

CHAIRMAN JOHN McCAIN'S OPENING STATEMENT  
HEARING ON INDIAN TRUST MANAGEMENT REFORM  
MARCH 9, 2005

The subject of Indian trust management reform has been an issue of considerable interest to Congress and to this Committee for over a decade. In 1994, Congress enacted the American Indian Trust Fund Management Reform Act with the expectation of bringing order to at least one aspect of the Federal Government's trust responsibility to Indian people—the management of Tribal and individual Indian monies held in trust accounts. About 2 years later, the *Cobell* class action lawsuit was filed, and in the years since then we have all learned just what a sorry state the trust fund management system was in. The reasons for this are manifold, I am sure, but most people would agree that for many decades the Federal Government has not been held accountable for its management practices.

This hearing is not directly about the *Cobell* lawsuit, although trust reform should be a component of any legislation to resolve the case and problems that led to it. The purpose of today's hearing is to listen to views of the Administration and Indian country of how the system of Indian trust management—management of funds and natural resources—might be reformed. I am interested in hearing from the Administration on what it has done to improve trust management and what additional steps it intends to take. Because it is no secret that many in Indian country are not satisfied in whole or in part with the Administration's approach and have different views about the direction we should be going in reforming the system, I also look forward to hearing what the Tribal leaders and Ms. Cobell on the second panel have to say about reforming the system.

One more point before proceeding. Several times in recent months I've promised to make trust reform, including the settlement of the *Cobell* case and related issues, a high priority during my tenure as Chairman of the Indian Affairs Committee, but I will also repeat here that I intend to give it only one good shot. If it looks like we're not getting anywhere, if the Tribes, the Government and other interested parties cannot come to terms on a settlement of the lawsuit and on what trust reform should be, then I will leave that task to a future Congress and instead concentrate my efforts on other important issues in Indian country. I am hoping that the Administration and Indian country will begin working with Committee staff immediately, to see whether something close to a consensus can be reached on the key components of trust reform. This will probably require an efficient but representative working group within Indian country to begin helping us shape a bill that can be introduced for review and comment by all stakeholders. Given the very limited time frame, this will also require realistic expectations, open minds, and a willingness to compromise.

Vice Chairman Dorgan, do you have a statement at this time?