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The Office of Navajo and Hopi Indian Relocation

The federal government divided up tribal lands in the Southwest during the 19th and 20th centuries, triggering long-standing land disputes between the Navajo Nation and the Hopi Tribe (both federally recognized Tribes). In 1868, the United States entered into a treaty with the Navajo Nation that, among other things, established the Tribe's 3.5 million acre reservation, initially in northern Arizona and New Mexico. In 1882, an executive order set aside about 2.5 million acres in Arizona for the Hopi Tribe. In 1934, Congress expanded the Navajo reservation so that it surrounded the Hopi reservation (P.L. 73-352). These federal actions led to some citizens of each Tribe living on, or using, land arguably set aside for the other Tribe. Both the 1882 executive order and the 1934 act allowed "other Indians" besides those belonging to the designated Tribe to reside on the specified lands; however, the Tribes have since disputed ownership and occupancy. This In Focus provides an overview of federal actions to address these tribal land disputes, including the Office of Navajo and Hopi Indian Relocation, and potential issues for Congress.

Overview of Federal Actions to Address the Hopi/Navajo Tribal Land Disputes

The federal government attempted to settle these tribal land disputes throughout the 20th century. In 1958, Congress authorized the Tribes to file lawsuits to settle ownership (*quiet title*) to the 1882 reservation (P.L. 85-547). In 1962, a federal district court in Arizona ruled that (1) the Hopi had exclusive rights to about 631,000 acres of the 1882 reservation (*District Six*) and (2) the Tribes had "joint, undivided, and equal interests" to about 1.9 million acres of the rest of the reservation—the *Joint Use Area* (JUA) (*Healing v. Jones*, 210 F.Supp. 125, D.Ariz. 1962).

In 1966, the Hopi Tribe filed a lawsuit claiming about 1.5 million acres of Navajo lands within the 1934 reservation. That year, the Commissioner of Indian Affairs at the Department of the Interior (DOI), Robert Bennett, restricted construction on those disputed lands until the conflict was resolved (absent approval from both Tribes). This *Bennett Freeze* was intended to stop either Tribe from taking advantage of the other while the dispute was being settled.

Despite these developments, litigation continued over both the 1882 and the 1934 reservations, leading Congress to enact the Navajo-Hopi Settlement Act of 1974 (Settlement Act, P.L. 93-531). The act authorized the Tribes to settle the 1882 reservation dispute using a federal mediator. The negotiation was unsuccessful, and in 1977, a court ordered the partition of the JUA into two equal land areas—Hopi Partitioned Lands (HPL) and Navajo Partitioned Lands (NPL). The act also authorized either Tribe to initiate or defend a court action on land claims related to the 1934 reservation.

The Office of Navajo and Hopi Indian Relocation

The Settlement Act also established the Navajo and Hopi Indian Relocation Commission to relocate tribal households on the newly partitioned lands stemming from the resolution of the 1882 reservation dispute. In 1988, the commission was restructured and renamed the Office of Navajo and Hopi Indian Relocation (ONHIR) (P.L. 100-666). ONHIR's mission is to relocate Navajo and Hopi tribal households and to provide related benefits and assistance. The Settlement Act also required relocation sites to include "housing and related community facilities and services, such as water, sewers, roads, schools, and health facilities." Navajo and Hopi households must apply to ONHIR and demonstrate that they meet certain criteria to become certified for relocation benefits. If denied, applicants may appeal.

ONHIR's relocation process was originally scheduled to end in July 1986 but has been delayed for various reasons. Some Navajo households refused to relocate during the first application period, which eventually led to a negotiated settlement agreement between the Tribes (ratified by P.L. 104-301). Under that agreement, the Hopi Tribe was authorized to acquire additional lands and the Hopi Tribe agreed to allow Navajo residents to remain on HPL under 75-year leases. Those residents who did not obtain leases could apply to relocate during ONHIR's second round of applications (1997-2000). ONHIR opened a third round of applications in 2005 to provide another opportunity for relocation. In 2008, ONHIR opened up a fourth round in response to a federal court decision (see this 2018 Government Accountability Office [GAO] report). In sum, about 100 Hopi households and 15,000 Navajo households have been relocated.

The Settlement Act, as amended in 1980, authorized the federal government to take 400,000 acres into trust for the Navajo Nation to relocate (P.L. 96-305). According to a 2023 DOI Office of Inspector General (OIG) report, 387,000 acres have been acquired pursuant to the act, including 352,000 acres of land in Arizona that ONHIR refers to as the *New Lands*. On the New Lands, ONHIR issues leases and rights-of-way for housing and related facilities and manages the Padres Mesa Demonstration Ranch (P.L. 99-190). The ranch was established to teach sustainable cattle ranching and livestock marketing to the Navajo relocatees.

