Indian Affairs - Office of Public Affairs

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(SACATON, ARIZ.) – On a visit to the Gila River Indian Reservation in south-central Arizona, Interior Secretary Gale Norton, joined by Gila River Governor Richard Narcia, today announced that the Gila River Indian Community has been designated as an expansion site of the Bureau of Indian Affairs' Indian Land Consolidation Program.

The Secretary announced on Monday that President Bush is included an unprecedented $75 million in the FY 2005 federal budget for the Department of the Interior's historic Indian Land Consolidation program. The budget reflects a $53.3 million increase in funding for the Department's ongoing efforts to acquire small, fractionated ownership shares in allotted Indian lands from willing sellers. The Gila River Indian Community has one of the highest numbers of fractionated parcels in the nation.

"One of the greatest challenges managing trust responsibilities is the fractionation of individual Indian interests on land that the federal government holds in trust," Secretary Norton said. "Without corrective action, millions of acres of land will be owned by such small ownership interests that no individual owner will derive any meaningful value. President Bush has responded to the challenge by proposing to invest an historic amount – $75 million – to expand the Indian Land Consolidation Program."

The Indian Land Consolidation Program is a key component in the Department's trust reform and management efforts. Once interests are purchased, title can then be transferred to the tribe. Purchase of fractional interests increases the likelihood of more productive economic use of the land, reduces record-keeping and large numbers of small dollar financial transactions and decreases the number of interests subject to probate. It also reduces the federal burden of managing those interests where, in many cases, the cost to account for and probate highly fractionated tracts far exceeds either the owners' receipts or the value of the underlying property.

"By working with the Gila River Indian Community to reduce the number of tracts held in fractionated ownership, economic development can be expanded for housing developments and better long-term planning," Secretary Norton said. "Our program will help reduce the burden on the federal government and, more importantly, help create new opportunities for the Gila River Indian Community."

The BIA began the Indian Land Consolidation Program as a pilot program on three reservations in 1999. It was later expanded to seven reservations in four states. As of December 31, 2003, program funds purchased 68,938 individual interests representing 42,075 acres.