LAND

Buy-Back Program

for

TRIBAL NATIONS

What is the Buy-Back Program?

Cobell Settlement Agreement

- The Land Buy-Back Program for Tribal Nations was created to implement the land consolidation component of the Cobell Settlement Agreement.

- This Agreement provided a $1.9 billion fund to purchase fractionated interests in trust or restricted land from willing sellers, at fair market value, within a 10-year period.

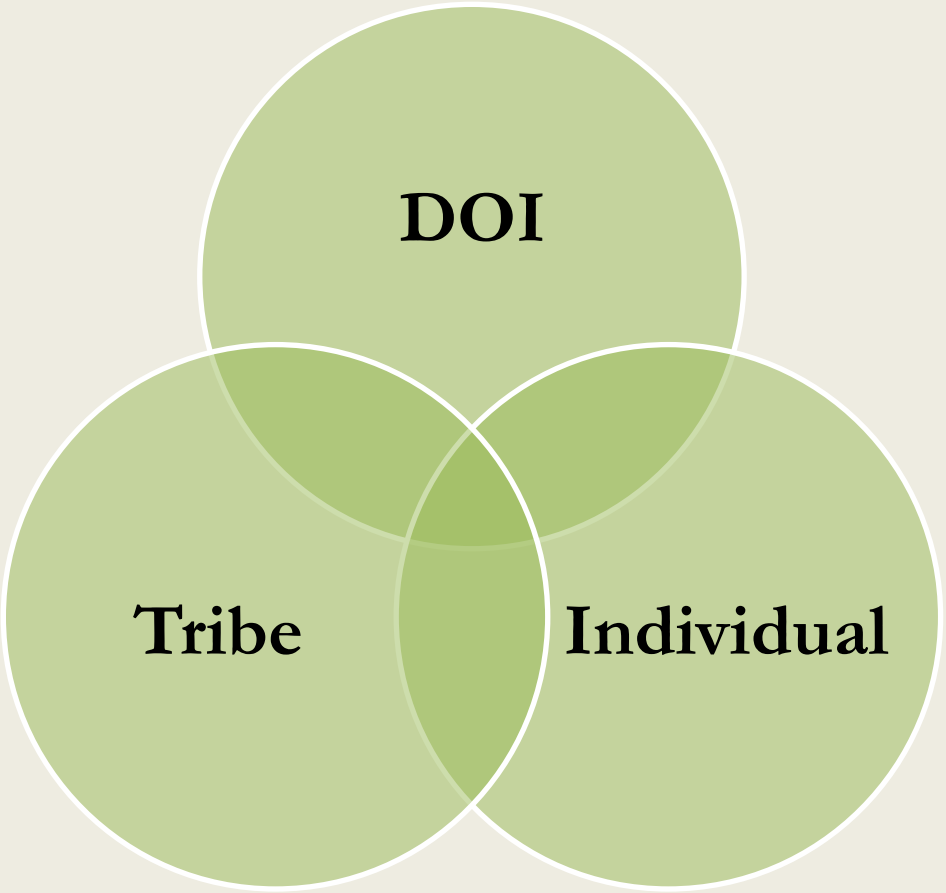
President Barack Obama and late American Indian Activist Elouise Cobell.

What is the Buy-Back Program?

Collaborative Effort

- The Program involves collaboration with Interior, tribes, and individuals - to reduce the number of fractional interests in tracts of trust or restricted lands.

- Fractionated tracts are defined as any <u>tract with more than one landowner</u>.



