

Statement of Ben Nighthorse Campbell
Chairman, Committee on Indian Affairs
Joint Indian Affairs - Energy Committee Hearing on Trust Funds

July 14, 1999

Good morning. The Committees on Indian Affairs and Energy will come to order for our second Joint Hearing on Indian Trust Funds.

Because this is a multi-faceted issue, I need to stress up front that our Committees are NOT here to re-litigate issues that are properly before Judge Lamberth's Court.

Despite the assertions of some, our Committees have oversight responsibility over Indian trust funds and more specifically, over the *1994 American Indian Trust Management Reform Act*.

For over two years the Department of Interior has taken steps to implement its "High Level Implementation Plan" (HLIP) to reform the badly broken trust management system.

In testimony at prior hearings Indian tribal organizations, trust experts, and Paul Homan, the former Special Trustee and a renowned private sector trust expert, all testified that they did not have confidence that the Department's reform plan will accomplish the needed reforms.

To guarantee that an independent analysis of the plan was undertaken, I asked the General Accounting Office to analyze the Department of Interior's proposed trust reform plan.

On April 28, 1999, the GAO submitted its report to Congress. The GAO concludes that the GAO

"has no assurance that the new asset and land records management service will meet its specific performance, security and data management needs or that the service can be delivered on schedule and within budget."

This Committee is interested in the long-term success of a reformed trust management system. We are not interested in yet another computer system that will have to be abandoned after spending millions of dollars. This is the situation with the BLM's "ALMRS" system, the Internal Revenue Service's billion dollar boondoggle, and others.

The GAO has documented these failures in the past, and I am concerned that we are looking at a similar pattern with the HLIP.

In addition to the billions of dollars at stake for individual Indians and Indian tribal account holders, there are hundreds of millions of taxpayer dollars at risk of being wasted.

That is not my opinion, or the opinion of Senator Murkowski. It is the opinion of the General Accounting Office.

The Committees should recognize that the only entity with confidence in the Department's plan is the Department. Unfortunately, they chose to decline our invitation to testify because of the ongoing litigation in the Cobell v. Babbitt case.

Secretary Babbitt's statement for the record includes some of the reasons precisely why we should NOT simply dump more money into this plan. I quote from page 2 of his statement:

“The realities of our current situation --- significantly outdated trust management systems, a need to make corrections as quickly as possible, and limited trained and experienced personnel --- have called for an accelerated approach to the Trust Asset and Accounting Management System (TAAMS) project to ensure its success.”

As I believe we will hear today, there is a need to reform this system, but the plan of the Secretary is just not the way to bring about the needed changes.

This is an also appropriations issue, and frankly I do not share the Secretary or the Assistant Secretary's view that they are willing to sacrifice funding for other Indian programs for the sake of throwing more and more money at their trust reform plan.

I sincerely hope that both the Senate and House take a very close look at what the Department is proposing, and whether the funds requested will be effectively spent.