



Highlights of [GAO-06-781](#), a report to congressional committees

## Why GAO Did This Study

In 1980, the Department of the Interior (Interior) established regulations to provide a uniform approach for taking land in trust. Trust status means the government holds title to the land in trust for tribes and individual Indians. Trust land is exempt from state and local taxes. The Secretary of the Interior has delegated primary responsibility for processing, reviewing, and deciding on applications to take land in trust to the Bureau of Indian Affairs (BIA). As part of this process, BIA must seek comments from affected state and local governments.

Congress directed GAO to study BIA's processing of land in trust applications to determine the extent to which (1) BIA followed its regulations, (2) applications were processed in a timely manner, and to (3) identify any concerns raised by state and local governments about land in trust applications. GAO is also providing information on problems with BIA's data on the processing of land in trust applications.

## What GAO Recommends

GAO is making a number of recommendations to improve the timeliness and transparency of the land in trust process and to ensure that BIA has accurate and reliable data in the land in trust database.

In commenting on the draft report, Interior agreed with our findings and recommendations.

[www.gao.gov/cgi-bin/getrpt?GAO-06-781](http://www.gao.gov/cgi-bin/getrpt?GAO-06-781).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Robin M. Nazzaro at (202) 512-3841 or [nazzaror@gao.gov](mailto:nazzaror@gao.gov).

## INDIAN ISSUES

# BIA's Efforts to Impose Time Frames and Collect Better Data Should Improve the Processing of Land in Trust Applications

## What GAO Found

BIA generally followed its regulations for processing land in trust applications, although most of the criteria in the regulations are not specific and thus do not offer clear guidance for how BIA should apply them. For example, there are no guidelines on how to weigh the impact of lost tax revenues on local governments. As a result, the BIA decision maker has wide discretion. Generally, all of the 87 applications with decisions in fiscal year 2005 were approved, except for 1 denial and 6 that were closed because the applications were incomplete. BIA is considering revisions to the regulations that would clarify that applications will generally be approved unless there is clear evidence of significant negative impacts. These revisions would make BIA's decision-making process more transparent.

Currently, BIA has no deadlines for making decisions on land in trust applications, but BIA is considering imposing about a 6-month time frame. In addition, there is also a 60-day time frame for BIA regional directors to rule on appeals. Based on these time frames, it appears that many land in trust applications have not been processed in a timely manner. First, the median processing time for the 87 applications with decisions in fiscal year 2005 was 1.2 years—ranging from 58 days to almost 19 years. Second, 28 complete off-reservation applications had been waiting an average of 1.4 years for a decision as of September 30, 2005. Third, 34 appeals had been waiting an average of about 3 years for resolution by a BIA regional director as of September 30, 2005.

When opposing land in trust applications or appealing decisions, state and local governments principally cited concerns about lost tax revenues and jurisdictional issues. In commenting on applications prior to decisions made in fiscal year 2005, state and local governments opposed 12 of 87 applications, or about 14 percent. Also, as of September 30, 2005, 45 decisions were on administrative appeal to either a BIA regional director or Interior's Board of Indian Appeals, including 5 appealed decisions from fiscal year 2005. Although GAO found little opposition to applications with decisions in fiscal year 2005, some state and local governments we contacted said (1) they did not have access to sufficient information about the land in trust applications and (2) the 30-day comment period was not sufficient time in which to comment.

GAO found the data in BIA's land in trust database, which was implemented in August 2004, were frequently incomplete and inaccurate. The database was hastily developed without defining user requirements and data fields. Specifically, (1) not all of the applications had been entered into the database and (2) the status of an application, as either approved or denied, was frequently incorrect. A properly designed and implemented database with accurate data would provide BIA with important information to help better manage the land in trust process. BIA has already recognized the shortcomings and initiated an effort to redesign the database as necessary.