTION: Well, it rests with Congress once we have identified what is meant by Indian tribe under the Indian Commerce Clause, and Mancari seems to say that, as Justice Scalia has suggested, that in fact the definition is narrower than you are arguing for.

12 MR. ROBERTS: Well, and my point is that it referred to federally recognized tribes simply because 13 14 that's the way the preference was written, but that 15 doesn't answer the objection that it's a race-based 16 preference. The preference also only applied to one quarter Indian blood beneficiaries, so it wasn't simply 17 18 tribal status. It's no answer to say, we were dealing 19 with a tribe so race was off the table.

20 QUESTION: Well, it wasn't sufficient, but it 21 was necessary. Race was a necessary condition.

MR. ROBERTS: To qualify for the benefit, and the reason it was not race-based was because -- not because of tribal status per se, but because the tribe was the proper subject of Congress' exercise of its Indian

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1 affairs power, so --

OUESTION: Well, but it seems to me, 2 Mr. Roberts, that you begin by saying, now, this is not 3 race, it's a trust. If we had trust in Oklahoma for 4 people who could vote in 1910, and they could go to the 5 special school, everyone knows that the reason for that 6 would be that they were white, and it seems to me that 7 you're almost afraid of your own best argument by telling 8 9 us not to look at race. Of course it has to do with Hawaiian ethnicity. 10 That's your whole argument, I thought --11 MR. ROBERTS: Oh, that is --12 QUESTION: -- and it seems to me that when you 13 tell us, oh, don't worry about it, it's a trust, that just 14 diverts our attention from the real issue in the case. 15 MR. ROBERTS: The question whether they can be 16 treated under Mancari is whether they can qualify under 17 the Constitution as an object of Congress' Indian affairs 18 19 power, and this Court has seen this case before. It is a replay of Sandoval. 20 In Sandoval, the question was the Pueblo 21 22 Indians. The Court had previously said they're not Indian tribes, United States v. Joseph, so when Congress tried to 23 24 treat with them under its Indian affairs power in the admission Act for New Mexico, the objection was raised, 25

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you can't. You said they're not Indian tribes.

And what this Court said is, when Congress deals with a Native group under its Indian affairs power, it's for Congress to decide that it will do so, and that determination is "authorized and controlling" so long as it's not arbitrary. That's the standard.

7 QUESTION: So your answer to my casino 8 hypothetical that I put to your friend would be the 9 opposite, that Congress could indeed deem every person 10 with Indian blood in his veins to be a member of an Indian 11 tribe and allow those people and only those people to 12 conduct casinos?

MR. ROBERTS: I think that raises a question on the application of Mancari. It would not be race-based, but Mancari says more than that. It says that the classification has to be rationally related to the fulfillment of Congress' obligation toward the Indians, and that --

19 QUESTION: Well, the obligation would be the 20 same one that's alleged here, that we've treated their 21 ancestors, you know, shamefully, and we're making up for 22 it.

23 MR. ROBERTS: That wasn't the -- that's not the 24 obligation at issue here, nor was it the obligation in 25 Mancari. It was to promote self-governance, and that is

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exactly what the OHA electoral provision does. It promotes the governance of the beneficiaries in the running of the trust, and makes the trust more responsive, exactly the same as in Mancari.

5 In the casino hypothetical it's quite different. 6 I don't think it's enough to say you meet Mancari so long 7 as you're doing something good for the Indians. Mancari 8 is a much more focused inquiry.

9 QUESTION: Well, what if Congress had at the 10 time we acquired the Mexican concession, California, New 11 Mexico, Arizona, had set up a special trust for people who 12 were living in that territory at that time, who were 13 almost entirely Spanish-speaking. Could it do that?

MR. ROBERTS: I think not, Your Honor, because there you would bump up against the constitutional limitation to Indian tribes. By Indians the Framers meant the Native inhabitants. Out obligations extend to, for example, the Alaska Natives, not the Russians who were there first.

20 QUESTION: Okay, now what does -- how do you 21 define Native inhabitants? Why weren't the Spanish-22 speaking people in New Mexico Native inhabitants?

23 MR. ROBERTS: It's traced from Chief Justice 24 Marshall's opinions in cases like Worcester v. Georgia and 25 Johnson v. M'Intosh, where he recognized the basic

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distinction between the aboriginal indigenous people and the European newcomers, and that, by the way, is the only purpose served by the 1778 date. That's the line that it's drawing, is between the aboriginals and the newcomers, a distinction that --

6 QUESTION: Oh, we do have a racial distinction 7 embedded in the Constitution between aboriginals and 8 European newcomers? That's in the Constitution?

