

# FISCAL YEAR 2001 BUDGET

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## HEARING

BEFORE THE

COMMITTEE ON INDIAN AFFAIRS  
UNITED STATES SENATE

ONE HUNDRED SIXTH CONGRESS

SECOND SESSION

ON

OVERSIGHT HEARING ON THE PRESIDENT'S BUDGET REQUEST FOR  
INDIAN PROGRAMS FOR FISCAL YEAR 2001

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FEBRUARY 23, 2000  
WASHINGTON, DC



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# FISCAL YEAR 2001 BUDGET

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WEDNESDAY, FEBRUARY 23, 2000

U.S. SENATE,  
COMMITTEE ON INDIAN AFFAIRS,  
*Washington, DC.*

The committee met, pursuant to notice, at 9:30 a.m. in room 485, Russell Senate Building, Hon. Ben Nighthorse Campbell (chairman of the committee) presiding.

Present: Senators Campbell, Inouye, Akaka, Domenici, and Wellstone.

## **STATEMENT OF HON. BEN NIGHTHORSE CAMPBELL, U.S. SENATOR FROM COLORADO, CHAIRMAN COMMITTEE ON INDIAN AFFAIRS**

The CHAIRMAN. The Committee on Indian Affairs will be in session. Good morning.

This morning we will hear testimony on the President's fiscal year 2001 budget request for Indian programs. All who are familiar with Indian country know there are few if any matters afforded to Native Americans that do not have a resources component to it. The Congressional Research Service has documented historic underfunding in constant dollars of most Indian programs, when they are compared to non-defense spending for other Americans.

In health care, housing, education and other categories, Indians are often left to play catch-up with the rest of America. At the same time, we also know that money is scarce and that money alone will not improve the quality and delivery of programs and services that most Indian people need to survive.

This reality has led us to propose better coordination and integration among agencies for shared missions serving native peoples. For instance, in diabetes treatment and prevention, as well as alcohol and substance abuse, the Federal Government needs to better manage existing programs.

To strengthen and encourage self-determination contracting and compacting, I'm pleased to see additional resources being dedicated to the contract support costs for existing and new tribal contractors. I'm also pleased to see a new emphasis in the request on a concentrated targeting of what we all know are scarce resources for the purposes of business and community development in native communities.

An integrated Federal response to roads construction, technology and access to markets hold much promise for native communities.

I might say, too, to all of our witnesses, we have a pretty large number today. I was looking through the testimony, reading it, and in the case of one witness, he's got 65 pages of testimony and 13 pages of additional information. We're not going to just read all that today, folks, it's as simple as that. [Laughter.]

We'll read it ourselves, we don't have to have you read it to us.

So we'll ask you to abbreviate your comments to 5 minutes, with the exception of our dear friend, Kevin Gover. We will give you a little more latitude.

But before you start, if I could ask Senator Akaka if he has an opening statement.

Senator AKAKA. Yes; thank you, Mr. Chairman.

**STATEMENT OF HON. DANIEL K. AKAKA, U.S. SENATOR FROM HAWAII**

Senator AKAKA. I'm pleased to participate with you in today's oversight hearing on the President's budget for the fiscal year 2001. The President is requesting a significant increase in spending for programs and services for Native Americans. I'm pleased to see the Clinton administration's commitment to honoring the United States' trust responsibility to Native Americans.

In his State of the Union message, President Clinton referred to empowering Native Americans through increased economic opportunities; better health care, better education and increased law enforcement for Native American communities. I have long supported the rights of indigenous peoples, especially in these areas.

I look forward to hearing from each of the witnesses this morning about the impact this budget will have on improving the quality of life for Native Americans. And I look forward to that, Mr. Chairman. Thank you very much.

The CHAIRMAN. Thank you, Senator Akaka.

I think all of us are pleased that the President has put that extra \$1.2 billion in his budget. And certainly those areas that he's focused on, law enforcement, education, roads, economic development and so on, are important. And we're certainly going to do our part.

With that, the Honorable Kevin Gover, Assistant Secretary, if you'd proceed.

**STATEMENT OF KEVIN GOVER, ASSISTANT SECRETARY—  
INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR**

Mr. GOVER. Good morning, Mr. Chairman. It's a pleasure to be here for the first time in this session of the Congress.

As both you and Senator Akaka have stated, the President has brought forth a very aggressive budget proposal for fiscal year 2001. The other witnesses will describe in some detail their particular pieces of this initiative. I would make the observation first that about one-half of the \$1.2 billion goes to the two primary agencies responsible for delivering services to Indians on the reservation, and that's BIA and IHS. And we're very grateful for that.

In the BIA budget, we have chosen to concentrate on four principal areas. The first is education. And within education the top priority is school construction. This committee has been very concerned, as have I, as has the Secretary, for the last 2 years that I've been in this job, with the issue of school construction. We know

we have a backlog in excess of \$1 billion of schools that simply must be built.

Ours is one of only two federally run school systems. And ours is in very bad shape. In the past, we found it difficult to bring this forward as a priority. But I'm very pleased that this year we have proposed a major increase, doubling what the Congress gave us last year, for which we're very grateful. That will allow us to build six schools. That allows us to at long last finish the priority list that we've been working on since 1992, and indeed, make a dent in the new priority list that we issued earlier this year.

Those six schools are not all of the schools that need to be built. But at least at that pace, if we're building 6 schools in 1 year, we can see the light at the end of the tunnel and begin to finally put these young people into facilities that are worthy of our country.

Also in the education area are two programs that are rather near and dear to our hearts. One is our Family and Child Education program. It's an early childhood education program that's intended to bring parents into the schools to work with the children directly, and with the faculty of the schools. We have that program in place in 22 schools now. We propose to expand it to 44 schools on the basis of the success we're finding in the schools where the program already exists.

The second is a program that we call our therapeutic residential dorms. As you know, BIA and the tribes operate a number of boarding schools throughout the country. These are sort of the remnants of a once very expensive boarding school system.

What we find now is that the young people that are coming into these boarding schools tend to be young people who have had problems, either within the home or in the schools that they previously attended. What we find further is that we're really unable to assist these troubled young people in any meaningful way beyond providing a place to live, food to eat and a basic instructional program, when what is really called for is therapy.

We would propose a pilot project that would allow us to choose four to six schools at which to operate a residential therapeutic program for troubled young people. They are already in our system, and we're simply failing them at this time. Were we to find success with that program, I would hope that in the future, the President will bring forward a larger request for similar programs throughout the country.

The second main area is law enforcement. This will be the third year of the President's initiative on Indian country law enforcement. It would be the third consecutive increase that we've requested. The Congress has been extremely forthcoming in helping us with this initiative, and each of the last 2 years, we've received the increases that we requested.

We are asking for an increase of about \$16 million for fiscal year 2001. Were we to get that, we would have begun to really cut the gap between off-reservation law enforcement and Indian country law enforcement and begin to provide the level of services that are necessary.

I think it's important always to note that our officers are currently in a lot of danger out there. In fact, two of our officers have been killed in the last year. We just can't escape the thought, in

the Bureau, that if we were able to have more adequate coverage, to have people operating in pairs rather than by themselves, that these deaths would not have occurred. This remains an urgent priority for the Bureau.

The third area where we are asking for substantial new resources is in the area of trust management. As you know, trust management has been a problem for years and years. We have undertaken a major reform program, but we could install the finest new systems ever conceived and the system would still collapse if we don't have the people to run it.

What we're finding consistently in the field is we don't have enough people employed in the realty service programs, that includes both the tribally operated programs and the programs that the BIA still runs on the reservation. We're asking for major increases in FTEs for our realty staff, our probate staff, our appraisal staff and other personnel that are related to trust services.

We've also asked for a modest but important increase in road maintenance. We know now that the Congress has again been very generous in providing us funds for building new roads in Indian country. Those roads are being built and the tribes are doing a spectacular job of stretching those dollars.

The problem is that we're building new roads and then we're watching them fall apart after a few years. We need money to maintain these roads the same way any other government would. We've asked for an increase in road maintenance, the majority of which would be directed to the tribes.

Finally, Mr. Chairman, our fourth major area where we've asked for a substantial increase is our housing improvement program. Our housing improvement program is designed to serve the poorest of the poor on the reservations. It's designed to serve people who cannot qualify for either private mortgages or even for assistance from the Department of Housing and Urban Development.

The kinds of homes that we all know too much about, out on the reservations, where the folks who live there just don't have the resources to make even the most basic repairs, the people who live with plastic on their windows and holes in the wallboard. The HIP program is designed to focus on the poorest of the poor and to just provide the most basic sort of safe and decent housing for those people.

We've asked for an increase of \$16 million to double the program in 1 year. This is in response to work done by our tribal leaders task force on the budget and on TPA, who identified a need in excess of \$800 million throughout Indian country. So in light of that, an increase of \$16 million is modest by that measure. Nevertheless, it represents a doubling of the program, and therefore a doubling of the services we can provide to people who are very, very much in need.

Senator DOMENICI. Which program was that you were referring to, Mr. Secretary?

Mr. GOVER. The Housing Improvement Program [HIP].

The CHAIRMAN. Where did that \$800 million figure come from, did you say?



Mr. GOVER. From the work that the tribal leader work group that we worked with last summer on the budget identified in terms of unmet need.

Those are the major elements of the increases the President proposes in the BIA's budget. Let me say, as the chairman noted at the beginning, this initiative is certainly most welcome in Indian country. We have attacked the highest priority needs that we could identify, both in the BIA budget and throughout the executive budget.

I think I would be remiss not to note that so much more needs to be done. Even with this increase, we fall far, far short of the obligations that the United States has undertaken in these communities. We described in our TPA report in some detail the various statutes, treaties and laws where the United States has undertaken to provide a particular service or a particular program on the reservation.

We described what it would cost to meet all of those obligations. And while we're very, very pleased with the increases that we see that have been proposed by the President, we must not forget how far short we fall even were these increases to be granted, and just remain aware of that fact.

That's all I have, Mr. Chairman.

[Prepared statement of Mr. Gover appears in appendix.]

The CHAIRMAN. Thank you. I have to say that that \$800 million surprised me, that figure, but knowing the way some of the Indian houses its building, in which the lower bidder gets the contract, some of them are substandard when they're built, unfortunately. They're just not built to last very long or to stand up in adverse conditions.

Before we go to the next witnesses in the panel, though, I would ask the vice chairman, Senator Inouye, and other members if they have comments before we start.

Senator Domenici, did you have a comment?

Senator DOMENICI. Thank you, Mr. Chairman.

#### **STATEMENT OF HON. PETE V. DOMENICI, U.S. SENATOR FROM NEW MEXICO**

Senator DOMENICI. I would like to make a few remarks, if you would permit me. Frankly, I'm pleased that the President asked for \$1.2 billion over the last year, and in looking at the budget, my conclusions are the same conclusions you have given here as to what they do.

I'm rather pleased that the President went out to the Pine Ridge Sioux Reservation when he did. Because apparently when he came back from that visit, from what I could tell, anyway, for the first time in his administration, some serious concern began to generate about Indian problems.

And what happened was, by a coincidence, I was at the White House on another subject. I said something about Indians, and he said he came back from there concerned about the lack of job opportunities and could we work together to try to do something about it. Of course, that was music to my ears.

And then you all recall that as a result of that, a meeting was held at their request. An economic advisor was the man in charge.

And they met in my office with about 10 or 12 Senator staffers, in an ad hoc meeting, after which we went to the White House 28 hours later, after that meeting. Of course, we asked for more than we got, the collective group of Senators, including you and your staff, Mr. Chairman, and Senator Inouye.

But let me suggest that we stressed the highest priority was the school buildings that we own. That's where we got the biggest increase. But I would agree with some statements made by the Secretary, post budget, saying, even the school construction is not enough. When you can take on only that few number of schools from this huge pot that has gone down the drain that we have our Indian kids attending schools that we wouldn't send anybody else to.

Nonetheless, it would seem to me that for the first time we've got a significant increase; \$1.2 billion for all Indian programs is nothing to laugh at. It's pretty good, over a budget last year in the \$8 plus billion. That's a pretty good increase.

I would urge that you and the vice chairman submit a request to the Budget Committee quickly, saying that you urge we put in at least this much in the Interior appropriations recommendations, not that we will win. You will prevail in appropriations, we won't. But I think it would be good if we had a vote in our Budget Committee as to whether we want to increase this by the amount suggested by the President. It may be that somebody might want to put more in, especially in the school construction part.

I want to close by saying while there is a slight increase in the criminal justice part, it is second in priority in my opinion to the Indian schools. There just is no law enforcement in many parts of Indian country, because the FBI covers the 10 major crimes, as you all know, which are part of the law of the United States. But it's been very difficult for the Indian people to put together police departments, put together courts, put together jails. We have Indian country without any juvenile facilities in most cases, in some instances, 50,000 to 100,000 Indian people with no juvenile facilities.

I don't know how much longer we can just do that and say, that's not our responsibility. At least we ought to decide who it is that is responsible for criminal protection and juvenile justice. If it is the Indian people, who's responsible to pay for it? It would look to me that in some instances, the Indians could pay for a portion of it. But in many instances, they can't, Mr. Chairman.

So what we've got is probably some of the areas of highest growing crime rates and juvenile delinquency and drug use and suicide, which is most incredible, happen to exist in Indian country. I don't think that's anything to be proud of. I'm not sure we have the solution.

But we ought to be sure that we at least get the \$1.2 billion, which is not going to be any easy job, considering what some people think we ought to do with the budget. Some people don't think we ought to spend a nickel more than last year, in which again, we can't find \$1.2 billion for the Indian needs.

Thank you for letting me speak. I have a detailed statement. I'll ask that it be made a part of the record.

The CHAIRMAN. Without objection, so ordered.

[Prepared statement of Senator Domenici appears in appendix.]

The CHAIRMAN. Just to inform the chairman of the Budget Committee, we'll be marking up our letter of request with views and estimates next Tuesday. So hopefully you'll have it in your hands by the end of the week. We want to get in there first.

Senator DOMENICI. Okay, good.

The CHAIRMAN. Senator Wellstone, did you have comments before we go on?

**STATEMENT OF HON. PAUL WELLSTONE, U.S. SENATOR FROM MINNESOTA**

Senator WELLSTONE. Thank you, Mr. Chairman.

Just a couple of quick comments, one of which builds on what Senator Domenici had to say. I think, Secretary Gover, that I want to pick up maybe most importantly on the way you concluded. I think the 10-percent increase is commendable. I'm glad to see it. A 10-percent increase doesn't make up for years of under-investment, we all know that.

But I do have to ask myself the question, with the trillions of dollars of surplus over the next 10 years, I still think, and given where this economy is at, I think this is the time where we probably ought to be doing a lot better. It's like every time we say it's a first step, but we never seem to be able to take that last step of fulfilling that promise of equal opportunity for all Americans, including Native Americans.

I would say to Senator Domenici that on the school construction, that's a perfect example, \$300 million more helps. But what we really want to know is, what do we need to do to deal with this backlog. If it's \$1 billion over  $x$  number of years to deal with the backlog of school construction, let's do it. And it seems to me, when an economy is flush, that we ought to really push hard on this front. I find that to be one of the most disgraceful aspects of under-investment.

The other comment I was going to make is, when Senator Domenici was talking about suicide, you know, I think now, I mean, this is the second leading killer of young people in this country. I think what we will find is many more younger people, for that matter, many more citizens, are killed by suicide than by homicide. And I think that probably applies to Indian country just as well. I am embarrassed, I don't have the figures.

But I do know that one of the reasons, which is just sort of tragic, is the lack of services for people. And in particular, mental health services. In rural America, it's just devastating, it's just unbelievable. Maybe we're getting help to 20 percent of the kids. And in Indian country, my guess, Mr. Chairman, is it's far worse.

So I again would say that my guess is in the health care budget there are still huge gaps. I appreciate the increase. I think the Committee should be behind it. But I think maybe what we can also be saying is, you know, we're talking about some record surpluses, and we ought to be making some of this investment. This is the time where I think maybe we could make a giant step forward, rather than a small step forward, in dealing with some of these needs.

Senator DOMENICI. Mr. Chairman, might I just ask if the Senator would correct his statement? You said a 10-percent increase. Actu-

ally, it's bigger than that. It's almost 15 percent, 14.6. That's pretty good. Not what we want, but that's probably bigger than any other agency is getting this year.

Senator WELLSTONE. In that case, I stand corrected.

Senator DOMENICI. That is the case.

Senator WELLSTONE. I stand corrected on the increase, but not on the sentiment that I expressed, which is we're talking about trillions of dollars of surplus.

Senator DOMENICI. I didn't ask you to.

Senator WELLSTONE. Wouldn't you all agree we could do better?

The CHAIRMAN. For those of you who have never attended a hearing here, now, you can already tell this is not very democratic. Senators talk all they want. [Laughter.]

And witnesses are somewhat limited, depending how much we like you. [Laughter.]

And we like all the rest of the witnesses up to about 5 minutes. This little thing here will remind you.

We're going to proceed now with Michel Lincoln, deputy director of Indian Health Service.

**STATEMENT OF MICHEL E. LINCOLN, DEPUTY DIRECTOR, INDIAN HEALTH SERVICE, ACCOMPANIED BY RICHARD BARROR, ACTING DIRECTOR OF FACILITIES AND ENVIRONMENTAL ENGINEERING; AND CRAIG VANDERWAGEN, M.D., DIRECTOR OF CLINICAL AND PREVENTIVE SERVICES**

Mr. LINCOLN. Mr. Chairman and members of the committee, thank you for having this hearing.

I personally look forward to this hearing, because it's really through this committee and your counterparts in the House that we describe what the health needs are out in Indian country to the Budget Committees and the Appropriations Committees. So we very much appreciate being invited today.

I would like to mention two people that are with me today. We have Richard Barror and Craig Vanderwagen. So if there are questions that need to be handled, perhaps after the hearing with your staff, we would be more than glad to respond to more detailed questions, if we cannot respond to them in this hearing itself.

I would like to follow on to Secretary Gover's statements relative to the package that is in front of you. The budget increases submitted by the President for health care services is an increase of \$229.7 million. That's kind of a net increase over the final budget and appropriation for fiscal year 2000.

When we look at this request, there are a couple of elements that I would like to walk through and then perhaps lay a framework for the request. First of all, there's the need in order to maintain the existing services that are provided out in the field. Every year, as we look at the cost of inflation for medical care services, versus the resources that are available for those people in the hospitals and clinics to provide the same level of care they provided in the past year. We see an erosion occurring of our ability, whether it's a tribal program or Federal program or urban program, to maintain those services.

When you look at this budget, you will see a line called current services. In that instance, we have made a request of \$177 million—

The CHAIRMAN. The line called what services?

Mr. LINCOLN [continuing]. Current services. And in that, we've made a request for an additional \$177 million. Essentially, there are three major categories of funding in that line item that the committee needs to be aware of. First of all, there is full funding for pay increases in the Federal operating programs, tribal operating programs, and urban programs.

This is the first time that I can remember in the 10 years that I have been working for the Indian Health Service on a national basis, where the director of the agency has come to this committee and said, here are the full Costs of Pay Act for all three of the delivery systems that we work with.

The second item that I would like to mention is that we have been able to work with the Department and the Office of Management and Budget to have ongoing facility replacement be part of current services. The truth of the matter is, as it is in education, that the environment within which one provides health care, the environment within which one discusses the health needs of individuals and their families, must be conducive to the healing process.

We have a significant request for health facility construction in this budget, approximately \$65 million request. When you phase that out over 2, 3, and 4 years, it turns out to assist us in addressing some of our backlog, and some of the backlog that exists in Indian country.

The third piece is the critical piece. And you mentioned that in your opening statement, Mr. Chairman. There is a very real increase proposed, a significant increase proposed for contract support costs. The request is for \$40 million. That will greatly assist the agency in funding appropriately any new and expanded contracting efforts. And to the extent that those funds are not used for new and expanded contracts, they will be used to deal with the shortfall that is experienced by tribal contractors at this moment.

There is a second category of funds that we like to think of as reducing the health disparities that exist in this country between American Indians and Alaska Natives, and the U.S. population at large. In this instance, this budget request includes an additional \$104 million. Significant to that is \$85 million that addresses health disparities and of the increase, \$41 million approximately that addresses contract health services shortfalls.

If I could characterize this budget from a framework standpoint, it is a budget that takes a step in the right direction. It is a significant budget increase that the Administration is proposing for health care services, preventive health services and for tribal self-determination efforts associated with this budget.

The tribes met with us, and that is the second point, to formulate this budget and it has been formulated with tribes at a local level, through teams that are set up in our area offices and the tribes and the urban programs there, to a national formulation. Even to the point now where there are official presentations by the Na-

tional Indian Health Board and other national organizations to the Secretary and to the Department of Health and Human Services.

If I could conclude, Mr. Chairman, regarding this budget, perhaps it can be stated just quite simply. There is much work to do in terms of improving the health of the Indian individuals, the communities within which they work and the tribal governments that are very rapidly taking on this responsibility themselves.

We believe that when this budget is funded that we can make a real difference in the lives of the American Indians and Alaska Natives.

Thank you, Mr. Chairman.

[Prepared statement of Mr. Lincoln appears in appendix.]

The CHAIRMAN. Thank you, Mr. Lincoln.

Ms. Jackie Johnson, director of the Office of Native American Programs.

**STATEMENT OF JACQUELINE JOHNSON, DEPUTY ASSISTANT SECRETARY FOR NATIVE AMERICAN PROGRAMS, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

Ms. JOHNSON. Thank you, Mr. Chairman and members of the committee.

First of all, I'd like to start by apologizing for my tardiness. Today is a significant day for HUD and the Office of Native American Programs. We are hopefully concluding our consultation process with the tribes, and I had to open that meeting this morning.

The CHAIRMAN. That's all right, we were talking anyway.

Ms. JOHNSON. Oh, good. I wouldn't want to interrupt that. [Laughter.]

But I am pleased to report that HUD is continuing to make real progress and a positive difference in supporting the Nation's Indian programs. The Secretary is focusing on issues and problems faced by Native Americans throughout Indian country. And I'm especially proud that HUD has been part of the President's efforts for this Governmentwide initiative to assist Native Americans which totals \$9.4 million.

Many favorable changes have taken place in the implementation of NAHASDA. And this important legislation leaves for an impressive level within the tribes, making it possible for us to help Native Americans help themselves. Adding to this good news, I'm proud to say that HUD is proposing the best budget ever for HUD's Native American programs.

As I said, in HUD's budget request for fiscal year 2001 is the best budget for Indian programs ever. This budget demonstrates our commitment. I'd like to summarize those requests for you.

Basically, we're increasing the Department's Indian programs to \$730 million, which is a \$37 million increase from fiscal year 2000. HUD is requesting the increased funding for the housing block grant to \$650 million, along with maintaining the funding levels for our loan guarantee program, training and technical assistance.

These current authorities, however, are not enough to support the Native American communities. HUD and the tribes must partner together to address the changes in Indian country and the marketplace, to make sure that we're in step together with these

changes. Therefore HUD is proposing in its fiscal year 2001 several new initiatives.

Out of the NAHASDA grant, we are proposing to expand the language to provide for housing and housing assistance for qualified law enforcement officers. This is in support of BIA and Justice's initiative for tribal law enforcement officers.

In addition to that, we're increasing the funding in the Indian Community Development Block Grant with a set-aside for stand-alone economic development planning grants, an activity that has been ineligible on its own without this additional authorization.

And then we are also requesting a \$5 million set-aside from the block grant program for Indian home ownership intermediaries and a \$2 million set-aside to create an economic development access center under the ICDBG program, and a \$5 million grant program to provide financial support for tribal colleges and universities. Basically what we're taking is the HUD program and looking communitywide to be able to see what are some of the gaps in the other areas that HUD does that we can help alleviate some of the stress within the Indian communities.

NAHASDA took a first step to leverage these dollars and these programs. Now we're looking at where there are some additional gap.

For example, one of the President's one-stop mortgage initiatives that we've been working on for the last year, we have found that home ownership can be a reality in Indian communities, and have worked with many of the agencies sitting here at the table and others who aren't at the table to be able to streamline that process. We've been able to come up with a lease that the BIA, VA, Agriculture and HUD all agree to. So there's a one-lease approval process.

But we also recognize that the home ownership intermediaries at the local community level are very critical to this. Those that can do the home ownership counseling, can be the link to the private sector financing people, to deal with the credit counseling that's necessary, to be able to help look for affordable models of housing that can help make home ownership work. And that's what we're asking for in our \$5 million home ownership intermediaries, to be able to take the two pilots that we have in Navajo and in Pine Ridge, and be able to share them in other areas and other communities throughout the country.

In addition, our economic development access center will for the first time link over 12 agencies through a toll-free number, a single toll-free number and a web site, to allow the tribal members to obtain information about Federal programs for economic development. This initiative, we believe, will help be able to give the tribal members more information about the programs that the Federal Government has, a single resource so that they can use multiple programs, find that information, and will be communicating and working through an MOU with the other agencies who are partners.

HUD is also supporting for the first time something that Black and Hispanic colleges have had in the past, and that is to bring the same opportunities to Indian country, that's the \$5 million that we're requesting for the tribal colleges and universities program, to

address neighborhood revitalization, housing and community development needs within their community.

We have learned through the lessons of NAHASDA as we've moved forward that it's really important to deal with the leveraging components. So we once again are requesting support for our title VI program. We have had a number of projects that are in the midst of getting finalized. We've noticed that there are, the tribes are now grasping the ability to deal with the financial private sector communities.

In my written testimony that I submit for the record, I tell you a little bit about the Apache Dawn project, where the tribes have gone forward using 184 and the private sector to be able to leverage of housing in that community. So we'd like to continue that as well as support for other mortgage initiatives.

I'd like to conclude my testimony, Mr. Chairman and members of the Committee, by thanking you for your support, by recognizing that HUD is indeed stepping to the table to be a major player, to be able to look internally with all its resources, and be able to provide access to the tribes to all the resources within HUD.

Thank you very much.

[Prepared statement of Ms. Johnson appears in appendix.]

The CHAIRMAN. Thank you.

Mr. Cohen, assistant secretary, Elementary and Secondary Education, for the Department of Education.

**STATEMENT OF MICHAEL COHEN, ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION, ACCOMPANIED BY THOMAS M. CORWIN, ACTING DEPUTY ASSISTANT SECRETARY, ELEMENTARY AND SECONDARY EDUCATION; AND DAVID BEAULIEU, DIRECTOR, OFFICE OF INDIAN EDUCATION**

Mr. COHEN. Thank you, Mr. Chairman and Senator Inouye. It's a pleasure for me to be here testifying before you today. This is my first opportunity to appear before this committee, and I'm pleased to be here to discuss the President's fiscal year 2001 budget in this context.

I'm joined this morning by two of my colleagues, David Beaulieu, who's the director of the Office of Indian Education Programs, and Thomas Corwin, who's my acting deputy assistant secretary.

I'll be brief in my comments and submit a detailed testimony for the record.

