Commission will Build upon Progress of Cobell Settlement; Publication of Charter Opens 30- day period for Commission nominations

Media Contact: Kate Kelly (202) 208-6416
For Immediate Release: July 7, 2011
Print PDF

WASHINGTON, D.C.--Secretary of the Interior Ken Salazar today announced the establishment of a new Secretarial Commission on Indian Trust Administration and Reform that will conduct a comprehensive evaluation of Interior's trust management and provide recommendations on how to improve performance. The announcement kicks off a 30-day period during which Secretary Salazar is seeking nominations and input from the public on individuals to serve on the new commission, as well as comments on the commission's proposed charter.

"This Commission will play a critical role in our forward-looking, comprehensive evaluation of how Interior manages and administers our trust responsibilities to the First Americans," Salazar said. "I look forward to working with the Commission as we move forward on President Obama's commitment to reconciliation and empowerment for American Indian nations."

Today's announcement fulfills one of the actions Salazar outlined in a 2009 Secretarial Order regarding steps to be taken upon approval by the U.S. District Court of the Cobell settlement. On June 20, 2011, the district court approved the $3.4 billion settlement, paving the way for payments to as many as half-a-million American Indians to resolve their class-action litigation regarding the federal government's management of individual trust accounts and assets.

"Recent approval of the Cobell settlement by the U.S. District Court signaled the beginning of a new era in the U.S. Government's relations with American Indian communities," said Deputy Secretary of the Interior David J. Hayes. "We must carry out our trust responsibilities in a pro-active and transparent manner, and the establishment of this commission is an important step in the process."

The Secretarial Commission will examine Interior's performance on trust management, seek input from affected individuals and tribes, identify opportunities for enhancing accountability, responsiveness, and efficiency, as well as provide recommendations on improvements to the current trust administration system.

Following the 30-day comment and nominations period, and in consultation with trust beneficiaries, Salazar will appoint a Commission Chair and four members. Members will have experience and/or expertise in trust management, financial management, asset management, natural resource management, and Federal agency operations and budgets, as well as experience as account holders and in Indian Country.

As part of the $3.4 billion Cobell settlement, a fund of $1.5 billion will be used to compensate class members for their claims regarding potential mismanagement of their trust funds and assets and

historical accounting. The agreement also establishes a $1.9 billion fund for the voluntary buy-back and consolidation of fractionated land interests, which have been proliferating through succeeding generations. The program, to be administered by the Department of the Interior, provides individual American Indians an opportunity to obtain cash payments for small divided land interests and free up the “fractionated” land for the benefit of tribal communities. The settlement also provides for an Indian Education Scholarship Fund of up to $60 million for the benefit of American Indians and Alaska Natives.

Next Friday in Billings, Montana, Secretary Salazar and Deputy Secretary Hayes will attend the first of six regional consultation meetings with tribal leaders to begin discussions on the land consolidation component of the settlement. These discussions will provide valuable input in developing and implementing a strategy to benefit tribal communities and help free up trust lands.