9 MR. ROBERTS: It's not only in the Constitution, 10 in the Commerce With Indian Tribes, it's in the Civil War 11 amendments, the passage Your Honor quoted previously. The 12 idea that that --

13 QUESTION: Related to tribes. That was my whole 14 point previously, that the exception made in that 15 reservation was not for Indians.

MR. ROBERTS: And Congress has determined - QUESTION: It was for Indian tribes.

18 MR. ROBERTS: And Congress has determined that 19 it can treat with Hawaiians as it treats with Indian 20 tribes.

This Court can review that determination under Sandoval only to determine that it's arbitrary, and Congress has said why it is treating Native Hawaiians in the same way that it treats Indian tribes in these recent legislations -- legislation. It has said, because we find

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1 them to be a distinct and unique indigenous group. We
2 find --

3 QUESTION: Was that contemporaneous with the 4 recognition of the OHA?

5 MR. ROBERTS: The passage I was just referring 6 to is a much more recent 1988 legislation 10 years later, 7 but Congress has treated with Native Hawaiians 8 consistently since --

9 QUESTION: But don't we have to look at what 10 Hawaii has done, not what Congress has done? I thought we 11 were looking at a Hawaiian State statute setting up a 12 voting scheme, and I'd like to come back to that, if we 13 could.

14 MR. ROBERTS: What the Federal Government did at 15 Statehood was delegate to the State of Hawaii the 16 responsibility for implementing the Federal trust 17 relationship. It took the 1920 2000 acres and said, we're 18 giving it to you, but you've got to implement --

19 QUESTION: But it didn't say you're exempt from 20 the Fifteenth Amendment.

21 MR. ROBERTS: No, it did not.

22 QUESTION: And I suppose it can't.

23 MR. ROBERTS: No.

24 QUESTION: So the question is, does this statute 25 comply with the Fifteenth Amendment? Does this State

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1 statute comply?

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MR. ROBERTS: And --

OUESTION: Could we talk about that? 3 MR. ROBERTS: Under this Court's decision in 4 Yakima, where a State law is implemented pursuant to, 5 flows from, is based on Federal classification under the 6 Indian affairs power, it's examined under Mancari just 7 like a Federal legislation would be. This piece of 8 9 legislation, the voting provision, was enacted by Hawaii 10 to implement the responsibility.

11 QUESTION: Would it violate anything Congress 12 passed if Hawaii were to extend the vote in this trust 13 arrangement to people without the racial qualification? 14 If Hawaii opened it up, as the petitioner seeks, to other 15 voters, would it violate anything that Congress passed?

MR. ROBERTS: No, I don't think that in itself would violate anything. The question, though -- and the United States has retained the power to sue the State if it breaches the trust. The question would be what the trustees do.

21 QUESTION: Would it breach -- would it breach 22 the trust that has been established to extend the vote 23 to --

24MR. ROBERTS: It would interfere --25QUESTION: -- Hawaiian citizens?

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MR. ROBERTS: I don't know that it would breach 1 the trust, but it would make implementation of it more 2 difficult, for this reason. We've heard, for example, the 3 objection that the Hawaiians don't have a sovereign 4 government any more, but OHA serves many of those same 5 6 functions, and Congress has found this. It says, OHA 7 serves and represents Native Hawaiians, and if it were open to everyone, it could no longer serve that function, 8 which it seems --9

10 QUESTION: OHA is kind of an independent 11 sovereignty in the State of Hawaii?

MR. ROBERTS: No, it's not an independent sovereignty. I didn't mean to go that far. But it does serve many of the functions of representing the Native group to whom this trust relationship has been extended, and it will --

QUESTION: But it does much more than that. It doesn't apply just to Native Hawaiians. It applies to all of -- all Hawaiians. It has many -- correct me if I'm wrong. I thought that OHA dispensed funds, and it gave services to Hawaiians, as well as Native Hawaiians. Am I wrong?

23 MR. ROBERTS: By Hawaiians, you mean the group 24 that can trace at least one ancestor to 1778?

25 QUESTION: Yes.

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1 MR. ROBERTS: Yes that's true. It operates two 2 separate trusts.