The CHAIRMAN. That will be fine.

Mr. COHEN. The administration places a top priority on strengthening education for Native Americans in a number of ways. The President has signed two Executive orders within the last several years, Executive Order No. 13021 focused on strengthening tribal colleges and Executive Order No. 13095 focused on strengthening elementary and secondary education for Native American students. Our budget request is a significant part of our effort to make those Executive orders real and to put some resources behind them.

We're pleased to be part of the \$1.2 billion increase in investments in Native Americans across the Federal Government. Our budget for Indian education is also part of the administration's proposed \$4.5 billion increase in discretionary education spending



overall and reflects our overall strong commitment to strengthening education.

I'd like to highlight just a few of the major items from our budget request. First and foremost, we're asking for \$92.8 million for Indian education formula grants to local educational agencies. This is an increase of \$30.8 million or 50 percent over the fiscal year 2000 level. This program is the Education Department's principal vehicle for addressing the unique educational and culturally related needs of Indian children.

Our requested increase would provide resources to help ensure that Indian students achieve to the same high standards that we expect of other children. We know from data on the National Assessment of Education Progress that in reading and math at all grade levels, American Indian students lag behind the national averages in significant ways. That's a gap that we're committed to do everything we can to address.

The proposed level of funding for Indian education programs for the formula program would provide an estimated per-pupil payment of \$200 per pupil, an increase of \$66 per student from the 2000 level. So that's a significant increase.

We are also requesting \$10 million to continue a program that we are starting this year, the American Indian Teacher Corps program, to train Indian college students to become teachers, place them in schools with concentrations of Indian students and provide them with professional development and in-service support where they teach. This is designed to make sure that Indian college students who are interested can become teachers and help Indian children learn more and better. We're proposing an additional \$10 million this year that will enable us to continue and expand that program.

Finally, we're also proposing a new \$5 million initiative, the American Indian Administrator Corps, which is modeled after the teacher corps, and is designed to recruit and prepare school administrators to serve in schools with large concentrations of Indian students. There are shortages of teachers and principals all over the country. They're particularly acute in Indian country, and this is an effort to help address those shortages.

Outside of the Title IX Indian Education programs, I want to mention two additional ones. One has to do with school renovation and school construction, which has already been a topic of conversation among the committee. The administration is requesting \$1.3 billion for a new school renovation initiative overall, and \$50 million of that would be set aside for grants to approximately 118 local school systems around the country that have 50 percent or more of their children in average daily attendance residing on Indian lands.

This \$50 million would be in addition to the \$167 million increase that's being requested for the BIA. So that's a significant increase in school construction and renovation funding.

Second, we have increased investments in higher education, particularly in aid for institutional development. We are proposing \$9 million, an increase of \$3 million, or a 50-percent increase, over our fiscal year 2000 budget for strengthening tribally controlled colleges and universities. At our budget request, we can continue to

fund 16 grants that are already in place, and we can add an additional 8 awards as well.

We're also proposing to continue funding for the Alaska Native and Native Hawaiian serving institutions at \$5 million.

Mr. Chairman, I thank you for your time and attention. I'll be pleased to discuss these issues further with you.

[Prepared statement of Mr. Cohen appears in appendix.]

The CHAIRMAN. Thank you.

Mr. John Orszag, director of policy for the Department of Commerce.

**STATEMENT OF JOHN ORSZAG, DIRECTOR OF POLICY, DEPARTMENT OF COMMERCE, ACCOMPANIED BY MARCIA WARREN, SENIOR ADVISOR ON NATIVE AMERICAN AFFAIRS**

Mr. ORSZAG. Thank you, Mr. Chairman, Senator Inouye.

It's my pleasure to represent Secretary Daley here to present the Department's Native American Affairs initiatives in the fiscal year 2001 budget.

I am joined today by a new member of my office, Marcia Warren, who has started as a senior advisor to the Secretary for Native American Affairs. She'll be available to the committee afterwards and to your staff to answer any more detailed questions that you may have on our initiatives.

Before I discuss our budget initiatives, I'd like to briefly inform the committee about the activities that Ms. Warren has undertaken since she started her position. Last year, I came before this committee and reported that the Secretary was committed to creating a senior level position to coordinate all our efforts to help Native Americans and to advise him on Native American affairs. This new effort, which, Mr. Chairman, you and Senator Inouye have long advocated for, will be led by Ms. Warren, a member of the Santa Clara Pueblo Tribe of New Mexico.

As soon as Ms. Warren started her position, she created a new Native American Affairs hot line, so that people would have one point of contact they could go to at the Department to get questions answered. She established the Department's first Native American affairs working group with representatives from each of the nine bureaus that the Department has, which are relatively diverse.

This group has been meeting regularly and has made great progress in the three goals that they have laid out: first, to establish a long-range plan to better coordinate the Department's efforts; second, to increase accessibility to our programs; and third, provide needed information to our customers, Native American communities and businesses.

In addition to strengthening our internal infrastructure, which is obviously important, we're pleased to introduce our budget initiatives. We feel that these initiatives will help us address three key areas in Native American communities. First is economic development, second is technology infrastructure, and third, international trade and tourism.

Let me add that these are part of the larger initiative, relatively small compared to the other initiatives here. But this is an attempt to have a more coordinated effort.

Specifically, we are requesting \$49.2 million for Native American communities at the Economic Development Administration within the Department of Commerce. This would include \$5 million for economic adjustment, \$5.2 million for planning and technical assistance, and \$39 million for infrastructure in Native American communities. If enacted, the infrastructure investment by EDA in Native American communities in 2001 alone, in 2001 alone, would be greater than we invested in the 7 year from 1993–99 combined.

The purpose of this initiative will be to fund capacity building, including planning and technical assistance, revolving loan funds and capital access and infrastructure projects that are needed for American Indian tribes and Alaska Native villages. We believe strongly that these investments would pay big dividends in Indian country.

Another important issue is technology infrastructure. On December 9, President Clinton and Secretary Daley focused the country's attention on the issue of the telecommunications and information technology gap in America at the Department's Digital Divide Summit. At this summit, Susan Masten, who is on the panel after us, highlighted that Native American communities are significantly less likely to have a telephone or have access to a computer or the internet.

This is an extremely important issue to the Secretary. Because if we do not do anything to address the digital divide now, these communities will find that they will fall further and further behind in a digital economy. So we cannot let that happen. We believe that our Native American economic development initiative at EDA will provide some of the badly needed investments in technology infrastructure, coupled with the other Administration initiatives. This would be a good first step to addressing the digital divide.

Obviously, as a number of people have mentioned, this is a first step, not the last step. So it's important that we begin this initiative now.

The final point I want to raise is international trade and tourism. We have \$5 million, or are requesting \$5 million for the International Trade Administration to continue and expand its rigorous outreach program under the global diversity initiative. The purpose of this initiative is to first identify native-owned firms with core attributes, for example, management skills, sound products and internal resources, for successful international sales. Then we provide training, trade missions and specific Native American export incubator projects, to help these companies go global.

This initiative also includes a modest funding request to boost travel and tourism in Indian country through the cultural heritage initiative.

Mr. Chairman, Senator Inouye, thank you for this opportunity to present the Department's initiatives. We would be pleased to answer any questions you may have.

[Prepared statement of Mr. Orszag appears in appendix.]

The CHAIRMAN. Thank you. We'll have some.

Mr. Mark Van Norman, director, Office of Tribal Justice, Department of Justice.

**STATEMENT OF MARK VAN NORMAN, DIRECTOR, OFFICE OF  
TRIBAL JUSTICE, DEPARTMENT OF JUSTICE**

Mr. NORMAN. Mr. Chairman, Mr. Vice Chairman, members of the committee, good morning. Thanks for the opportunity to testify today.

The Attorney General would have liked to testify in person, and she asked me to express her regrets. She views our Indian country law enforcement improvement initiative as an important priority.

For fiscal year 2001, we are requesting \$173.3 million for the Department's portion of the initiative. The BIA is also requesting \$19 million for their portion of the initiative. Our request is an \$81.8 million increase over our fiscal year 2000 appropriation.

This initiative is very important, because while crime rates have dropped throughout the Nation, they've been rising in Indian communities. The Justice Department, in cooperation with the BIA, is seeking to improve basic public safety in Indian country by funding tribal police officers, equipment and training, building detention facilities, enhancing juvenile crime prevention, improving tribal courts, improving forensic evidence gathering, and dealing with the close connection between alcohol abuse and violent crime.

In Indian communities, serious crimes are predominantly violent crimes. American Indians suffer the highest rates of violent crime victimization. Our Bureau of Justice Statistics reports that American Indians are victims of violent crime at more than twice the rate of all U.S. citizens. American Indian women suffer alarming rates of sexual assault.

American Indians also suffer the highest rate of child abuse and neglect. We have a growing problem of youth violence in Indian communities. Alcohol abuse is closely linked to this violence.

In fiscal year 1999, recognizing these severe problems of violent crime, President Clinton requested funding for the joint Justice-Interior Indian law enforcement improvement initiative. Our budget request for fiscal year 2001, \$173.3 million, is broken down as follows. For the FBI, \$4.6 million for 31 victim witness coordinators, forensics exams, and over time for tribal police officers on FBI safe trails task forces. These are multi-jurisdictional task forces. Without the overtime, it's difficult for tribal police officers to fully participate.

For the U.S. attorneys, \$4.7 million for 33 assistant U.S. attorneys and 27 support staff. For our office, the Office of Tribal Justice, \$932,000 to make the office an ongoing part of the Department. For the COPS program, \$45 million to fund tribal police officers, training and equipment and \$5 million for crime laboratories.

For corrections, \$34 million for the construction of tribal detention centers. For tribal youth, \$20 million for delinquency prevention, control and juvenile justice system improvement. For tribal courts, \$15 million. This program for tribal courts is an essential part of the overall initiative to reduce violent crime, because tribal courts are facing increasing case loads that result from increased police prosecution and rising crime rates in Indian country.

We also have an OJP Indian country grant program, \$21 million to address the specific problems of youth violence, sexual assault, and alcohol related crimes particular to Indian communities. We have an Office of Justice Program [OJP] zero tolerance drug super-

vision programs. That's intended to make sure that offenders in tribal detention facilities do not abuse drugs while they're in custody.

For the tribal criminal and civil legal assistance program, we've asked for \$6 million. That's for criminal and civil legal assistance, and also the development of tribal college curriculum on those areas. This request is in line with the committee's proposal in S. 1508.

We've also asked for \$5 million for our police corps program. That's for scholarships for students entering the field of law enforcement. They have to make a commitment, but they can get funding for their college before they enter law enforcement. In particular, we need this earmark in our larger programs to make this program accessible to Indian students. Right now, the program is not set up for the tribal colleges, and we need this earmark to make sure that those funds are accessible to Indian country.

Recruitment of police officers is a big issue. I'll wrap up in a second.

Let me mention that I talked to Sherry Matteucci yesterday. She's the chair of the U.S. Attorney's Native American Issues Subcommittee. She asked me to tell you that the U.S. attorneys are working hard with tribal law enforcement to improve Indian country law enforcement, and that the U.S. attorneys and the FBI need their additional funding to continue this work to improve public safety.

I'd also like to say that, in regard to Senator Domenici's observation about the need for tribal juvenile facilities, last week the Justice Department, the BIA and the Navajo Nation met in Window Rock, AZ to plan for the opening of a new juvenile detention facility in Chinli. We also met last week with the Salt River Pima Tribe to talk about these issues.

So the Department recognizes the significance of these problems and also the Department's important responsibility under the Federal trust responsibility and specific statutes to address the violent crime program. And it is a priority for us, and we would ask your support in securing these funds.

Thank you.

[Prepared statement of Mr. Van Norman appears in appendix.]

The CHAIRMAN. Thank you. I notice on the budget sheet for you, Mr. Van Norman, that you just mentioned \$5 million for a forensic lab. Where would that be located, any idea?

Mr. VAN NORMAN. That would be contracted in areas of high crime in Indian country. So it might be contracted with existing State crime labs.

The CHAIRMAN. Mr. Assistant Secretary, let me start with you and ask a few questions here. I'm going to submit a number of them for the record for all of you, but just ask a few. I was, I guess, what we call a high risk student when I was a youngster in school. In fact, I was a high-school dropout, as you know, in a lot of trouble. You had a few problems yourself in your younger days, as many Indian kids did.

Can you give me a little information about this therapeutic residential model that's supposed to be a pilot program that you're going to introduce in some of the boarding schools?

Mr. GOVER. That's right, Mr. Chairman. What we're seeing at our boarding schools increasingly is that we get troubled young people coming into the boarding schools. Usually they're kids that have either had trouble in the public school or in another BIA school, and they end up in one of our boarding schools.

What we also find is that they're in need of more than what the average student needs, particularly in terms of some sort of psychological issues, maybe the result of alcoholism, substance abuse or perhaps being violently abused by a parent or perhaps being sexually abused by a parent. That is quite typical among the students that we have.

If all we do for them is to provide them room, board and a basic instructional program, we are really leaving those children really without the skills that they're going to need to cope once they leave our school.

The CHAIRMAN. Does that model involve some counseling?

Mr. GOVER. That's exactly right, counseling and perhaps peer support groups; different sorts of things. But most importantly, by qualified professionals rather than simply by the ordinary BIA staff or the dorm staff. We want people who know what they're doing in dealing with these young people.

The CHAIRMAN. This request for \$300 million in school facilities construction, I understand part of the funds would be part of a school bonding initiative. Is there any ongoing effort to identify other ways to finance facilities?

Mr. GOVER. We've made an ongoing effort. I've talked to tribal leaders, many of whom are willing to invest in these schools themselves, at least in part. The bonding initiative found no success in the Congress last year. It is a small part of the initiative, and the initiative that we propose is not dependent on the enactment of the bonding provisions.

The tribal leaders ask a very legitimate question, which is, why should they take on long-term debt to build a Federal facility. And that's a question that we've not answered adequately, yet. What we would do is take the money we've requested and leverage that into more money by setting up a fund that over time would pay the principal amount of the bond issue. That's the idea that we're putting forward.

Now, we've looked at other arrangements like having the tribes build a facility and we lease it from them on a long-term basis. They could amortize the debt in that way. That doesn't work. We worked with Senator Domenici on that, and that doesn't score any differently than just building the school right up front.

So we continue to look for ideas, but I can't say we're having any success or any breakthroughs.

The CHAIRMAN. I see. We had, I thought, a great deal of success with that land consolidation pilot program you did. There was an increase of money requested this time to expand that. Can you identify the reservations that that's going to be expanded to?

Mr. GOVER. Not yet, Senator. When we identified the first three, we made a fairly lengthy list in priority order. We can supply that to the committee.

The CHAIRMAN. You already have a tentative list, though?

Mr. GOVER. Yes.

The CHAIRMAN. And last, I'd like to ask you about the Office of the Special Trustee. We've had a few disagreements, many disagreements on that, as you know. This amount, this \$94 million that's requested by the Bureau and the Office of Special Trustee, Trust Reform, is that going to be enough to enable the Department to conform with the judge's decision in *Cobell v. Babbitt*?

Mr. GOVER. As you know, we had submitted our budget to OMB prior to the judge's decision. We are now preparing the report that the judge requested, which is due March 1.

We believe that this will be sufficient, but there have been some discussions at the Department that we may need to come forward with a supplemental request because of the additional requirement that the judge has placed on us. If we do, Mr. Chairman, I would think they're not going to be in excess of \$10 million. But we're analyzing it, and we will bring forward a request very soon if we need to.

The CHAIRMAN. Okay, that will be fine.

Mr. Lincoln, the contract support costs have been an issue for this Committee, ongoing issue, and the Appropriations Committee, too. The requested amount of \$40 million, would that eliminate the backlog and provide for any new contracts?

Mr. LINCOLN. Mr. Chairman, no, it would not. Based upon the most current data, and I say that, Mr. Chairman, because the base data are being updated, literally now, it's the appropriate time of the year for us to be doing this, we project that the overall need for contract support costs in fiscal year 2001 will be near \$100 million, using round numbers. So this \$40 million request, although very significant, will assist us in reducing backlog funding, but there will still be a backlog.

The CHAIRMAN. Last year, I introduced S. 1507, I'm sure you know that bill, to authorize tribes to integrate Federal alcohol and drug abuse programs. And in that, we like to make the IHS the lead agency, as you know. We're going to try to move that bill this year, even though we have a short session.

Do you have any comments that you'd like to add to that?

Mr. LINCOLN. I would, Mr. Chairman, because we did have an opportunity to be witnesses in front of this committee relative to S. 1507. I would like to say two things. One of them is, I would like to express appreciation for the continued, I'm going to call it leadership, and participation of the BIA under Secretary Gover's guidance. The BIA has indeed in a very real way continued to participate and cause the various agencies to get together.

We have through our program staff identified a handful of individuals, three or four individuals, that have expertise in this area and will be continuing to work with the other agencies and departments. As a matter of fact, Dr. Vanderwagen, who is here, had an opportunity to sit down with the Attorney General, to talk about, in general, these kinds of issues.

So we look forward to the bill being law, or a hearing occurring on S. 1507.

The CHAIRMAN. As you read it, if you have any suggestions, to make what I think is a good bill a better bill, we'd appreciate it.

Jackie, you've been reading the paper like I have, I guess, the Post and the Times. So you probably are prepared for the first

question I'm going to ask you. It's about Indian smoke shops being financed with CDBG funds. I understand that even some HUD funds have been used for non-Indian travel plazas, markets, and at least in one instance, a nightclub.

Would you like to comment on those things? I'm sorry Senator Bond is not here, because he's been very upset about it, as you probably know. But he's not on this committee.

Ms. JOHNSON. Yes; you're right, I have been reading the papers. ICDBG, the Indian community development block grant program, is very similar to CDBG, community development block grant program. It's an Indian set-aside under that to do the kinds of things that we need in Indian communities.

Ours is a competitively based program, because the CDBG program is an entitlement, as you know. And because of the amount of money that we get to be able to disburse to the tribes.

In that program, economic development, infrastructure, community development, are all eligible activities. HUD allows for economic opportunities of tribes to apply for these. As you may be aware, in many of the instances, the travel plazas do sell other products, they're not only tobacco based products. And that in various communities that have applied for this economic development opportunity, it employs people and creates jobs in that environment.

This is an issue that we are taking a significant look at. But right now, Indian communities are eligible, as are non-Indian communities, for this economic development opportunity.

The CHAIRMAN. Yes; well, you're absolutely right. It just creates some consternation for some of our colleagues that we're trying to do this massive educational program to reduce smoking, particularly among youngsters, and yet we find ourselves financing shops that kind of fly in the face of what we're trying to do. Thank you.

Mr. Cohen, you talked about the Indian Administration Corps training administrators. The first thing that came to my mind, are we talking about Indian administrators and opportunities for Indians to develop?

Mr. COHEN. Yes; we are.

The CHAIRMAN. And in this proposed administration corps, if we implement that, how is that going to ensure more education dollars get to the youngsters, too?

Mr. COHEN. The Indian Administration Corps is not designed to give dollars to youngsters. It's designed to make sure that youngsters in schools with large concentrations of Indian students have qualified, well trained, well supported Indian administrators. And hopefully they'll be able to make the best use possible of that.

The CHAIRMAN. I didn't mean that we were going to give dollars directly to the kids. I meant in terms of books and proper kinds of training and facilities for them. Okay, thanks.

This is for John Orszag. Secretary Gover noted in his testimony that the request includes more than \$9 billion in new programs administered through 45 different agencies. For 4 years now, a number of us in this committee have urged more agency cooperation between the different agencies. Can you tell us this morning that these requested new additional funds are going to be well targeted and coordinated?



Mr. ORSZAG. We certainly hope so. We're part of HUD's economic development access center, which will provide one toll-free hot line, our web site will be linked to their web site. And on the ground, I think we've started to do a better job with our economic development people working together with the various departments here. So I think the answer to that is definitely yes.

The CHAIRMAN. Well, you don't have a big request in for added economic development money. But you do certainly have a role.

And Senator Domenici mentioned that the President had come back from Pine Ridge with certainly a new perspective and a needed perspective on how much we need help in Indian country. Speaking of Pine Ridge, there are a number of very high profile cases now—this is for Mr. Van Norman—dealing with tribal instability. You know what's going on at Pine Ridge, I'm sure. I know the former chairman, well, he's the current chairman again, now, in fact, just spoke to him just recently.

I'd like to know if there are some mechanisms that exist at the Federal level to help them resolve their differences, so some of the potential violence, when we have these disagreements, can be avoided in tribal government.

Mr. VAN NORMAN. Well, Ted McBride is the U.S. attorney out there. He's frequently in the Rapid City office, and he's been down to Pine Ridge to meet with the folks that are involved in the disagreement. We've also had our community relations service-people who are mediators. Their job is to mediate disputes.

The CHAIRMAN. Are they making any progress?

Mr. VAN NORMAN. They've been talking to people. I think that the people that are in the building, frankly, are getting a lot of press. I don't know that they're ready to leave right away. But they are continuing to monitor the situation.

Mr. GOVER. If I might, Mr. Chairman.

The CHAIRMAN. Yes; please.

Mr. GOVER. This presents a very fundamental problem, we're not at all certain what our authority is in these sorts of situations. We're very reluctant to inject ourselves into what is or even may be an intra-tribal dispute. And yet, it does seem that at some point, somebody ought to do something to try to bring resolution to it.

We do make resources available through the Federal Mediation and Conciliation Service. BIA staff are talking to these folks every day. But we don't really have leverage, except in the form of withdrawing services from the community. And we're not going to do that.

The CHAIRMAN. That hurts the people, and not the ones that are fighting in the front office, unfortunately.

Mr. GOVER. Right.

The CHAIRMAN. Well, I understand how we can get involved if there's some human rights or violation of the Federal criminal code or something. But some of these disagreements just are personality disagreements, as you know. It makes it very difficult. I understand that.

Senator Inouye, did you have some questions? I have a few more that I'm going to submit to you in writing, and would like a response to.

Senator INOUE. I would like to make a request, Mr. Chairman, through the Assistant Secretary.

The CHAIRMAN. Yes; absolutely.

Senator INOUE. Throughout the years, we have been hearing statements that compare services provided for African-American schools, Hispanic schools, or African-American communities, Hispanic communities. But we have never had any definitive statistical report that would make comparisons. What do we provide, say, on a per capita basis for community colleges, Indian community colleges, as compared to African-American and Hispanic colleges? What do we provide for students in Howard University, et cetera?

So if you will coordinate with the other agencies represented here, where they have comparable types of programs. I noticed HUD said that they have programs that have been ongoing for African-American and Hispanic colleges. I would like to know what the Indians are getting, as compared to what other citizens are getting.

Mr. GOVER. I would be happy to do that.

Senator INOUE. And if I may ask a question that bothers me a little, on urban health, Mr. Lincoln. The service population in Indian country is 1.2 million, is it not?

Mr. LINCOLN. Approximately 1.2 million, 1.4 million.

Senator INOUE. And of that, one-half would be urban health, or 600,000?

Mr. LINCOLN. The overall Indian population that we use is about 2.4 million, of which about 1.4 million we serve on a routine basis. It's been estimated that over one-half of the American Indian and Alaska Native population live in urban areas.

Senator INOUE. So what is the urban health service population?

Mr. LINCOLN. Rather than give you a statistic, Mr. Chairman, I don't recall specifically what that number is. The reason is that there's a wide variety of different capability among the 34 urban programs. The other reason why I'd like to give you in written form is that in areas like Phoenix, AZ, where it's an urban setting but there is a Phoenix Indian Medical Center sitting there serving urban Indian people, we count that as part of the direct program.

Senator INOUE. According to your statement here, for fiscal year 2000, we provided \$1.6 billion for the Indian service population on reservations. And at the same time, \$27.8 million for urban health. That is \$1.6 billion and \$27.8 million for the people who live in cities.

For fiscal year 2001, you are requesting \$1.77 billion for the reservation Indian service population, and \$30.8 million for urban health. I realize it is comparing apples and bananas or doughnuts or what have you. But can you make some comparison out of that for me in your report? Because if I did not know anything, I would look at that and I would say, this is not fair to the urban Indians. The discrepancy is so wide.

Mr. LINCOLN. Mr. Chairman, we would be glad to provide you a comparison specifically addressing the issue you raise. Many urban Indian people are served by the existing health care system.

Senator INOUE. Are you satisfied with the service that they are receiving?

Mr. LINCOLN. We indeed are not satisfied with the service that they are receiving. There are locations in this country, Los Angeles, San Francisco, Minneapolis, just to name three, Seattle would be important to mention in this group, that have a great number of Indian people who live in those metropolitan areas who are not able to access health services in a manner that is appropriate for the kinds of health conditions they have.

The Urban Indian Health Program is a small program that is authorized by Congress through the Indian Health Care Improvement Act. It indeed could use additional support.

Senator INOUE. Would you say that the Indians residing on reservations are eligible for a wider range of health care services than Indians residing in urban areas?

Mr. LINCOLN. I know there are health studies that have been done that would allow one to make that statement. But there is such a range of program, even throughout the federally tribal recognized health programs. There is a continuum here where there are many tribal programs that are more deficient than some of the better funded urban programs.

And there are some tribal programs that essentially are better funded. I would rather frame the answer to you, kind of describing the full range of health program that exists both within the federally operated and the tribal contracted programs and the urban programs. That way you will get a truer picture of that comparison.

The CHAIRMAN. Well, one thing for sure, though, in the urban clinics, Indian people, I know because I hear from them, they're often discouraged from going to those clinics because the people there say, well, you know, you've got your health services on the reservation, which may be hundreds of miles away. It puts them in an impossible position. They can't go back to their reservation, many times, to medically be served.

Mr. LINCOLN. That's absolutely true, Mr. Chairman. In addition, of course, we've gone through a time that is not over yet when the response to those urban Indian people who need more services through the urban Indian program is that there are other community health center programs available. There are other services that are really available to you.

The truth of the matter is, access for urban Indian people to health care is limited by the scope of the program that is offered within their respective cities.

Senator INOUE. Mr. Secretary, I realize that the request I made is not an easy one. But I hope you can come forth with some comparative statistics from all of the agencies. And also, will you include Agriculture? Because in that department with regard to education, you have land grant colleges. I want to know what the African-American colleges are getting and what Indian colleges are getting.

Mr. GOVER. We've collected some of that data, Senator Inouye. It will be a bit of a challenge, but I think we can at least give you something meaningful that helps the analysis you're trying to conduct.

Senator INOUE. I want to be able to respond to inquiries made. Because so many people are asking now, what are you giving to

Howard University as compared to what is allocated to Pine Ridge. That is a legitimate question.

Mr. GOVER. I think we both know generally what the result is going to be.

Senator INOUE. I want those numbers.

Mr. GOVER. Yes, sir.

Senator INOUE. Thank you very much.

The CHAIRMAN. It was noted with staff help here, Senator Inouye, that there are roughly 1 million Indian people living off the reservation. There are 34 urban Indian health centers, versus 274 on-reservation facilities. So if you divide those facilities by the number of people on and off, you get a big discrepancy. Because by my math there's about 2,500 people per facility on-reservation and roughly 30,000 or so for the off-reservation facilities. So there is a huge discrepancy.

