



# United States Department of the Interior

BUREAU OF INDIAN AFFAIRS  
Washington, D.C. 20240



IN REPLY REFER TO:

## National Policy Memorandum

**Bureau of Indian Affairs  
Director**

**Number: NPM-TRUS-2**  
**Title: Application Policy to Acquire Fractionated Interests Using ILCP Funds**

**Effective: May 20, 2005**  
**Expires: May 20, 2006**

### 1. Purpose

The purpose of this policy is to receive and process applications from willing sellers in the most efficient and timely manner; to ensure that the appropriate agency office is notified, when applications have been received and the transaction has been completed; and to forward completed deeds to the agency office with administrative jurisdiction over the land acquired.

The Indian Land Consolidation Act Amendments of 2004, P.L. 108-374 (the Act) made the Indian Land Consolidation Program (ILCP) permanent. In April 2003, the Bureau of Indian Affairs (BIA) established the Indian Land Consolidation Center (ILCC) to provide policy guidance, establish procedures and manage ILCP as it was expanded nationally. ILCC is to lead the effort to purchase fractional interests (both surface and subsurface) in trust or restricted lands from willing sellers at the discretion of the Secretary of the Interior.

The Secretary of the Interior has authority under the Act to acquire fractionated ownership interests in trust or restricted lands from individual owners. Potential sellers are required to complete an application for land sale (SF-5404). This application must receive BIA review to determine if the sale of an individual's ownership interests is in the best interest of the potential seller. ILCC has established Centralized Acquisition Offices (CAO's) in certain BIA Regions. In order to fully utilize the CAO's in the most efficient and effective manner, it is important to have a consistent policy in place to deal with the timely acceptance of applications for sale of land ownership interests.

Currently some Regions may require the local superintendent's acceptance of an application for sale of ownership interests. However, utilizing a CAO, this procedure may hinder the timely receipt and processing of applications for sale of land interests to the ILCP.

### 2. Scope

This policy applies to the following seven BIA Regional Offices: Navajo, Midwest, Great Plains, Northwest, Western, Eastern Oklahoma, and Rocky Mountain.

### 3. Policy

Effective immediately, the following acquisition policy is to be implemented with regard to approval of SF-5404. The following steps will be followed for the purpose of acquiring fractionated land interests utilizing

ILCP funding within BIA Regions that have established CAO's:

1. All applications for sale of trust or restricted interests shall be referred to the BIA CAO for review and processing. Applications for sale of fractional interests may be accepted for processing at the agency. Individual land owners may send applications directly to the CAO.
2. The CAO, upon receipt of an application, shall provide the agency superintendents/BIA Regional or Agency ILCP Coordinators with a list of prospective sellers. The superintendent of the location, where the applicant is enrolled, or his designated agent will review the list. If there are any concerns over the competency or welfare of the identified individual(s) relative to the sale of their land interests, the CAO should be promptly notified within 2 business days.
3. The CAO, by business process, will review an applicant's account in TFAS for any recorded restrictions that may apply.
4. After comparing the name on the application against the list of Non-Compos Mentis Declaration accounts, restricted accounts in TFAS, and considering any comments received from an agency, the Coordinator will present the Regional Director or his designee, with the application for "acceptance for administrative processing".
5. Once a decision is rendered, the application shall be referred back to the CAO for further processing.
6. If an application from an individual with a restricted account is accepted and processed, the appropriate agency superintendent (s) shall be notified when payment for the sale is deposited in the sellers account.
7. Upon completion of the transaction, a copy of the deed recorded at the Land Title and Records office for that service area, will be sent for recording/retention to the BIA agency with administrative jurisdiction over the land acquired. The sale file shall be kept with all other ILCP files at the CAO office.
8. At the conclusion of the ILCP within a BIA Regional CAO, all original file documents shall be returned to the agency office with administrative jurisdiction over the land acquired for file retention.

#### **4. Roles and Responsibilities**

Director, Bureau of Indian Affairs (BIA). The BIA Director is responsible for the development of National Policy affecting Indian lands.

Director, Indian Land Consolidation Center, The ILCC Director is responsible for coordinating the Bureau's nationwide program to consolidate fractionated interests in Indian lands pursuant to statutory requirements.

Deputy Director, Field Operations, BIA. The BIA Deputy Director of Field Operations is responsible for overseeing the Regional Directors and disseminating policy to them.

Deputy Director, Trust Services, BIA. The BIA Deputy Director of Trust Services is responsible for assisting in the dissemination of trust resource policy and information to the Regional Directors.

Regional Directors, BIA. The BIA Regional Directors are responsible for carrying out policy as directed, and for overseeing the implementation of policy either directly or via Agency Superintendents.

#### **5. Approvals**

/sgd/

William Pat Ragsdale  
Director, Bureau of Indian Affairs

5/25/05

Date

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