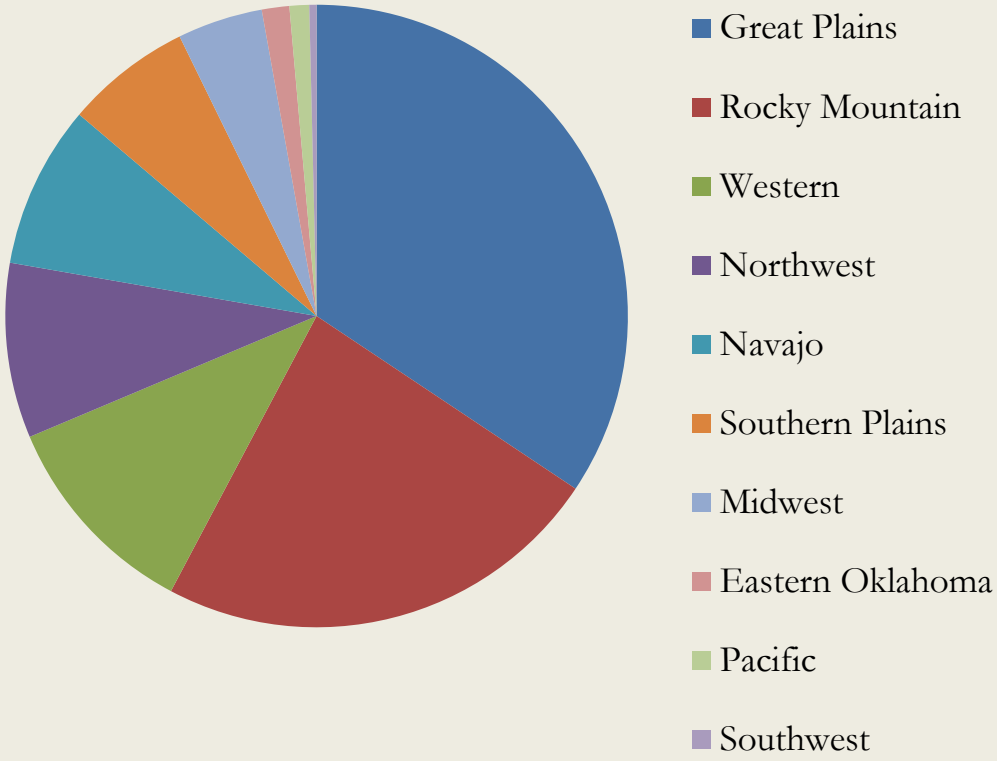
What is the Buy-Back Program?

Land Involved

- Interior holds in trust more than **56 million acres** for tribes and individual American Indians.
- This land is held in more than 200,000 tracts, of which **about 93,500 (on approximately 150 reservations) contain fractional ownership** interests subject to purchase by the Buy-Back Program.
- Approximately **90%** of the fractionated lands available to purchase are in **40 of the 150 locations.**

Fractional Interests by Region

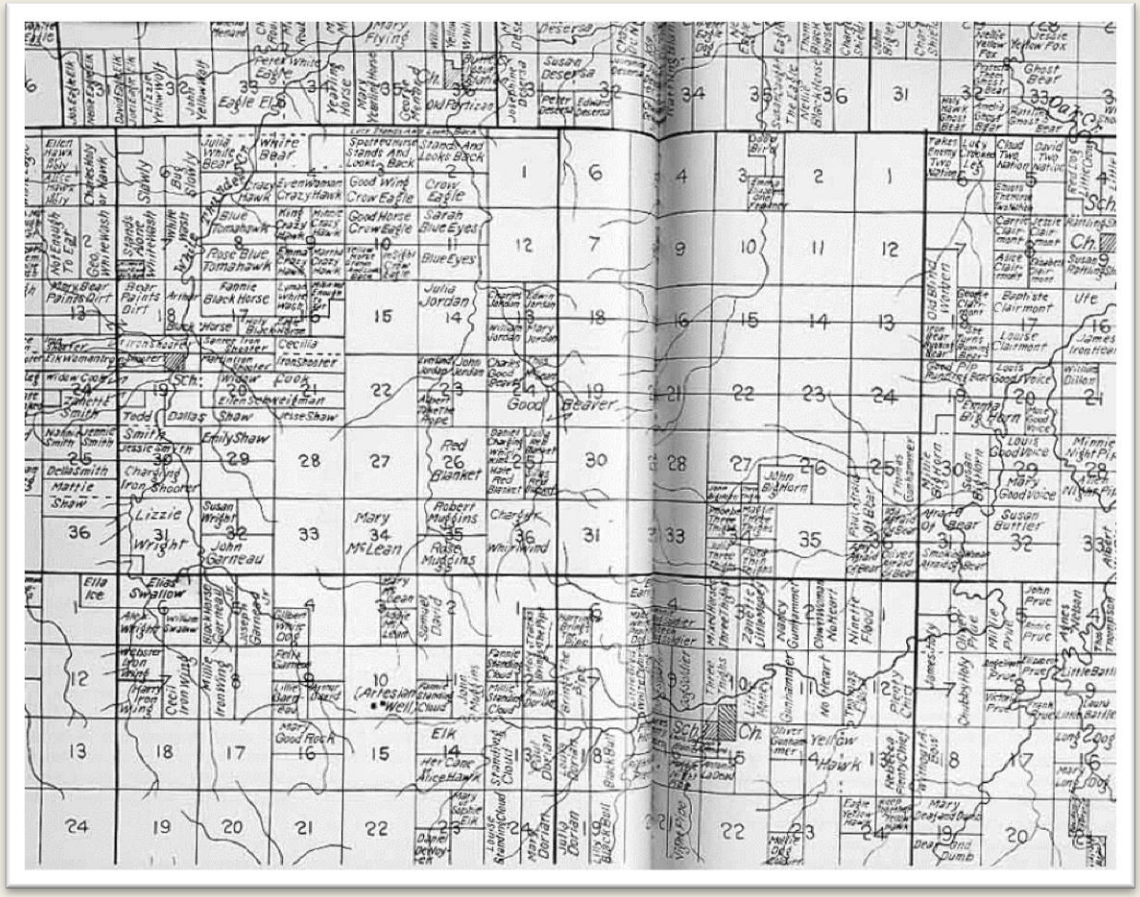
Total: 2,971,612



Fractionation:

