

\$7B settlement proposed in Indian case

By MARY CLARE JALONICK, Associated Press Writer 38 minutes ago

WASHINGTON - The U.S. government has proposed paying \$7 billion partly to settle lawsuits over the management of Indian trust lands — an offer met with immediate objections from Indian plaintiffs.

At issue is a decade-old lawsuit by Indians against the government claiming that the government has mismanaged more than \$100 billion in oil, gas, timber and other royalties held in trust from their lands dating back to 1887.

The litigation, filed in 1996 by Blackfeet Indian Elouise Cobell, deals with individual Indians' lands. Several tribes have also sued, claiming mismanagement of their lands.

Senate Indian Affairs Committee Chairman Byron Dorgan ([news](#), [bio](#), [voting record](#)), D-N.D., said he will hold hearings on the proposal and said the settlement offer is the first time the federal government has acknowledged a multibillion dollar liability for mismanagement of the trust funds over the past century.

"That is a significant admission," Dorgan said, adding that he believes the conditions attached to the settlement offer will be controversial.

Associate Deputy Interior Secretary James Cason, who has overseen Indian issues in past years, took issue with Dorgan's words. He said the proposal is not an admission but a "recognition that where we are right now is not very productive."

Cobell and one of her attorneys, Keith Harper, said the Interior Department is asking for too much.

Under the terms of the offer, the government would pay \$7 billion over ten years, without interest. In exchange for the money, all tribal and individual mismanagement claims against the government would be dropped and the government would be relieved of future liability.

The proposal would also end, over a period of 10 years, most of the government's responsibilities to manage Indian trust lands and would consolidate ownership of Indian lands, which are now often held by many people.

Cason said roughly half of the \$7 billion would go toward settling individual and tribal claims, with the remainder covering other parts of the proposal.

Interior Secretary Dirk Kempthorne and Attorney General Alberto Gonzales sent the proposal to Dorgan last week, saying they strongly support comprehensive legislation that would help the parties move "from a litigation-oriented relationship to one of economic prosperity, empowerment and self-reliance for tribes and individual Indians."

Harper said the proposal is an insult.

"There's no sum specific for how much is going to be used for Cobell," he said. "It's pennies on the dollar."

He said the plaintiffs estimate the government's liability could exceed \$100 billion, though they have in the past considered settling for less.

Cobell said the government is trying to do too much at once.

"It's not fair to throw every problem that exists in Indian country that has been created by the Department of Interior into our lawsuit," she said. "This lawsuit is about individual Indians and accounting."

Interior Department spokesman Shane Wolfe said the department looks forward to working with Congress on the proposal. Congress has attempted to wade into the dispute in recent years, but has yet to find resolution.

"We believe this proposal looks to the future," he said.