

COBELL BOARD OF TRUSTEES  
6501 AMERICAS PARKWAY NE STE. 825  
ALBUQUERQUE, NM  
87110 505.313.0032  
COBELLSCHOLAR.ORG

TESTIMONY OF

TURK COBELL

TREASURER, COBELL BOARD OF TRUSTEES

Before the

SENATE COMMITTEE ON INDIAN AFFAIRS

Hearing on

“EXAMINING THE DEPARTMENT OF THE INTERIOR’S LAND BUY-  
BACK  
PROGRAM FOR TRIBAL NATIONS, FOUR YEARS LATER.”

DECEMBER 7, 2016

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Chairman Barasso, Vice Chairman Tester, and distinguished Members of the Committee, my name is Turk Cobell and I am pleased to appear today on behalf of the Cobell Board of Trustees (CBOT). The CBOT was established under the settlement agreement (the Cobell Settlement) that established the Cobell Scholarship Program and resolved the long-running class action litigation against the Department of Interior and other federal defendants known as *Elouise Pepion Cobell, et al. v. Jewell* (Cobell Litigation). The Cobell Settlement was authorized by Congress on December 8, 2010 – six years ago tomorrow -- and was granted final approval by the Court on November 24, 2012.

The role of the CBOT under the Cobell Settlement is to serve as custodian of the scholarship funds, to govern the Cobell Scholarship Program and to report periodically to the Secretary of Interior and the Lead Plaintiffs on the scholarship activities. As stated, I am Turk Cobell (a member of the Blackfeet Nation), the son of the lead plaintiff, Elouise Cobell, and I am an entrepreneur and also serve as the Treasurer of the CBOT. Other members of the CBOT include Alex Pearl, a citizen of the Chickasaw Nation of Oklahoma, who is an Assistant Professor of Law at Texas Tech University School of Law and Chair of the CBOT; Jeani O’Brien, a member of White Earth Band of the Minnesota Chippewa Tribe, who is a Professor at the University of Minnesota; Pam Agoyo, a member of the Pueblo of Ohkay Owingeh, Pueblo of Cochiti, and Pueblo of Kewa, who is the Director of American Indian Student Services and Special Advisor to the President at the University of New Mexico; and Dorothy “Dory” Nason, a member of the Leech Lake Band of the Minnesota Chippewa Tribe, who is a Professor at the University of British Columbia. I should also mention that Elouise Cobell, the principal plaintiff in the litigation that led to creation of the Cobell Scholarship Program, was honored, posthumously, two weeks by being awarded the Presidential Medal of Freedom.

I am pleased to report that the Cobell Scholarship Program is now well underway and is working extremely well. In fact, in the sixteen months since CBOT first began authorizing scholarship awards, nearly 1800 hundred individual Cobell scholarships have been awarded to almost 1000 Native American students. The scholarship awards are \$5,000 per semester for

undergraduates and \$10,000 per semester for graduate and doctoral students. The Cobell scholarship awards to date total more \$5.25 million, and the CBOT has authorized an additional \$500,000 for scholarships for the Summer Term 2017. Thus, the scholarships authorized to date total more than \$5.75 million. Moreover, the quality of the applicants is remarkable. The combined average GPA for students who received scholarships for the current academic year is 3.46.

There is a huge unmet need for these scholarships in the Native American community. Our scholarship administrator, Indigenous Education, Inc. (IEI), received nearly 3600 scholarship applications for the current academic year, but the funds available were only sufficient to provide scholarships to 600 students. There is some good news, however. The Scholarship Program will continue to receive additional funds related to the Land Consolidation Program up to a cap of \$60 million. In addition, the CBOT has invested the funds received conservatively, principally in index funds managed by Vanguard, but the returns to date have been excellent and have provided more funds for scholarships. The availability of additional funding and prudent asset management are both critical because CBOT is required to operate Cobell Scholarship Program as a perpetual fund.

The CBOT did encounter several initial hurdles in administering the Cobell Scholarship Program. The organization originally selected -- before the CBOT was formed -- to handle applications and to administer scholarships resigned before the application process even began. The next organization selected was overwhelmed by the number of applications and was not able to handle scholarship administration in a timely or satisfactory manner. Fortunately, CBOT replaced that organization earlier this year with IEI, led by Melvin Monette-Barajas, who is also testifying today, and IEI has done a superb job in administering the Scholarship Program. Moreover, in conjunction with replacing the prior administrator, CBOT and IEI jointly proposed that the administrative fee be cut in half, from 6% per annum to 3% per annum, and that has been done.

In getting the Cobell Scholarship Program operational and, in particular, in working through the changes in administrators, the CBOT has had the full support of the Lead Plaintiffs, through their counsel Bill Dorris of Kilpatrick Townsend, and the Department of Interior. At Interior, the single most critical person has been the Solicitor, Hilary Tompkins, who has been extraordinarily helpful to the Cobell Scholarship Fund at every turn.

Thank you, Mr. Chairman. That completes my testimony, and I would be pleased to answer any questions that the Committee may have.