3 QUESTION: So you're talking about the Native 4 Hawaiians in the trust, but the purposes of OHA are much 5 broader than that.

6 MR. ROBERTS: Well, there's some confusion --7 QUESTION: And they are generally governmental 8 in character.

9 MR. ROBERTS: There's some confusion because the Federal statutes use the phrase, Native Hawaiians to refer 10 to all covered by the trust relationship with one 11 12 ancestor, and the distinction is in the Hawaiian 13 legislation. OHA manages two separate trusts, one for the benefit of the 50 percent category that was a 14 15 qualification imposed on it by Federal law, and the other for all indigenous Hawaiians. 16

17 QUESTION: That I think is the problem. It 18 seems to me from reading it, am I right, that everyone who 19 has one Hawaiian ancestor at least gets to vote, and more 20 than half of those people are not Native Hawaiians. They 21 just have a distant ancestor. And so those people vote, 22 although the amount of money involved for them is only about \$17 million, and the amount of money involved for 23 24 the others is hundreds of millions.

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MR. ROBERTS: How does this change the

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definition of the group to whom it's extended this trust
 relationship? It no longer limits it to those with a 50 percent blood quantum, it says, and has, since 1974.

QUESTION: So might this be all right if it were just for the Native Hawaiians, but not all right if it includes more than half the people who are really like everyone in Hawaii but for the fact that they can trace one ancestor back?

9 MR. ROBERTS: I think not, because Congress 10 since before OHA in 1974, defined the group that is the 11 beneficiary of the trust relationship to include those who 12 can trace one ancestor back. That's not unusual, by the 13 way. There are Indian tribes who do --

QUESTION: Could you also respond to Justice Kennedy -- well, you ask -- I wanted him to respond to your question.

QUESTION: We're back to where Justice O'Connor brought us. This is a State scheme in which voting for a State entity which has education, housing, et cetera, et cetera, is not limited to one person one vote. It's limited to this broad group of anyone with any Hawaiian ancestor.

23 MR. ROBERTS: It does not have any general 24 governmental responsibilities. Yes, it funds programs for 25 its beneficiaries in areas like housing and education, but

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it has no general governmental responsibilities in those
 areas at all. Its mission is limited to Hawaiians.

QUESTION: Mr. Roberts, assuming that the treat with the Indians power of the Federal Government includes Indians generally, and not just tribes. What basis is there for thinking that the Federal Government can delegate that power to a State?

8 MR. ROBERTS: Oh, it's done it frequently.
9 Public Law 280 is the clearest example.

10 QUESTION: Can it delegate the power to make a 11 treaty? Could it have delegated the power to make a 12 treaty with Indian tribes to a particular State and say, 13 you make a treaty?

MR. ROBERTS: No, I don't think it could have, but it has frequently delegated lesser responsibilities. Public Law 280, the criminal law area, is the example the Court's probably most familiar with. It allows States to apply their criminal laws on areas where, without the delegation, the States could not do so.

QUESTION: But the State -- that's the State governing people on the reservation, at least its own citizens there. That's not a matter of the State prescribing what special rights these tribes will have by reason of their status as tribes, or these Indians by reason of their status as Indians. I don't know on what

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basis you think that that power, if it is a congressional
 power, can be delegated to a State.

MR. ROBERTS: Well, the situation in Hawaii is unique, and under our Federal system, it's open to Congress to say that we're going to work with the State to implement this responsibility. It shouldn't be surprising that of all the States Hawaii would be the example where that would take place, because of the different history. Alaska, there's a different situation with respect to --

QUESTION: Public Law 280 isn't -- doesn't support you at all, I don't think. Public Law 280 just says that a State can extend its existing criminal laws that already apply to everybody to the Indian reservation. You're saying that Congress can delegate to a State the authority to fashion special rules for a particular group within the State.

17 MR. ROBERTS: Well, I -- with respect, Your 18 Honor, I think Public Law 280 is a delegation of 19 responsibility to enforce those criminal laws, because the 20 State would be without power to do so in the absence of 21 the delegation.

QUESTION: Yes, but they're general laws. They're not saying to the State, you can draw up special laws to govern Indian tribes.

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MR. ROBERTS: Well, in OHA it doesn't draw up

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special laws. It administers the existing trust. It is
 unusual, Justice Scalia, to have that delegation, but look
 what the Federal Government did.

