

INDIAN AFFAIRS DIRECTIVES TRANSMITTAL SHEET

(modified DI-416)

DOCUMENT IDENTIFICATION NUMBER 76 IAM 5	SUBJECT ILCP Purchase of Trust and /or Restricted Land Interests during Consolidation by Sale	RELEASE NUMBER #08-07
FOR FURTHER INFORMATION Indian Land Consolidation Center, BIA		DATE MAR 13 2008

EXPLANATION OF MATERIAL TRANSMITTED:

The purpose of this Policy is to establish procedures for the purchase of fractionated land interest(s) in trust or restricted land by the Indian Land Consolidation Program (ILCP) during the Consolidation by Sale Process.


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Director, Bureau of Indian Affairs

FILING INSTRUCTIONS:

Remove: None

Insert: 76 IAM 5 (New)

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- 1.1 Purpose.** This policy establishes the procedures for the purchase of fractionated land interest(s) in trust or restricted land by the Indian Land Consolidation Program (ILCP) during the Consolidation by Sale Process.
- 1.2 Scope.** This policy applies to all Bureau of Indian Affairs (BIA) offices in the regions where the ILCP is acquiring or has acquired fractional land interests.
- 1.3 Policy.** Effective immediately, the following policy will be implemented with regard to the purchase of fractional interests by the ILCP during Consolidation by Sale.
 - A.** The ILCP will receive from BIA Realty a “Notice” advising that a parcel of land has been identified for Consolidation by Sale and no bidder presented a bid that exceeded or equaled the appraised fair market value. The Notice will provide the legal description of the parcel of land, the Reservation location, and the appraised fair market value. Included with the Notice will be a list of owners, owner identification numbers, consolidated interest, and allocated value per owner.
 - B.** The ILCP Consolidated Acquisition Center (CAC) upon receipt will review the Notice and determine if the parcel and associated interests fall within the current purchasing strategy.
 - C.** The CAC will forward a letter to Realty advising whether or not the ILCP will purchase the parcel of land for its appraised fair market value on behalf of the Indian tribe with jurisdiction over the land.
 - D.** When ILCP has consented to purchasing the parcel, BIA Realty will proceed with preparing the transfer documents for signature, using Grantee owner code xxxTxxx053 (example: 614T614053), and insuring the personal information for the land owners involved in the sale is current and correct in both TAAMS (Trust Asset Accounting Management System) and TFAS (Trust Funds Accounting System).
 - E.** This type of acquisition by the ILCP is encumbered by a purchase lien and the encumbrance will be cited within the transfer document as follows. {“All revenue from land interest(s) purchased by the United States Government under this order is encumbered by the United States of America until the purchase price has been repaid or the encumbrance is released by the Secretary”}.
 - F.** BIA Realty will provide to the ILCP a copy of the executed document transferring the parcel to the tribe and a final listing of conveying owners, owner identification numbers, consolidated interest, and allocated value per owner.
 - G.** When the CAC receives the executed document indicating the transfer of interests from the owners to the jurisdictional tribe, the ILCP will prepare a SF-1081 Form, requesting the transfer of the purchase price from the acquisition account to the accounts of the owners on the list provided. This transfer of funds request will be made through the Document Library with the executed document received from the

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BIA used as the transaction document justification and faxed to the Office of the Special Trustee (OST).

1.4 Authority.

- A. **The American Indian Probate Reform Act** of October 27, 2004, P. L. 108-374 (118 Stat. 1773)
- B. P.L. 106-462, **The Indian Land Consolidation Act** of November 7, 2000, as amended (114 Stat. 1991). Section 205 of the amended Act allows the Secretary to purchase a parcel of land when the high bid does not equal or exceed the appraised fair market value of the parcel of land that has been subject to a Partitioning by Sale (Consolidation by Sale). The Secretary may then purchase the parcel of land for its appraised fair market value on behalf of the Indian tribe with jurisdiction over the land, subject to an ILCP purchase lien on future revenue.

1.5 Responsibilities.

- A. Director, Bureau of Indian Affairs (BIA) is responsible for the development of National Policy affecting Indian lands.
- B. Director, Indian Land Consolidation Center is responsible for coordinating the Bureau's nationwide program to consolidate fractionated interests in Indian lands pursuant to statutory requirements.
- C. Deputy Director, Field Operations, BIA is responsible for overseeing the Regional Directors and disseminating policy to them.
- D. Deputy Director, Trust Services, BIA is responsible for assisting in the dissemination of trust resource policy and information to the Regional Directors.
- E. Regional Directors, BIA are responsible for carrying out policy as directed, and for overseeing the implementation of policy either directly or via Agency Superintendents.