



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

ASSISTANT SECRETARY FOR
PUBLIC AND INDIAN HOUSING

October 27, 2011

The Honorable Bill John Baker
Principal Chief
Cherokee Nation
P.O. Box 948
Tahlequah, OK 74465

Dear Principal Chief Baker:

This letter is to inform you that the U.S. Department of Housing and Urban Development is hereby lifting the temporary suspension on the Cherokee Nation's Indian Housing Block Grant (IHBG) funds.

On August 22, 2011, the Supreme Court of the Cherokee Nation issued a decision in the tribal case *Cherokee Nation Registrar v. Nash*, et al., which vacated the Temporary Order and Temporary Injunction preserving the citizenship of the Cherokee Freedmen issued by the District Court of the Cherokee Nation on May, 14, 2007. The effect of the Supreme Court's decision was to revoke the citizenship of the Cherokee Freedmen.

Following this order by the Cherokee Supreme Court, HUD informed the Tribe that it had temporarily suspended the Tribe's IHBG funds pending a determination by the Department on whether the funding restriction in section 801 of the Native American Housing Assistance and Self-Determination Reauthorization Act of 2008, P.L. No. 110-411 (2008), required termination of grant funds.

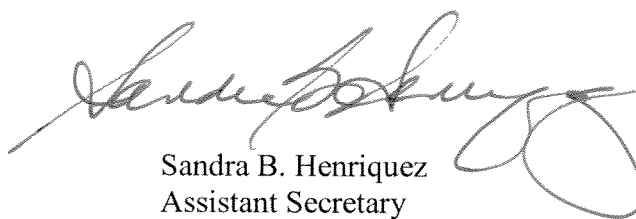
While HUD was reviewing the questions relating to funding, HUD continued to closely monitor the subsequent developments in the related cases pending before the U.S. District Court for the District of Columbia. Notably, the Tribe subsequently agreed to the terms of a court order issued by the U.S. District Court for the District of Columbia on September 21, 2011, in *Cherokee Nation v. Nash*, Case No. 1:10-CV-1169 (HHK). The order requires the Tribe to "ensure that all Cherokee Freedmen who were enrolled as citizens as of August 22, 2011, are recognized as citizens of the Cherokee Nation," and to "ensure that all Cherokee Freedmen citizens have access to and receive rights and benefits on the same terms as any other Cherokee citizen, whether the benefits are provided by funds from the United States or from the Cherokee Nation, or any other source," pending disposition of the case. The *Nash* case has since been transferred to the U.S. District Court for the Northern District of Oklahoma, where the case is currently pending, and the order remains in effect.

Based on statements released by the Tribe, it is HUD's understanding that the Tribe intends to fully comply with the terms of the September 21, 2011, order entered in *Nash*. The Tribe has also made clear that it will comply with the *Nash* order notwithstanding the October 11, 2011, order issued by the Supreme Court of the Cherokee Nation striking the similar order entered in the second Federal case, *Vann v. Salazar*, Case No. 1-10-CV-01711 (HHK).

In light of these considerations and after considerable analysis of Section 801, HUD has determined that section 801 of the Native American Housing Assistance and Self-Determination Reauthorization Act does not prohibit HUD from making IHBG funding available to the Tribe. Consistent with previous statements made by the Tribe and the Tribe's actions to date, HUD expects that the Tribe will continue to comply with the terms of the *Nash* order.

HUD reserves the right to reassess its decision to release the Tribe's funds in the future if the Tribe is deemed to be in violation of the terms of any Federal court order. Failure to adhere to a Federal court order could lead to sanctions, up to and including termination of the Tribe's IHBG funds.

Sincerely,

A handwritten signature in black ink, appearing to read "Sandra B. Henriquez", with a large, stylized flourish at the end.

Sandra B. Henriquez
Assistant Secretary