It took the 200,000 acres of land that it had under the 1920 act and gave it to the State. That's unusual, too, and if you're going to be giving the corpus the land, it seems perfectly natural to say, you are going to have responsibilities in administering this land for the trust.

10 QUESTION: It's unusual, but it's not a 11 delegation of Federal power, and here you're saying they 12 left it to the State to decide who can vote on the basis 13 of tribal membership --

14MR. ROBERTS: The question would be --15QUESTION: -- or aboriginal membership.

16 MR. ROBERTS: The question would be, under Mancari, whether it's rationally related to fulfilling 17 18 Congress' trust obligation, and if the State strays from 19 that, it can be brought back to that standard. It's not 20 free rein. It is still Congress' responsibility, and our 21 Federal system allows Congress to say, in this unusual 22 situation, where you have a unique history, where in other 23 places we say to the States, hands off the Indian lands, 24 here we give some of the lands that we've held in trust 25 and say to the State, help us administer it.

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In Alaska, they set up corporations under State 1 law, and that's again a different situation, a different 2 approach. Our Federal system is flexible enough to 3 accommodate approaches that are sensitive to the 4 different --5 QUESTION: Well, yes, but presumably Hawaii 6 would not have the authority to violate the First 7 Amendment in structuring the State laws, and perhaps not 8 9 to violate the Fourteenth Amendment, and perhaps not to violate the Fifteenth Amendment. 10 MR. ROBERTS: Because the OHA voting provision 11 implements the Federal classification based on Native 12 status, it's not race-based, and therefore doesn't violate 13 14 the Fifteenth Amendment. 15 Thank you. 16 QUESTION: Thank you, Mr. Roberts. Mr. Kneedler, we'll hear from you. 17 ORAL ARGUMENT OF EDWIN S. KNEEDLER 18 ON BEHALF OF THE UNITED STATES, AS AMICUS CURIAE, 19 20 SUPPORTING THE RESPONDENT MR. KNEEDLER: Mr. Chief Justice, and may it 21 please the Court: 22 23 The eligibility criteria in this case arises out 24 of a determination by Congress that the United States has a special relationship with the once-sovereign indigenous 25 44

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people of Hawaii, just --

QUESTION: Mr. Kneedler, do I understand 2 correctly, on your view, that we cannot decide this case 3 4 without deciding that in fact that assumption made by Congress is correct, and that the Native Hawaiians may be 5 treated as an Indian tribe within the meaning of the 6 7 Commerce Clause? Am I right in assuming that's -underlies everything you're going to say? 8 MR. KNEEDLER: It does, but it's a very 9 important determination, because we think that Congress' 10 Indian affairs power applies in Hawaii to the indigenous 11 12 people, but the nonindigenous people encountered there, just as it does in the other 49 States and, indeed, 13 Congress' first action with respect to Native Hawaiians 14 was in the same form that Congress has always taken with 15 respect to Native Americans, wherever they've been in the 16 United States, and that is to set aside a land base for 17 them. 18 In 1920, not long after annexation, Congress set 19 20 aside 200,000 acres of land, which was --21 QUESTION: Excuse me. Was this a land base for the Hawaiians to live on? Is that why this land was set 22 aside? 23 24 MR. KNEEDLER: Yes. There are 200,000 acres 25 that are set aside under the Hawaiian Homes Commission

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Act, passed in 1920, explicitly pursuant to Congress' 1 Indian power, and there are 6,800 leases to Native 2 Hawaiians on those lands, and a waiting list of 30,000 3 more, which --4 OUESTION: And only Native Hawaiians as defined 5 in this legislation live on that land? 6 MR. KNEEDLER: Only Native Hawaiians of 50 7 percent or more blood are eligible for those lands. 8 9 OUESTION: Can live on that land. 10 MR. KNEEDLER: But the important point about that is that that manifests Congress' recognition soon 11 after annexation that Native Hawaiians in Hawaii 12 constituted a distinct community and, like Indian groups 13 elsewhere, a distinct community whose ties to the land and 14 the culture that springs from that --15 QUESTION: Where are those lands? Are they on 16 all of the islands? 17 18 MR. KNEEDLER: They are scattered on all the islands, according --19 QUESTION: And are they leased only to Native 20 Hawaiians? 21 22 MR. KNEEDLER: Yes, they -- well, there are some 23 lands that are leased to non-Natives for revenue purposes, 24 but the purpose --QUESTION: Like hotels? 25 46

1 MR. KNEEDLER: Some are agricultural leases, and 2 that sort of thing, but the -- but --

3 QUESTION: So it's not just for Hawaiians to 4 reside on.

5 MR. KNEEDLER: It's -- but it's -- the only 6 residences there would be for Native Hawaiians. The land 7 as a whole is for the benefit of Native Hawaiians, just 8 like an Indian reservation land might be leased to a 9 hotel. It doesn't mean that the land that is set aside 10 isn't for -- at the core of recognizing the Native 11 Hawaiian people.