The Result of Allotment

Historical Background: The Dawes Act (General Allotment Act of 1887)



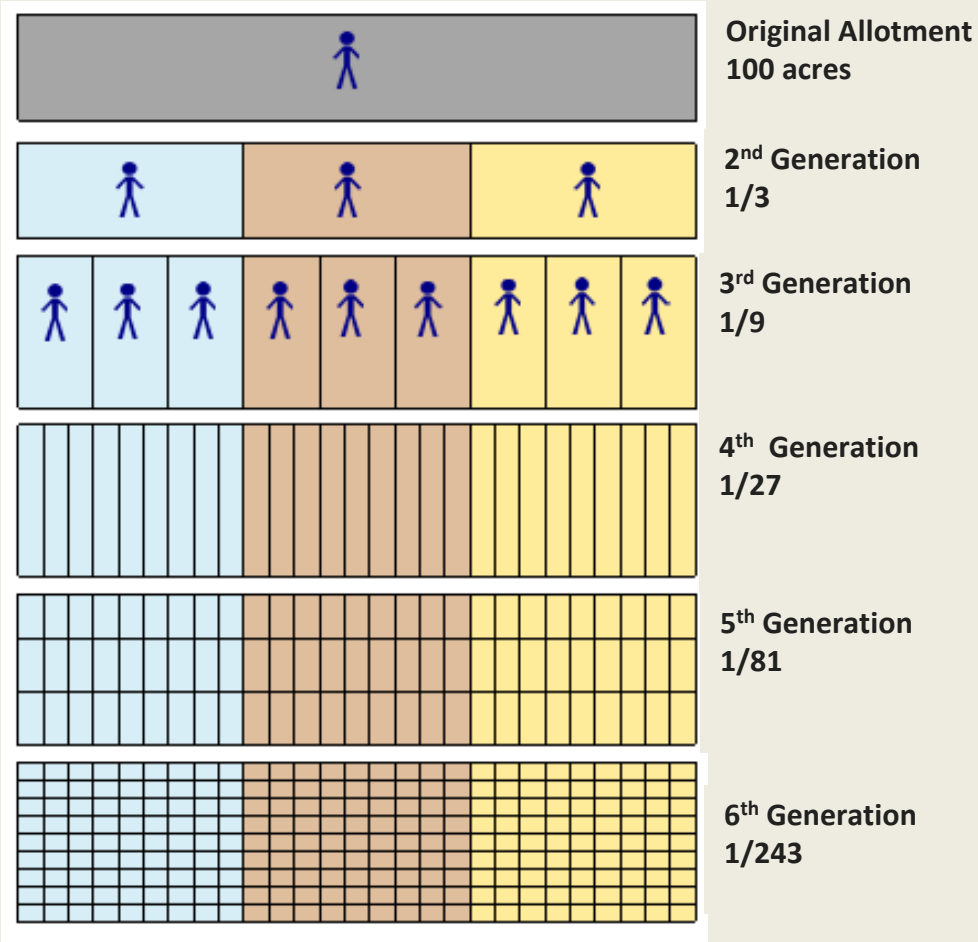
Indian Allotments on the Rosebud Reservation, 1903
(from the Records of the Bureau of Indian Affairs, National Archives)

- Authorized the President of the United States to survey Indian tribal land and divide it into allotments for individual Indians.
- Indian Reorganization Act of 1934 ended allotment.
- Effects of this policy can still be felt today in the resulting fractionation of trust land.

Fractionation:

A serious problem facing tribal communities

- As tracts (or allotments) of lands are passed down through generations, they gain more and more individual owners.
- Because the number of owners make it difficult to use the land, these allotments often lie idle and cannot be used for any beneficial purpose.
- Currently, there are approximately150 locations with fractionated tracts of land, with approximately 243,000 unique owners.



An illustration depicting fractionation of a possible allotment of land over six generations, assuming only three heirs per generation.

Why is land consolidation important?

Prevents Loss of Land

- Every year, land goes out of trust simply because fractionated interests are passed on to non-Indian heirs. The Buy-Back Program will help stop this loss of Indian lands by transferring those interests to the tribe, forever preventing further fractionation.

Why is land consolidation important?

Strengthens Tribal Sovereignty

- Land consolidation increases the ability of tribal governments to make decisions about the land, and frees up resources that have been locked-up as land interests have fractionated exponentially over time.

