



PRESS RELEASE

CLASS ACTION LAWSUIT AGAINST THE BUREAU OF INDIAN AFFAIRS IS SETTLED FOR \$940,000,000

ZUNI, NEW MEXICO (September 17, 2015). The Pueblo of Zuni is proud to announce the settlement of a class action lawsuit against the U.S. Bureau of Indian Affairs for \$940,000,000.

The settlement comes in a 1990 case which the Zuni Pueblo joined in 2002 after filing its own claims against the BIA for underpaying the Pueblo's contracts. The lawsuit eventually covered tens of thousands of contracts the BIA awarded to Indian Tribes under the 1975 Indian Self-Determination Act.

Under its own contracts, the Zuni Pueblo runs local federal programs covering law enforcement, tribal courts, child protection and child care, higher education, workforce development, juvenile detention, fish and wildlife, probate, and land management (just to name a few). But historically, the BIA has never fully paid the amounts due under these contracts, either to the Pueblo or to hundreds of other Tribes across the country. The Zuni Pueblo is honored to have successfully fought alongside the Ramah Navajo Chapter and the Oglala Sioux Tribe to vindicate the rights of all Native American Tribes to be treated at least as well as other government contractors, and to vindicate our own right of tribal self-determination.

The Zuni Pueblo and its team worked closely with the Ramah Navajo Chapter, which filed the original lawsuit in 1990. The original suit sought to correct a serious computational error the BIA was making in determining the amount due under the contracts. In 2000 the Zuni Pueblo filed two additional claims with the local BIA office over the agency's failure even to pay the mis-computed amounts. At the same time, the Pueblo also filed claims over the BIA's failure to pay other costs due under the contracts. The BIA rejected the claims and the Zuni Pueblo then filed its own lawsuit against the government.

In 2002, the Pueblo merged its own lawsuit into the main Ramah Navajo Chapter litigation (which by then also included the Oglala Sioux Tribe as a class representative). Shortly after the Pueblo's lawsuit was merged into the main litigation, the BIA agreed to a nationwide settlement of \$29,000,000 to resolve some of the claims which had been covered by the Pueblo's suit. (This was in addition to a 1999 class settlement of \$76 million which resolved several years of claims involving computational errors.) But the new settlement did not include most contract claims that developed after 1993. The federal government excluded those claims from the settlement because the BIA insisted it had no liability to the Pueblo or to any other Tribe once Congress in 1994 began "capping" the agency's appropriation to pay these contract costs. Not until 2012 was that legal issue eventually resolved in the Tribes' favor in the Salazar v. Ramah Supreme Court decision.

The Pueblo retained Lloyd Miller and the law firm of Sonosky Chambers Sachse Endreson & Perry to press its claims against the BIA. Mr. Miller was already litigating identical claims against the U.S. Indian Health Service, another federal agency that also contracts with Indian Tribes. In 2005, Mr. Miller secured a unanimous Supreme Court victory against IHS (Cherokee Nation v Leavitt) in a decision which ultimately paved the way for our 2012 victory, and for today's \$940,000,000 settlement.

After the 2005 Supreme Court decision in the Cherokee case, the three Tribes and their legal teams repeatedly tried to settle the remaining claims against the BIA. But the government would not settle and the litigation dragged on for years. At the same time, the government's potential liability grew with every passing year of contract underpayments. Finally, in June 2012 the United States Supreme Court sided with the Tribes and held the government liable for the underpayments (Salazar v Ramah Navajo Chapter et al). So long as the agency had sufficient funds to pay each Tribe's contract, the Supreme Court said, the BIA could not use an overall shortfall as an excuse not to honor each contract.

Since 2012 the three Tribes and their legal and expert teams have devoted thousands of hours to negotiating with the government over the damages it would pay. This involved massive expert work, the sampling of hundreds of contracts, painstaking negotiations, and ultimately a court-ordered mediation which led to today's comprehensive settlement.

But even before the settlement was achieved, however, the entire regime for paying the contracts changed. Congress responded to the 2012 Supreme Court decision by fully funding all contracts on a going-forward basis, a change

which has already resulted in several hundred million dollars more in current-year payments to the Tribes.

American Indian Tribes suffer the highest poverty rates in the Nation, with unemployment in many tribal communities running between 60% and 80%, and with 20% of reservation families making less than \$5,000 annually. Although the Indian Self-Determination Act has improved life on many reservations -- thanks to local tribal governments taking operational control of distant BIA federal programs -- those programs have suffered severely due to the BIA's historic contract underpayments. This is particularly true on the Zuni reservation, where average per capita income is less than \$10,000, and over 40% of residents live below the poverty level.

Today's victory honors the resilience of the Zuni Pueblo not only in managing its government operations during decades of severe financial challenges, but in pursuing a quarter century of litigation to a successful conclusion before the Supreme Court. As Zuni Governor Panteah said: "Today the Pueblo of Zuni stands tall and proud to have been a part of this historic achievement, and we humbly thank our current and past leaders, our legal team, and the Creator for the strength to carry forward."

For additional information, please call Zuni Governor Val Panteah, Sr. at 505-934-9371 or Zuni legal counsel Lloyd B. Miller at 907-229-6377

**Brief Bio of VAL RICARDO PANTEAH, SR.
Governor, Pueblo of Zuni**

Governor Panteah was elected Governor of the Pueblo of Zuni in January 2015. Prior to his election Governor Panteah has spent the last 35 years protecting and defending the Pueblo in various capacities, rising from a Security Officer to Head of the Department of Public Safety, with 11 years spent as the Chief of Police. Governor Panteah also served five years as an Associate Judge and served a prior term as a Tribal Councilman. Governor Panteah has served as a member of the Zuni Public School District, Board of Education, as a Tribal Police Representative on the New Mexico Law Enforcement Academy Board, and as an Advisory Board Member for the BIA Indian Highway Safety Program. Governor Panteah holds a Certificate of Judicial Development in Tribal Judicial Skills from the National Judicial College.