12 QUESTION: Well, you're not saying this is run13 like an Indian reservation.

14 MR. KNEEDLER: No --

QUESTION: There's no governing council.
There's just -- it's just --

MR. KNEEDLER: My -- there's nothing magic about a reservation in terms of Congress' plenary Indian power. Congress has tailored the way in which it has responded to the Native people --

QUESTION: How do we extend that to people 10 generations later, who had 10 generations ago one Indian ancestor? I mean, that might apply to everybody in the room. We have no idea.

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MR. KNEEDLER: There are many Indian tribes in

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this country, a number that are identified in title 25 of the United States Code, tribes that have been restored, where tribal membership is defined in terms of descendancy, lineal descendancy from the tribe that was in existence at the time --

6 QUESTION: Someone where there's no tribal 7 organization, and there is no people living on the land, 8 and you just have one ancestor 10 generations ago --

9 MR. KNEEDLER: No, it's important to recognize the basis for what Congress has determined in this 10 century, starting with the Indian -- or, excuse me, the 11 Hawaiian Homes Commission Act, and that is that as 12 Congress said in the resolution in 1993, the Native people 13 of Hawaii, in Hawaii right now, have an historic 14 continuity to the sovereign nation that existed at the 15 16 time of European contact, and has continued that, and not 17 only that, that they are distinct people, and that they are determined to maintain their culture, their language, 18 19 and the ties to the land, and pass them on.

20 QUESTION: There are a lot of groups in this 21 country like that. There are a lot of groups in this 22 country like that.

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MR. KNEEDLER: But the --

24 QUESTION: And do you say that when you add to 25 that one more factor, namely that they were there when --

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first, that you can discriminate on the basis of race with respect to those groups, but not the other groups who have their own continuity, their own history, perhaps have been aggrieved, and so forth.

5 MR. KNEEDLER: With respect, it's not just one 6 more factor. It's a fundamental factor, recognized in the 7 text of the Constitution, and established a relationship 8 between the indigenous people who were here and the 9 nonindigenous people who arrived.

10 This Court's foundational cases on Indian law 11 are based on the relationship between the period after 12 European contact and prior to European contact, and the 13 Indian Commerce Clause, which is a manifestation of 14 Congress' plenary power over Indians, is descriptive of 15 the fact that the Europeans --

16 QUESTION: You say it's a manifestation of --17 it's the source of Congress' --

18 MR. KNEEDLER: It's not the sole source, and
19 what this Court --

20 QUESTION: What is the sole source?

21 MR. KNEEDLER: This Court -- there are a variety 22 of sources, and this Court said in Mancari that Congress' 23 power derives both explicitly and implicitly from the 24 Constitution.

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And in Sandoval, which is an important parallel

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1 to this case, the Court said that not only does Congress have the explicit power under the Indian Commerce Clause 2 to regulate commerce with Indian tribes, but it has 3 been -- there has been a long executive and legislative 4 5 practice and long line of judicial decisions recognizing the power of Congress to do what it did here to extend 6 7 fostering care and protection to Indians, who are the 8 descendants of those once-sovereign, completely 9 independent nations, because of the responsibility that the United States bears for having eliminated their 10 11 sovereign government and their control over their land. 12 QUESTION: Did this suggest that had there been this case, Sandoval, or these other things, suggest that 13

14 had there been no Indian Commerce Clause, Congress still 15 would have had plenary authority to deal with Indian 16 tribes?

MR. KNEEDLER: Perhaps, but I think the important thing is that this is a power that recognizes -that stems from or flows from the fact that there were tribes, and the full powers of those tribes have been eroded, but does not detract from the people, that Indian communities remain distinct Indian communities.

QUESTION: So your answer to my casino
hypothetical is that you could say only Indians can run
casinos.