Tribal and Federal stakeholders break ground on the Navajo-Gallup Water Supply Project.

Why is land consolidation important?

Promotes Better Land Use

- Returning these lands to tribes through purchases from willing sellers has potential to spur economic development and restore tribal homelands.

Example of a land consolidation project: Bad River built new homes and businesses that are projected to increase revenue by $1.1 million.

Why is land consolidation important?

Keeps Income on the Reservation

- Income received from the land is divided to the extent that many individual owners receive pennies, and the money often goes off the reservation instead of to the Indian communities that need it most.

FACT:

60% of the 243,000 unique owners of fractionated tracts received $25 or less last fiscal year.

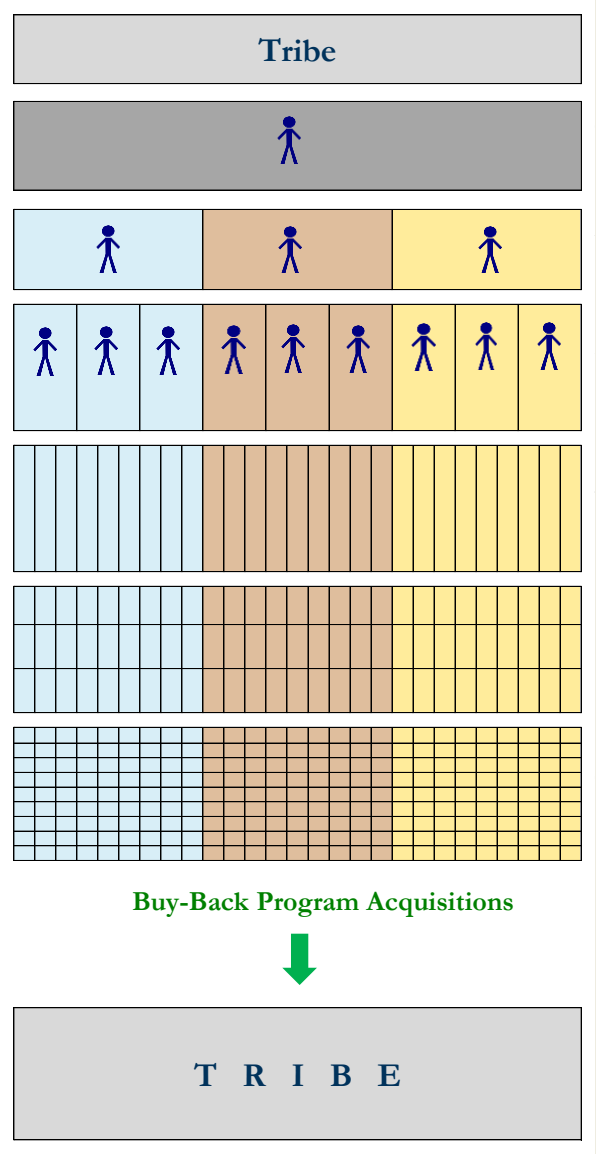
How does the Land Buy-Back Program work?

- **Tribes** have the opportunity to prioritize the fractional lands they are interested in consolidating for community interest.

- **The Buy-Back Program** will purchase fractional trust or restricted lands for the purposes of land consolidation.

- **Willing sellers** can choose to sell some, all, or none of their fractional land interests. Participation in the Program is strictly voluntary.

- **Purchased interests** will be immediately transferred in trust to the Tribe with jurisdiction over the land.



How will I be contacted to participate in the Program?

- **Eligible landowners will be mailed a <u>Purchase Offer Package.</u>**

  Includes:

  - Cover Letter
  - Instructions
  - Deed
  - Purchasable Interest Inventory (PII)
  - Map(s)
  - Self-Addressed Return Envelope.

Note: Not all owners will receive a purchase offer package. Tracts selected for purchase by the Program will be determined by several criteria, including Tribal priorities.

Sample One-Page Deed

Land Buy Back Program for Tribal Nations

Offer No: *(Insert Offer #)*
Deed ID: *(Insert deed #)*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

DEED TO RESTRICTED INDIAN LAND

THIS DEED, entered into this _____ day of _____Two thousand____, by and between Grantor, *(Insert Grantor Name)* Identification No.: *(Insert Identification No.)*, DOB: *(Insert DOB)*, residing at *(Insert Grantor Address)*, referred to herein as "Grantor", and the United States of America.

The Grantor, in consideration for the dollar amount(s) shown on attached Exhibit A, sells and conveys unto the United States of America in Trust for the Grantee *(Insert Tribe Name)* shown on attached Exhibit A the interests in real estate situated on the *(Insert Land Area Code and Land Area Name)* shown on the attached Exhibit A, to have and to hold said described interests unto the United States of America in Trust for the Grantee forever.

