U.S. HOUSE OF REPRESENTATIVES NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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Chairmen Young, Hastings Introduce Legislation Limiting Excessive Attorney Fees in Cobell Settlement

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WASHINGTON, D.C. – Indian and Alaskan Native Affairs Subcommittee Chairman Don Young (AK-At Large) and Natural Resources Committee Chairman Doc Hastings (WA-04) will today introduce <u>legislation</u> to cap attorney fees in the *Cobell v. Salazar* Settlement Agreement at \$50 million.

The \$3.4 billion Settlement Agreement, enacted into law last December, included an agreement, signed by the plaintiff attorneys and the government, setting attorney fees between \$50 million and \$99.9 million. However, plaintiff attorneys recently filed a petition in U.S. District Court seeking \$223 million pursuant to a previously unknown contingency fee agreement, the exact details of which are still undisclosed.

This secret agreement was not disclosed by the plaintiffs until after Congress passed legislation and told Congress that they would not seek fees over \$100 million. Lead plaintiff attorney Elouise Cobell in testimony before the Natural Resources Committee stated on March 10, 2010: "They [the attorneys] have agreed to limit their petition for fees to under \$100 million."

"There are concerns that the plaintiffs misled the Committee as well as their nearly 400,000 Indian clients," **said Subcommittee Chairman Young.** "For this reason, there is a need for legislation to place a cap on the fees and to examine why Plaintiffs failed to disclose information that Congress and affected Indians had a right to know about."

"Let's be clear: every dollar paid to attorneys is a dollar that comes out of the pocket of individual Indians in this settlement. This handful of lawyers is trying to take an obscene share of the money," **said Chairman Hastings.** "This Settlement should be about fair treatment of the 400,000 affected individuals in Indian Country, not lawyers looking to strike it rich."

Last year, after hearing concerns directly from individual Indians and Tribal organizations, then-Ranking Member Hastings twice offered an amendment to impose a \$50 million limit on attorney fees. Both times the amendment was rejected by the Democrat Rules Committee.

The <u>Department of Justice</u> has even strongly rejected the Plaintiff's petition for \$223 million in fees, and argued for a \$50 million to be awarded to the attorneys:

- "Even a fee of \$99.9 million—all class counsel are permitted to seek—is grossly excessive"
- "An award limited to \$50 million...would accord with controlling law, and satisfy Congress' expressed intent..."
- "The settlement is a fair one for the parties, but it merits nowhere near one hundred million dollars in attorney fees..."
- "The class members should not be taxed tens of millions so of dollars to compensate for efforts that frustrate the very remedy that they purported to seek."

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