Mr. LINCOLN. Mr. Chairman, if I could just make one statement. I think the development of the health delivery systems that are on-reservation is really a direct reflection of the government-to-government relationship that exists between this Nation and Indian nations.

And I think over the years, as you look at the way the health programs have been developed, the policy under which they have been developed, it is very clear that there is a direct commitment to those tribal governments. You appropriately have seen a growth.

When I say that, I do not want to divorce our agency's responsibility for those Indian people who live in urban areas.

The CHAIRMAN. No; I understand. The fact of the matter is, when money is short, we've often seen reservation-based people and tribal governments not totally thrilled with us putting too much money into urban centers, too. We've heard that.

Well, I appreciate this panel's being here. Anything else, Senator Inouye?

Senator INOUE. If I may, I will submit additional questions.

The CHAIRMAN. Yes; please do. If you'll get back to us with questions that I submit and Senator Inouye submits, I'd appreciate it. Thank you for being here.

We'll now go to panel 2. Panel 2 will be Susan Masten, president, National Congress of American Indians; Sally Smith, chair, National Indian Health Board; Christopher Boesen, director, National Indian Housing Council; John Cheek, director, National Indian Education Association; and Eddie Brown, Washington University.

If we could keep the noise down, please.

If the panel would be seated. We'll go ahead and start in the order that I announced, with Susan Masten starting. I want to tell you, Susan, that I read almost all of your 65 pages of testimony and all those additional support documents. You may abbreviate.

**STATEMENT OF SUSAN MASTEN, PRESIDENT, NATIONAL CONGRESS OF AMERICAN INDIANS, ACCOMPANIED BY JACK JACKSON, JR., DIRECTOR OF GOVERNMENTAL AFFAIRS; AND VICTORIA WRIGHT, LEGISLATIVE ASSOCIATE**

Ms. MASTEN. Mr. Chairman, I was sure that you were speaking of me when you mentioned that very fact this morning.

Good morning, Mr. Chairman and Vice Chairman Inouye and distinguished committee members. I thank you for the opportunity to testify regarding the President's budget request for fiscal year 2001. I am Susan Masten, president of the National Congress of American Indians. I also have the distinct honor to serve as the chairperson for the Yurok Tribe in northern California.

With me today I have Jack Jackson, Jr., who is NCAI's director of governmental affairs and Victoria Wright, the NCAI legislative associate.

The member tribes of NCAI are extremely optimistic about this year's \$1.2 billion budget request. This commitment by the President to increase funding for Indian to Indian programs will better serve Indian communities and is a step toward honoring the Federal Government's treaty and trust obligations to Indian nations. We strongly urge Congress to join the President in this commitment.

As a tribal leader, I am pleased to say that self-determination has been and continues to be the most successful Federal policy enacted for Indian nations. Under this policy, tribal governments such as the Yurok Tribe have more control over programs and decisions made on our own reservations.

We have been able to fulfill needs and solve problems far more quickly and efficiently than through one-size-fits-all Federal programs. The experiment with tribal self-determination has been successful. It is now time to increase the investment in this proven policy.

Since the 1970's, Indian people have had the highest population growth rate of any group in the United States. And our population is outgrowing what little infrastructure we have on our reservations. Mr. Chairman, as you are well aware, third world conditions exist today on the majority of our reservations. Our tribal schools, law enforcement, roads, health care, jobs, housing, drinking water and wastewater infrastructure are in desperate need of attention.

While the President's proposed budget recognizes these needs, it is only one step in addressing a long history of inadequate Federal funding. We are encouraged by these efforts to include tribes in many program areas throughout the budget and in proposals for projects that are shared between agencies. Tribal governments must be given direct control of these programs as we know the needs of our people.

Mr. Chairman, distinguished leadership are here today addressing you about Indian country's critical needs in housing, education, health, law enforcement and economic development. I will focus my comments on NCAI's priorities in the following areas.

NCAI would go beyond the President's request and strongly encourage Congress to put more funding in tribal priority allocations. These dollars are the core of self-determination policy. They allow tribal governments to set our priorities for spending on programs and services. The unmet need for programs and services in Indian country has been measured at \$7.4 billion for BIA and \$15.1 billion for IHS. This includes \$2.8 billion for TPA. It is absolutely necessary that Congress begins to address this unmet need.

Federal funding for tribal governments is also a matter of equity. Indian people living on reservations pay Federal taxes just like

every other citizen. But tribal governments receive little support from Federal funds that go to State governments. Most often, States refuse to fund services on tribal lands, using the excuse that it is a Federal responsibility to meet tribal needs. As a result, programs serving American Indian and Alaska Natives continue to fall far behind funding of non-Indian programs.

NCAI strongly supports the new market initiatives. We are looking forward to working with Congress to enact legislation this year. Every economic development study of Indian reservations identifies the lack of infrastructure and investment capital as the fundamental barriers. Larger investments in economic development strategies are needed to push Indian country past these barriers and into a position where economic development becomes the norm.

We need to increase the number of empowerment zones in Indian country. NCAI is very supportive of the ongoing efforts to provide increases in funding for the Indian Reservation Roads Program. As you are well aware, Indian country has never received its fair share of the Highway Trust Fund. While TEA-21 provided a long-overdue increase in dollars for reservation roads program, it still falls short by \$7.2 billion in backlog need.

We are seeking to restore funds lost due to the obligation limitation to the IRR program. This inequity can be fixed by an amendment to TEA-21. We look forward to working with the committee on this important issue.

Mr. Chairman, we continue to caution against the use of appropriations riders to legislate in Indian affairs. Our self-government rights are recognized in the U.S. Constitution, in our treaties, through Federal statutes and are reaffirmed in numerous Supreme Court cases. Legislation impacting tribal governments must be given serious consideration. Members of Congress need to know and understand what they are voting on. This can only be accomplished by hearing from tribal leaders.

In conclusion, NCAI urges Congress to increase the investment in Indian programs and in tribal government infrastructure. We believe that the President's fiscal year 2001 budget request is a positive step in that direction. However, we still have a long way to go to bring tribal governments up to the level of equitable funding benefiting other governments.

I have provided you with NCAI's detailed testimony, including attached resolutions, which reflect the wishes of our 250 tribal government members. I thank you very much for allowing me to address you today.

[Prepared statement of Ms. Masten appears in appendix.]

The CHAIRMAN. Thank you, Susan.

We don't have too much longer before the new census is done. We introduced legislation to hire temporary help, Indian people to help with the census. Let me ask you, does the NCAI have any kind of an MOU or anything with the Census Bureau to identify Indian people? Because I think it's really going to get skewed this year. I don't know if that's going to reflect on budget requests next year or not.

But there are going to be, I mean, literally tens of millions of people, I think, in America, who when they're asked to self-identify, they're going to say, yes, I'm an Indian, too. And most of our pro-

grams, of course, are based on the enrolled numbers. Has NCAI given any thought to that, or have they been involved in this with the Census Bureau?

Ms. MASTEN. To answer your question, Mr. Chairman, we do not have a formal MOU. But we are working very closely in the census with tribal governments and the Census Bureau.

The CHAIRMAN. I see. And I understand, Julia, you're going to speak instead of Ms. Smith, is that correct?

Ms. DAVIS. That's correct.

The CHAIRMAN. All right, please proceed.

#### **STATEMENT OF JULIA DAVIS, VICE CHAIR, NATIONAL INDIAN HEALTH BOARD**

Ms. DAVIS. Good morning, everyone. My name is Julia Davis. I'm vice chair of the National Indian Health Board. Sally Smith sends her regards and her condolences that she could not make it here today. She is ill.

As you know, the National Indian Health Board represents all of the tribes across the United States. And we do have an MOU with the National Congress of American Indians, and we do work with them very closely.

While we're encouraged by the Clinton administration efforts to include a \$229 million increase for fiscal year 2001, for the IHS budget, we know the total budget proposed in the coming fiscal year is only meeting one-fourth of the need. You're aware of that as well as we as tribal leaders.

I wanted to thank you. I did testify 2 years ago in front of this committee. I want to thank you for restoring the IHS budget to a decent level after the administration gave us only a 1-percent increase. It was felt across Indian country and the tribal leaders and the governments really appreciate this committee advocating for that.

I present for your review a comparison of trend analysis of the per capita expenditures available to an Indian health beneficiary versus Federal agencies per capita health expenditures. The agencies represented in this comparison include Medicaid and the Veterans Administration.

Unlike Medicaid, the budget of the IHS is treated as a discretionary program in the Federal budget process. During the past 7 years, the appropriations for the Indian Health Service grew very slowly, with increases between 1 and 3 percent per year. In fiscal year 2000, the IHS budget was increased by 6.7 percent. At the same time, Medicaid averaged over 10 percent growth per year, which is over four times the level of growth in the IHS budget over the same period.

The charts and the table attached to my testimony presents the disparity in actual appropriations and in dollars adjusted for inflation. As you can see, Indian people in the Indian Health Service programs are not being served under the Nation's first pre-paid health plan at a level which even meets one-third of what is available to the Medicaid beneficiary and one-fifth of what is available to the Veterans Administration beneficiaries.

In the past year, the Indian Health Service and the tribal work group have examined the IHS funding to establish a common esti-

mate of health care funding needs for Indian people. One of the approaches being considered looks specifically at comparing a comprehensive medical benefits package to the services which should be available under the IHS or tribal health system. It appears that the best means for comparing benefits is derived from the Federal Employee Health Benefits Plan, which uses a Blue Cross and Blue Shield standard for displaying the variety of FEHB plans, and that a Federal employee might consider when selecting a plan.

Early estimates would suggest that 3,391 per person is available for insured persons under a Federal Employee Health Benefits Plan, as compared to 1,244 for an Indian person with comparable Blue Cross Blue Shield benefits currently available under an IHS or tribal health program. These estimates are not yet final, but suggest that the total funding need to bring American Indians and Alaska Natives up to a standard of care which is comparable to the Federal employees is \$7.78 billion.

We understand that members of Congress and their staff are probably enrolled in the Federal Employee Health Benefits Program. In this day and age, when the economy is booming and there are talks about a budget surplus, it seems quite reasonable for American Indians and Alaska Natives to ask why they, too, cannot secure the same care available to the Congress and the administration.

Indian people are not asking for anything more. They merely seek to increase the resources necessary to bring their health status up to a level which is equal to all other citizens.

The level of need funding study that I referenced in my testimony considers the direct care funding needs of Indian Health Service and tribal programs at the local level. It is noted that 109 of the 180 operating units nationwide are funded below 60 percent of need. The total unmet need is \$1.2 billion, if all units were funded at 100 percent of need. These findings are provisional and subject to consultation. We recommend that an oversight hearing be held to examine the findings of this two-part study.

In the past 4 years, we have worked to develop a tribally driven Indian Health Service budget. Under the guidance of Michael Trujillo, every area of the Indian Health Service held a 2-day consultation session last spring. The tribal government officials provided their best recommendations on how IHS funding should be increased and applied to improve health services within the fiscal year 2001 IHS budget.

The tribal needs-based budget for fiscal year 2001 includes a request for \$15.1 billion, which represents the collective recommendations of each of the 12 areas of the IHS, their tribal programs, and urban Indian health projects. The needs-based budget includes \$7.4 billion for services and \$7.6 billion for facilities to provide access to health quality, primary and secondary medical services.

An example of this is, in the Portland area, we did alternative funding for facilities. There were five tribes that were selected to help with renovation or building a facility. My tribe, the Nez Perce Tribe, was able to, through alternative financing, help build a small satellite clinic in Kamiot, ID, whereas before, we couldn't do that. So it's very important that facilities is supported in this budget.



My colleagues on the National Indian Health Board and other tribal leaders join me in strongly recommending an increase of \$950.7 million over the fiscal year 2001 President's request, which would restore major reductions in the base budget of IHS programs realized over the past seven fiscal years. This would amount to a total appropriation of 3.5 in fiscal year 2001.

The CHAIRMAN. Julia, we'll need to move on.

Ms. DAVIS. Yes; I see the red light's on.

In conclusion, Chairman Nighthorse Campbell, as we enter the 21st century, we recognize that tribal governments and Indian people are reasserting their sovereignty and working to restore their health to a level at least comparable to that enjoyed by the general population. With that, we're submitting our testimony and we appreciate you have this hearing.

Thank you.

[Prepared statement of Ms. Davis appears in appendix.]

The CHAIRMAN. Thank you.

We'll now go to Christopher Boesen, director of the National American Indian Housing Council.

**STATEMENT OF CHRISTOPHER BOESEN, DIRECTOR,  
NATIONAL AMERICAN INDIAN HOUSING COUNCIL**

Mr. BOESEN. I apologize that Chairman Chester Carl of the Navajo Nation could not be with us today. He is at the consultation meeting that Ms. Johnson mentioned earlier.

I will keep my comments fairly brief, and I have a fairly extensive piece of testimony that I'll enter into the record, with your allowance, sir.

I don't think I need to go into a lot of detail here today about the housing needs in Indian country. I feel like that's preaching to the choir. This committee is very well aware of how serious the needs are in Indian country. They are the most substandard housing conditions that you'll find in the United States today.

For that reason, NAIHC and the tribes are very happy to see the increase that the President included in his budget request. There was an increase from \$620 million to \$650 million for the NAHASDA block grant. And in fact, for the Housing Improvement Program, a doubling of that program's request, from \$16 million to \$32 million.

That's a good step in the right direction. But unfortunately, it's a small step in the right direction. The fact is, we estimate the immediate need to be at least \$972 million a year. So while seeing a \$30 million increase, for instance, in the NAHASDA block grant is good, it's simply not enough.

Unfortunately, there's another concern that we have with the budget request, and that is the increasing number of set-asides in these different programs. Included in the NAHASDA program is a request for a \$5 million set-aside for a new home ownership intermediary initiative. While we're interested in seeing the details, and we think this could be a useful program, when you start taking these set-asides and adding them up, they start nibbling away at the actual amount for that block grant. I believe the phrase is, a million here and a million there, and pretty soon you're talking about real money. They're requesting at least \$24 million in set-

asides, which brings that \$650 million down to around \$624 million.

We'd also like to see an increase in the community development block grant program, which was not included in the President's request. The CDBG program, the Indian set-aside for that, is incredibly useful. It can help with infrastructure creation, economic development and job creation.

All of these things are absolutely fundamental to creating any kind of a private housing market. They're also important for the development of healthier reservation communities. It's one way that HUD can use an existing program, simply increasing the funding, and have a dramatic impact in Indian communities. We'd like to see that.

I had originally expected to come here today and make a complaint about the intransigence of labor unions and how that was damaging our ability to build housing. The General Accounting Office has estimated that Davis Bacon wage requirements increase the cost of building housing by 10 percent. Luckily, through the hard work of you, Chairman Campbell, Vice Chairman Inouye and especially your staffs, we appear to have an agreement on that matter. So I don't have anything to complain about today. And I think that could have a dramatic——

The CHAIRMAN. You're a rare witness. [Laughter.]

Mr. BOESEN. I have lots of other things I could complain about, but that's just one area I can't.

So we're very satisfied. We think that's one way that we're going to be able to build more housing and take care of the housing need in Indian country without necessarily increasing the cost to the taxpayers.

So in closing, I hope I've been brief enough, and I look forward to answering any questions you may have, and to working with your staff.

[Prepared statement of Mr. Boesen appears in appendix.]

The CHAIRMAN. Your credentials go up considerably when you stay under that time limit. [Laughter.]

Mr. BOESEN. That was my goal, sir, thank you.

The CHAIRMAN. Mr. Cheek, the NIEA.

#### **STATEMENT OF JOHN CHEEK, EXECUTIVE DIRECTOR, NATIONAL INDIAN EDUCATION ASSOCIATION**

Mr. CHEEK. Good morning, Mr. Chairman, Mr. Vice Chairman and staff and the different committees. My name is John Cheek. I'm the executive director for the National Indian Education Association. I'm a member of the Muskogee Creek Tribe of Oklahoma, and I've been involved with Indian education for about 20 years now.

At first glance, when we looked at the President's budget request for Indian education, at first glance we thought that there really wasn't anything that we could really complain about. But in some of my comments today, I think there are some concerns that NIEA and Indian country in general would like to have addressed.

Overall, there's new funding within the Department of Education and the BIA of about \$718 million. This is a really major increase and probably the majority of it is going into school construction. As

you're aware, school construction has been an issue for several years within BIA. School renovation and repair needs are across the board problems at our Indian schools.

We did some checking with how students, how much money they receive per pupil expenditures across different categories. Nationally, the per pupil student expenditures is over \$7,000. Within BIA, the Indian School Equalization Program, it's about \$3,600, according to the fiscal year 2001 request. And within the Department of Defense, when we checked in 1998, the per pupil expenditure for students of Department of Defense people, it was over \$8,000 per student.

So you can see the discrepancy of how much money, instructional dollars, goes out to students across the country. If you can't really see that there's a need in Indian education, then you need to look at some of the other agencies that have responsibility for education throughout this country.

Some of the priority areas that NIEA would like to see addressed is school construction, again, that is a need that funding-wise, has been increased this year. So we're in full support of that. Higher education scholarships within the Office of Indian Education and the BIA is pretty negligible. There's about \$2.5 million in the BIA budget for higher education scholarships. Within the Office of Indian Education at the Department of Education, most of the post-secondary dollars within OIE are targeted mainly for professional development and teacher education programs.

While we need teachers and administrators, we also need doctors, engineers and other highly trained professional people throughout the country, and especially for Indian communities. So we would encourage the Committee to look at, there's an authorization in the current Indian Education Act for Indian fellowships. We would like to see some money pumped back into that. It hasn't been funded since 1996.

We are also aware that the Senate is also drafting up its own legislation for the reauthorization of the Elementary and Secondary Education Act. If I'm correct, I believe the proposal will also include the authorizations that the Administration is looking to eliminate, namely, gifted and talented, tribal education departments, adult education and Indian fellowships. If some money could be put back into these key programs, it would help in getting the new legislation passed next year or this year, whenever ESEA comes to be debated.

One of the most critical areas I think in our Indian reservations are the tribal education departments. We've had the authorization in the current ESEA proposal since 1994. That authorization has never been funded, and the Administration has opted to eliminate that piece of legislation, or that authorization.

Right now, there are about 94 tribes with their own education departments. The only funding they receive is either through the money that the tribes generate themselves through gaming unless some TPA dollars go into that. But I think it's negligible if there is.

We understand that the Department of Education thinks that the Interior Department should be responsible for the tribal education departments. The Interior Department, I believe, has not

funded this over the years. Both agencies, I believe, need to work in tandem to make sure that these tribal education departments are funded on the one hand, and also the standards that they develop are consistent with the standards of the State and nationally for Indian students.

So we would also make a big push for getting the tribal education departments funded this year.

Other than that, I think the National Advisory Council on Indian Education within the Office of Indian Education, they've been without an office since 1996. I was the last acting director that they had. When the new Administration came in, that office was closed. The Council is made up of 15 Presidential appointees. At that time, they were operating on \$500,000 a year. Currently, they're operating on about \$50,000 a year, which barely is enough for the two required meetings that they need to have every year.

So we would like to see that program re-established within the Department. We've made some contacts with Mr. Cohen in regard to that. He's a big supporter of Indian education, so we're going to see if we can get that pushed forward.

I see my red light is on. I would just like to close by saying that overall, the budget request for Indian education is really the highest that it's been ever. Within the OIE program, it's the highest that has ever been asked for since its enactment in 1972. I would hope that the budget request this year is not the plateau and that it keeps climbing. Because this is a new millennium so we really should try to get everything in order, I think.

With that, I'll close. Thank you, sir.

[Prepared statement of Mr. Cheek appears in appendix.]

The CHAIRMAN. Thank you.

We'll end up with Eddie Brown, former assistant secretary who did such a great job when he was here in Washington. Nice to see you again, Dr. Brown.

**STATEMENT OF EDDIE BROWN, DOCTOR OF SOCIAL WORK,  
KATHRYN M. BUDER CENTER FOR AMERICAN INDIAN STUDIES,  
WASHINGTON UNIVERSITY, ST. LOUIS, MO**

Mr. BROWN. Thank you. Good morning, Mr. Chairman, members of the committee. I want to thank you for the invitation to present testimony on the President's budget request for 2001. In order to stay within the limited time, I want to summarize my statements based upon my study of the national welfare reform initiative that has been going on within the United States and to suggest as to why an increase in funding of Indian related programs is needed at this particular time, especially across a broad range of agencies.

While unemployment rates have fallen to their lowest levels across the country, poverty and unemployment rates in American Indian and Alaska Native communities remain high. As a result, American Indians residing on reservations and wanting to move from welfare to work have been described as hard to place due to the shortage of employment opportunities, the lack of transportation, low levels of education, little to no work experience and multiple family problems.

Currently, reservations are experiencing a much lower rate of decline on State welfare rolls than the general population. Tribal and

State administrators expect this to continue and become even slower due to the 50-percent unemployment rule and the severe social and economic conditions existing on Indian reservations.

Experiences of the State and tribal TANF programs suggest that if welfare reform is to be successfully implemented, a much larger pool of resources and economic development programs will be needed at the tribal level. Therefore, if tribal governments are to be successful in the development of healthy economies, lowering unemployment rates, and meeting social and educational needs of their tribal members, the Federal Government must be prepared to work directly with tribal governments in doing three things.

No. 1, to increase Federal funding to tribal governments across multiple Federal agencies. This potential increase in resources from new additional agencies outside the BIA and IHS make it possible for tribes to develop much broader social and economic investments. Early welfare reform results indicate that if tribal communities are not able to acquire the necessary resources to address those social and economic needs, they will be unsuccessful in their efforts to achieve their goal of self-sufficiency and attempts to assist tribal families to move from welfare to work will be marginal at best.

No. 2, to increase the coordination and consolidation in Federal funding. An early positive effect of welfare reform legislation has been the strengthening of coordination, communication and collaboration among the various programs at the tribal level. This also needs to happen among the Federal agencies in Washington, DC.

The 1992 passage and implementation of Public Law 102-477, the Employment Training and Related Services Demonstration Act, was a good start. Additional legislation like this needs to be passed to require other Federal agencies and departments to communicate with each other, coordinate their services and where possible, consolidate their funding to tribal governments.

No. 3, to allow greater tribal control and flexibility in the expenditure of Federal funds. In recent years, a new comprehensive approach for the development of troubled low-income communities has emerged, defined as asset-building or building communities from the inside out. This approach is built on the historic evidence that significant community development takes place only when tribal communities are involved and committed to investing themselves and their resources in the effort.

This does not imply that tribal communities should receive fewer resources from the Federal Government to carry out the Federal trust responsibility. Rather, it suggests that increases in funding and resources can be more effectively used when tribal governments are fully supported and mobilized to address the social and economic needs of their communities.

Such actions that supports this approach include putting more money into the tribal priority allocation, allowing greater flexibility in 638 contracts and self governance compacts, providing the support costs that are involved in this kind of operation.

The tribal community is not the problem. It is in fact the solution. This approach, however, requires a shift in thinking from one of seeing the Federal Government's primary mission of controlling

services to tribal communities to one of investing with tribal governments in their communities to get long-term results.

I see the red light is on, but I want to make one other comment, that has caused me concern this morning. That is, while I've heard about increasing educational facilities, strengthening law enforcement, having more therapeutic treatment, I have heard very little discussion about what are we doing to strengthen the Indian family. What are we doing to support families?

It makes no sense in doing all of these other things unless children are being supported by their parents to get to school, unless they are being taught how to be productive citizens. Those values, I believe, are taught predominately in the home.

I would suggest that we need to address this concern when we talk about increasing money to improve tribal communities. We need to look at what we are doing with tribal families.

Thank you very much.

[Prepared statement of Mr. Brown appears in appendix.]

The CHAIRMAN. Thank you for that very articulate testimony. I read parts of your testimony this morning, but I am going to go back and read the whole thing. It was very, very good.

Mr. BROWN. Thank you.

The CHAIRMAN. Senator Inouye, did you have some questions? I think I'm going to submit all mine in writing, because I have another commitment in about 20 minutes.

Senator INOUE. I would like to ask Ms. Masten, the President of the National Congress, on page 2 of your statement, you state that Indian people living on reservations pay Federal taxes just like every other citizen, but the reservations derive little support from Federal funds that go to State governments. Most often, the States refuse to fund services on tribal lands, pointing out the Federal responsibility for tribes. As a result, the programs serving American Indian, Alaska Native populations rarely receive the funding required to fulfill even the most basic needs.

We have heard this statement I believe at every hearing. But we have been, I think, negligent in not asking a question. Can you give us a list of the States that have shortchanged Indian country and to what extent? I don't expect it now, but if you can give us a list. [Laughter.]

Ms. MASTEN. I certainly appreciate that, because we will work to provide you that list. Julia was just telling me that Idaho is one. I know California is one, and I am sure every other State in this country is also one.

Senator INOUE. If you can tell us in what areas you have been shortchanged, then we can share this information with our colleagues. I some how feel that some of my colleagues may not be aware of this.

Ms. MASTEN. And I think that is the case. So I thank you, Senator, for allowing us the opportunity to provide that information to you.

The CHAIRMAN. One of the obvious places they get shortchanged is in education. Because there are community colleges, Indian community colleges as an example, they serve non-Indians as well as Indians. Yet they, to my knowledge, they don't qualify for State help as other community colleges do. They get, I think it is called

ADA, average daily attendance, money that flows from the State to those colleges, tribal colleges don't get that.

Ms. MASTEN. And I think it's in every program area that we aren't afforded those opportunities. But we also aren't even afforded the opportunities for the basic services that are provided for emergency services. Simply because we're in such rural areas, and funding is limited for the local county and State governments that they aren't bothering to think about Indian country with trying to expend those dollars that they do receive.

Senator INOUE. President Masten, if I may ask, you to do the same job that I have asked the assistant secretary, would you coordinate with the other witnesses here to give us a report on the areas you feel that Indian country has not been fully funded by State governments?

Ms. MASTEN. And I appreciate that opportunity. One of my priorities personally when I ran for this office was to work closely with the national organizations and inter-tribal organizations. I look forward to that opportunity to work more closely with the agencies as well as the national organizations.

Senator INOUE. Thank you very much.

Ms. Davis, I asked a question to the first panel relating to urban health. Are you satisfied that urban Indians are receiving comparable services that reservation Indians receive?

Ms. DAVIS. No; the reason I say that is, I'm an alternate cochair to the Indian Health Care Improvement Act. From June to October, we went through a very extensive work group, looking at the legislation that has been submitted, by the way, to the House.

In that work group, we heard from the Indian Health Service, from the tribes and from the urban groups on their lack of services. I really did hear that the urban groups are not getting the services that they really need.

Senator INOUE. As you know, I have asked Mr. Lincoln to submit us a report on that. If you could, I would like to have your agency study that report and give us your comments on that.

