

INDIAN LAND CONSOLIDATION

(Dollars in thousands)

Subactivity Program Element	2022 Enacted	2023 Enacted	2024 Fixed Costs (+/-)	2024 Internal Transfers (+/-)	2024 Program Changes (+/-)	2024 Request	Change from 2023 Enacted (+/-)
Indian Land Consolidation	7,000	8,000			+22,500	30,500	+22,500
<i>FTE</i>		3			+22	25	+22
Total Requirements	7,000	8,000			+22,500	30,500	+22,500
<i>FTE</i>		3			+22	25	+22

Summary of 2023 Program Changes

Request Component	Amount	FTE
Program Changes		
• Indian Land Consolidation	+22,500	+22
TOTAL, Program Changes	+22,500	+22

Program Description:

The FY 2024 budget proposes to continue funding for the re-established Indian Land Consolidation Program (ICLP). The re-established program includes a focus on conservation to help Tribes address the climate crisis on Tribal lands. The Interior Department’s previous Indian Land Consolidation Program consolidated fractionated Indian lands prior to the establishment, in 2012, of the Land Buy-Back Program for Tribal Nations. As in the previous program, funds in the ICLP will be used to purchase, at fair market value, fractional interests in trust or restricted land from willing individual Indian landowners and to convey those interests to the Tribe with jurisdiction. Consolidation of fractional interests reduces the Federal Government’s costs for managing Indian lands, fosters Tribal self-determination, and promotes economic opportunity in Indian Country. This re-established program supports the Presidential initiative to invest in Tribal climate resilience and directly supports Executive Order 14008, “Tackling the Climate Crisis at Home and Abroad” by enhancing the ability of Tribal governments to plan for and adapt to climate change, and to build stronger Tribal communities. Reducing land fractionation and achieving Tribal majority ownership in lands supports Tribal sovereignty by enabling Tribes to make decisions about land management, use, and protection that facilitate climate resilience. The re-established program supports Tribal climate mitigation and adaptation efforts through land consolidation. Indian Affairs will continue to consult and coordinate with Tribes on program implementation.

2024 Activities:

The 2024 request supports:

- Continued progress toward reducing Indian land fractionation, in accordance with President Biden’s Executive Order 13985, “Advancing Racial Equity and Support Underserved Communities Through the Federal Government”.

- Continued use of streamlined, standardized, and automated processes and procedures for acquiring fractional interests.
- Activities necessary to carry out the program, including appraisals, outreach, and system support.
- Consultation and coordination with participating Tribes.
- Tribal efforts to address the climate crisis.

Justification of 2024 Program Changes:

The FY 2024 budget request for the Indian Land Consolidation program is \$30,500,000 and 25 FTE, a program change of +\$22,500,000 and +22 FTE from the 2023 Enacted.

Indian Land Consolidation (+22,500,000 / +22 FTE):

The re-established Indian Land Consolidation Program (ILCP) builds upon the successes of the Land Buy-Back Program for Tribal Nations (LBBP), a 10-year program that ended in November 2022, by continuing to consolidate fractionated Indian lands, thereby better enabling Tribes to address the impacts of climate change. The program uses existing infrastructure at the Indian Affairs Acquisition Center, which carried out the land acquisition- and title-related functions of the LBBP using a streamlined and standardized conveyance process, to maximize operational efficiency.

The LBBP was established by Secretarial Order to ensure implementation of the land consolidation aspects of the *Cobell v. Salazar* Settlement, which made \$1.9 billion available for purchasing fractional interests within a 10-year period. Fractionation was reduced substantially through the LBBP, with lasting benefits for the Department, Tribes, and individual Indians. However, resources made available through the *Cobell* Settlement were not sufficient to purchase all fractional interests and many remain after the LBBP ended in November 2022. Additionally, fractionation continues as undivided allotment interests are passed down to multiple heirs. Without sustained land consolidation efforts, Indian lands will continue to fractionate, diminishing the LBBP’s achievements.