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MR. KNEEDLER: No. I think there's an important 1 difference between the way the trust relationship has been 2 3 exercised by Congress over the years, which is a bilateral relationship between the United States and the Indian 4 people, so giving resources and land and special benefits 5 to the Indian people is guite different from giving them 6 preferences in the outer world, and that distinction is 7 rooted in Mancari itself, where the Court said that case 8 would be different if the employment preference extended 9 to the entire Civil Service, or the country at large. 10 11 QUESTION: Why is that? I mean, that's --12 MR. KNEEDLER: Because the trust --13 OUESTION: That sounds nice, but I don't know why that would have any constitutional significance. 14 If you can give them preferences, you can give them 15 16 preferences. MR. KNEEDLER: The historic relationship has 17 18 been a bilateral one, and the BIA was --19 QUESTION: It has been, but what in the 20 Constitution requires it? If you're entitled to favor this group as, you know, subject to a trust responsibility 21 of yours, why would it be limited to that? 22 23 MR. KNEEDLER: I think this is a situation in which the way in which Congress has carried out its trust 24 relationship over the years is instructive. 25 51

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I do want to make an important --

2 QUESTION: Well, Mr. Kneedler, I think this is 3 an interesting discussion, but I'm not sure quite how it 4 answers the question before us dealing with what Hawaii 5 can do.

6 MR. KNEEDLER: Well, we think that cases such as 7 the Yakima case indicate that where a State is acting 8 within a sphere in which Congress has authorized it to 9 act, that the State is entitled to enact measures to 10 promote self-determination in the same way.

11 QUESTION: Well, but now this -- the funds 12 administered, as I understand it, also include tax dollars 13 appropriated by the Hawaii legislature.

14 MR. KNEEDLER: They do, but once --

15 QUESTION: It isn't just Federal money. I mean, 16 Hawaii as a State has set up this scheme, and if the 17 scheme were to permit voting by others, does that violate 18 anything Congress has set out?

MR. KNEEDLER: No. The -- Hawaii has done that, but the important Federal act is the recognition of all Hawaiian people as a distinct group. Once that political recognition by Congress has been made, then the States we think can do things that correspond to that.

I would like to respond to the point whether -about individual Indians. In Mancari itself, one of the

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cases the Court critically relied upon there was the Seber 1 decision, which recognized Congress' power with respect to 2 people who were not enrolled members of the tribe, and the 3 rationale there was that there is often a transition 4 period from tribal status to a fully integrated member of 5 6 society during which Congress can exercise its special protective care. That goes back to the Kagama decision, 7 as reiterated in Mancari. 8

9 QUESTION: And these Hawaiians are not fully 10 integrated in Hawaiian society? I've been there, and I --11 MR. KNEEDLER: There are variations, just as 12 there are among the Cherokee in Oklahoma. There are those 13 who live on the --

QUESTION: -- Cherokee -- I'm talking about Hawaiians. Do you say that that rationale applies here, that these people have not made the transition, that they're still, you know, aboriginal in some sense, and they're on their way to being fully integrated American citizens, but they haven't quite made it. Is that the theory?

21 MR. KNEEDLER: Congress has so determined, that 22 Native Hawaiians remain a distinct community, the phrase 23 that was used in Sandoval itself, and was used in 24 Worcester v. Georgia by Chief Justice Marshall at that 25 point, because they had distinct lands, they retained

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their distinct culture, all the factors that the BIA has 1 historically looked --2 QUESTION: And are you defining Native Hawaiian 3 4 now to mean any Hawaiian and --MR. KNEEDLER: Yes, I'm sorry, the Native people 5 of Hawaii. 6 7 OUESTION: So 148 will do it. MR. KNEEDLER: Lineal descendancy, which is a 8 measurement, yes, that a number --9 QUESTION: 196. 10 MR. KNEEDLER: -- that other tribes use. 11 12 OUESTION: Congress has said that's a distinct group, 19 -- if you have 195th Hawaiian blood, you're --13 MR. KNEEDLER: What Congress said -- yes, it 14 15 has, as it has in a number of statutes in title 25 after section 700 with respect to a lot of restored tribes. 16 17 QUESTION: Thank you, Mr. Kneedler. 18 MR. KNEEDLER: Thank you. 19 QUESTION: Mr. Olson, you have 4 minutes remaining. 20 REBUTTAL ARGUMENT OF THEODORE B. OLSON 21 ON BEHALF OF THE PETITIONER 22 23 MR. OLSON: Thank you, Mr. Chief Justice. 24 The respondent and the United States Government 25 have read the Constitution differently, this Court's 54

decisions with respect to its authority over quasi sovereign Indian tribes differently, and the Federal
 statutes that deal with Hawaiians and other minority
 groups differently than we have read them.