Ms. DAVIS. Yes; we will. Thank you for the opportunity.

Senator INOUE. And on the matter of housing, during the first panel, Chairman Campbell made a statement that concerns all of us here, that in some cases, since you accept the lowest bid, some of the housing products may be below standard, and may be in violation of contractual agreements. How often does this happen?

Mr. BOESEN. Well, I don't have any specific numbers on that. I can tell you what my experience has been.

Senator INOUE. But does it happen?

Mr. BOESEN. It does definitely happen. My experience in visiting with the tribes and in visiting some of the units is that it can be a very serious problem.

Senator INOUE. When that happens, what is the result?

Mr. BOESEN. It depends on how the individual tribe has set up the contracts. In most instances, what our technical assistance staff would advise a tribe to do, is to retain a portion of the final payment pending inspection. There can also be penalties assessed against the contractor if it's not discovered, for instance, until 6 months or 1 year later. That's why we recommend that they always

work with bonded contractors, as well, so that they can have a performance bond in addition to other kinds of bonds.

Senator INOUE. Do you believe that Indian country is being shortchanged on these contracts?

Mr. BOESEN. At times, yes. It depends on the sophistication of the individual tribe and how they are handling that contract. I think there has been a dramatic improvement in that. But there's obviously still work to be done.

Senator INOUE. Thank you very much.

If I may, Mr. Cheek, in your prepared statement, you indicated that the President's budget does not include funding for tribal education departments, either from Interior or from Education. Yet you have indicated that there are 90 tribal education departments operating.

Are these 90 departments receiving any sort of Federal funds?

Mr. CHEEK. As far as I'm aware of, they are not. They are totally funded by the tribe themselves.

Senator INOUE. Now, your prepared statement also mentions that the budget does not include a line item for the tribal college executive order. But that the Department of Education has informed you, "that other agencies will have their resources combined for the order's implementation." Have you received from the Department of Education any information on the total amount of the combined resources?

Mr. CHEEK. As far as I know, the last time I checked, the Office of Indian Education was the only office that's putting any money into the tribal college executive order. I know that the office is located within the Office of Vocational and Adult Education. They may be putting in some personnel support. But the dollar amount, I'm not sure how much is going into it. As far as I know, it's all OIE money.

Senator INOUE. So you have no information as to where the funds are coming from?

Mr. CHEEK. Other than the Office of Indian Education, no.

Senator INOUE. Do you know if the funds will be taken from another program that provides funding for tribal colleges?

Mr. CHEEK. I believe the intent of the executive order initially was to combine resources. As far as I know, it's only been one office that has supported it.

Senator INOUE. If you do get the information, would you provide it to us?

Mr. CHEEK. Yes.

Senator INOUE. If not, will you tell us, so we can call up a few people?

Mr. CHEEK. All right, gladly.

Senator INOUE. Thank you very much.

Dr. Brown, it is always good to see you here. While I was asking President Masten the question on shortchanging, what do you think of legislation that would provide the per capita Federal funding on certain programs, not to the States, but to the tribal nations?

Mr. BROWN. Mr. Chairman, members of the committee, I think any direction that could take Federal revenues or Federal dollars and put them directly down to tribal governments, bypassing any



organization or State, is perhaps, would result in the greatest improvement as well as use of dollars. Too many times, as we get involved in trying to work with intermediaries, through intergovernmental agreements, while they have been successful in some areas, have always asked for greater paperwork, greater bureaucracy. I think by putting dollars down to the tribe through Indian organizations directly to the tribe is by far the best situation at addressing that type of funding.

Senator INOUE. It might be an impossible chore, but maybe we should take a crack at it.

I thank you very much, Dr. Brown.

The CHAIRMAN. We do have a bill in that would allow tribes to contract with all agencies, as you probably know, Dr. Brown. We're hoping to get that passed this year.

In the interest of time, I'm not going to ask questions. But I do have several I would like to submit to you if you will answer those. And Senator Inouye will do the same.

Let me just ask you, just one that has nothing to do with anything. You're from Oklahoma, John Cheek?

Mr. CHEEK. Yes.

The CHAIRMAN. Anywhere near a little place called Eufala?

Mr. CHEEK. I actually grew up on the opposite side of the State, around Comanche and Kiowa country.

The CHAIRMAN. About 20 years ago, before I was in this lifestyle, a couple of friends down there, one of your State senators, named Kelly Haney, and one of your relatives, Johnny Tiger, took me to Eufala to a Creek celebration. I had a great time. I learned how to stomp dance and eat purple dumplings. [Laughter.]

I never did any of that before or after. But it was a terrific experience.

Mr. CHEEK. We invite you to come to our convention in October. We can probably get you out on the dance floor.

The CHAIRMAN. I'll think about it.

With that, the record will remain open 2 weeks for any additional testimony that anyone in the audience would like to submit. And we'll be looking forward to sending you specific questions.

Thank you very much. This hearing is adjourned.

[Whereupon, at 11:32 a.m., the committee was adjourned, to reconvene at the call of the Chair.]



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# APPENDIX

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## ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

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PREPARED STATEMENT OF HON. KENT CONRAD, U.S. SENATOR FROM NORTH DAKOTA

Thank you, Mr. Chairman. It is good to be here to discuss the administration's fiscal year 2001 budget request.

I am pleased that the administration has highlighted the Federal Government's trust responsibility to Native Americans. Last May, tribes in my State, as well as South Dakota and Montana, had an historic meeting at the White House with President Clinton and members of his cabinet. At this meeting, the tribal chairmen brought their concerns directly to the attention of those at the highest levels of the Federal Government—those charged with carrying out the Federal Government's duties to Native Americans.

The meeting discussed the state of health care, education, and housing on the reservations throughout the Great Plains. The tribal leaders brought their message directly to the President, and that message was this: The Federal Government must do more to help Indian people. Native Americans face greater challenges in getting the health care they need and in finding adequate housing, and they often do not have safe schools for their children. It is a sobering message, but it is one that needs to be heard.

Tribal leaders in my State continue to fight for health care improvements, better schools, more cops on the reservations, safer roads and bridges, better housing, strong tribal colleges, economic development opportunities, and better government-to-government relations with Federal agencies. I hope the witnesses today can explain how their agencies will work to fulfill the Federal Government's responsibilities in each of these areas.

I would like to take a few moments to talk about some of North Dakota's priorities within this budget:

While the administration has provided funding in a variety of accounts for tribal colleges, it has added only a \$3-million increase in title I and II funding for the tribal colleges (\$38 million). Title I and II provides core operational funding for these schools. College presidents in my State have told me that no other funding is as important to the colleges.

Core operational funding for the tribal colleges allows them to keep their doors open. This funding supports administrative costs, faculty and staff salaries, faculty operations, and other basic services needed to keep the colleges in operation. Other program funds cannot take the place of this very important core funding.

Without this core funding, the colleges cannot keep up with general operating expenses. And because stabilized core operational budgets are essential in the accreditation process, inadequate funding means the colleges risk losing their accreditation and may be forced to close.

Core operational funding levels are still about one-half of the \$6,000 per Indian student level authorized by the Tribally Controlled College or University Act. Tribal colleges serve more than 26,000 students nationwide, and annual increases in appropriations have not been able to keep pace with rising student counts.

Title I tribal colleges also receive significantly less Government support than mainstream community colleges: In fiscal year 1999, while community colleges receive about \$4,743 per full-time student equivalent from Federal, State, and local sources, title I tribal colleges receive only about \$2,964 per full-time student equivalent.

With rising student enrollments and inflation, per student funding for tribal colleges will be at or below what it was in 1981. When adjusted for inflation, funding has actually decreased by nearly 50 percent since 1981.

Mr. Chairman, I hate to sound like a broken record, but I am going to continue to fight for more funds for these schools, because they make a difference. The Federal Government needs to invest in these schools and bring them up to parity with mainstream community colleges. And the foundation of that investment must be a strong level of core operational funding in title I and II.

I am also pleased that the administration is working on plans to tackle the issue of crumbling school infrastructures nationwide. The President's budget request includes \$126 million for new school construction to be allocated to six schools on the school construction priority list, with an additional \$176 million to fund more than 2 dozen major facility improvement, repair, and maintenance projects.

I have looked at the school construction priority list, and the most striking feature is the lack of investment in new schools on the Great Plains. Students in my state attend schools that have inadequate heating and cooling systems, dilapidated roofs, schools without walls, poor plumbing systems, and trailers that force children to move between classes in sub-zero temperatures.

I don't understand how the administration can ignore the needs of Indian children in North Dakota and throughout the Great Plains. I am sorely disappointed to see that there is no plan in place to address these serious deficiencies in the near future. On the longer term priority list, only one school on the Great Plains—the Ojibwe School in Belcourt, North Dakota—made the new construction list; quite frankly, I believe the conditions at that school should place it much higher on that list.

I would like the administration witnesses to explain this glaring oversight in its plans to replace dilapidated schools in Indian country.

Finally, let me say a few words about health care. In North Dakota, and in many other areas of the country, tribes rely on contract health care—health care services that are purchased from private health care providers or private health care institutions. However, because of the limited funding available to purchase contract care, a patient must fall within the priority 1 category, which means the patient must have a life- or limb-threatening illness or injury to receive care from a contract care provider. This means that people must go without badly needed health care services, unless their conditions worsen to the point where their lives are threatened, so the cycle of poor health continues.

According to the Indian Health Services' own statistics, the leading causes of death in the Aberdeen area, which includes North Dakota, are: Heart disease, cancer, accidents, chronic liver disease and cirrhosis, and diabetes. The Aberdeen area also faces rates of tuberculosis, gastrointestinal disease, lung cancer, breast and cervical cancer, colon-rectal cancer, and prostate cancer significantly higher than those found in the rest of the United States. Life expectancy in the Aberdeen Area is more than 10 years less than for the rest of the U.S. population (64.3 years versus 75.5 years). I believe this is a result of the inability of many Indian people to receive the preventive and non-emergency care they need.

The administration's budget includes about a 10-percent increase for contract health care. However, I would be interested to know if the administration has done a needs-analysis for contract health funding and what level of funding would be necessary to expand contract health care beyond priority 1 situations.

Again, I thank the administration's witnesses for being here today and look forward to the discussion on how we make real progress on these serious challenges facing Indian country.

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PREPARED STATEMENT OF HON. PETE V. DOMENICI, U.S. SENATOR FROM NEW MEXICO

In December 1999, the President relayed his concern to me about leaving a positive legacy for American Indians. He told me that he was very concerned about the lack of job opportunities at the Pine Ridge Sioux Reservation in South Dakota. We discussed the general lack of economic development for most Indian tribes. I told him we had similar problems on the Navajo Nation and among many New Mexico

Pueblos. We agreed to work together to try to increase critical Federal funding to promote more economic independence among American Indians.

An ad hoc group of Senators, including Senators Daschle, Campbell, Inouye, Bingaman, Conrad, Dorgan, Stevens, Hagel, Reid, and others, quickly responded to this Presidential overture. We were asked by the President's Economic Adviser, Gene Sperling, to present two or three top priorities and to do so within 28 hours of his request so that our ideas could be incorporated into the President's budget for fiscal year 2001.

We asked for three key increases over current spending totaling \$3,055.5 billion:

No. 1. Indian Health Service: \$1 billion for Indian health services for both direct and contract services, and full-funding of the contract support costs under the "638" Self-Determination Act program whereby Indian tribes contract with IHS to provide health care services.

No. 2. Education and School Construction: We asked the White House for a total of \$1.3 billion more for important educational construction and operations to enhance the employability of Indian students.

To rapidly increase the rate at which we now replace deteriorated school facilities from two or three a year up to about five to seven schools per year, and for other education improvement in BIA schools, we asked for an increase of \$600 million.

To improve the U. S. Department of Education [DOEd] programs for Indians, we requested \$200 million more, and to improve vocational education at New Mexico schools like Crownpoint Institute of Technology, Southwest Indian Polytechnic Institute [SIPI], and others around the country, we requested an additional \$500 million over current spending.

No. 3. Economic Development: Our ad hoc bi-partisan group recommended increased funding for several key infrastructure and capital formation programs. These proposed increases recommended by Senate staffers included:

Indian Reservation Road funds from \$275 million to \$500 million [increase of \$225 million];

IHS facilities by \$183 million to \$501.6 million [including water and sanitation grants as well as new facilities];

HUD Indian housing by \$280 million to \$900 million [currently \$620 million];

HUD Community Development Block Grants [CDBG] from \$67 million to \$100 million;

Title XXVI Energy development grants from \$10 million to \$25 million;

Increasing funding for the Administration for Native Americans [ANA] at the Department of Health and Human Services [HHS] to \$50 million from \$35.5 million [for market studies and other economic development planning]; and

BIA business loan guarantees to \$10 million from \$5 million to leverage over \$100 million in business loans.

After considering the broad range of our requests as I have delineated them, the White House responded by submitting a budget to Congress that includes the largest ever increase in funding for needy Indians.

The President has requested \$1.2 billion more in total Federal spending over the fiscal year 2000 enacted budget of \$8.2 billion, or a new total of \$9.4 billion.

Key increases include:

\$229 million for the Indian Health Service;

\$167.3 million for construction of six Indian schools [three Navajo and one for Zia Pueblo];

\$117 million more for Indian reservation roads; and

\$100 million for law enforcement [including detention centers]; and \$30 million more for needed housing.

Obviously, these are not as large as our initial requests in December, but they still represent the largest increases ever requested by a President for American Indian Federal programs.

With regard to economic development, I would like to add that it is my intention, with the help of members of this Senate Committee on Indian Affairs, to extend the wage tax credits and investment incentives that have been available since we passed the Balanced Budget Act of 1993.

The wage tax credit is very generous in allowing 20 percent of the first \$20,000 in wages and health insurance costs for eligible Indians. In addition, the law allows accelerated depreciation [about one-third faster than normal depreciation] for buildings, equipment, and infrastructure costs associated with business development on Indian reservations.

These incentives expire December 31, 2003. Both tribal and business leaders are more aware of these benefits, and I am hopeful of extending these powerful incentives at least 10 more years.

PREPARED STATEMENT OF EDDIE BROWN, DOCTOR OF SOCIAL WORK, KATHRYN M. BUDER CENTER FOR AMERICAN INDIAN STUDIES, WASHINGTON UNIVERSITY, ST. LOUIS, MO

The President's budget request for fiscal year 2001 February 23, 2000 Mr. Chairman and members of the committee, I appreciate the invitation to present testimony on the President's budget request for fiscal year 2001. As stated, my name is Eddie Brown and I am currently associate dean and director of the Kathryn M. Buder Center for American Indian Studies at the George Warren Brown School of Social Work, Washington University, St. Louis, MO.

My comments this morning are based on my experiences as assistant secretary of Indian affairs, State director of the Arizona Department of Economic Security, executive director of the Tohono O'odham Nation Department of Human Services, as well as my current research efforts regarding the effects of welfare reform legislation on American Indian families residing on reservations. During the past 3 years I have participated in numerous national discussions on welfare reform, provided technical assistance to various tribal communities, and have personally interviewed numerous tribal and state administrators and Temporary Assistance to Needy Families [TANF] recipients as to their experiences regarding welfare support services, education and training, employment opportunities and economic development.

Shortly after the passage of Public Law 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, there was discussion in Indian country as to whether this was a welfare program initiative or an employment program initiative. After 3 years of implementation we have come to realize that Public Law 104-193, commonly referred to as welfare reform encompasses much more than just welfare and employment programs.

While unemployment rates have fallen to their lowest levels across the country, poverty and unemployment rates in American Indian and Alaska Native communities remain high. This is a product of several factors: Geographic isolation of reservations [Sandefur and Scott, 1983] limited economic opportunities on reservations [Vinje, 1996]; low levels of human capital development [in the form of health, mental health, education and work experience]; lack of adequate support programs; and reductions in overall Federal Indian related budgets [Walke, 1998]. As a result, American Indians residing on reservations and wanting to move from welfare to work have been described as hard to place due to a shortage of employment opportunities, lack of transportation, low levels of education, little to no job experience, and multiple family problems. Early experiences of State and tribal TANF programs designed to help tribal recipients move from welfare to work, suggest that if welfare reform is to be successfully implemented, given the aforementioned conditions, a much larger pool of resources and economic development programs will be needed at the tribal level.

This is supported by the fact that the change in estimated AFDC/TANF cases between 1992 and 1998 indicates that reservations have experienced a slower rate of decline in the number of households and individuals receiving public assistance. For example, Arizona experienced a 36.8-percent reduction in statewide cases compared to a 21.4-percent reduction in Indian cases. Montana had a reduction of 33.3-percent compared to a 19-percent reduction in Indian cases. South Dakota experienced a 46.7-percent reduction in cases compared to only a 22-percent decline in Indian cases [U. S. Department of Health and Human Services, 1998]. While not all States experienced such differences in the reduction of welfare caseloads, tribal and State administrators expect difference in the rates of decline to increase due to the 50-percent unemployment rule and the severe social and economic conditions existing on many reservations. For instance, Montana reported that when TANF was first implemented in that State, American Indians represented 22 percent of the welfare caseload; recent estimates indicate that they now represent of over 44 percent of Montana's TANF caseload [Mereditth, 1999, September].

These percentages are not surprising to American Indian leaders and tribal program administrators who have long been aware of the shortfalls in Federal funding for Indian-related programs. Over the past three decades, tribal governments have pushed for additional resources for the development of human capital [in the form of education and training, health and mental health services and family support programs] and to increase opportunities for economic development through the strengthening of their physical infrastructure [improved roads and transit systems, construction of facilities, development of information technology, expanded empowerment zones, tax credits and loan guarantees].

The sad truth is, however, that while tribal governments, under the guise of Indian Self-Determination and Self-Governance have been diligently working to achieve the goals of self-sufficiency and true self-determination, Federal funding for

overall Indian related programs has actually declined over the past 25 years. The Congressional Research Service in a report titled, "Indian-Related Federal Spending Trends, fiscal year 1975-99," analyzed Indian budget items across of the Bureau of Indian Affairs, Indian Health Service, Administration for Native Americans, Office of Indian Education in the Department of Education, Indian Housing Development program in HUD and the Indian and Native American Employment and Training Program in the Department of Labor [all of which account for 70 percent of total estimated Indian-related spending governmentwide]. The report confirmed that, when corrected for inflation, funding for all major Indian programs except IHS had declined during the period of fiscal year 1975-99. This was not the case, however, for overall Federal non-defense spending, which increased in both current and constant dollars during the same period. The report concluded with the following statement, "a comparison in constant dollars of overall Indian spending and its major components, on the one hand, with comparable budget items in the full Federal budget on the other, indicates that most Indian-program spending areas have lagged behind their equivalent Federal spending areas. This is true even for IHS" [Walke, 1998, p. 10].

The President's budget request for fiscal year 2001, while continuing the uneven upward trend in overall Indian-related funding begun in 1991, falls far short in meeting the social, educational and economic needs of Indian country. The budget request can be best described as a continued effort to make up for the decline in past appropriations.

As we enter the 21st century, American Indian communities, like many of their rural counterparts, are faced with high rates of poverty, unemployment, and the lack economic development opportunities. However, these problems are further magnified on Indian reservations due to poor road conditions; high rates of violent crimes; lack of safe water and waste disposal facilities; high disparities in health care, increased rates of school dropout, compounded by poor educational facilities and high teacher turn-over; lack of access to venture capital from local lending institutions; state reluctance to provide various social, economic and educational services on reservation; and local discrimination by surrounding communities.

If tribal governments are to be successful in the development of healthy economies, lowering unemployment rates, and meeting the social and educational needs of their tribal members, the Federal Government must be prepared to work directly with tribal governments to provide:

**Increased Federal funding to tribal governments from multiple Federal agencies**—American Indian and Alaska Native communities face enormous challenges in fostering sustainable development to meet the needs of their community members. The BIA and HIS, however, are no longer expected to be the sole providers for funding and services to tribal communities. Under Presidential directive, all Federal agencies are now directed to develop government-to-government relations with tribal communities and to seek out ways in which their resources and services may be of benefit to tribal members. This potential increase in resources would make it possible for tribes to develop much broader social and economic investments to counter limited economic and employment opportunities, weak educational institutions, poor physical infrastructure, and lack of human services. Early welfare reform experiences indicate that if tribal communities are not able to acquire the necessary resources to address these social and economic needs, they will be unsuccessful in their efforts to achieve the goals of self-sufficiency and true self-determination and attempts to assist tribal families to move from welfare to work will fail.

**Coordination and consolidation in Federal funding**—An early positive effect of welfare reform legislation has been the strengthening of coordination, communication and collaboration at all levels—among tribal service providers, among tribes, between tribes and states, and between tribes and the Department of Health and Human Services [Pandey et. al., 1999]. At the tribal level, for example, coordination, collaboration, and communication have increased between programs responsible for social services, employment and training, childcare, transportation, health care, economic development, and education. This also needs to happen among the Federal agencies in Washington DC.

As tribal governments have labored to accommodate the many funding streams from the various Federal agencies, the result has been the creation of a complex web of bureaucratic regulations and reporting requirements at the tribal level. For instance, funding for employment and training programs comes from a variety of departments: The Job Training Partnership Act and welfare-to-work services funded by the Department of Labor; the Native Employment Works Opportunity and Basic Skills initiative funded by the Department of Health and Human Services; and the Tribal Work Experience and Employment Assistance programs funded by the Department of the Interior. The welfare reform initiative, in bringing the various tribal

programs to the table, has acted as a catalyst for tribal governments to find ways to reduce the paperwork and other administrative burdens placed upon them.

Public Law 102-477, The Employment, Training, and Related Services Demonstration Act, has proven to be a successful alternative for those tribes wishing to develop one plan to obtain funds from multiple Federal agencies for the provision of a range of social services and employment and training programs. Simply put, tribes may combine the grants they receive from multiple agencies, across three Federal departments into one funding stream. Tribes write one financial report reflecting all agency funds received and report to one Federal agency. Additional legislation such as Public Law 102-477 needs to be passed to require the various Federal departments to communicate with each other, coordinate their services, and where possible, consolidate their funding to tribal governments.

**Greater tribal control and flexibility in the expenditure of Federal funds**—In response to the urgent and dire needs of tribal communities, many well-intentioned Government officials and program administrators have accepted the approach that only outside agencies and professional experts have the understanding necessary to bring about the needed social and economic changes in tribal communities. Unfortunately, many Federal and state agencies have been designed to focus predominately on the nature and extent of our troubled communities and the value of welfare services as the sole answer to our problems.

In recent years, a new, comprehensive approach to the development of troubled, low-income communities has emerged. This approach is built on the historic evidence that significant community development takes place only when local communities are committed to investing themselves and their resources in the effort [Kretzman and McKnight, 1993]. This approach does not imply that tribal communities should expect fewer resources from the Federal Government to carry out their Federal trust responsibility. Rather, it suggests that additional resources can be more effectively used when tribal governments are fully supported and mobilized to address the social and economic needs of their communities.

The best example of the effectiveness of this approach is the 1975 Indian Self-Determination Act that gave American Indians and Alaska Natives the freedom to develop and implement their own tribal programs. The results have been greater tribal self-reliance; increased investment of tribal resources, better managed tribal institutions, and stronger tribal economies.

The tribal community is not the problem; it is the solution. This approach requires a shift in thinking from one of seeing the Federal Government's primary mission of controlling services to tribal communities, to one of investing with tribal governments in their communities to get long-term returns. Federal actions that support this approach are the continued support for policies of self-determination and self-governance and increases into tribal priority allocations.

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PREPARED STATEMENT OF JACQUELINE JOHNSON, DEPUTY ASSISTANT SECRETARY FOR  
NATIVE AMERICAN PROGRAMS

Mr. Chairman and members of the committee, on behalf of Secretary Cuomo, I thank you for the opportunity to share and discuss several important issues relating to our Department's efforts in addressing the needs of Native Americans.

Mr. Chairman, I am pleased to report that HUD is continuing to make a real and positive difference by supporting our Nation's Indian programs. The secretary's priorities focus on the issues and problems faced by Native Americans throughout Indian country. I am especially proud that HUD's efforts are part of the President's larger, governmentwide initiative to assist Native Americans which totals \$9.4 billion.

Many favorable changes have taken place as a result of the implementation of the Native American Housing Assistance and Self-Determination Act of 1996 [NAHASDA]. This important legislation provides for an unprecedented level of flexibility for tribes, making it possible for us to help Native Americans to help themselves. Adding to this good news, I am proud to say that HUD is proposing the best budget ever for HUD's Native Americans.

As I said, HUD's budget request for fiscal year 2001 is the best budget for Indian programs ever. This budget demonstrates our commitment to Native Americans and the various programs HUD supports for meeting their needs. It fulfills our commitment to Congress, by strengthening those programs which we over many years have worked together to reform and strengthen. We worked hard to be responsive to those concerns you have shared with us and we are committed to making these programs work well.

Let me summarize the highlights of this year's request.

The budget President Clinton has proposed for HUD for fiscal year 2001 increases funding for the Department's Indian programs to \$730 million an increase of \$37 million from the fiscal year 2000 budget. This budget request increases funding for existing programs and for new, innovative initiatives that will provide important opportunities for Indian tribes.

For example, HUD is requesting increased funding for the Indian Housing Block Grant of \$30 million, raising it to \$650 million. This includes a \$6-million set-aside for training and technical assistance, as well as a \$5-million set-aside for the title VI loan guarantee program. This would provide \$43.3 million in available loan guarantee authority for tribes. The budget also proposes to permit, through the Indian Housing Block Grant program, tribes or tribally designated housing entities to provide housing and housing assistance for qualified law enforcement officers.

The budget provides for \$69 million for the Indian Community Development Block Grant [ICDBG]. The budget also expands language within the Native American set-aside of the Community Development Block Grant to allow for stand-alone economic development planning grants.

The budget also calls for \$6 million for the section 184 loan guarantee program, which would support mortgage loans totaling \$71.9 million.

These current authorities, however, are not enough to support Native American communities. HUD and tribes must partner together to address changes in Indian country and in the market place and make sure that we are in step, together, with these changes.

Therefore, HUD is proposing within its fiscal year 2001 budget, to expand these existing authorities to include the following new initiatives:

- \$5 million in funding for Indian Home ownership Intermediaries set-aside from the Indian Housing Block Grant program;
- \$2 million to create an economic development access center from within the ICDBG program; and
- \$5 million for a grant program to provide financial support for tribal colleges and universities.

Funding for these initiatives will help Indian country to increase current home ownership opportunities, provide more job opportunities, and create better places for Native Americans to live and work.

The Home ownership Intermediaries is an idea born out of President Clinton's One-Stop Mortgage Initiative. It will help tribes create One-Stop Mortgage Centers modeled after those on the Navajo and Pine Ridge Reservations. These Centers will provide pre- and post-purchase home buyer counseling, and education on budgeting and credit issues. Staff will act as a liaison between tribal members and financial institutions to facilitate the loan process and address cultural issues. The Centers may be eligible for other grants which could help support down payment and closing cost assistance.