This conveyance is made pursuant to the provisions of the Indian Land Consolidation Act Amendments of 2000, Public Law 106-462, as amended by the American Indian Probate Reform Act of 2004, Public Law 108-374, and the Claims Resolution Act of 2010 (Public Law 111-291).

Grantor and his or her heirs, executors, and administrators, hereby agrees that he or she will forever warrant and defend the title of the United States of America in Trust for the Grantee in said premises against the claim of all persons, claiming or to claim by, through or under him or her only.

(Insert Grantor Name)_____ (SEAL)

_____ (SEAL)

Acknowledgements must be in accordance with the forms prescribed by the State in which the land is situated.

STATE OF_____

BE IT REMEMBERED, That on this_____ day of _____A.D.

_____

before the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared

_____

to me personally known to be the identical person who executed the within instrument of writing, and such person_ duly acknowledge(s) the execution of the same and such person duly acknowledge(s) that execution of the same as his or her free and voluntary act.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my seal on day and year last hereinabove written.

(Seal)

_____
Notary Public

_____

_____
My Commission Expires:

(Insert Bar Code on each page of the deed and exhibits)

DRAFT

Sample Purchasable Interest Inventory (PII)

United States Department of Interior
Bureau of Indian Affairs
Exhibit A - Purchasable Interests Inventory (PII)

Page # of

Date MM/DD/YYYY

Offer/Deed ID #: #######

Grantor ID: ###########

Grantor Name: XXXXXXXXXX

Reservation/Land Area Name: XXXXXXXXXXXXXXXXX

Base Payment: In addition to the owner interest value price offered for any, all or some of the tracts listed in this report and chosen by you to sell, you will receive $ 75.00 for completing the purchase offer package and deed.

Example: Please use black or blue ink and fill in the circle(s) completely on the individual tracts you wish to sell, or you may select the "Sell all Tracts Listed Below"

Sell	Item No.	Tract ID	BIA Tract Name	Tract Resource	Total Tract Acreage	Total Owner Interest (%)	Owner Interest Value	Tract Appraisal Date	Matching Scholarship Contribution[1]	(Barcode)
○	Sell All Tracts Listed Below -			Total of All Owner Interests Value:			$496.95	Total Scholarship:	$30.00	|||||||||
○	1	999 345	Walking Crane	Surface	80.00	.289%	$389.20	XX/XX/XXXX	$10.00	|||||||||
○	2	999 650-B	Two Rivers	Both	40.00	.024%	$74.50	XX/XX/XXXX	$10.00	|||||||||
○	3	999 780	Spotted Horse	Both	160.00	.003%	$33.25	XX/XX/XXXX	$10.00	|||||||||

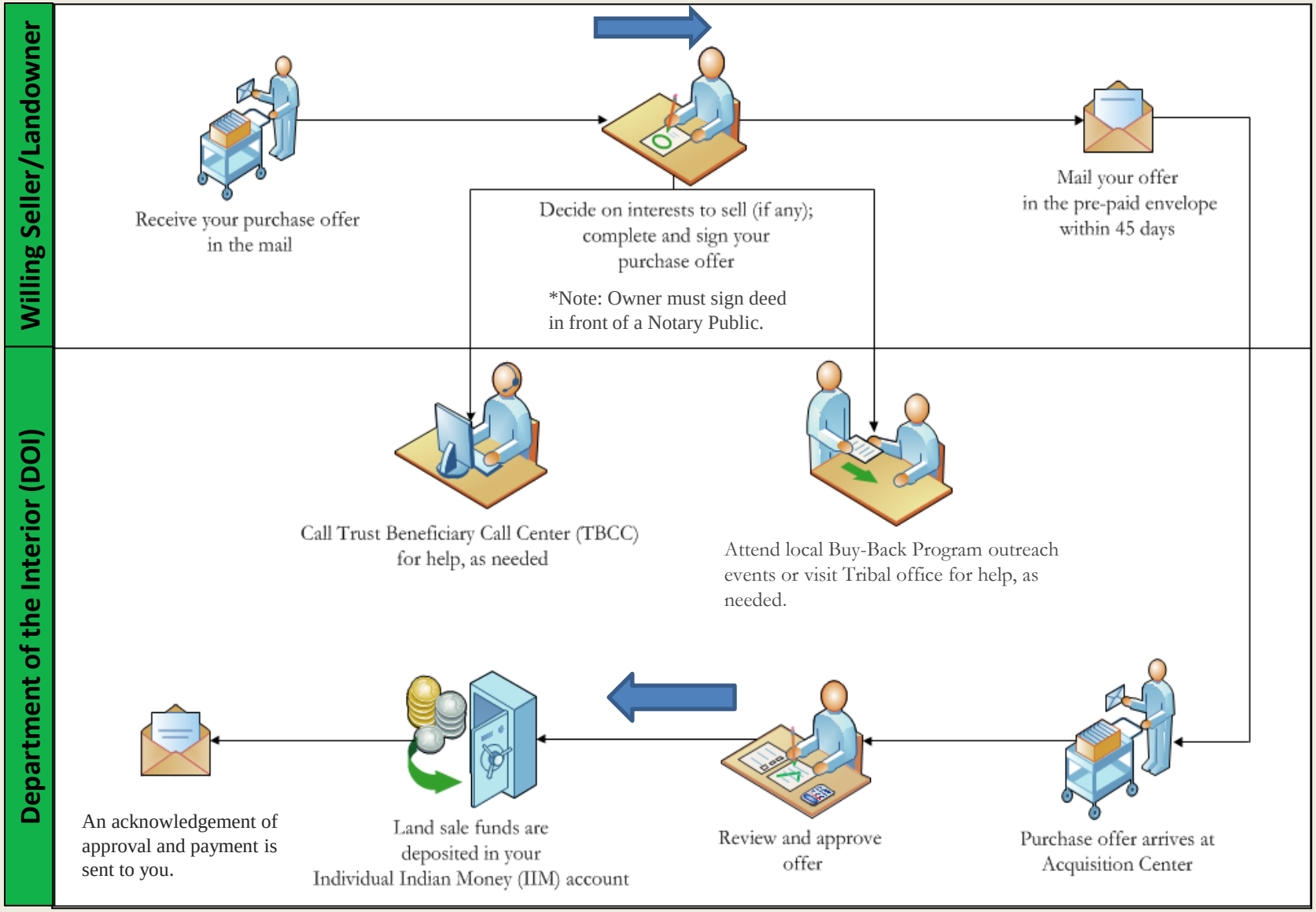
(Barcode) \|\|\|\|\|\|\|\|\|\|\|\|\|\|\|\|\|\|\|\|\|
Offer/Deed ID # ########

