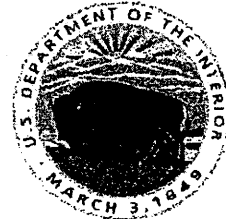




JUN 09 2010



The Honorable Harry Reid
Majority Leader
United States Senate
Washington, D.C. 20510

Dear Senator Reid:

We write to express our strong support for Senate passage without change of the Cobell Settlement language that is currently before the U.S. Senate as a provision in H.R. 4213, the American Jobs and Closing Tax Loopholes Act of 2010. We oppose the proposed amendments to the Cobell legislation, which would constitute a material change that would render the carefully-structured Settlement null and void. An identical letter is being sent to Senator Mitch McConnell.

Cobell v. Salazar, a class action lawsuit, concerns the accuracy of the trust accounts maintained by the United States for individual Indians, stretching back more than a century. Several hundred thousand Native Americans are plaintiffs in this case. The lawsuit has been one of the most contentious in our Nation's history, involving hundreds of motions, dozens of rulings and appeals, and several trials since 1996. In December of 2009, after many months of negotiation, the Departments of Justice and the Interior and the plaintiffs arrived at a settlement of this longstanding and divisive litigation.

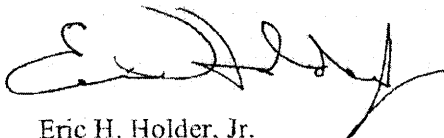
Legislation is needed to effectuate certain aspects of the Settlement. In particular, the legislation vests overall jurisdiction for supervising the Settlement with the United States District Court for the District of Columbia, which has been handling the litigation. The legislation also ensures that payments to individual Indians pursuant to the Settlement will not be treated as taxable income or used in determining eligibility for Federal or federally assisted benefit programs, permits the court to certify a single class of trust administration claims, and – much like the bill that Senators Dorgan and McCain put forward to resolve the lawsuit in the 109th Congress – sets aside funds and authorizes the Secretary of the Interior to administer a major land consolidation program that seeks to address one of the root causes of the historic trust fund accounting problems.

Once the legislation is authorized, the Court can review and finalize the Settlement and allow official notice to go out to the hundreds of thousands of beneficiaries of the Settlement. At that time, there will be extensive outreach to the class members, including a broad awareness campaign – television, radio, and print advertising across Indian country – encouraging people to learn more about the Settlement. We fully intend to engage Indian Tribes to aid in the outreach to their members who are also members of the class. Class members will have an opportunity to discuss their settlement options and then receive payments from the United States.

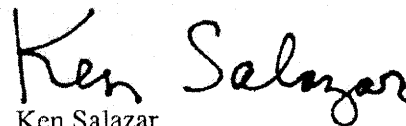
There are some in Indian Country and in the U.S. Congress who believe that the agreement reached by the government and the plaintiffs could be improved. The nature of any settlement agreement is that no one gets everything they asked for. In the lead-up to the agreement, issues were resolved through difficult, arm's length negotiations, and the parties contemplated that the legislation would be passed as proposed. Under the Settlement, if there is a "material change" to the legislation that is necessary to implement the parties' agreement, the Settlement would automatically become null and void. Due to the difficulty and complexity of the negotiations, we believe that the proposed changes will negate the agreement, and thus, the resolution of 14 years of acrimonious litigation.

The Administration has worked in good faith to reach a settlement that is both honorable and responsible. The *Cobell v. Salazar* settlement is an historic, positive development for Indian Country and a major step on the road to reconciliation. It is a fair and reasonable use of taxpayer dollars. We hope to turn the page on an unfortunate chapter in our history, usher in a new era of reform, and bring renewed attention to the needs of our First Americans, allowing the Department of the Interior to move forward and address the educational, law enforcement, and economic development challenges we face in Indian Country. We know you share in these goals, and we urge you to support the Cobell legislation as proposed.

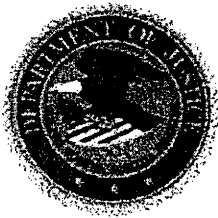
Sincerely,



Eric H. Holder, Jr.
Attorney General



Ken Salazar
Secretary of the Interior



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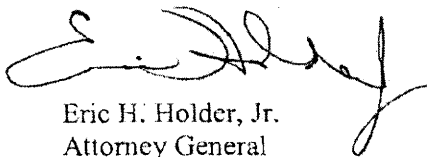
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