The economic development access center will, for the first time, link over twelve agencies through a single toll-free number so that Native American callers, lending institutions, non-profits, foundations, and private businesses can receive access to information about Federal programs for economic development. The purpose of the access center will be to answer questions in a problem-solving manner rather than requiring callers to be familiar with specific programs. The access center will also have a website.

HUD has supported Black and Hispanic Colleges in the past and these same opportunities are being brought to Indian country. This funding would assist Tribal Colleges and Universities to address neighborhood revitalization, housing and community development needs within their community.

The Department's fiscal year 2001 budget is a tremendous opportunity for the partnership between HUD and Indian tribes to grow and take advantage of new initiatives. The time is right for these new initiatives that address changes in the marketplace. This proposal will help to expand on the successes that tribes have witnessed thus far with the implementation of NAHASDA.

NAHASDA is landmark legislation, for it affirms, respects, and supports the principle of government to government relations with Indian tribes, and I am proud that this Department plays such a critical role in redefining our Federal Government's role in supporting tribal needs. In fact, HUD's role has been fundamentally changed by NAHASDA. In the past, our role was that of a provider of governmental services, and while our services met many critical needs, resources were limited and many other needs remained unmet.

Today, under NAHASDA's model, we are a partner, facilitator, and capacity builder. We still provide critical services, but even more important, we are leveraging resources, facilitating key partnerships, and helping tribes to develop the strength they need to achieve the goals of their people. Today, more than ever in our nation's history, we are listening to what tribes are telling us they need and helping them to achieve their vision.

Last year, I reported to you the progress that tribes were making implementing the first step under NAHASDA submitting their Indian Housing Plans. Since then, the tribes have begun carrying out their housing plans using fiscal year 1998 and 1999 NAHASDA funds.

As you know, NAHASDA regulations require that tribes obligate 90 percent of their funds under the act in 2 years. For most grant recipients, the end of the current fiscal year will mark the 2 year period for the 1998 funds. The degree to which tribes spend their funds while only one measure can provide insight as to how tribes have been able to adjust to the flexibility of the new program and initiate appropriate and unique ways to leverage funds to carryout their individual housing plans. Many of the tribes which are receiving smaller allocations have decided to continue providing assistance as they had under the 1937 act [that is new development and rehabilitation of existing units], and the smallest tribes may have a need to combine several years' worth of funds in order to construct housing. However, most tribes have expanded the affordable housing activities to include down payment and other mortgage assistance, revolving loans, transitional housing, emergency shelters, spousal abuse shelters, and elderly congregate housing facilities. NAHASDA has been used in many cases to leverage funds for affordable housing. Overall, I am pleased that tribes have been making progress toward meeting their 90 percent target.

In addition to monitoring the progress that tribes are making toward attainment of the 2 year 90 percent target, it is important that we analyze other measures to more fully understand how tribes are utilizing the NAHASDA program to meet their housing needs. My staff have initiated interviews with various tribes of all sizes, and we have commenced an analysis of tribes' Annual Performance Reports which detail the use of the NAHASDA funds. By the end of the Fiscal Year, we will have a more complete understanding of these issues based on detailed reports from all tribes outlining their successes under the program. We will then be able to concentrate our technical assistance efforts to assist tribes and further strengthen the program.

The lesson of the 20th Century is that the key to successful, healthy, and prosperous communities is the development of sustainable, comprehensive community support systems. That is now our focus filling the gaps so that we can extend our reach. This is a priority for HUD in the 21st Century.

Mr. Chairman, HUD has been a leader in focusing national attention on the gap in lending and financing in Indian country, and has been instrumental in promoting the involvement of private sector lenders to streamline business and lending processes on Indian reservations. One innovative product of that partnership is reflected

in our budgetary request for \$5 million to assist tribes in becoming a local intermediary by creating a one stop mortgage center.

An early example of the potential of such centers is the planning and development of a 250-unit single family housing project called Apache Dawn. This project is being developed by the White Mountain Apache Tribe on their reservation in Arizona. For the first time in history, funding for an Indian housing project will be a blend of tribally issued tax exempt bonds, section 184 guaranteed loans, and NAHASDA grant funds. This project exemplifies the innovative and entrepreneurial thinking that can be launched from a one stop mortgage center. Apache Dawn involves a blend of private and public business interests that are critical to increased financial and business development in Indian country.

One of the many benefits of initiatives like the one stop mortgage center is that it requires Federal agencies to work more closely together than ever before. For example, working together with the BIA, the Department of Treasury, and the Veterans Administration, HUD has negotiated and created a single lease for handling reservation land leases. Before this, each agency utilized a different lease form. Through a lot of hard work, we are doing the right things to make this and other processes easier and better.

Additionally, HUD will continue to fill the gaps that prevent families from obtaining home mortgages through the aggressive use of homeownership counseling so that we can build the credit worthiness of Native American home purchasers. Such initiatives help them to qualify for mortgages which an increasing number of lenders are willing to consider in Indian country so that they can participate in the streamlined mortgage lending processes established by the one stop mortgage centers and our pilot initiatives with the Navajo and Oglala Lakota Sioux Tribes.

Finally, HUD continues to fill the gaps by providing well-planned and coordinated technical assistance to help tribes develop strong organizations and build capacity. Through NAHASDA's flexible funding, tribes can provide a wide variety of housing services to tribal members.

Finally, Mr. Chairman, I am proud of HUD's focus to spur economic development in Indian country. We recognize that without jobs created by economic development initiatives, tribal members cannot obtain mortgages and attain the American dream of home ownership.

ONAP endeavors to promote, nurture, and sustain business entrepreneurship in Native American communities, both for the individual tribal members and interested outside partners that also wish to facilitate increased economic opportunities. Helping to build better communities by encouraging the development of jobs is a step we can take to support the self-determination efforts in Indian country. That is why HUD is spearheading a variety of innovative economic development initiatives, including exploring the development of an information resource center staffed by a highly skilled team to respond to the economic development needs on reservations. This center will field phone calls, internet inquiries, and web-searches by those interested in doing business in Indian country. I am certain that this one-stop center will function as a facilitator of partnerships and information sharing that will serve as a model for those wishing to do economic development elsewhere, even beyond Indian country.

Mr. Chairman, again I thank you for allowing me to share with you some of our priorities at HUD for transforming the lives of Indians in America. We have a good story to tell and I am proud to have had the opportunity to share it with you today.

This concludes my prepared testimony. I would be pleased to answer any questions that you or other members of the committee may have.

Thank you.

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#### PREPARED STATEMENT OF CHAD SMITH, PRINCIPAL CHIEF, CHEROKEE NATION

Chairman Ben Nighthorse Campbell, Vice-Chairman Daniel Inouye, and distinguished members of the U.S. Senate Committee on Indian Affairs, I wish to thank you for allowing the Cherokee Nation to offer its testimony on the fiscal year 2001 funding for Indian programs.

The history of the Federal Government's dealings with the Cherokees reaches back to the origins of the United States of America. Beginning with the Treaty at Hopewell in 1785, the United States entered into numerous treaties with the Cherokees. Between 1838 and 1900, the Cherokee Nation governed all of its people and property within its lands in the Indian Territory, with a 3-branched system of government considered excellent by Indian and non-Indian standards. Unfortunately, by 1906 the Federal Government had turned its back on the Cherokee people and much of the nation to govern itself. Since then the nation has been involved in a rebuild-

ing process, to govern itself and return to a true government-to-government relationship with the United States.

For more than 1 decade, through contracts and compacts with the Indian Health Service and Bureau of Indian Affairs, the Cherokee Nation has been providing for the needs of all Indian people living in our jurisdictional area in northeastern Oklahoma. Besides Cherokees, our health system serves members of 1 dozen or more other tribes whose members live within the boundaries of Cherokee Nation.

The Cherokee Nation's health system consists of six ambulatory health care centers, emergency medical services, several community health programs, and a behavioral health services department. To operate a health system that serves Cherokees and members of other tribes, the Cherokee Nation's funding for fiscal year 1996 was nearly \$22 million and peaked in fiscal year 1997 at almost \$28 million. In fiscal year 1998 we experienced a decrease in funding at just over \$27 million. For fiscal year 1999, our funding level further decreased to approximately \$26 million. During the same time period our Indian patient visits steadily increased from 163,127 visits in 1996 to 227,157 visits in 1999, an increase of over 39 percent. To maintain the level of services to our Indian patients, funding must increase with the need.

To the great detriment of thousands of Indian people, there exists a gross disparity in the Indian Health Service annual per capita funding by Indian Health Service Areas that creates an unacceptable burden on Oklahoma tribes. Oklahoma receives the lowest funding in the United States at \$856 per Indian patient. The average IHS Area is funded at \$1,351 per Indian patient, while the State of Alaska receives \$2,760.

Oklahoma has, by far, the highest Indian population with approximately 300,000 or 22 percent of the total Indian population in the United States. Indian Tribes in Oklahoma can no longer accept the lack of interest and concern exercised by the Indian Health Service toward providing equitable resource levels for health services. We ask that you not only support the increases in the President's 2001 Budget Request, but that you take action to ensure that all original Americans have access to equal funding by directing new increases in the fiscal year 2001 appropriations to raise Oklahoma Tribes to a parity level, as recommended in the recently released "Level of Need Funded Workgroup" report.

Another important issue facing the Cherokee Nation is that of contract support cost funding. Oklahoma tribes, which are already encumbered with inadequate funding and an overwhelming workload, are forced to reduce services to compensate for under-funded contract support costs, as is evidenced in the General Accounting Office and the National Congress of American Indian's reports on contract support costs.

The Indian Self-Determination Act was specifically amended in 1988 and 1994 to make contract support an entitlement and to give the secretary clear contract authority for the full amount required to be paid under the act. We ask this Congress to act with the same wisdom and prudence of your predecessors and fully fund tribal and tribal organization contract support cost needs. To accomplish this, we recommend that new contract support cost dollars go to tribes with the lowest contract support funding, as required by the Congress in fiscal year 1999.

For Bureau of Indian Affairs programs, the nation supports new tribes funding, increases in tribal priority allocations funding, specifically those for housing improvement programs, tribal court systems, the Indian reservation roads program, and higher education. We must however, take exception to the President's request for a \$20-million decrease for the general assistance program. Cherokee Nation cannot meet the current existing need while our workload continues to increase. We expect further additional caseload increases as TANF participants are terminated and turn to general assistance for relief I am particularly interested in school operations funding and ask that Cherokee Nation be considered for the new therapeutic residential treatment education pilot program. We support the President's increase for Indian school equalization funding, but cannot support his funding request for special higher education, which, at fiscal year 2000 levels is inadequate to meet education needs. The nation does, however, support National Congress of American Indians Resolution 99-046, requesting a \$5.6-million funding level for special higher education.

The Cherokee Nation fully supports the Native American initiatives in the Commerce Department for fiscal year 2001. These initiatives are of particular importance to the Cherokee Nation if we are truly going to regain full self-government. Economic development, tourism, and technology infrastructure are some of the greatest needs in Indian country today, which will benefit Indian people for years to come.

Finally, I express my support of the President's increased request for trust improvements and trust management reforms.

In closing, I quote U.S. District Judge Royce Lamberth in my petition for the U.S. Government to fulfill its responsibility by providing adequate funding necessary to meet the needs of improving the quality of life and economic potential of the original Americans.

"For the beneficiaries of this trust did not voluntarily choose to have their lands taken from them; they did not willingly relinquish pervasive contract of their money to the United States. The United States imposed this trust on the Indian people." U.S. District Judge Royce Lamberth, Tuesday, December 21, 1999.

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PREPARED STATEMENT OF JONATHAN M. ORSZAG, ASSISTANT TO THE SECRETARY AND DIRECTOR OF POLICY AND STRATEGIC PLANNING DEPARTMENT OF COMMERCE

Mr. Chairman, Senator Inouye, and members of the committee, my name is Jonathan Orszag and I am the director of policy and strategic planning at the Department of Commerce. In that capacity, I serve as Secretary Daley's chief policy advisor and my office is responsible for coordinating policy development and implementation for the Department.

I am joined today by a new member of my office, Marcia Warren, who serves as the senior policy adviser to the Secretary for Native American Affairs. Ms. Warren and I are pleased to represent Secretary Daley today to discuss the Department's Native American initiatives in the fiscal year 2001 budget.

We would like to emphasize the commitment of Secretary Daley, Deputy Secretary Mallet, and the entire Department to working in partnership with tribes to provide solutions to the obstacles many Native communities face in this new millennium. From the Census to economic development, and from tourism to trade, the Commerce Department can help empower Native communities with the right tools to create a successful model of economic self-sufficiency, based on their own terms.

Before we discuss our new budget initiatives, I would like to inform the committee about the activities Ms. Warren has been leading since her appointment 3 months ago.

Last year, I came before this committee and reported that the secretary was committed to creating a senior level position to coordinate all of our efforts to help Native Americans and to advise him on Native American affairs. This new effort—which, Mr. Chairman, you had long advocated for—will be led by Ms. Warren, a member of the Santa Clara Pueblo Tribe of New Mexico.

The creation of this position formalized the Department's commitment to working in partnership with the Native American community. Through the senior policy adviser on Native American Affairs a career position the Commerce Department can directly address the needs of Indian country.

As soon as Ms. Warren assumed her position in November, she created a Native American Affairs hotline and established the Department's first Native American Affairs Working Group, with representatives from each of the Department's nine bureaus. The purpose of this working group is to identify and develop policies concerning Native Americans within each Commerce Bureau; ensure that the Bureaus are fulfilling the government-to-government relationship; provide and exchange information pertinent to Native American affairs and issues concerning the Department and its bureaus; and, as necessary, participate in inter-agency working groups and task forces.

The Group has been meeting regularly to accomplish their three immediate goals:

- Develop a long-range plan to institutionalize and coordinate the efforts of the Department and its bureaus regarding tribal governments, Native American businesses, and tribal colleges. This plan will support the Department's American Indian and Alaska Native policy by establishing a detailed strategy to focus the Department's resources toward their best utilization by tribes;
- Increase accessibility to the Department's programs and services through outreach and consultations with tribes and Native American businesses; and,
- Create two important new resources for use by the Native American community: A printed guide to Commerce Department resources for Native Americans, and a Commerce Department Native American programs and assistance web site. These new efforts will strengthen the Department's contribution to the new Native American Economic Development Access Center, which will provide a toll-free number so that Native Americans, businesses, and others have access to information about economic development activities in Indian country.

Each goal is already in progress and close to completion, bringing the Department closer to providing the maximum benefit of its resources to tribes and Native American businesses.

In addition to strengthening our internal infrastructure, we are pleased to introduce the Native American initiatives in our fiscal year 2001 budget. We feel these initiatives will extend our current resources and abilities to address effectively some of the greatest issue areas for Native Americans today: economic development, technology infrastructure, and international trade and tourism. Let me add that these initiatives are part of a larger Presidential initiative, which seeks to increase investments in Native American communities by \$1.2 billion—the largest increase ever.

While America's economy is in the midst of its longest economic expansion in history, the poverty and unemployment rates in our Native American communities is still far too high. Since President Clinton, Vice President Gore, and Secretary Daley believe strongly in the value that America does not have a person to waste or a community that can be left behind, we are proposing a dramatic expansion of resources at the Department's Economic Development Administration [EDA] for Native American communities.

Specifically, we are requesting \$49.2 million for a new Native American Economic Development Program Initiative. This initiative would provide \$5 million in economic adjustment funding, \$5.2 million for planning and technical assistance, and \$39 million for infrastructure in Native American communities. If enacted, the infrastructure investment in Native American communities in 2001 alone would be greater than during 7 years from 1993–99 combined.

The purpose of this initiative is to fund capacity building, including planning and technical assistance, revolving loan funds and capital access, and infrastructure projects that are needed for American Indian tribes and Alaskan Native Villages. We believe strongly that these investments would pay dividends, helping lift the standard of living of Native Americans.

Priority will be given to new capacity building programs and projects that support the growth of Native-owned businesses in Native communities; strengthen the economic infrastructure of Native communities, including the deployment and enhancement of technology infrastructure; support sustainable economic development opportunities in Native communities, including the development of natural resource-based economies; and support workforce development programs, including skill-training and distance learning facilities.

Closing the Digital Divide in Indian country Economic Development Administration [EDA] and National Telecommunications and Information Administration [NTIA]

On December 9, 1999, President Clinton and Secretary Daley focused the country's attention on the issue of the telecommunications and information technology gap in America at the Department of Commerce's Digital Divide Summit. At this summit, Susan Masten, the president of the National Congress of American Indians, highlighted that Native American households are significantly less likely to have a telephone, and significantly less likely to have access to a computer or the Internet.

If we do not address the issue of the digital divide, we believe that Native American communities will fall further and further behind. We can not let that happen.

EDA's Native American Economic Development Program Initiative would help create digital opportunity in Indian country by providing badly needed investments for physical infrastructure, planning assistance, and workforce development. Coupled with the administration's and the Department's other initiatives for example, our new broadband deployment initiative, a tripling of the Technology Opportunities Program, and our new Home Internet Access initiative we believe that this new budget would go a long way to closing the digital divide in Indian country.

But in order to truly solve this problem, the government will need to work in partnership with the private sector. And we look forward to working with them and this committee to address this important issue.

Finally, we have requested \$5 million for the International Trade Administration [ITA] to continue and expand its rigorous outreach program under its Global Diversity Initiative. The purpose of this initiative is to first identify Native-owned firms with core attributes—for example, the management skills, sound products, and internal resources—for successful international sales, and then to help provide them with sufficient capability to become successful exporters through training, trade missions, and specific Native American export incubator projects.

In addition, this initiative will facilitate an inter-agency tourism development effort targeting up to 10 pilot communities, utilizing cultural heritage tourism as a tool for economic development, export growth, and community pride. The initiative will include a specific Native American travel and tourism development project.

Mr. Chairman, members of the committee, thank you for this opportunity to present the Department's new goals and initiatives for the coming fiscal year. Ms. Warren and I would be pleased to respond to any questions you may have.



**UNITED STATES DEPARTMENT OF COMMERCE**  
**Office of the Secretary**  
 Washington, D.C. 20230

The Honorable Ben Nighthorse Campbell  
 Chairman  
 Committee on Indian Affairs  
 United States Senate  
 Washington DC 20510-6450

Dear Mr. Chairman:

I am pleased to respond to your questions regarding the February 23<sup>rd</sup> testimony from the Department of Commerce regarding Native American programs for FY 2001. Please accept the following responses for the record.

1. *The request includes a modest but much-needed focus on economic development. In what role does the Department see itself in this effort with regard to the activities of other agencies and departments?*

The Department of Commerce understands that it cannot overcome the obstacles to economic development that exist in Indian Country alone. Coordination and cooperation with other federal agencies will be a vital ingredient to the success of the modest proposal for an Indian Economic Development Program Initiative in FY 2001.

In this regard, the Department's role -- as represented by the Senior Policy Advisor for Native American Affairs -- is as a facilitator of program coordination between bureaus within the Department of Commerce, and as a partner with other federal agencies in joint projects through inter-agency working groups such as the White House Domestic Policy Council on American Indians and Alaska Natives.

Internally, the Senior Policy Advisor for Native American Affairs has established an internal Native American Affairs Working Group, which is developing a strategic plan, web site, and resource manual for the Department's programs and assistance for Native Americans. Externally, an example of the Department's efforts to coordinate our programs with other agencies is our participation with Housing and Urban Development (HUD) in the development of "Native eGDE," the one-stop shop for tribes and Native businesses. This web site and call center currently in operation, will enable all federal agencies to provide a central source of information and integrated delivery of services to Native Americans through online and in-person technical assistance.

2. *Secretary Gover noted in his testimony that the request includes more than \$9 billion in programs administered through 45 different agencies. For 4 years now I have urged more agency coordination for development especially. What can you tell me that will assure me that the requested funds will be better targeted and coordinated?*

As our testimony outlined, the Department of Commerce has requested \$49 million to address economic development and infrastructure needs in Indian Country. This program will be administered by the Economic Development Administration (EDA). Because EDA's infrastructure investments are based on locally-developed comprehensive economic development strategies and the fact that such strategies are based on area market conditions, we anticipate that, for the most part, Indian tribal officials will be working with private sector entities to ensure that complementary and mutually beneficial investments are made. EDA intends to work with Indian tribes to facilitate the development of these kinds of public-private partnerships to ensure that sustainable infrastructure and economic development facilities are put in place in Native American communities.

The Department recognizes that targeted investments are needed to support and create economic development opportunities in the fastest growing segment of the U.S. population and help to ensure that even the most impoverished communities of our nation realize the benefits of the expanding U.S. economy. It is our belief that, even with limited resources, targeted public-sector investments, like those of the Economic Development Administration, can demonstrate the viability of the President's "New Markets" initiative and that private sector investors will quickly realize the benefits of making similar investments in Indian Country.

*3. What specifically does the Department have in mind with regard to encouraging Indian tribes to enter into and participate in international trade activities?*

The Department's International Trade Administration (ITA) has actively and successfully encouraged Indian tribes to participate in international trade activities. ITA's Commercial Service has 105 offices throughout the country, which enable our trade specialists to establish relationships and work closely with Native American tribes. The Commercial Service's Native American Team has successfully reached out to several Native American communities to provide training, information, international event participation and various other services.

The Commercial Service's field-based structure enables relationships to be built within Native American communities. Through our relationships, we have been able to offer our expertise and international network to facilitate Indian tribes' participation in international trade activities. The Commercial Service has integrated our services with Indian tribes at the local level to demonstrate the potential of economic development through international trade.

With additional funding proposed in our FY 2001 budget request, we would offer more opportunities to identify events and venues where we can showcase Native American products and companies, develop new programs and expand our current Native American programs, and have a greater presence at planning events and outreach activities.

We could initiate new programs such as the "Native Americans of the Southwest Cultural



Days." This pilot project would be a joint project of the U.S. Commercial Service Export Assistance Centers in Santa Fe, New Mexico, and Phoenix, Arizona; the Native American Export Incubators located in each state; the Rural Export Initiative and Global Diversity Initiative of the U.S. Commercial Service; as well as various other partners involved in developing export markets for Native Americans.

The objective of this project is to create a 3-5 day event that will take place in a European country (TBD) and will be comprised of the following components: an exhibition of Native American arts and crafts for sale; tourism promotion in Native American communities; and educational and artistic performances by Native Americans from the Southwest, including ceremonial dances and craft demonstrations (silversmith, basket and rug weaving, etc.)

Experience has revealed that the promotion of Native American arts and crafts products in foreign markets can be challenging due to the lack of understanding and knowledge of the Native American heritage on the part of foreign buyers. We have learned that the educational component of the Native American culture must also be included in any market promotion of their products and that such events should be targeted to foreign buyers specifically interested in such products.

We are proposing, therefore, to create a pilot project to stage a specific Native American market promotion in a European country. The promotion would consist of the promotion and sale of Native American arts and crafts, educational and artistic performances by Native Americans to demonstrate their culture, including ceremonial dances, silversmith, basket and rug weaving, sculpture, and art.

We believe that promoting and marketing Native American products in this way will enhance export sales of such products. Once the program proved successful in one market, we could replicate it in other markets demonstrating strong potential for Native American products.

As an example of the successful international trade activities the Commercial Service has accomplished with Native American communities and businesses, we would like to provide the following highlights:

#### **Native American Incubator Program**

The mission of the Native American Export Incubator Program is to develop export markets for Native American businesses while training them in international business procedures and marketing. Select Export Incubator partners are required to put together an export training program for their Native American clients, to identify global markets and venues for clients' products and services, and to handle export transactions on behalf of clients during the incubator phase (or work very closely with clients in this process).

In FY 1998, the Rural Export Initiative launched the first Native American Export Incubator program with the South Dakota International Business Institute (SDIBI). In

FY 1999, the Commercial Service signed Joint Project Agreements with the South Dakota International Business Institute, the New Mexico Native American Business Development Center, the Center For American Indian Economic Development - Northern Arizona University, and the National Center for American Indian Enterprise Development - Washington State Office to develop incubator programs in South Dakota, New Mexico, Arizona, and Washington. These programs are currently operating successfully.

#### **Native American Export Assistance Associate Offices**

The first U.S. Department of Commerce Associate Office to be located on a Native American reservation was opened in September 1999 with the San Manuel Band of Indians, and since then, four additional Associate Offices have been designated with the Tlingit-Haida Central Council which serves 20 villages; the Juneau Economic Development Council; Kodiak Chamber of Commerce; and the Kenai Peninsula Borough Economic Development District.

#### **International Trade Shows – CHIBI'99, Milan, Italy, January 22-25, 1999**

After a successful pilot participation in the CHIBI'98 summer trade show, New Mexico Export Assistance Center (EAC) Manager Sandra Necessary and CS Milan successfully introduced Native American jewelry at the CHIBI'99 trade event held in Milan, Italy January 22-25, 1999. Ten of the 17 exhibitors represented authentic Native American jewelry. The 17 exhibitors at the U.S. Pavilion at CHIBI'99 reported \$66,725 in actual sales and orders. The ten firms that represented makers of hand-made authentic Native American jewelry sold \$28,025 of that total amount.

#### ***4. What specifically does the Department have in mind with regard to encouraging Indian tribes to enter into and participate in activities related to tourism and hospitality?***

With the Department's FY 2001 budget request for \$5 million, ITA's Trade Development Office of Tourism Industries will administer a Cultural Heritage Community Development Export Initiative. This program will work in close coordination with ITA's Commercial Service and will include a specific Native American travel and tourism development project. The Commercial Service has actively participated in activities to encourage Indian tribes to participate in activities related to tourism and hospitality. In fact, Sandra Necessary of our New Mexico Export Assistance Center is a voting member of the Annual Indian Tourism Conference Planning Committee.

The Office of Tourism and the Commercial Service will work in conjunction with the Department of the Interior to assist Native Americans to benefit from the economic activities that travel and tourism can bring as part of the overall economic development plan. Research data shows that cultural heritage tourism has been identified as a leading travel activity within the United States. Such robust economic activity indicates an opportunity for strategic investments in America's living cultural heritage.

The first part of the Cultural Heritage Community Development Export Initiative is designed to further economic development in rural and urban communities, especially in Native American communities in the first year(s), with a goal to expand the focus to African-American, Asian-American, Hispanic-American, and other ethnic communities in future years. The funding will be applied to a comprehensive, interrelated program that will first identify and then develop and promote the cultural heritage of up to ten pilot communities throughout the country. A special Cultural and Heritage Program group will be formed within Tourism Industries to design, coordinate, and implement the full scope of the program ingredients.

The Commercial Service will provide outreach, training, and facilitation services by increasing the international delegation participation at existing Native American events and identify local areas and other destinations of interest for the delegations to visit during their stay.

In addition, a "matchmaking" program would be developed during the National Indian Tourism Association conferences and other events to bring together foreign travel agents and Native American tour operators.