[1] The Claims Resolution Act of 2010 authorized matching contributions up to $60 million, made to the Indian Education Scholarship Fund for each ownership interest purchased. A zero dollar amount in this column indicates that the Fund has reached $60 million and no further matching contributions are being made.

SAMPLE

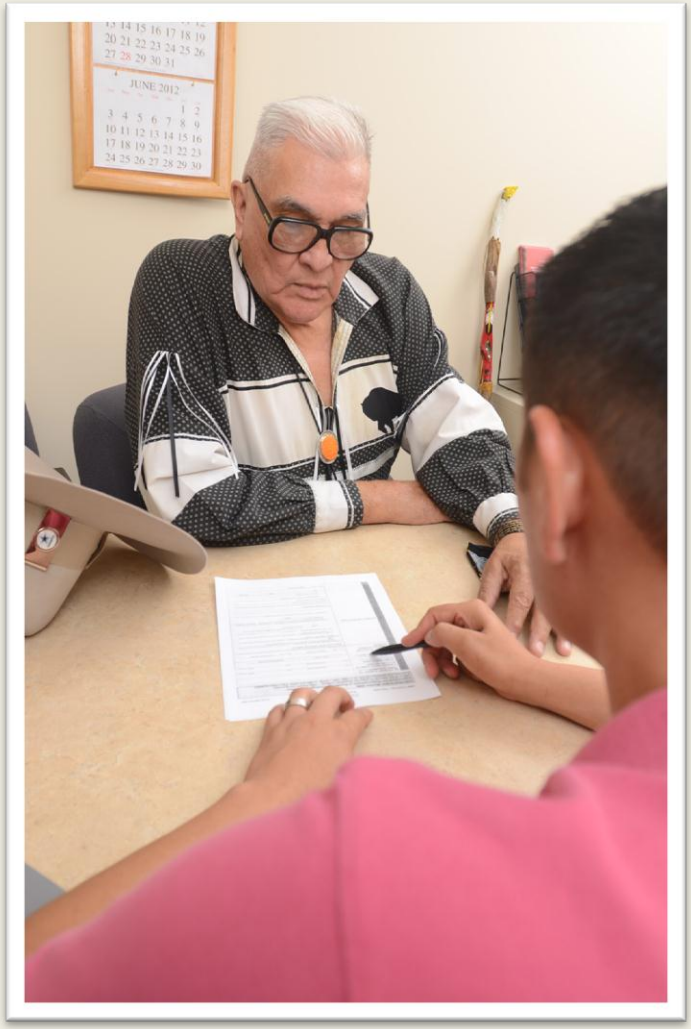
Note: This example for is for review purposes only. The exact design of the PII may be subject to change.

Purchase offer Process:



How do I complete the Purchase Offer Package?