With the requested increase, the ILCP will provide a core staff to continue land consolidation efforts on a nationwide basis by purchasing additional fractional land interests at the approximately 150 locations across Indian Country impacted by fractionation, thereby increasing the amount of Tribal trust land for conservation, stewardship, economic development, or other uses deemed beneficial by Tribes. Continued funding will support efforts to: address the climate crisis; address the longstanding fractionation problem; reduce costs to the Federal Government associated with managing Indian lands; facilitate sound land management; enhance Tribal sovereignty and self-determination by empowering Tribes to determine how their lands are used; and create opportunities for improvement of underserved Reservation communities.

In reducing fractionation, this program supports climate resilience efforts by improving Tribal governments’ ability to plan for and adapt to climate change, such as by protecting sensitive ecosystems and relocating threatened infrastructure. Further, this program provides Federal support to underserved Tribal communities and reverses adverse impacts of the repudiated Federal Indian allotment policy, thereby reducing barriers to economic opportunity in historically disadvantaged Tribal communities. Highly fractionated lands are difficult to protect or use for any purpose. When Tribes gain majority

ownership in previously fractionated land through consolidation efforts, Tribes can build stronger Tribal communities.

The program anticipates purchasing fractional interests at four locations in FY 2023 and an additional five locations in FY 2024, dependent on the appraisal model data availability for the purchase locations, with potential acquisition of as many as 13,250 fractional interests and the equivalent of up to 24,000 acres consolidated. Appraisals for Indian land consolidation are obtained from the Appraisal and Valuation Services Office (AVSO), utilizing cost-effective and state-of-the-art appraisal methodology and techniques whenever possible.

The re-established ILCP implements an efficient conveyance process, along with its streamlined and standardized procedures for acquiring fractional interests nationwide, which are specifically designed to minimize administrative costs associated with land acquisition. By leveraging the best available technology and eliminating redundancy, the program's processes and procedures make land consolidation more efficient and more cost-effective than ever before, ensuring as much available funding as possible is directed toward land purchases.

Indian Land Consolidation Overview:

Subactivity – Indian Land Consolidation (FY 2024: \$30,500,000; FTE: 25):

Program Overview:

The Secretary of the Interior is authorized to acquire from willing sellers, and at fair market value, any fractional interest in trust or restricted land, to prevent further fractionation; consolidate fractional interests and ownership into usable parcels, in a manner that enhances Tribal sovereignty; promote Tribal self-sufficiency and self-determination; and reverse the effects of the allotment policy on Indian Tribes.

This program is authorized under the Indian Land Consolidation Act Amendments of 2000 (Pub. L. 106–462), the American Indian Probate Reform Act of 2004 (Pub. L. 108–374), and other authorities. This funding is to remain available until expended within Indian Affairs for land consolidation and the supporting activities necessary to carry out the program. This program is modified from the previous Indian Land Consolidation activities in that any provision of the Indian Land Consolidation Act Amendments of 2000, Pub. L. 106–462 that requires or otherwise relates to application of a lien shall not apply to the acquisitions funded and 25 U.S.C. 2217 reporting requirements are not applicable.

The Joint Explanatory Statements of the Consolidated Appropriations Acts of 2022 (Pub.L. 117-103) and 2023 (Pub. L. 117-328) directs Indian Affairs to submit administrative expense estimates and performance metrics, including the proposed number of fractionated interests to be purchased and acreage consolidated, in the annual budget justification. In FY 2022, the program began initial planning leveraging existing employees from the Acquisitions Center. The program will focus an estimated \$2.7 million in FY 2023 for startup costs to fill vacant positions, system development and support, and interagency agreements to obtain required appraisals. In January 2023, the program made initial purchase offers with a total value of \$3.2 million at a pilot location for which appraisals are currently available. While the pilot is still underway and participation is voluntary, up to 286 fractional interests and

approximately 4,500 equivalent acres could potentially be acquired and restored to Tribal ownership at the pilot location. The initial purchase offers for the second pilot location for which appraisals were available were made in February 2023, with at least two additional planned locations later in FY 2023.