Following is an overview of how this program would develop:

We will develop a marketing flyer for use by our Foreign Service Nationals located at American embassies around the world to facilitate their recruitment of foreign travel agents to participate in this event. Foreign Service Nationals (FSNs) in our Commercial Service offices abroad will be asked to conduct an intensive promotional campaign in their respective countries and to recruit foreign travel agents to travel to Green Bay, Wisconsin, to participate in the American Indian Tourism Conference in September 2000.

Once delegations have been recruited and their specific tourism interests have been identified, we will start the matchmaking process from those Native American travel agents that have signed up for the conference. We will also recruit Native American tour operators from our client base to come to the conference and to participate in the matchmaking program.

We will set up appointments and handle the logistics of the matchmaking program. Pre-conference/matchmaking export counseling and guidance will also be available to any Native American tour operator who would like to receive export information and guidance before their matchmaking program begins to assure that they maximize the opportunity.

Through this initiative, the Department of Commerce will be able to greatly increase our assistance to Native Americans to become exporters, enter new markets, create tourism and hospitality opportunities, and increase exports to established markets.

Thank you for the opportunity to further discuss our Native American initiatives for FY 2001. Please contact me at 202-482-1974 if I can provide additional information and assistance.

Sincerely,



Marcia Warren

Senior Policy Advisor to the Secretary for Native American Affairs

Opening Statement  
of  
Kevin Gover  
Assistant Secretary - Indian Affairs  
on the  
FY 2001 Budget Request for the Bureau of Indian Affairs  
Before the  
Committee on Indian Affairs  
United States Senate  
February 23, 2000

**Introduction**

Good morning, Mr. Chairman and members of the Committee. I am Kevin Gover, Assistant Secretary for Indian Affairs at the Department of the Interior. It is my pleasure to be here today to present the President's FY 2001 budget request for the Bureau of Indian Affairs (BIA).

The President's budget for FY 2001 is a component of the overall Administration initiative to infuse an additional \$1.2 billion into Indian Country to respond to the overwhelming needs of the First Americans. The Administration's Native American Initiative will provide \$9.4 billion to strengthen Indian communities through improved health, education, housing, economic development, and other programs in more than 45 Federal entities.

To respond to these needs, the BIA is proposing a substantial increase that, if passed, will allow us to replace six crumbling schools on reservations, provide programs to help reservation residents stay safe and strong, and find ways to use the resources of the Federal Government to create jobs and opportunity on the reservations.

**FY 2001 Budget Overview**

The FY 2001 budget request for the BIA is \$2.2 billion in current appropriations, an increase of \$332 million above the FY 2000 enacted level. The budget emphasizes the need to strengthen our schools through quality education within structurally sound and adequately equipped and maintained school facilities, protect our communities through increased law enforcement personnel on reservations, and continue trust reform improvements.

**Education**

Last month, the BIA released the new priority list, the Education Facilities Replacement Construction Priority List, which replaces the 1993 Priority List. The new list is comprised of three schools from the old List which have yet to receive funds for construction and 10 new schools. The first six schools from the List are included within the BIA's \$300.5 million request

for Education Construction, the largest amount ever requested for this category . The request is \$167.3 million over the 2000 funding level, an increase of 126 percent.

While most educational facilities are built to function for 30 years, over 45 percent of these buildings range from 30 years old to 100 years old. The budget request provides for increased construction, equipment and rehabilitation of school facilities for more than 50,000 Indian students who attend the BIA's 185 schools. Schools may be operated directly by the BIA or by Tribal organizations under the *P.L. 100-297* grants.

Research has demonstrated that placing instructional and residential programs in facilities that do not meet health and safety codes distract from the educational program. The cost estimate of the BIA's backlog work needed to abate critical deferred maintenance backlog deficiencies in education facilities currently exceeds \$800 million. To respond to these needs, the BIA's request includes an increase of \$103.4 million over the 2000 enacted level to address critical health and safety concerns at existing education facilities. This request will fund both maintenance and improvement and repair projects which will reduce the deferred maintenance backlog while improving the physical environment for learning.

To attain a good education, the Indian leaders of tomorrow have to have the ability to get to school. Many Indian Country roads are badly in need of repair and in a state of deterioration. The budget request includes an increase of \$5.3 million for Road Maintenance. This increase will help with student transportation as well as improve access for emergency vehicles.

The 185 schools funded by the BIA comprise one of only two school systems managed by the Federal Government; the other school system is managed by the Department of Defense. BIA schools are located in remote locations across the nation in buildings which are deteriorating around students. For the classroom, the BIA is seeking an additional \$39.7 million for School Operations, \$2.9 million for Tribally Controlled Community Colleges, and \$2.2 million for Scholarships.

The BIA is focusing on providing programs which make a difference in a student's life. An increase of \$6.8 million is requested to double the number of FACE (Family and Child Education) programs from 22 to 44 sites. This invaluable program benefits both students and their families. The FACE program is a family literacy program that serves families and their children from birth through grade 3 and is culturally relevant for the communities it serves. The evaluation of the program demonstrates that students who participate in FACE score significantly higher on standardized tests of reading and mathematics than children who do not participate in the program. Over 350 adults have gained their GED or high school diploma and over 1,000 adults have gained employment as a result of their participation. Parents indicate that participation in FACE has helped them to become more involved in their child's education, a strong indicator for a child's success in school.

The BIA is also seeking an additional \$8.2 million to implement the Therapeutic Residential Model (TRM) at 6 pilot sites. The TRM is a program to address the multitude of individualized services for high risk students attending BIA-funded boarding schools. Over 10,000 students attend BIA boarding schools. They are the highest risk students due to economic conditions and home environments. The BIA is not adequately staffed to meet their needs. The request will

allow the BIA to establish the 6 pilot programs which will result in positive changes in attitudes, behavior and academic performance of Indian youth attending BIA-funded boarding schools. The request also includes \$3.0 million for the School Statistics Initiative. This program will allow the Bureau to gather important data on its schools in order to improve the quality of education. Also, it will make it possible for the Bureau to report to the Congress on such important indicators as student achievement, retention rates, transfers between schools, and student drop out rates. Finally, it will make it possible to automate the Indian School Equalization Program (ISEP) which will ensure schools quicker access to their funds and greater accountability of student funding data.

#### **Law Enforcement**

The FY 2001 budget request seeks an increase of \$18.8 million for law enforcement in Indian Country. Crime, specifically violent crime involving young people, continues to rise significantly in Indian Country. The funding increases for law enforcement over the past two fiscal years for the *Presidential Initiative on Law Enforcement in Indian Country* have begun to address the tremendous Indian Country crime problem.

There has been a positive effect over the past two years with the increased law enforcement funding the Congress has provided for the *Initiative*. Community and proactive policing has been instituted and officers now have modern weapons and state of the art bullet proof vests. Many old police vehicles with over 100,000 miles have been replaced and the Indian Police Academy training capability has doubled. There has definitely been progress. To continue these steps forward, the BIA's requested increase of \$18.9 million will be used to assist Tribes in retaining COPS-funded police officers, staff detention facilities, provide 24-hour radio dispatch service, and improve two-way radio communications through conversion to narrow band technology.

As BIA's partner in the *Initiative*, DOJ has provided grants funds to Tribes for the construction of critically needed detention facilities. Realizing that DOJ has no mechanism to staff these facilities, the BIA has agreed to request staffing dollars for these new jails. The need for detention space has increased dramatically with the additional police officers on the streets which naturally means more incarcerations. This in turn necessitates more detention personnel.

#### **Trust Improvements**

A total increase of \$35.1 million is requested for trust management improvement reforms in the BIA. Efforts underway are a continuation of the joint effort between the BIA and the Office of Special Trustee (OST) on implementation of the Secretary's *High Level Implementation Plan (HLIP)* for the Trust Management Improvement Project (TMIP). In FY 2001, the BIA will continue to work with the OST and the Department to improve the administration and management of its trust responsibilities. Funding for the BIA's HLIP sub projects is requested under OST. The HLIP is centered on 11 major sub projects that will update trust systems, policies, practices, and procedures and make one-time investments to reduce backlogs. As part of the overall effort to remedy the fundamental cause to Indian trust management, an increase of \$7.5 million is requested under OST to expand the Indian Land Consolidation program.

To ensure trust management reforms are sustained, the BIA's requested increase includes program funding increases for several trust programs. These additional resources are critical to

ensuring that accumulated trust management problems being corrected under HLIP do not reoccur. The BIA's budget request includes a \$12 million increase for on-going real estate services to improve real property management services and ensure timely processing of transactions (i.e., sales, acquisitions, rights of way). To assist in protecting trust resources, an increase of \$5.3 million is proposed to perform cadastral surveys. Additional increases include: \$2.2 million increase for real estate appraisals to ensure compliance with appraisal standards and timely completion of appraisals; a \$3.0 million increase for Probate to provide sufficient staff for probate functions; and an increase of \$4.8 million for the Land Titles and Records Office to ensure land records are kept current. For general trust services, a 4.0 million program increase is requested to provide technical support to Tribes and ensure compliance with complex environmental and cultural resource requirements. An increase of \$2.0 million is also requested to expedite the processing of Alaska allotments.

#### **Other Tribal Support**

The request also includes an increase of \$3.5 million for Contract Support to bring the total funding level to \$128.7 million. This increase will allow the BIA to meet approximately 88 percent of the reported need. The BIA is also seeking to replenish the Indian Self Determination Fund (\$5.0 million) for new and expanded contracts or compacts.

As part of the Administration's *New Market* initiative, the BIA is seeking \$2.0 million for Technical Assistance Grants to provide in-depth technical assistance to Tribes and individual Indians to establish, acquire, or expand for-profit businesses on or near Federally recognized Indian reservations. This assistance would include market feasibility studies, development of business plans, best use yield studies and management contracts. Tribes and Indian entrepreneurs will be provided technical assistance at an average cost of \$15,000 each. Implementing this program will allow the BIA to assist 113 Indian businesses succeed in Indian communities.

As part of a multi-agency, cross-cutting effort to implement a recent court-ordered Federal subsistence fishery program to bring Alaska into compliance with the Alaska National Interest Lands Conservation Act, the BIA is requesting \$500,000 for Alaska Subsistence. In response to a recent Ninth Circuit Court ruling, the Federal Government must now assume management responsibility for subsistence fisheries in all navigable waters on and adjacent to Federal conservation units in Alaska. The BIA's role will focus on ensuring that input from Native entities is received and considered by the National Park Service, U.S. Forest Service, U.S. Fish and Wildlife Service, and Bureau of Land Management in establishing fishing seasons and regulations covering approximately 102,000 miles of rivers and streams and about half of Alaska's inland waters. Support would be provided to the Bureau's Alaska Region and to the State of Alaska. Input from Tribal governments would occur through a bottom-up process and network.

#### **Conclusion**

With the separate hearing on the BIA's implementation of the National Academy of Public Administration's recommendations and our request for an increase of \$4.0 million, this concludes my remarks about the BIA budget request for FY 2001. I am attaching to my testimony a portion of the Overview from the BIA's budget justification which provides a more complete breakdown of budget categories.

I will be happy to answer any questions.

## Attachment

### *Tribal Priority Allocations (TPA)*

TPA provides the principal source of funds for local units of Tribal Government, most of which are small and lack independent resources to meet the increasing costs of Tribal government operations. Because of Congressional funding levels in 1996 and 1997, Tribal governments are falling increasingly behind in their ability to maintain services to Indian communities and families. Tribes depend on TPA funds for basic necessities and services such as child welfare, scholarships, Tribal courts, natural resource management, and other programs critical to improving the quality of life and the economic potential of the reservations. The Congress has given the Tribes the flexibility to prioritize the limited funds among TPA programs according to their unique needs and circumstances. TPA supports the goals of Indian self-determination by providing Tribes with the choice of programs provided as well as the means of delivery, either by the Tribe or the Bureau.

Beginning with FY 1998, TPA comprises nearly half of the Bureau's operating budget. For FY 2001, the TPA activity is funded at \$761.2 million, an increase of \$60.5 million over the FY 2000 Enacted level, which will help Tribes address some of the unmet needs in these basic programs.

This budget submission includes \$5 million for the Indian Self Determination Fund to replenish funds for new and expanded programs contracted under the authority of *Public Law 93-638*, as amended. The moratorium imposed by the Congress for FY 1999 on any new or expanded contracts, compacts or grants under the *638* authority stalled the ability of the Bureau to fulfill its mission of promoting self-determination on behalf of Tribes. Increased Tribal contracting/compacting activity in FY 2000 (due to the lifting of the moratorium) is expected to continue throughout FY 2001.

An increase of \$3.5 million is requested for Contract Support over the 2000 Enacted level for on-going self-determination agreements. It is estimated that 88 percent of need will be met in FY 2001 at this level of funding. The Bureau covered 88 percent of need in FY 1999 and expects to cover 90 percent of need in FY 2000.

An increase of \$1.5 million is requested for Tribal Courts, a necessary component to ensuring the success of the *Presidential Initiative on Law Enforcement in Indian Country*. In FY 2000, the Congress provided a \$20.0 million increase to address the woefully inadequate law enforcement resources in Indian Country. With this second year investment in the multi-year *Initiative*, it continues to open the door to halting the escalating crime rates in Indian Country. While Bureau and Tribal law enforcement personnel take the criminals off the street, it is also important to handle the increased demand for judicial services to keep the criminals off the street. Funding for Tribal Courts goes hand in hand with ensuring that Indian Country law enforcement efforts are strengthened by adequate court systems. Funds will also be used to implement provisions of *Public Law 103-176*, the Indian Tribal Justice Act.

An increase of \$1.0 million is requested for Adult Care Facility Rehabilitation to bring four



Bureau-funded adult long-term care facilities on the Navajo Reservation to standard condition. Once the standard is attained, the facilities are eligible for funding of their operation and maintenance costs from the State Medicare, Medicaid, and other programs. The initial investment of \$1 million will result in a potential savings to the Bureau which can be utilized for other high priority needs. An increase of \$16.1 million is requested for the Housing Improvement Program (HIP) to serve low-income eligible Indian families or individuals. The Bureau has revised the HIP methodology to concentrate on serving those most in need, regardless of the category of HIP services they may require. This will allow the Bureau to serve an estimated 437 additional families for a total of about 985 families served.

An increase of \$2.2 million is requested for Scholarships to increase Tribes' ability to provide assistance to their Indian youth seeking to improve their futures through increased education. Along these lines, the Bureau is requesting an increase of \$5.1 million for the Road Maintenance program. Part of the challenges to obtaining an education in Indian Country is the basic ability for students to be able to get to school as many reservation roads are a monumental challenge due to rough surfaces and at times impassable roads caused by insufficient funding. The Road Maintenance program is the only Bureau program which preserves the Bureau's system of roads and bridges that provide access to reservation lands, not only to schools, but to jobs and health care facilities. While the Department of Transportation's Highway Trust Fund provides funds for road construction, it does not provide funds for road maintenance.

To support the Trust Fund Improvement Project, the Bureau's TPA request includes a total of \$13.8 million in Trust Services funding for FY 2001 as follows: Trust Services, General (\$1.6 million); Real Estate Services (\$7.0 million); Real Estate Appraisals (\$2.2 million); and, Probate (\$3.0 million).

In FY 2001, the Bureau will continue to operate as a highly streamlined and decentralized agency with maximum resources going to Tribal programs. The Bureau anticipates that more than half of the FY 2001 operating budget will be spent directly by Tribes that elect to operate various Bureau programs under self-determination contracts, grants, or self-governance compacts.

Since the founding of the Nation, the Congress has funded specific Indian education programs in response to treaty requirements and Federal statutes. Current Indian Education programs are governed by a number of laws including the Snyder Act, the Johnson O'Malley Act, the Elementary and Secondary Education Act, the Tribally Controlled Community Colleges Act, the Tribally Controlled Schools Act, the Education Amendments of 1978, Goals 2000 and the Improving America Schools Act. Collectively, these laws are aimed at ensuring quality education for Indian youth and improving the long-term employment and economic opportunity on reservations.

#### ***Other Recurring Programs***

The prominent theme for the new millennium described by the President is the education of our children. The Bureau is responsible for the only major domestic elementary and secondary education system operated by the Federal Government. As such, it is incumbent that this system reflects the high standards President Clinton has set for all education. In support of this Presidential priority, the Bureau's FY 2001 budget request includes a significant investment in Indian education. The request for School Operations, which will fund 185 schools and

dormitories serving more than 50,000 elementary and secondary students in 23 States, is \$506.6 million, an increase of \$39.7 million over the FY 2000 Enacted level. The increase will ensure that schools can deliver quality education and provide safe and adequate transportation for an estimated increase in enrollment. Included in the increase is \$6.8 million to expand the number of sites for the Early Childhood Development FACE program and \$8.2 million for implementation of the Therapeutic Residential Model pilot program at selected Bureau dormitories. Increases are also proposed in facilities operations and administrative cost grants to encourage the continuation of schools going into grant status and under Tribal control.

The budget increases operating grants to the 25 Tribally controlled community colleges by \$2.9 million over FY 2000. The colleges have been successful in providing Indian youth with college degrees and futures of professional employment. They also promote entrepreneurship on reservations.

An increase of \$500,000 is also requested for Alaska Subsistence activities to meet the Secretary's responsibilities in implementing a recent court-ordered Federal subsistence fishery program in the State of Alaska. This is a multi-agency, cross-cutting activity to establish fishing seasons and regulations covering approximately 102,000 miles of rivers and streams and about half of Alaska's inland waters.

#### ***Non-Recurring Programs***

To meet the Bureau's long-term goal of improving the quality of life in Tribal communities, \$2.0 million is requested to establish Technical Assistance Grants to provide technical assistance to Tribes and individual Indians to establish, acquire or expand for-profit businesses on or near reservations. Investment today in helping Tribal communities to become more resourceful will facilitate and strengthen Tribal self determination. Additionally, an increase of \$5.3 million is requested for Real Estate Services to strengthen the Bureau's trust management functions.

#### ***Central Office Operations***

An increase of \$500,000 is requested for the Trust Services line item to strengthen the Bureau's trust management programs at the Headquarters level. To continue implementation of the recommendations of the National Academy of Public Administration (NAPA), an increase of \$4.0 million is requested in FY 2001 to continue implementation of the recommendations at the Central Office level and to begin to provide resources to Field sites.

#### ***Regional Office Operations***

An increase of \$13.7 million is proposed for trust management improvement efforts at the Regional level: Trust Services, General (\$1,900,000); Real Estate Services (\$5,000,000); Land Titles and Records Offices (\$4,800,000); and Land Records Improvement (\$2,000,000).

#### ***Special Programs and Pooled Overhead***

To continue the momentum forward for the *Presidential Initiative to Improve Law Enforcement in Indian Country*, a program increase of \$16.0 million is requested for the third year of this multi-year initiative. The rate of violent crime victimization of American Indians is higher than that of other U.S. racial or ethnic subgroups and more than twice the national average. Continued infusion of monies is necessary to improve the quality of life on Indian reservations. A program increase of \$115,000 is requested for the Indian Police Academy to expand its

training courses to respond to the influx of new trainees hired under the *Initiative*. To offset the Congressionally-mandated earmark of funds for enforcement activities, an increase of \$100,000 is requested for the Indian Arts and Crafts Board. To strengthen the efforts of the Crownpoint Institute of Technology, an increase of \$1.3 million is requested in FY 2001. To improve the reporting capabilities and improve overall educational abilities, the Bureau is requesting an increase of \$3.0 million for the School Statistics Initiative. An additional \$500,000 is requested for the American Indian component of the Early Childhood Longitudinal Study, a partnership effort with the Department of Education. To respond to priority needs of Tribes on a nationwide basis, the Bureau is proposing to eliminate funding for the National Ironworkers Training Program.

### **Construction**

The Bureau's request for the Construction appropriation is \$365.9 million, of which \$300.5 million, or 82 percent, is dedicated to education construction. This is the largest request for education construction, with an additional \$167.3 million, or 126 percent, over the FY 2000 enacted level. The Bureau will continue the emphasis on Tribal contracting for projects, providing support from the Bureau's Office of Facilities Management and Construction until the Tribes and Agencies are fully trained to take over the construction contracting challenge.

The Replacement School Construction program funds replacement of older, unsafe, and dilapidated schools on reservations. More than 50,000 Indian students attend 185 Bureau-owned or -funded schools in eligible Indian communities. School replacement priorities are based on a new priority list of 13 schools, which is comprised of the last 3 uncompleted schools from the old priority list published in 1993 and 10 new schools. In 2001, a total of \$126.149 million is requested for Advanced Planning and Design (\$5,000,000) and to complete construction of the first 6 schools — several that serve multiple Tribes, on the new priority list:

Tuba City Boarding School, Arizona  
 Second Mesa Day School, Arizona  
 Zia Day School, New Mexico  
 Baca Community School, New Mexico  
 Lummi Tribal School, Washington  
 Wingate Elementary School, New Mexico

These six schools have structural and code deficiencies that threaten student safety and are not equipped with modern educational tools. Up to \$30 million of the replacement school construction funding may be used for Tribal participation in the President's FY 2001 School Construction Modernization Initiative. These funds may be used by Tribes or Tribal consortia to ensure the repayment of principal on school modernization or other taxable bonds. Tribes that issue bonds to lenders could claim a tax credit for the life of the bond in lieu of interest. Any of the six schools slated for replacement in 2001 could exercise this option.

The education facilities improvement and repair program is funded at \$174.3 million, an increase of \$104.0 million over 2000 enacted, to address critical health and safety concerns at existing education-related facilities. This request will fund maintenance and major and minor repair projects to reduce the significant backlog of needed repairs.

For the second year, the budget requests no new funding for Public Safety and Justice construction within the Bureau request. New detention centers on reservations will receive funds from the Department of Justice's appropriation as part of the *President's Initiative on Law Enforcement in Indian Country*.

***Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians***

This program provides payments to meet Federal requirements for legislated settlements. The FY 2001 budget request includes \$34.026 million for payments for settlements resolving long standing Tribal claims to water and lands. Of this amount, \$8 million is proposed for the Rocky Boy's Indian Water Rights Settlement for compact administration, economic development, and future water supply activities. The majority of the remaining funds are proposed for the Ute Indian Water Rights Settlement, \$24.9 million, to maintain the payment schedule as required by law.

**Response to request made during Oversight Hearing on President's FY 2001 Budget Request for Indian Programs of February 23, 2000. Senator Daniel K. Inouye asked Assistant Secretary - Indian Affairs Kevin Gover to coordinate with the other agencies represented at the hearing to provide a statistical report that would make comparisons on the services provided for Black schools, Hispanic schools and Tribally Controlled Community Colleges. He asked to look at what is provide on a per capita basis. (Page 60 line 10 of transcript) He added that the Assistant Secretary also include programs within the Department of Agriculture in a later statement at the same hearing. (Page 64 line 6)**

While there has been no definitive statistical survey, institutional enrollment patterns, demographic growth of college students, financial resources, funding and staff resources of Tribal Colleges and Universities are not comparable to mainstream institutions served by governance expressed in the Executive Orders of the Historically Black Colleges & Universities (HBCU) and Hispanic Serving Institutions (HSI).

Treaty obligations and trust responsibilities between sovereign Indian tribes and the Federal Government set Tribal Colleges apart from mainstream institutions. Tribal Colleges receive little or no funding from state governments, as states have no obligation to fund them because of the tribal college's location on federal trust territory. As most Tribal Colleges reside on Indian reservations, the status of reservations as federal trust territory prevents the levying of local property taxes to support higher education, which is an important source of revenue for mainstream colleges designated as HBCU and HSI institutions.

Most Tribal Colleges have existed about 25 years as compared to HBCU's that have existed since the 1800's. Most Tribal Colleges have relatively small student bodies serving approximately 25,000 students as compared to HBCU's which in 1994 served 280,000 students. In 1997, there were 742 institutions identified as an HSI with a full time equivalent enrollment reported to be 415,254 college students.

Tribal Colleges & Universities derive the majority of their operational funding from Pub. L. 95-471. Under this law tribal colleges are authorized to receive \$6,000 per student, although currently they are receiving approximately 57 percent of the authorized funding. In 1994 HBCU's received \$116,719,000 in appropriations while data for the HSI's was not available. Tribal Colleges can participate in funding from the U.S. Department of Education's educational funding programs however, those that do participate receive less funding than mainstream institutions as a result of legislative clauses that favor older institutions that have participated in campus-based financial aid programs the longest.

**Question 1: Kevin, in many ways I was a "high-risk" student. Can you explain the proposed "Therapeutic Residential Model"(TRM) pilot you plan on introducing at 6 BIA boarding schools?**

**Answer:** The off-reservation and on-reservation boarding schools enroll a number of students who are considered high risk. Many of these students have been exposed to abuse and neglect, engaged in unsafe behaviors and abused drugs or alcohol. In some schools, 80 percent of the students are on probation from the juvenile court system, 40 percent or more are chemically dependent, and the majority of these students are children of alcoholics. Currently, the boarding schools do not have the adequate staff or expertise to meet the critical and diverse needs of these students. As a result, the high-risk students are not provided the full range of needed care. The BIA's Office of Indian Education Programs proposes to start six pilot projects in FY 2001 that will provide nurses, counselors, social workers, clinical psychologists, and trained residential support staff to meet the holistic needs of the high-risk students. The staffing will be consistent with each school's student populations to ensure proper student/counselor ratios. The provision of appropriate staff and clinical personnel will provide the compensatory assistance that could bring achievement levels closer to the norm and prepare students for post-secondary education or employment. It is estimated that a small school would require approximately \$700,000, while a large boarding school would require over \$2 million for its TRM program.

**Question 2: I applaud the request for the \$300 million in school facilities construction. I understand part of the funds would be usable as part of the "school bonding initiative." Can you describe for me how this bonding initiative would work, and why it is that it or a similar initiative will not be pursued by the Bureau?**

**Answer:** The FY 2001 budget requests \$300 million for BIA facilities construction and maintenance. Up to \$30 million may be used for an Indian school construction bonding program, which is part of the President's School Construction Modernization Initiative. The President's Initiative would provide needy school districts and Tribes with the authority to issue bonds to lenders who could claim an annual tax credit for the life of the bond in lieu of receiving interest. All Federally recognized Tribes or tribal consortia may participate in this initiative. Ultimately, the Secretary of the Interior would have the discretion to select which bond proposals would be eligible to receive BIA funding. In order to ensure the payment of principal on the bonds issued by the Tribes, the \$30 million would be used to defease bond principal; most likely through the purchase of Treasury-issued State and Local Government Series Securities. Legislative changes to the tax code are needed to implement the initiative. Implementation will depend on Congressional authorization.

**Question 3: The request includes \$12.5 million for an expansion of the Land Consolidation Program. What is your best estimate of the total amount of funds that would be required to resolve land fractionation problems among the tribes that are experiencing such a problem?**

**Answer:** It is important to emphasize the Federal Government administers and manages many fractionated owned parcels of land. Many of the fractionated lands the United States holds are in trust or restricted status for individual Indians.