- Verify your personal information is correct.
- Select the tract(s) you are interested in selling, sign the deed exactly as your name appears on the document in presence of a notary public (also available at outreach events).
- *Note:* Landowners have a set amount of time to decide whether to sell some or all of their fractional interests.
  - Packages must be completed and postmarked/returned before the end of the 45 calendar days to be processed.

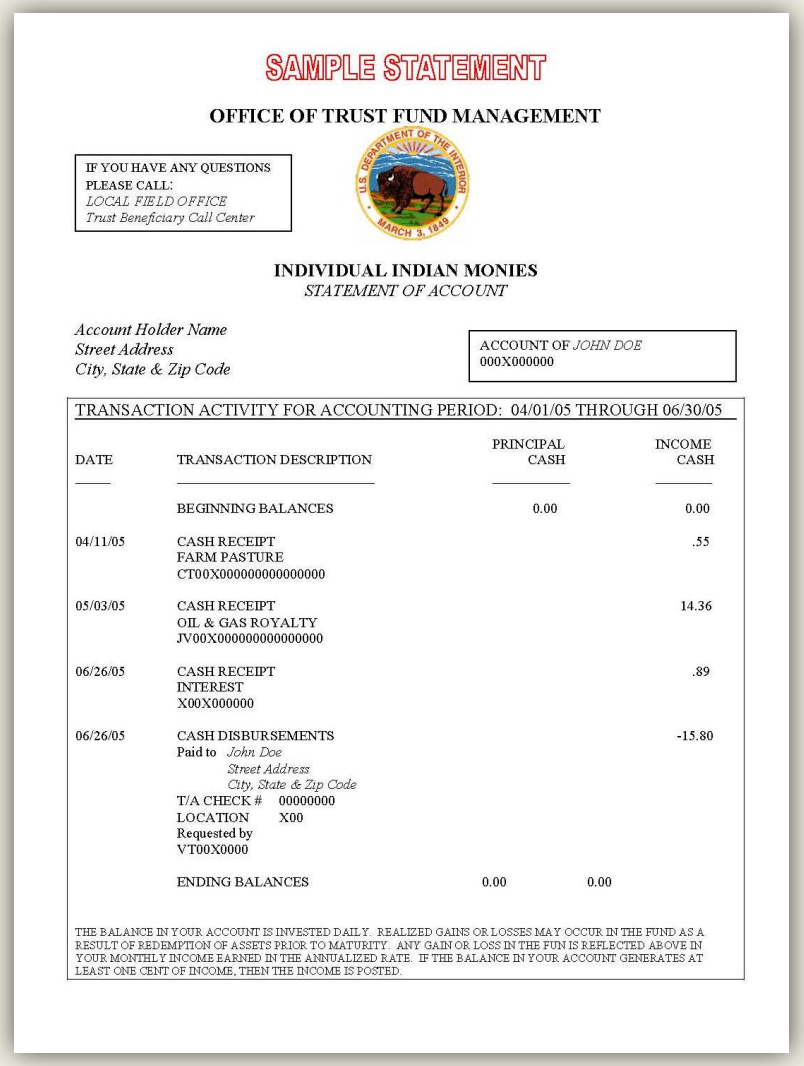


How will I be compensated for my land?

- **Fair Market Value.** Fair Market Value will determine the amount that an owner will be offered for their share of interest in a fractionated tract.

- **$75 Base Payment.** The Program will provide landowners with a base payment of $75 per offer, based on estimates for the time and effort required for individual landowners to proceed through the acquisition process and to facilitate sales.

- Funds will be deposited into the landowner's Individual Indian Money (IIM) account.



SAMPLE STATEMENT

OFFICE OF TRUST FUND MANAGEMENT

IF YOU HAVE ANY QUESTIONS
PLEASE CALL:
LOCAL FIELD OFFICE
Trust Beneficiary Call Center

INDIVIDUAL INDIAN MONIES
STATEMENT OF ACCOUNT

Account Holder Name
Street Address
City, State & Zip Code

ACCOUNT OF *JOHN DOE*
000X000000

TRANSACTION ACTIVITY FOR ACCOUNTING PERIOD: 04/01/05 THROUGH 06/30/05

DATE	TRANSACTION DESCRIPTION	PRINCIPAL CASH	INCOME CASH
	BEGINNING BALANCES	0.00	0.00
04/11/05	CASH RECEIPT FARM PASTURE CT00X000000000000000		.55
05/03/05	CASH RECEIPT OIL & GAS ROYALTY JV00X000000000000000		14.36
06/26/05	CASH RECEIPT INTEREST X00X000000		.89
06/26/05	CASH DISBURSEMENTS Paid to *John Doe* *Street Address* *City, State & Zip Code* T/A CHECK # 00000000 LOCATION X00 Requested by VT00X0000		-15.80
	ENDING BALANCES	0.00	0.00