5 We believe, and we think it's clear from this 6 Court's decisions, that the authority of Congress -- and 7 it is of Congress, it's not of the States, and it may only 8 be delegated in a very narrow, explicit way. That is the 9 word that was used by this Court in the Yakima Nation 10 case, only under very limited circumstances with respect 11 to the criminal laws of a particular State.

QUESTION: Mr. Olson, this case is a kind of a special, unusual situation as presented to us, but what are the ramifications of the position that you are arguing? How many Federal statutes, Hawaii statutes that recognize the Hawaiian Natives as a special class would be affected if we were to adopt your position?

MR. OLSON: It is impossible for me to answer that question, for this reason. Each of those statutes is different. Some of them have to do with things like the Smithsonian, and cultural benefits, and the study of a culture. Some of them have to do with pure racial preferences with respect to Government contracting. Some of them are in different categories.

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This Court would have to look at -- if this is a

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race-based distinction, and we don't see any basis for 1 arguing that it is not a race-based --2 3 QUESTION: Wait, I thought -- as far as the Fifteenth Amendment is concerned, are there a lot of 4 5 statutes --6 MR. OLSON: No. No. QUESTION: -- that limit voting? 7 MR. OLSON: I should have made myself clear. 8 9 This case, as I said at the very beginning, the simplest, narrowest, easiest basis upon which this case could be 10 decided is the Fifteenth Amendment. I am aware of no 11 Federal statute --12 QUESTION: You don't really suggest that if you 13 win there won't be a lot of litigation as a result of 14 this. 15 16 MR. OLSON: There will be litigation. Almost 17 invariably there is whenever this Court makes a decision, Justice Stevens, but --18 19 (Laughter.) 20 MR. OLSON: And there was as a result of the 21 Chadha decision, and there was as a result of the Adarand decision, but this Court will perform its function, or 22 23 lower courts will perform their function of examining 24 statutes that discriminate on the basis of race on their 25 face under the Fourteenth Amendment standard and, Justice 56

Scalia, it's correct that only the Fifteenth Amendment is
 involved here. The -- with respect to as far as the Court
 need to go.

4 QUESTION: The Native Alaskans, also the same 5 thing. Everything would be up for grabs.

6 MR. OLSON: Well, there is no statute of which 7 I'm aware that creates special voting privileges for 8 Native Alaskans, and there are different -- there are 9 tribes in Alaska that would possibly be treated 10 differently under these statutes.

11 It's very difficult for me to understand, for 12 example -- one of the statutes considered by this Court in 13 Adarand gave a racial privilege in the contracting area to 14 Asian Pacific Islanders. I don't know whether that 15 included Native Hawaiians or not.

Let me clarify one point that I think was confused by both Mr. Kneedler and Mr. Roberts. According to page 18 of the respondent's opposition to certiorari, OHA beneficiaries are determined without regard to any tribal classification, and they go on to say the tribal concept has no place in the history of Hawaii.

That leaves them with this notion, and let me close on this note. They argue that the United States Government and, as a result of some intangible, unclear delegation, States, may make classifications of people

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1 based upon a remote ancestor who is an aboriginal person. 2 That means -- and as far as the eyes can see and as far as the time might go, that people can present cards 3 showing their racial ancestry to the United States 4 Government and to the State of Hawaii and if they have an 5 aboriginal ancestor, they get in the preferred line. That 6 7 puts people in that category --CHIEF JUSTICE REHNQUIST: Thank you. Thank you, 8 9 Mr. Olson. MR. OLSON: Thank you, Mr. Chief Justice. 10 CHIEF JUSTICE REHNQUIST: The case is submitted. 11 12 (Whereupon, at 12:02 p.m., the case in the above-entitled matter was submitted.) 13 14 15 16 17 18 19 20 21 22 23 24 25

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CERTIFICATION

Alderson Reporting Company, Inc., hereby certifies that the attached pages represents an accurate transcription of electronic sound recording of the oral argument before the Supreme Court of The United States in the Matter of:

HAROLD F. RICE, Petitioner v. BENJAMIN J. CAYETANO, GOVERNOR OF HAWAII CASE NO: 98-818

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BY <u>IJom Mari Fedirico</u> (REPORTER)