As of February 2000, the BIA has acquired 18,956 undivided interests (90 percent of the interests are less than 2 percent) approximating 11,000 acres at a cost of \$4.5 million under the Indian Land Consolidation Pilot program operated on three reservations under the administrative jurisdiction of the BIA's Midwest Regional Office.

**Question 4: A total of \$94 million is requested for both BIA and Office of Special Trustee trust reform efforts. Is this amount what the Department estimates will enable it to conform to the Judge's decision in *Cobell v. Babbitt*?**

**Answer:** The case, *Cobell v. Babbitt*, is still pending in the United States District Court for the District of Columbia. The District Court bifurcated this case for trial, completing trial on the first part of the case in July 1999, and issuing its order on the first part on December 21, 1999. The Court order focused on prospective relief to ensure our compliance with statutory trust duties embodied in the American Indian Trust Fund Management Reform Act of 1994 (Act), Public Law 103-412. Specifically, the Court order requires the Department to promptly establish written policies and procedures to enable an accurate accounting of the Individual Indian Monies (IIM) trust in the following four areas: 1) collecting from outside sources missing information; 2) retention of IIM-related trust documents; 3) computer and business systems architecture; and, 4) staffing of trust management functions. To ensure that the Department is diligently taking steps to rectify the breaches of trust and taking actions to bring the Department into compliance with the Act, the Court will retain jurisdiction over this matter for a period of five years.

The Office of the Special Trustee has requested \$58.4 million to implement the HLIP which will update trust systems, policies, practices and procedures and make one-time investments to reduce backlogs. To ensure that these trust reforms are sustained, the BIA has requested basic funding increases of \$35.1 million for several trust programs. The \$94 million requested will bring the Department significantly closer to compliance with the Act and Court's order. Some critical HLIP sub-projects are estimated to be completed in FY 2004. For example, the Probate Backlog sub-project has such a large backlog of probates that many probates will not be completed until FY 2002 and the escheated *Youpee* interests will not be resolved until FY 2004. In many cases, as we expand the analysis of current probates, we find that additional probates are found when attempting to clear up each probate. This occurs because individuals that are part of an estate have "passed" since the original probate was begun. Finally, since trial for the second part of *Cobell v. Babbitt* has yet to occur, it is possible that the Department may have additional obligations. Plaintiffs contend that the Government is required to perform a common-law style historical accounting that reconciles each credit or debit that was or should have been made to each IIM account from the beginning of the IIM trust. An estimate of the cost of such an accounting is not currently available. Thus, while we

are making significant improvements and large investments in trust management, additional funding increases may be required to ensure full compliance as the Court oversees our efforts during the next five years.

**Question 5: The National Academy of Public Administration (NAPA) report discussed the information resources capacity of the BIA but does not recommend that the operations and data center functions of the Office of Information Resource Management (OIRM) be relocated from Albuquerque N.M., to Reston, VA. Can you tell me the rationale for the proposed relocation?**

**Answer:** Although the NAPA report did not specifically recommend the relocation of the OIRM from Albuquerque, New Mexico, to Reston, Virginia, it did recognize that the BIA used information technology far less than other government organizations and specifically recommended that the BIA aggressively pursue the development of information systems to increase the efficiency of its operations. One of the most important findings of the NAPA study in this area was the lack of senior management participation in information resources management planning or new product development. The NAPA report recommended the Assistant Secretary establish a full-time Chief Information Officer to work with senior management to bring the full benefits of technology to the BIA. NAPA and past Office of the Inspector General surveys confirmed that hands-on-management, daily direction, and increased communication are essential for effective management and timely responsiveness and follow-up. The geographical distance between the Washington headquarters and the Albuquerque operations contributed to the BIA's predicament as described on page 45 of NAPA's report: "...it is likely that geographical consolidation of the planning, policy and evaluative elements of some organizations such as accounting, information resource management, procurement, transportation, and safety in the Washington, D.C., will be desirable." The BIA determined that relocation and consolidation of all administrative operations to the Washington metropolitan area was a critical first step. The BIA is confident that face-to-face, direct supervision of the administrative and OIRM staff will result in an improvement to essential administrative and technological support services. OIRM staff reported to Reston, Virginia, on March 13, 2000.



Questions from Senator Kent Conrad

**Question 1: The Administration recently released its new school construction priority list. With one exception, the list is notably devoid of schools from the Great Plains states. How can the Administration justify such a glaring neglect of the needs of the schools in the Dakotas and other Great Plains states?**

**Answer:** The 1999 selection process for replacement school construction did not consider geographic location as an evaluation criteria. As in previous priority setting processes, applications from schools were reviewed, evaluated, and ranked based on the physical condition of the facilities and the requirements of the BIA's education program. School facilities on the new priority list were ranked on evaluation criteria, which included violations of the life safety code, structural building deficiencies, lack of suitable space, necessary improvements to site conditions, and needs of the education program. While replacement schools are needed in the Dakotas and the Great Plains, the priority setting process is conducted as a national competition whereby schools are ranked according to school conditions without regard to location.

**Question 2: The Administration requested only \$38 million for Title I & II (core) funding for tribal colleges and universities. In fact, this is \$400,000 less than the Administration's FY 2000 request. Why has the Administration neglected to provide a strong level of core operational funding for tribal colleges and universities.**

**Answer:** The Administration strongly supports the Tribally Controlled Community Colleges. In FY 1999, the Administration proposed funding level of \$34.3 million in FY 2000 we proposed \$37.3 million; and in FY 2001, we are proposing \$37.1 million. In fiscal years 1999 and 2000, the Congress appropriated \$4.1 million and \$3.1 million less, respectively, than the Administration requested. The FY 2001 Budget includes an increase of almost \$3 million for the colleges and urge that the request be approved.

The Administration continues to support these institutions as they also serve as community libraries, career centers, and economic development centers. The FY 2001 Budget includes a total of \$67 million, \$15 million over FY 2000, across the government for Tribal Colleges. In addition, \$10 million is requested through the National Science Foundation for course and program development at the Tribal Colleges, and for teacher professional development activities at feeder schools. This is the largest single year increase to support the tribal colleges. Tribal Colleges provide a much needed opportunity for Indian students living in remote rural locations. They address the needs of some of the most economically depressed regions in this country. The Tribal College enrollment continues to increase by approximately five percent a year.

## STATEMENT

OF

MICHEL E. LINCOLN, DEPUTY DIRECTOR

OFFICE OF THE DIRECTOR

INDIAN HEALTH SERVICE

Good morning. I am Michel Lincoln, Deputy Director of the Indian Health Service (IHS). Today, I am accompanied by Richard Barror, Acting Director of Facilities and Environmental Engineering, and Dr. Craig Vanderwagen, Director of Clinical and Preventive Services. We are pleased to have this opportunity to testify on the FY 2001 President's budget request for the Indian Health Service.

As you know, the IHS has the responsibility for the delivery of health services to Federally-recognized American Indians and Alaska Natives (AI/AN's) through a system of IHS, tribal, and urban (I/T/U) operated facilities and programs based on treaties, judicial determinations, and Acts of Congress. The mission of the agency is to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives to

the highest level, in partnership with the population served. The agency goal is to assure that comprehensive, culturally acceptable personal and public health services are available and accessible to the service population. The mission and goal are addressed through four agency strategic objectives, which are to 1) improve health status; 2) provide health services; 3) assure partnerships and consultation with IHS, Tribal, and Urban programs; and 4) perform core functions and advocacy.

For the third year now, development of the IHS budget request originated at the health services delivery level. As full partners with the IHS in delivering needed health care to AI/AN's, Tribal and Urban programs participate at all levels of formulating the budget request and annual performance plan. The combined expertise of the IHS, Tribal, and Urban Program health providers, administrators, technicians, and elected officials, as well as the public health professionals at the Area and Headquarters offices, has resulted in a powerful statement of the health care funding needs for AI/AN people. The mission to address the disparities in health in the AI/AN population is tremendous and overwhelming at times. Comparing the 1994-1996 Indian (IHS Service Area) age-adjusted death rates with the U.S. All Races population in 1995, the death rates in the AI/AN population is 6 times greater for alcoholism, 5 times greater

for tuberculosis, 2.5 times greater for diabetes, and 2 times greater for unintentional injuries.

The FY 2001 President's budget request and performance plan represents a significant investment to reach that level and reduce the health disparities that prevail in the American Indian and Alaska Native population. It is consistent with the President's FY 2001 Native American Budget Initiative, the Agency's mission, the Department's strategic plan, and the Department of Health and Human Services' (DHHS) Initiative to Eliminate Racial and Ethnic Disparities in Health.

The President proposes a total net increase of \$230 million to the IHS budget in FY 2001 above the FY 2000 appropriation. This request provides an additional \$178 million for current service items including contract support costs, pay related increases and health care facilities construction. There are \$104 million in program increases for services and facilities. In addition, this request includes a \$52 million decrease in non-recurring funds for health care facilities construction and reduction to the equipment base funding. These significant investments will continue to improve the IHS, Tribal, and Urban programs' capacity and infrastructure to provide access to high quality primary and secondary medical services, and basic preventive

services, and begin to slow down recent declines in certain health status indicators.

From a policy perspective, this budget request is perhaps the most strongly supported proposal in the Agency's history; it is based on both new and longstanding Federal policy and commitment for improving health status by assuring the availability of basic health care services for members of Federally recognized Indian tribes. The request supports the following four policy initiatives:

- President's FY2001 Native American Budget Initiative, which represents the largest Native American Budget Initiative ever. In order to better serve Native American communities and to honor the Federal government's trust responsibility to tribes, the President's budget includes a total of \$9.4 billion for key new and existing programs that assist Native Americans and Indian reservations. This total is an increase of \$1.2 billion over Fiscal Year 2000 - the largest increase ever. This initiative brings together several agencies in order to address the needs of Native American communities comprehensively, including \$2.6 billion for the Indian Health Service.

- President's Race Initiative, specifically the HHS Initiative to Eliminate Racial and Ethnic Disparities in Health,
- Proposed Healthy People 2010 and its goal of achieving equivalent and improved health status for all Americans over the next decade,
- DHHS Strategic Plan with goals to reduce major threats to health and productivity of all Americans; improve the economic and social well-being of individuals and families, and communities in the United States; improve access to health services and ensure the integrity of the Nation's health entitlement and safety net program; improve the quality of health care and human services; and improve public health systems.

In addition, the Indian Health Care Improvement Act also reflects the reaffirmation of the U.S. government's commitment to Indian tribes to improve the health of their people. The Act states "*The Congress hereby declares that it is the policy of this Nation, in fulfillment of its special responsibilities and legal obligations to the American Indian people to assure the highest possible health status for Indians and urban Indians and to provide all the resources necessary to affect that policy.*" Furthermore, the President of the United States reaffirmed the significance of the "government to government" relationship

between tribes and the Federal government in his Executive memorandum of April 1994, concerning consultation with American Indian and Alaska Native tribal leadership.

The primary policy basis for this budget request is eliminating health disparities between the AI/AN population and the general U.S. population. The request supports this intent by continuing to invest in access to the basic health services, including assuring that there are adequate facilities and medical equipment for the provision of health services, providing adequate support services to the tribal health delivery system, and holding the line against further loss of health status improvements or actual declines in health status.

A major priority in the budget proposal is to restore access to basic health services. The IHS has demonstrated the ability to effectively utilize available resources to provide effective services and improve the health status of AI/AN people.

However, this record of achievement has eroded in recent years in the face of competing priorities, including an increase in patient demand to provide more acute and urgent care treatment. Thus, to redress the declining access to essential individual and community health services, the Area IHS, Tribal, and Urban programs identified funding of personnel-related costs and

increases associated with on-going services as their first priority for budget increases for FY 2001. In an effort to maintain the current level of services, the budget request includes \$60.675 million for pay cost increases which meets 100% of the projected costs; \$11.720 million to fund the staffing and operating costs of those facilities that will open in FY 2001 or have recently opened; a total of \$65.237 million to fund the design and construction of replacement health care facilities including \$2.513 million for the Small Ambulatory Grant Program; and \$40 million for Contract Support Costs.

The replacement of existing clinics and hospitals is an essential component of supporting access to services and improving health status. In the long run this assures that there are functional facilities and medical equipment for the effective and efficient provision of health services. The average age of IHS facilities is 32 years. The budget request includes a total of \$65.237 million for replacement of existing health care facilities. This amount will fully-fund the third and final phase construction of the hospital at Fort Defiance, Arizona; the design of the Fort Defiance, AZ staff quarters; the second phase construction of the hospital at Winnebago, Nebraska in FY 2001 and final funding to complete construction in FY 2002 through advance appropriations; the final phase of the



construction of a health center at Parker, Arizona; the design of a health center at Pawnee, Oklahoma; and 3 modular dental units.

Also critical is the provision of adequate contract support costs necessary to support the health services provided by tribal health programs. These requested funds are necessary for tribal communities to assure that there are utilities, training, clerical staff, administrative and financial services needed to operate health programs. Without this contract support funding, these support services are either not available or must be funded from resources that would otherwise fund health service activities. This investment is consistent with the Administration's commitment to expand tribal participation in the management of Federally funded programs, and reinforces the principles of the Indian Self-Determination Act.

The FY 2001 budget includes an increase of \$40 million over the FY 2000 enacted level for contract support costs (CSC). This amounts to a 17.5% increase over the FY 2000 level. The increase is necessary to provide CSC funding for new and expanded tribal programs to be contracted in FY 2001. The \$40 million increase will first be used to provide CSC for new assumptions of IHS programs under self-determination agreements.

No new contracts will be funded at a higher funding level than the minimum percentage funded for existing contracts in FY 2001. To the extent the \$40 million is not needed for new assumptions, it will be used to increase contract support cost funding for existing contracts.

In FY 2000, the IHS, in conjunction with the National Congress of American Indians and the Contract Support Cost Workgroup, consulted with Tribal leaders on solutions to the critical issues surrounding CSC funding. This effort involved in excess of ten meetings with Tribal leaders and resulted in development of joint Federal/tribal recommendations that were incorporated into a new IHS policy on contract support costs. The Director, IHS, formally adopted the new policy in January and it will be implemented beginning in FY 2000.

The requests that I have just described provide a continued investment required to maintain and support the IHS, Tribal, and Urban Indian public health system to provide access to high quality medical and preventive services as a means of improving health status. The following proposals are intended to curtail further regression in the health improvements that have recently started to erode.

The request includes \$85.589 million to address health disparities by targeting the specific disease entities identified as priority areas by the IHS, Tribal, and Urban programs and responsible for much of the disparity in health status for the AI/AN population. Alcohol & substance abuse, diabetes, cancer, mental health, elder health, heart disease, injuries, dental health, maternal & child health, domestic/community violence, infectious diseases, and emergency medical services are the specific health problems addressed with the funding proposed for health disparities. Proposed increases of \$40.9 million for Contract Health Services, \$3.961 million for Sanitation Facilities Construction, \$2.027 million for Public Health Nurses, \$3.339 million for Community Health Representatives, and \$2.974 million for the Urban health program are also included in the health disparities funding request.

Public health infrastructure is fundamental to these proposals. \$18.974 million is requested for information/telecommunication systems-tribal epidemiology centers, the Indian Health Care Improvement Fund, Maintenance & Improvement, and Facilities & Environmental Health Support as part of the overall program increases proposed by this budget. This request also includes a \$2.1 million reduction in funding for medical equipment associated with non-recurring Y2K funding.

The proposed approach to addressing the health disparities supported by this budget request strongly promotes the integration of clinical expertise from medical, behavioral health, and community health staff in order to address the top I/T/U health problems. The community-based public health model is strengthened by emphasizing prevention strategies throughout the clinical services activities as well as by expanding the community health programs and supporting partnerships with community resources such as public safety programs, schools, and other community-based organizations.

The disparity in health status that the I/T/Us must address is formidable, particularly in terms of death rates. Comparing the 1994-1996 Indian age-adjusted death rates with the U.S. all

rates population in 1995 reveals greater death rates, as much as six times greater, in the AI/AN population for alcoholism, tuberculosis, diabetes, unintentional injuries, suicide, pneumonia and influenza, homicide, gastrointestinal disease, infant mortality, and heart disease. Even more alarming, the most recent data documents that the mortality disparities for AI/AN people are actually worsening.

Given these formidable challenges, the IHS and its partners are pleased to present this budget request for FY 2001 as one that will improve access to basic health services and address the multiple health issues affecting AI/AN people. The request and associated performance plan represent a cost-effective public health approach to assure improvements in the health of AI/AN people. The request reflects the continued Federal commitment to enhance the IHS, Tribal, and Urban public health system so that it can again continue to make significant improvements in the health status of American Indian and Alaska Native people.

Thank you for this opportunity to discuss the FY 2001 President's budget request for the IHS. We are pleased to answer any questions that you may have.

DEPARTMENT OF EDUCATION

Statement by Michael Cohen

Assistant Secretary for Elementary and Secondary Education

before the

Senate Committee on Indian Affairs

on the Fiscal Year 2001 Budget for

Department of Education Programs that Serve Indians

February 23, 2000

Mr. Chairman and Members of the Committee:

My colleagues and I are pleased to appear before you to discuss the fiscal year 2001 budget request for major Department of Education programs that serve and benefit American Indians, Alaska Natives, and Native Hawaiians.

The Clinton Administration is strongly committed to improving the educational opportunities of American Indians and Alaska Natives. It is this commitment that led the President to issue two Executive Orders. Executive Order 13021 on Tribal Colleges and Universities reaffirmed the special relationship of the Federal Government to American Indians and Alaska Natives and is designed to help strengthen tribal colleges and universities. This is an important step in providing high-quality post secondary educational opportunities for Indian students. Executive Order 13096 on American Indian and Alaska Native Education also reaffirms the special, historic responsibility the Federal Government has for the education of Native learners, recognizes the importance of providing high-quality educational opportunities to American Indian and Alaska Native students, and reinforces the Federal Government's commitment to improving the academic performance and reducing the drop-out rates of American Indian and Alaska Native students.

American Indians have made educational progress in recent decades, but continue to be disproportionately affected by poverty, low educational attainment, and fewer educational opportunities than other students. For example, according to the National Assessment of Educational Progress, 48 percent of American Indian 4<sup>th</sup> grade students and 63 percent of 8<sup>th</sup> grade students scored "at or above basic" on the 1994 reading assessment, compared to 60 percent for all 4<sup>th</sup> grade students and 70 percent for all 8<sup>th</sup> grade students. In addition, although American Indians have made progress on the Scholastic Aptitude Test, moving from a composite score of 808 in 1976 to 850 in 1995, they are 60 points behind all students who had a composite score of 910 in 1995.

The 2001 budget request for Department of Education programs serving Indians is part of a major Administration initiative to improve economic opportunity, health care, education, and law enforcement for Native American communities. We are very pleased that the Department of Education programs are included in this initiative, which includes a total increase of \$1.2 billion for new and existing programs. The budget request also supports continuing implementation of the Executive Orders on American Indian and Alaska Native education and Tribal Colleges and Universities.

### **Indian Education Programs**

Our request for Indian Education programs is \$115.5 million, an increase of \$38.5 million over the 2000 level. With this increase, the Administration would significantly increase formula grants to enable school districts to provide viable Indian Education programs; expand Special Programs for Indian children; and provide the resources to address the research objectives of the Executive Order on American Indian and Alaska Native Education.

#### Indian Education – Grants to Local Educational Agencies

We are requesting \$92.8 million for the formula grants to local educational agencies (LEAs) program, an increase of \$30.8 million (50 percent) over the 2000 level. This program is the Department's principal vehicle for addressing the unique educational and culturally related needs of Indian children. Grants supplement the regular school program, helping Indian children sharpen their academic skills, improve their self-confidence, and participate in enrichment programs and activities that would otherwise be unavailable. The requested increase would provide the resources necessary to help ensure that Indian students achieve to the same standards as all children. The requested level would provide an estimated per-pupil payment under the formula grant program of \$200, an increase of \$66 per student from the 2000 level.

The request will also help LEAs recover from losses the program has suffered over the last two decades. Since 1980, when the program received its highest level in constant dollars, it has experienced several cuts in funding, and increases have failed to match the rate of inflation in most years. LEAs have had to modify their programs to adjust to the loss of purchasing power, and the program has not been able to have as significant an impact on Indian education as intended under the statute.

#### Special Programs for Indian Children

Our request for Special Program for Indian Children is for \$20 million, an increase of \$6.8 million (51 percent) over the 2000 level. These funds will be used for four activities. Approximately \$2.4 million will be used for 12 new Demonstration grants that promote school readiness for Indian preschool children, enhance native language development and education programs, and increase the potential for learning among American Indian and Alaska Native students. Approximately \$2.6 million will be used

for 14 new Professional Development grants to institutions of higher education, including tribally controlled colleges, to provide support and training for Indian students who are pursuing degrees in education or school administration and other fields.

In addition, the 2001 request will provide \$10 million to the American Indian Teacher Corps program, which the Department began last year to train Indian college students to become teachers, place them in schools with concentrations of Indian students, and provide them with professional development and in-service support where they teach. In addition to continuing the training of an initial cohort of 500 new Indian teachers, the program will provide professional development to teachers already in the field so that they can work more effectively with their Indian students.

Finally, we are requesting \$5 million to initiate a new American Indian Administrator Corps, modeled after the American Indian Teacher Corps. This initiative would recruit, train, and provide inservice professional development to American Indians to become effective school administrators in schools with high concentrations of Indian students. The request would support and assist approximately 200 American Indian teachers and professionals.

#### National Activities

We are requesting \$2.8 million for the research, evaluation, and data collection activities to provide information on the status of education for the Indian population. As part of the Department's activities to implement the Executive Order on American Indian and Alaska Native Education, we are establishing a comprehensive research agenda that will guide our activities in carrying out high-quality research and data collections. For example, we are supplementing the Early Childhood Longitudinal Survey initiated in 2000 by the National Center for Education Statistics so that it will collect data on a representative sample of Indian children from birth through age 6.

In addition to the Indian Education programs, the Department also supports the education of Indians through other programs.

#### **School Renovation**

The Administration is requesting \$1.3 billion for a new School Renovation initiative. This proposal includes \$50 million for grants to approximately 118 LEAs that have 50 percent or more of their children in average daily attendance residing on Indian lands. These funds would be in addition to the \$167 million increase the Administration is requesting for Bureau of Indian Affairs (BIA) school construction and repair, and funds provided for construction and renovation of public schools (many of which serve Indian children) through our proposed grant, loan, and bond programs.



### **Title I: Education for the Disadvantaged**

Title I provides supplemental education funding to LEAs and schools, especially in high-poverty areas, to help some 13 million disadvantaged students, including Indian children and youth, learn to the same high standards as other students. With Title I, these students have the benefit of, for example, extra instruction at all grade levels, extended day kindergarten programs, learning laboratories in math, science, and computers, and intensive summer programs. States are required to create a framework to integrate Title I with State and local reforms stressing high performance for all children.

The Department's request for Title I Grants to LEAs is \$8.358 billion, an increase of 5.2 percent over the 2000 appropriation level. Under the statute, the BIA receives 1 percent of Title I Grants to LEAs. Our 2001 request would provide approximately \$54 million to BIA schools. During the 1996-1997 school year (the most recent year for which actual data are available), 47,261 Indian students in BIA and an estimated 142,000 Indian students in public schools across the country participated in Title I programs.

Also, the Title I Even Start program provides over \$2 million for Even Start programs benefiting Indian families. An estimated 1,300 Indian parents and their children, birth through age 7, are participating in 13 Even Start projects operated by Indian tribes and tribal organizations. These projects integrate early childhood education, adult literacy, and parenting services to improve family literacy. The Department is requesting \$150 million, level funding, for Even Start in 2001.

Finally, the Demonstrations of Comprehensive School Reform program provides schools with funding to develop or adopt, and implement, comprehensive school reforms, based on reliable research and effective practices that will enable children in participating schools to meet challenging State standards. BIA and the Outlying Areas share a set-aside of 1 percent.

The Department's fiscal year 2001 request of \$190 million would provide the BIA with an allocation of approximately \$1.5 million.

### **Teaching to High Standards**

The President's budget request emphasizes the importance of good teaching for all students. A proposed new Teaching to High Standards State grants program would help educators improve learning in American classrooms by supporting State and local efforts to align curricula and assessments with challenging State and local content standards and to provide teachers with sustained and intensive, high-quality professional development in the core academic subjects. The BIA and the Outlying areas share a set-aside of 1 percent.

The Department's fiscal year 2001 request of \$690 million would provide the BIA with an allocation of approximately \$4.9 million for professional development activities.

#### **Class Size Reduction**

The Class Size Reduction program helps school districts improve education in the early elementary grades by providing funds to hire highly qualified teachers and reduce class sizes. Under the program, school districts give particular consideration to reducing class sizes in the early elementary grades, the grades in which research has shown class-size reduction to be effective in improving student achievement. The Department is requesting \$1.75 billion, a 35 percent increase for Class Size Reduction in 2001; the BIA would receive approximately \$5.0 million of that amount.

#### **Safe and Drug-Free Schools and Communities**

The Safe and Drug-Free Schools and Communities is designed to help create and maintain drug-free, safe, and orderly environments for learning in and around schools by supporting effective, research-based approaches to drug and violence prevention. One percent of the appropriation for State grants is reserved for drug and violence prevention programs serving Indian children in BIA-operated or supported schools, and 0.2 percent is reserved for programs serving Native Hawaiians.

The 2001 budget request of \$439.25 million for Safe and Drug-Free Schools includes \$4.4 million for the BIA and \$880,000 for Native Hawaiian programs.

#### **Impact Aid**

##### Basic Support Payments

Impact Aid provides substantial assistance for general operating expenses to many LEAs that educate Indian children. Approximately 615 school districts receive Impact Aid payments on behalf of 126,323 children living on Indian lands. The budget request of \$720 million would provide approximately \$341 million in Impact Aid Basic Support Payments to support the education of children living on Indian lands.

##### Payments for Children with Disabilities

Payments for Children with Disabilities enable federally affected LEAs to provide the special education services required by the Individuals with Disabilities Education Act (IDEA). The budget request of \$40 million would provide approximately \$21 million for services to approximately 17,242 children living on Indian lands.

##### Construction

The Administration's reauthorization proposal would target funds to LEAs in which the number of students living on Indian lands is at least 50 percent of average

daily attendance. This proposal is part of the Administration's commitment to making Construction payments on behalf of students residing on Indian lands who attend schools in predominantly Indian LEAs. Under the budget request, \$5 million would be available for construction and renovation of school facilities, for debt service related to the construction of school facilities, or for purchase of minimal initial equipment in connection with a new building or the renovation of an existing building.

#### **Bilingual Education**

Bilingual Education programs support programs for limited English proficient students, through Grants to LEAs, Program Development, and Special Programs. Under the 2001 budget request, the Department estimates that approximately \$38.5 million in bilingual education funds would serve an estimated 124,300 Indian students.