THE BALANCE IN YOUR ACCOUNT IS INVESTED DAILY. REALIZED GAINS OR LOSSES MAY OCCUR IN THE FUND AS A RESULT OF REDEMPTION OF ASSETS PRIOR TO MATURITY. ANY GAIN OR LOSS IN THE FUN IS REFLECTED ABOVE IN YOUR MONTHLY INCOME EARNED IN THE ANNUALIZED RATE. IF THE BALANCE IN YOUR ACCOUNT GENERATES AT LEAST ONE CENT OF INCOME, THEN THE INCOME IS POSTED.

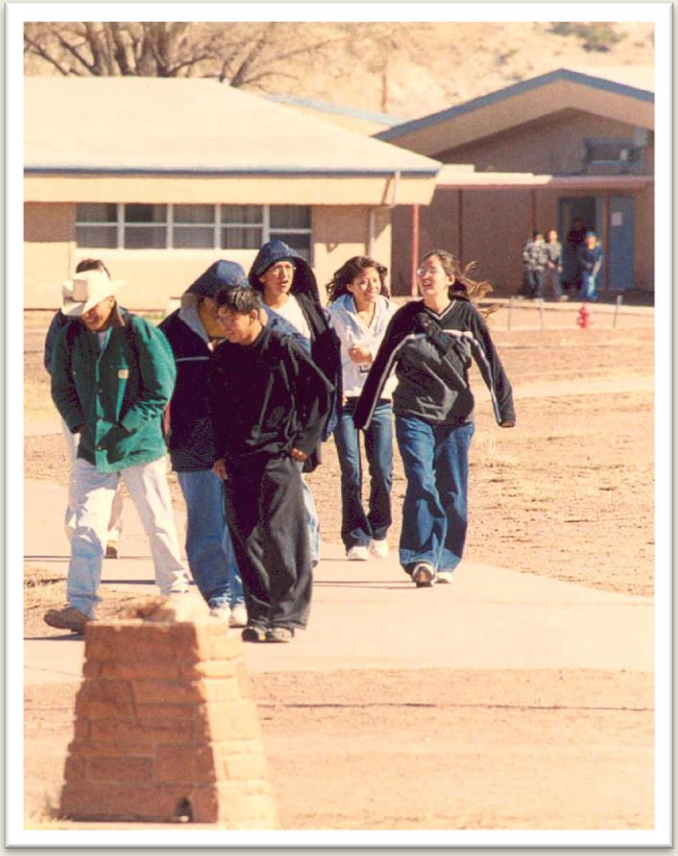
Indian Education Scholarship Fund

For every interest sold, a contribution will be made to the Indian Scholarship Fund – up to $60 million. The Scholarship Fund will be managed by a third party non-profit organization (American Indian College Fund).

Amount Funded per Fractional Interest:

- For every purchase of a fractional interest funds will be added to the scholarship fund.

- Participation in the Program is not required for a student to apply to receive financial assistance.



Things to consider…

- If you live on or make use of the land, visit your local BIA Real Estate Service Office to confirm that a valid lease or land use permit is in place.

- If you sell your land interest, you will no longer receive any revenue generated from that tract of land.

- The value of minerals <u>are</u> taken into account during the appraisal process.

- Minerals cannot be severed from the land (doing so would not meet the purpose of reducing fractionation).

What is my first step as a landowner?

Call the Trust Beneficiary Call Center

(888)-678-6836

- Ensure your contact information is correct
- Ask any questions you may have about the Program
- Indicate your desire to sell.

Centralized location for questions and answers/timely responses.

Hours: 7:00 AM to 6:00 PM (Mountain Time) Monday through Friday, and 8:00 AM to Noon (Mountain Time) on Saturday.

Whereabouts Unknown

FACT: OST does not have current contact information for approximately **33,000 beneficiaries,** referred to as **"WAU."**

- **OST Website: http://www.doi.gov/ost/wau/index.cfm**
  - Search list of whereabouts unknown by name
- **Information needed to request OST forms:**
  - Name of account holder
  - Current Address
  - Telephone Number

WRITE:
Office of the Special Trustee (OST)
Attn: Trust Beneficiary Call Center
4400 Masthead St., NE
Albuquerque, NM 87109

CALL:
Toll Free: **1- 888 - 678- 6836**

Where can I get more Information?

- **Website.** The Buyback Program Website has resources for both landowners and tribes. Visit www.doi.gov/buybackprogram

- **Outreach Events.** Assistance will be available at local outreach events to answer questions or assist with completing the Purchase Offer Package.

Questions?

Thank you for attending the Landowner's Workshop.