Potential Issues for Congress Funding for ONHIR

Congress may continue to consider whether and how much funding is necessary for ONHIR to complete its mission. In 2020, DOI OIG estimated that the cost of relocating all of

the remaining currently eligible applicants totaled \$18.2 million. Funding for ONHIR is generally included in the annual appropriations laws providing funding for DOI. These laws typically fund relocation benefits and office operations. Congress annually appropriated approximately \$8 million for 10 fiscal years and then increased the appropriations to \$15 million in the Consolidated Appropriations Act, 2016 (P.L. 114-40), to “reduce the backlog of certified applicants awaiting relocation benefits.” In FY2023 and FY2024, Congress made available funding from unobligated (carryover) balances but provided no new funding. The Full Year Continuing Appropriations and Extensions Act, 2025 (P.L. 119-4), provided \$1.65 million for ONHIR. The Bureau of Indian Affairs (BIA) also receives annual appropriations that have been used to support the Tribes (i.e., BIA’s Navajo-Hopi Settlement Program, which helps manage agriculture and rangeland on HPL and NPL).

In addition to annual appropriations, the 1988 amendments to the Settlement Act established the Navajo Rehabilitation Trust Fund in the U.S. Treasury. The trust fund consists of appropriations and income derived from leases of Navajo Nation lands and minerals. According to a 2023 DOI OIG report, Congress authorized up to \$60 million for the fund over a six-year period; as of 2023, \$16 million had been appropriated. The 1988 amendments required the Navajo Nation to repay the federal government for any appropriations, but the Tribe has asked Congress to eliminate that requirement.

Future Role of ONHIR

ONHIR reported that it has nearly finished its relocation obligations: as of October 2024, the office has certified 3,848 families for relocation benefits and denied 3,336 others. Nevertheless, GAO noted that federal court appeals, including relocation eligibility determinations, are possible.

Whether and how ONHIR might cease operations is another issue. The Settlement Act states that ONHIR “shall cease to exist when the President determines that its functions have been fully discharged.” ONHIR has identified functions that would likely transition to a “successor agency” after completing all eligible relocations, although ONHIR has not publicly stated whether it has asked for a presidential determination around closure.

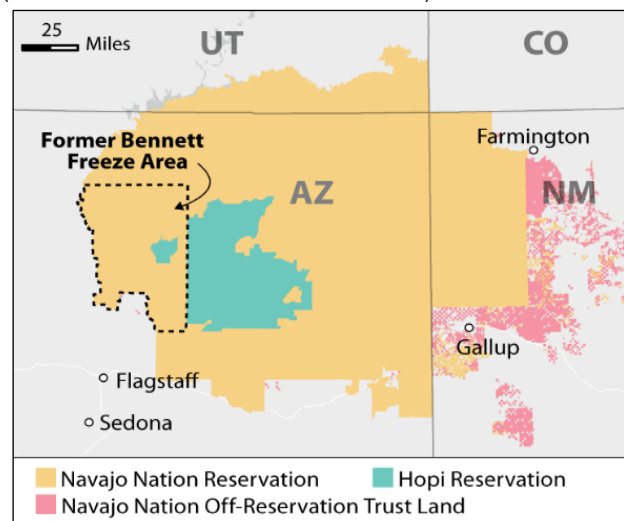
Absent a presidential determination regarding ONHIR closure, Congress has several options. Congress could continue to consider bills that would amend the Settlement Act to allow Congress to close ONHIR and transfer responsibilities to another federal agency such as DOI (see, e.g., S. 2111 in the 104th Congress and S. 1003 in the 109th Congress). It also could continue to investigate requirements for the transfer of operations to DOI. For example, in FY2019, Congress directed DOI OIG to audit ONHIR’s finances “and any related investigations that are necessary in preparation for the eventual transfer of responsibilities to [DOI] when ONHIR closes.” In addition, GAO stated that congressional authorization may be needed to transfer ONHIR’s property management responsibilities on the New Lands, including the Padres Mesa Demonstration Ranch.

Congress has directed, and ONHIR has committed to, tribal consultation about the future of the office. The Hopi Tribe generally has supported the completion of relocation activities and ONHIR’s subsequent closure. The Navajo Nation has cited ongoing construction and infrastructure concerns with the housing provided (see 2018 GAO report). Instead of closure, the Navajo Nation has asked Congress to authorize a study of relocation impacts and the impacts of ONHIR’s potential closure, which Congress has considered (see S. 3066 in the 107th Congress). To improve ONHIR accountability, the Navajo Nation also has asked the President to appoint an ONHIR commissioner (a position that has been vacant since 1994).

The Bennett Freeze and Economic Development

Since 1966, BIA modified the Bennett Freeze several times, and Congress eventually codified it in 1980 (P.L. 96-305). Court actions in the 1990s lifted, and then reinstated, the freeze. In 2006, the Tribes entered into an intergovernmental compact that lifted the freeze. In 2009, Congress repealed the freeze (P.L. 111-18). (See **Figure 1.**)

Figure 1. Navajo Nation’s and Hopi Tribe’s Lands
(includes the former Bennett Freeze area)



Source: CRS based on U.S. Census Bureau, Bureau of Indian Affairs, and Government Accountability Office documents.

Although the Bennett Freeze was formally repealed in 2009, concerns remain about its ongoing impacts. In 2022, the Navajo Nation reported that 24% of the area’s houses are habitable, with almost 60% lacking electricity and most lacking potable water. Congress has considered legislation to support economic development in the former Bennett Freeze area; for example, H.R. 6141 from the 117th Congress proposed establishing a Former Bennett Freeze Area Rehabilitation Trust Fund. That bill and others also have proposed creating Navajo Sovereignty Empowerment Zones, where certain laws would be waived to promote economic development.

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