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NATURAL RESOURCES COMMITTEE

CHAIRMAN DOC HASTINGS

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Indian and Alaska Native Affairs Subcommittee Holds Hearing on Bill to Cap Cobell Settlement Fees

Bipartisan Concern Expressed Regarding Exorbitant Attorney Fees, Information on Contingency Fee Agreement Sought

WASHINGTON, D.C. – The Subcommittee on Indians and Alaska Native Affairs held a legislative hearing today on <u>H.R. 887</u>, introduced by Subcommittee Chairman Don Young (AK-At Large) and Natural Resources Committee Chairman Doc Hastings (WA-04), to <u>cap</u> <u>attorney fees</u> on the <u>Cobell vs. Salazar Settlement Agreement</u> at \$50 million.

The Obama Administration and the plaintiffs in the Cobell Settlement refused an invitation to testify at today's hearing and have not yet complied with Committee requests for information on the secret contingency fee agreement seeking \$223 million in attorney fees for the plaintiffs' attorneys. In testimony before the Natural Resources Committee on March 10, 2010, the Named Plaintiff, Elouise Cobell stated that lawyers would limit their fees to under \$100 million.

- Click <u>here</u> for the Committee's request for documents letter to the plaintiffs.
- Click <u>here</u> for the Committee's request for documents letter to the Obama Administration.

"Today, the Plaintiffs are stonewalling the efforts of this Committee to get to the bottom of the fee controversy in their refusal to testify or to respond to numerous written inquiries over the last year seeking information about their fees," **said Subcommittee Chairman Young.** "I voted for the Claims Resolution Act, but I now worry that the integrity of the Act has been compromised by the Plaintiffs' lawyers. Their actions are frustrating the efforts of Members to protect the interest of the 500,000 Indians whose payments are now threatened by grossly excessive legal fees."

"Let's be clear: every dollar paid to the attorneys comes directly out of the pocket of individual Indians. This bill is focused on ensuring those individual Indians for whom this settlement was reached are the ones who benefit, and what is owed to individual Indians under the law isn't fleeced away by a handful of lawyers demanding over \$200 million dollars based on a secret deal known only to themselves," **said Chairman Hastings.** "These questions about excessive fees led me twice to file amendments to impose such a cap. Both times, the Rules Committee under the control of House Democrats blocked me from offering my fee limitation amendments." Click <u>here</u> to read the full opening statements from Subcommittee Chairman Young and Chairman Hastings.

Background:

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. <u>H.R. 887 would cap the attorney fees at \$50 million.</u>

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