

## FUND DISTRIBUTION PROCESS

**Program:** Land and Water Settlements - General

**Type of Funding:** Court Ordered Payments (Treaty/Settlements)

**Funding Authority/Responsibility:** Settlement funding is distributed according to the Federal responsibilities outlined in enacted land and water rights claim settlements with Indian Tribes. Payments will be scheduled and authorized from year to year to ensure the settlement is fulfilled within the timeline established in the signed agreement.

*Current Settlements:*

White Earth Reservation Claims Settlement Act

25 U.S.C. 331 (The Act of March 24, 1986), 100 Stat. 61, Pub.L. 99 264.

Pechanga Water Rights Settlement

Pub.L. 114-322 Water Infrastructure Improvements for the Nation Act of 2016 (Title III, Subtitle D)

Blackfeet Water Rights Settlement

Pub.L. 114-322 Water Infrastructure Improvements for the Nation Act of 2016 (Title III, Subtitle G)

The Deputy Bureau Director, Office of Trust Services (OTS) has responsibility for this funding.

**Criteria for Distribution:** Upon apportionment, OBPM moves settlement funding as a whole from the budget address directly to the Office of Trust Services, who is responsible for making distribution to the Office of the Special Trustee of American Indians (OST) or the Regional Office where the tribe is located, based upon the payment direction outlined in the signed settlement agreement.

All settlements have different requirements for indexing at the time the settlement is enacted. Funding for Indian Water Rights Settlements is generally allocated with the Office of Trust Services (OST) holding funds in trust accounts for those funds appropriated to the BIA. To date, determination of specific indexing requirements for settlements is negotiated between the tribe and the implementation team for the settlement. The following policy regarding indexing has been recommended by the Secretary's Indian Water Rights office.

Indexing for non-construction activities where funds are held in trust accounts: Based on the CPI-U West Urban 50K-1.5M indices with funds to be indexed only until transfer to trust account.

Indexing for construction activities where funds are held in trust accounts: Based on Bureau of Reclamation Construction Cost Trends indices with funds to be indexed only until transfer to trust account. Until a feasibility-level study has been completed, funds should be indexed to Reclamation's General Property Index. After a feasibility-level study has been completed, annual indexing should be completed for each index classification included in the project. For further guidance, please refer to Reclamation's Directives and Standards BGT 05-01, Updating Construction Appropriation Authorization Estimates.

**Distribution Process:**

- Upon apportionment, the Indian Affairs Office of Budget and Performance Management (OBPM) moves funding to the Office of Trust Services. (within 5 days)

**If Settlement Outlines Funds to be managed by the Trust Management Account:**

- OTS will prepare a letter to OST, within 30 days of receipt of funds, outlining the name of the recipient and the level of funding available for IPAC billing.
- OST will IPAC the Bureau of Indian Affairs for funds to pay the settlements (within 7 days of receipt of the letter)
- Funds are placed into Trust account for the tribe within 30 days of receipt of the funds.

**If funding goes to the region:**

- OTS prepares a fund execution document (FED), obtains signatures and sends to OBPM to move the funds to the region. (Within 30 days of receipt of funds)
- OBPM processes FED moving the funds to the appropriate BIA Region (within 3 days)