#### **Education for Native Hawaiians**

We are requesting \$23 million for Education for Native Hawaiians, the same as the 2000 appropriation level. Funds support a wide array of education services to improve the educational status of Native Hawaiians, including curriculum development, teacher training and recruitment, higher education, special education, community-based learning centers, family-based education centers, and gifted and talented programs. Although H.R. 2, which passed the House last year, would not reauthorize the Native Hawaiian programs, the Department remains committed to helping ensure that they are included in the final Elementary and Secondary Education Act reauthorization bill.

#### **Alaska Native Education Equity**

We are requesting \$13 million for Alaska Native Education Equity, the same as the 2000 appropriation level. Funds support a wide array of education services to improve the educational status of Alaska Natives, including student enrichment, preschool programs, and teacher training, recruitment, and curriculum development.

#### **Education for Homeless Children and Youth**

Under the Stewart B. McKinney Homeless Assistance Act, the Secretary is authorized to transfer 1 percent of the appropriation for Education for Homeless Children and Youth to the BIA for services to Indian students in the Bureau's schools. Our 2001 budget request of \$31.7 million, a 10 percent increase, includes \$100,000 for BIA programs to provide services to homeless children and youth that enable them to attend and excel in school.

#### **Technology Literacy Challenge Fund**

The Technology Literacy Challenge Fund helps States put into practice strategies to enable all students to integrate technology fully into schools so that students become technologically literate and possess the academic, communication,

and critical-thinking skills essential for success in the Information Age. From the appropriation, up to 1 percent is reserved for BIA to enable all schools to integrate technology fully into school curricula.

Under the budget request of \$450 million, a 6 percent increase, the Department would provide approximately \$2.3 million to BIA.

#### **Vocational Education**

Vocational Education State Grants support a variety of education programs designed to develop the academic, vocational, and technical skills of students in high schools and community colleges. From the total appropriation, 1.25 percent is set-aside for competitive grants to federally recognized Indian tribes and organizations and 0.25 percent for competitive grants to organizations recognized by the Governor as primarily serving and representing Native Hawaiians.

Under the budget request of \$855.7 million, the Department would award approximately \$10.7 million to 35 Indian tribes or tribal organizations, serving approximately 2,500 students. The Department would award approximately \$2.1 million to Native Hawaiian organizations.

#### **Tribally Controlled Postsecondary Vocational and Technical Institutions**

This program provides grants for the operation and improvement of tribally controlled postsecondary vocational and technical institutions to ensure continued and expanded educational opportunities for Indian students and to improve and expand the physical resources of those institutions.

Under the budget request, the Department would provide \$4.6 million, level funding, to continue support for two institutions.

#### **Higher Education Aid for Institutional Development**

The Aid for Institutional Development programs are designed to strengthen institutions of higher education that serve high percentages of minority students and students from low-income backgrounds. The programs provide financial assistance to help institutions solve problems that threaten their ability to survive, to improve their management and fiscal operations, to build endowments, and to make effective use of technology.

The Strengthening Tribally Controlled Colleges and Universities (TCCU) program authorizes 1-year planning and 5-year development grants that enable TCCUs to improve and expand their capacity to serve American Indian students. Under the budget request, the Department would award \$9 million, an increase of \$3 million (50 percent) over the 2000 level, for 8 new and 16 continuation awards.

The Strengthening Alaska Native and Native Hawaiian-serving Institutions program authorizes 1-year planning and 5-year development grants that enable institutions to improve and expand their capacity to serve Alaska Native and Native Hawaiian students. Under the budget request, the Department would award \$5 million, level funding with the 2000 level, for 13 continuation awards.

### Special Education

#### Grants to States

The Grants to States program provides formula grants to meet the excess costs of providing special education and related services to children with disabilities. From the total appropriation, 1.226 percent is allocated to BIA to serve children with disabilities on reservations. Of the funds reserved, 80 percent is used for the education of children 5-21 years old, and 20 percent for distribution to tribes and tribal organizations for the education of children 3-5 years old.

Under the budget request of \$5.28 billion, a 5.8 percent increase, the Department would provide approximately \$49.9 million to BIA to serve approximately 8,600 Indian students.

#### Grants for Infants and Families

The Grants for Infants and Families program provides formula grants to assist States in implementing statewide systems of coordinated, comprehensive, multidisciplinary, interagency programs to make available early intervention services to all children with disabilities, aged birth through 2, and their families. 1.25 percent is allocated to the BIA.

Under the budget request, the Department would provide approximately \$4.7 million to the BIA.

### Vocational Rehabilitation

The American Indian Vocational Rehabilitation Services Program provides grants to governing bodies of Indian tribes located on Federal and State reservations (and consortia of such governing bodies) to pay 90 percent of the costs of vocational rehabilitation services for American Indians who are individuals with disabilities residing on or near such reservations. Vocational rehabilitation services are provided consistent with the individual strengths, resources, priorities, concerns, abilities, capabilities, interest, and informed choice, so that they may prepare for and engage in gainful employment.

The program is supported by funds set-aside under the Vocational Rehabilitation (VR) State Grants Program. Section 110 (c) of the Rehabilitation Act requires that not

less than 1.0 percent or more than 1.5 percent of the VR State Grant funds be set aside for Grants for Indians.

Under the budget request, approximately \$24 million (1.0 percent) would be set-aside to support approximately 70 competitive service grants to American Indian tribes. About 3,190 American Indians with disabilities were served by the 47 projects that were in full operation during FY 1999.

Thank you for the opportunity to appear before the Committee, my colleagues and I will be happy to respond to any questions you may have.

### Federal Education Dollars to Tribes

**Question:** The tribal witnesses call for more tribal control and authority in using federal resources. The most successful model allows tribal contracting under the Indian Self Determination Act. Would the Department support contracting federal education dollars to Indian tribes?

**Answer:** The Department's Indian Education programs are designed to improve the educational opportunities for all Indian students, most of whom are enrolled in public local educational agencies (LEAs). For most, if not all, of these programs, it would be very difficult to contract-out services to tribes. For example, the Indian Education programs Formula Grants to Local Educational Agencies (LEAs) focuses on funding programs to address the particular needs of Indian children. This program is an important catalyst for comprehensive planning of activities that meet the unique culturally and academically related needs of Indian students. The comprehensive planning component is an important element in improving the quality of public school education for Indian students and ensuring that the entire education program provided by the LEA fully addresses the needs of Indian students.

Because the majority of the Grants to LEAs program funds serve students in public schools, it is difficult to conceive of a way to carry out the program through tribal contracts. However, there is strong Indian "ownership" of the program because the statute requires approval of the local project by an Indian parent committee before it goes to the Department for funding.

Additionally, the Department has the authority under the program to make awards directly to tribes if an LEA does not apply for funds. If 50 percent or more of the children in the schools of the LEA are members of the tribe, the tribe may submit an application for the formula grant funds. In 1999, of the 1,263 grants under the program, only 6 tribes applied for, and received, funds from the Department.

For other Department of Education programs that serve Indians, it would similarly be difficult to use tribal contracts. The situation is very different from that of the BIA, which directly operates schools that can be (and have been) shifted to tribal operation through contracts and grants. ED does not operate schools, health clinics, or other operations that could be contracted out.

### American Indian Administrator Corps

**Question:** My concern with instituting federal programs is that the funds often get absorbed through administrative functions rather than programs for the intended beneficiaries. If the proposed "Indian Administrator Corps" is implemented, how would that ensure more education dollars reach Indian classrooms and benefit Indian schoolchildren?

**Answer:** The Administration's 2001 budget includes \$92.8 million (an increase of \$30.8 million) for the Indian Education Formula Grants to Local Educational Agencies program, which will deliver more funds to schools and classrooms with Indian students. The per pupil expenditure will rise from \$134 to \$200 under the request.

At the same time, however, some key education improvements require activities that take place outside of the classroom and address the overall needs of schools with large concentrations of Indian students. Ensuring that Indian students benefit from the presence of high-quality teachers and school administrators by increasing the number of Indians who are well-trained for these positions is a key strategy for improving the achievement of Indian students. Over time, the efforts can have major benefits for students and educational outcomes.

The American Indian Administrator Corps would increase the number of American Indian principals and school administrators who serve in schools with high concentrations of Indian students. This program would provide professional development and educational opportunities to ensure that the principals and administrators in those schools are well-trained to lead education reform efforts and improve the educational opportunities for all students. Research has shown that what principals do on a daily basis makes a difference in how much and how well students learn. Principals influence teaching and classroom practice through such activities as formulating school goals, setting and communicating high achievement expectations, organizing resources for instruction, supervising and evaluating teachers' performance, monitoring student progress, and promoting a positive, orderly environment for learning. An effective principal can create an environment that focuses on and facilitates student learning that leads to increased student achievement.

Many schools with concentrations of Indians have a high rate of staff turn-over. Teachers and administrators from outside "Indian Country" find themselves in an isolated, unfamiliar environment and many leave after a few years for other positions. Recruiting more Indian teachers and administrators will help heavily Indian schools stabilize staffing (because those individuals are less likely to leave Indian communities) and provide those schools with staff who understand the unique culture and educational needs of Native Americans.



**TESTIMONY OF MARK C. VAN NORMAN**  
**Director, Office of Tribal Justice**  
**U.S. Department of Justice**  
**Before the Senate Indian Affairs Committee**  
**February 23, 2000**

Good morning, Mr. Chairman, Mr. Vice Chairman, and Members of the Committee, I am Mark Van Norman, Director of the Office of Tribal Justice, Department of Justice.

Thank you for inviting the Attorney General to testify concerning the Indian Country Law Enforcement Improvement Program budget request for FY 2001. If other responsibilities had permitted, Attorney General Reno would have liked to have testified in person and asked me to express to you her regret that she is unable to do so. The Attorney General is very interested in the Indian Law Enforcement Improvement Initiative and views Justice Department efforts to improve law enforcement in Indian communities as an important priority. This is the third year of the Indian Law Enforcement Improvement, which began in FY 1999 with this Committee's support. Our FY 2001 budget request for the Justice Department's portion of the initiative is \$173.3 million, which represents an increase of \$81.8 million above our FY 2000 appropriation. The Budget also includes a request for a \$19 million increase for the Bureau of Indian Affairs portion of our joint initiative.

This initiative is critically important because, while crime rates have dropped around the Nation for the past several years, violent crime has risen in many American Indian and Alaska Native communities. American Indians are victims of violent crime at more than twice the rate of all U.S. residents. The Justice Department, in cooperation with the Interior Department's Bureau of Indian Affairs (BIA), is working to improve public safety in Indian communities by increasing the number of police officers, providing training and equipment, building detention

facilities, enhancing juvenile crime prevention, improving tribal courts and evidence gathering, and addressing the connection between alcohol abuse and violent crime.

### **VIOLENT CRIME AMONG AMERICAN INDIANS AND ALASKA NATIVES**

Federal and tribal law enforcement agencies report that serious crimes in Indian communities are primarily violent crimes, including homicide, rape, sexual assault, aggravated assault, gang violence and other juvenile crime. About 83% of the Indian country cases opened by the FBI between 1994-97 were either violent crimes or involved child physical or sexual abuse. The following statistics indicate the severity of violent crime among American Indians.

**American Indians Suffer the Highest Rate of Violent Crime Victimization.** In its report American Indians and Crime (1999), the Department of Justice Bureau of Justice Statistics (BJS) found that from 1992 to 1996, the violent victimization rate for American Indians (124 violent crimes per 1,000) was more than twice the rate for the Nation as a whole (50 per 1,000). Id. at 2. That was the highest rate of any group in the Nation.

**American Indian Women Suffer Alarming Rates of Sexual Assault.** American Indians suffer 7 rapes or sexual assaults per 1,000 population compared to 3 per 1,000 among Black Americans, 2 per 1,000 among Caucasians, and 1 per 1,000 among Asian Americans. Id. at 3.

**American Indians Suffer the Highest Rate of Child Abuse and Neglect.** The HHS National Child Abuse and Neglect Data System reports that the rate of child abuse and neglect among American Indian children was the highest in the nation in 1995.

**Youth Violence is a Growing Problem in Indian Communities.** The FBI, the BIA, and tribal law enforcement agencies report that violent crime by juveniles and Indian youth

gangs is on the rise in many Indian communities. The Bureau of Prisons (BOP) reports that the number of American Indian youth in custody has increased by more than 283% since 1994, and as of today 69% of youth in federal custody are Indian.<sup>1</sup> Demographics may contribute to this problem. The median age of American Indians throughout the Nation is 24.2 years compared with 32.9 years among the general U.S. population as a whole. Many of the large western reservations report an average age of 18 or 19 years-old.

Child abuse and youth violence take a terrible toll on Indian youth.<sup>2</sup> The Indian Health Service explains, "Homicide is the second leading cause of death among Indians from 1-14 years of age and third for 15-24 years-olds."<sup>3</sup> For example, an 8 year-old boy intentionally shot and killed a 10 year-old boy at one of the Indian Pueblos in New Mexico. Suicide is also a very serious problem among American Indian youth. Suicide is the second leading cause of death among Indians 15-24 year-olds, and some reservations have experienced a rash of teenage suicides in recent years. For example, according to testimony presented to this Committee and news reports, in the six months from August 1997 to February 1998, 6 Indian teens committed suicide and 47 Indian teens made suicide attempts on the Standing Rock Sioux Reservation located in North and South Dakota.

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<sup>1</sup> This percentage is based on the fact that there were 70 Indian youth in federal custody in 1994 and 198 Indian youth in Federal custody in 2000. The high percentage of Indian youth in Federal custody is a reflection of the Justice Department's unique law enforcement duties in Indian country, as discussed below.

<sup>2</sup> See Final Report to the Attorney General and the Secretary of the Interior of the Executive Committee on Indian Law Enforcement Improvement (October 1997) at 4-5.

<sup>3</sup> Indian Health Service, Key Facts About American Indian and Alaska Native Youth (July 1997).

**Alcohol Abuse is Closely Linked to Violence.** Substance abuse is strongly associated with violence against American Indians, and alcohol is the primary substance abused. In 55% of the violent crimes against Indians, victims reported that the offender was under the influence of alcohol, drugs, or both. In contrast, 44% of Caucasian victims and 35% of Black American victims reported made similar reports about offenders. When the violence is committed by American Indians against American Indians, the rate of alcohol involvement may be as much as 66% or more. Similarly, the 1996 arrest rate for alcohol-related offenses (drunk driving, etc.) among American Indians was more than double that of the general population. BJS, American Indians and Crime at 9, vii.

#### **THE FEDERAL TRUST RESPONSIBILITY AND INDIAN LAW ENFORCEMENT**

Historically, the United States has recognized Indian tribes as sovereign nations, over which the Federal Government has a trust responsibility.<sup>4</sup> The United States set aside Indian reservations as permanent homes for Indian tribes, and the United States has a trust responsibility to promote the welfare of native peoples, which includes a duty to assist tribes in making their reservations livable homes.<sup>5</sup>

The Justice Department's basic responsibility to preserve public safety for residents of Indian communities derives from the unique trust relationship between the United States and Indian tribes and from specific statutes, such as the Major Crimes Act, the General Crimes Act, and other Acts that establish general federal jurisdiction over felony crimes by or against Indians,

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<sup>4</sup> Executive Order 13084 (1998)

<sup>5</sup> See Montana v. United States, 450 U.S. 544, 566 & n. 15 (1980).

including homicide, rape, and aggravated assault. In recent years, the Justice Department has been authorized to make grants to Indian tribes to assist tribal law enforcement and criminal justice systems.

Thus, the U.S. Attorneys prosecute felony crimes committed by or against Indians throughout most of Indian country.<sup>6</sup> Tribal criminal justice systems handle misdemeanor cases against Indian offenders. 25 U.S.C. sec. 1302. The Interior Department Bureau of Indian Affairs has historically policed Indian reservations or contracted with Indian tribes to provide basic law enforcement services. 25 U.S.C. secs. 450 et seq. BIA and tribal police generally serve as first responders to Indian country crime. The FBI, working cooperatively with BIA and tribal police, investigates felony crimes by or against Indians. Justice Department victim-witness coordinators assist witnesses and crime victims in Indian country. In short, the United States has unique law enforcement responsibilities in Indian communities.

#### **THE INDIAN LAW ENFORCEMENT IMPROVEMENT INITIATIVE**

In 1997, recognizing the severe problem of violent crime among American Indians, President Clinton directed the Secretary of the Interior and the Attorney General to work with tribal governments to analyze law enforcement problems on Indian lands and suggest ways for improving public safety and criminal justice in Indian country. Beyond the increasing crime rates in Native American communities, the President cited the lack of police officers, criminal investigators, and detention facilities as evidence of the importance of addressing this problem.

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<sup>6</sup> In some areas of Indian country, Congress has delegated law enforcement authority to the states under Public Law No. 83-280. In those areas, tribal governments retain concurrent law enforcement authority over minor crimes by Indian offenders, and tribal police may serve as first responders to felony crime.

In response, the Secretary and the Attorney General formed an Executive Committee for Indian Country Law Enforcement Improvements with tribal leaders and representatives from the Interior and Justice Departments. At the request of the Executive Committee, U.S. Attorneys in districts with Indian tribes led an extensive series of tribal consultations on Indian country law enforcement in the fall of 1997. Consultations revealed a large gap between public safety in Indian country and the rest of the United States. For example, the Navajo Nation is the largest land based Indian tribe with 17 million acres of land. The Navajo Nation has 0.9 police officers per 1,000 residents compared with 2.3 officer per 1,000 in comparable communities outside of Indian country. The Navajo Nation has a homicide rate that is comparable to that of our more violent cities. Based on the U.S. Attorneys' consultations, the Executive Committee concluded that to effectively fight crime in Indian country and improve public safety, the United States must work with Indian tribes to ensure that there is a full spectrum of Federal and tribal law enforcement resources. That could include BIA and tribal uniformed police, criminal investigators, tribal courts, FBI agents, U.S. Attorney personnel, support staff, victim-witness coordinators, juvenile justice programs, detention facilities, law enforcement equipment, and training.

Uniformed police play an important role in crime fighting because they are the first on the scene. A well-staffed uniformed police force can deal with juvenile offenders swiftly and effectively, deterring them from more serious crime. BIA and Tribal criminal investigators also play a critical role in the criminal justice system. They are well situated to gather information about criminal activity and assist in solving cases that threaten community well-being.

Tribal courts are also crucial to maintaining law and order in Indian communities. When tribes have a range of sanctions and crime suppression, prevention, and intervention programs, tribal criminal justice systems can reduce the volume of serious offenders who must be dealt with in the federal system. The range of sanctions available to tribal courts should include detention for violent offenders, electronic monitoring and other alternative sentencing for lesser offenders. Tribal governments also need juvenile crime prevention programs and youth programs, such as boys and girls clubs.

After giving serious consideration to these factors and the information gathered through consultations with tribal leaders across the country, the Attorney General and the Secretary of the Interior approved the Executive Committee's report and recommended to the President that Justice and Interior undertake on-going efforts to improve law enforcement in Indian country. In response, the President sought funds for both Departments to establish the Indian Country Law Enforcement Initiative.

In FY 99, Congress appropriated \$89 million for the Justice Department for the Indian Law Enforcement Improvement Initiative, to fund additional FBI agents for Indian Country and support the following grant programs. Under the initiative, the Community Oriented Policing Services provided \$32.8 million in grants to 140 tribal governments to fund 213 police officer positions, law enforcement equipment and technology, and police officer and administrative training. The Corrections Program Office received \$34 million in funds for detention facilities and funded 11 Indian tribes to assist them with the design and construction of juvenile and adult correctional facilities. The Office of Juvenile Justice and Delinquency Programs received \$10 million and made grants to 34 Indian tribes to prevent and control juvenile crime. The Bureau of

Justice Assistance received \$5 million to assist tribal courts and awarded 76 grants to develop and enhance tribal courts, including several intertribal courts. In addition, the FBI added 30 new agents to investigate Indian country crimes.

For FY 2000, Congress appropriated \$91.5 million for the initiative for tribal police officers, training, and equipment, the construction of tribal detention facilities, juvenile crime prevention, and tribal courts. In furtherance of this year's program implementation, the Justice Department has scheduled regional consultation meetings for tribal governments throughout the Nation from March 17 through March 26, 2000. In addition, the BIA, the Indian Health Service, and the Justice Department will co-sponsor a meeting with tribal governments in early March to discuss promising tribal practices for addressing alcohol abuse, crime, and violence.

#### **THE JUSTICE DEPARTMENT FY 2001 INDIAN LAW ENFORCEMENT REQUEST**

In light of the serious and rising violent crime problems in American Indian and Alaska Native communities, the Justice Department has requested \$173.3 million for FY 2001 the Indian Law Enforcement Improvement Initiative to be used to increase the number of fully trained and equipped police officers in Indian country, improve the quality of the criminal justice system (including tribal courts, detention facilities, evidence gathering and crime information systems), enhance substance abuse programs, combat tribal youth crime, and increase federal prosecutorial and investigative resources in Indian country.

The Justice Department's \$173.3 million FY 2001 request for the initiative is broken down as follows:

- **Federal Bureau of Investigation.** \$4,639,000 for 31 Indian country victim-witness coordinators, funding for Indian country forensic exams, and funding for overtime for



tribal police who are part of the FBI's multi-jurisdictional Safe Trails Task Forces. (This is a new request.)<sup>7</sup>

- **United States Attorneys.** \$4,699,000 for 60 positions (33 Assistant U.S. Attorneys and 27 support staff) to increase federal prosecutorial and investigative resources to address violent crime, including gang-violence and juvenile violence, in Indian country. (This is a new request.)
- **Office of Tribal Justice.** \$932,000 for 8 positions under the Office of the Associate Attorney General to institutionalize the Office of Tribal Justice (OTJ) as an integral, ongoing part of the Department. OTJ coordinates with departmental components that have responsibilities concerning tribal issues, including improving Indian country law enforcement, assistance to tribal law enforcement and courts, civil rights protection, environmental protection, tribal land and resource protection, and litigation involving Indian interests. (This is a new request).
- **Criminal Division.** \$70,000 for 1 position for the Criminal Division to increase capacity to analyze Indian country crime problems. (This is a new request).
- **Community Oriented Policing Services (COPS) Tribal Resources Grant Program.** \$45 million to improve tribal law enforcement, including funding for police officers, training, and equipment. (\$5 million increase from FY 2000 Appropriation).

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<sup>7</sup> \$2.6 million would hire and equip 31 victim witness specialists to assist witnesses and crime victims in Indian country. \$1.4 million would provide funding for contracts for forensic evidence to facilitate FBI investigation of violent crimes and sexual assaults in the Albuquerque, Minneapolis, and Salt Lake City field offices, where 75% of federal Indian country crime cases originate. \$634 thousand would provide for overtime for tribal, state and local police officers on 10 to 12 Safe Trails Task Forces.

- **COPS Indian Country Forensics Evidence Gathering.** \$5 million to increase the capacity of tribal law enforcement to collect forensic evidence to address the current serious lack of tribal capacity in this area. (This is a new request and is part of the COPS request for crime fighting through technology).
- **Office of Justice Programs (OJP) Corrections Program Office.** \$34 million for the construction of detention facilities to provide adequate space to incarcerate violent offenders punished under tribal law. (Same as FY 2000 Appropriation).
- **Tribal Youth Crime Prevention Program.** \$20 million for grants to Indian tribes to fund comprehensive tribal delinquency prevention, control, and juvenile justice system improvement for tribal youth. The OJP Office of Juvenile Justice and Delinquency Prevention administers this tribal youth program. (\$7.5 million increase from FY 2000 Appropriation).
- **Tribal Court Enhancement.** \$15 million for grants to Indian tribes for the development, enhancement, and the operation of tribal courts. OJP Bureau of Justice Assistance (BJA) will administer this program and will promote funding for intertribal courts to maximize the distribution of funds. This program is an essential part of the Justice Department's overall effort to reduce violent crime in Indian country because tribal court resources are necessary to address the increased volume of cases resulting from increased police resources and rising crime. (\$10 million increase over FY 2000 Appropriation).
- **OJP Indian Country Grants Program.** \$21 million to address specific problems of violent and alcohol-related crime particular to Indian communities, including \$8 million for to establish diversionary programs for non-violent recidivist alcohol offenders; \$5

million to establish Sexual Assault Nurse Examiner Units to address the alarmingly high rates of rape and sexual assault against American Indian women; and \$8 million for tribal youth in the juvenile justice system suffering mental health and/or behavioral problems.

(This is a new request.)

- **OJP Zero Tolerance Drug Supervision Program.** \$10 million for comprehensive programs of drug testing, drug treatment and graduated sanctions for offenders in tribal detention facilities. (This is a new request).
- **OJP Tribal Criminal and Civil Legal Assistance Program.** \$6 million for criminal and civil legal assistance for indigent Indians appearing before the tribal courts and to fund the development of tribal college criminal and civil legal assistance curriculum. (This is a new request).
- **OJP Police Corps.** \$5 million for the Police Corps Program to provide scholarships for students committed to entering the field of law enforcement in Indian country. (This new request for a tribal-specific program is part of the continuing OJP Police Corps program.)
- **Tribal Criminal Justice Systems.** \$2 million for the Bureau of Justice Statistics to improve tribal law enforcement capacity to gather information and statistics about crime and tribal criminal justice systems. (This is a new request.)

In addition, the Justice Department has also sought to include Indian tribes in general programs, such as the Violence Against Women Program and the Drug Courts Program. We will continue these efforts as well. To ensure that these programs provide the maximum support for tribal law enforcement possible, the Justice Department is closely coordinating its efforts with the BIA and we are in frequent consultation with tribal law enforcement agencies.

**CONCLUSION**

In closing, the Justice Department recognizes its unique law enforcement responsibilities towards Indian country. The Department is dedicated to addressing the serious violent crime problems in Indian communities and to improving Indian country and tribal law enforcement. Our FY 2001 budget request is intended to improve tribal law enforcement and promote public safety by funding fully trained and equipped tribal law enforcement officers, building detention capacity and juvenile crime prevention capacity, enhancing tribal courts, and increasing federal prosecutorial and investigative services in Indian country. In addition, we also seek to address specific Indian country crime problems by, among other things, improving evidence and crime information gathering in Indian country, focusing especially on rape and sexual assault cases, addressing the close connection between alcohol abuse and the increasing crime rates in Indian communities, and dealing with troubled tribal youth in the juvenile justice system. We ask for your assistance in securing funding for these important efforts.

Again, thank you for this opportunity to testify.



U.S. Department of Justice  
Office of Legislative Affairs

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Washington, D.C. 20530

March 23, 2000

The Honorable Ben Nighthorse Campbell  
Chairman, Committee on Indian Affairs  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

Thank you for your continuing support of the Indian Law Enforcement Improvement Initiative ("Initiative"). Public safety and community stability form an essential foundation for tribal self-government and economic development, so our Initiative is crucial to all residents of Indian communities. This letter responds to the follow-up questions posed in your letter of March 6, 2000.

Question 1

Alcohol is involved in the majority of crimes committed in Indian country. There is no shortage of alcohol programs across the government: BIA, HHS, DOJ, all have them. What steps can be taken to bring all of these resources to bear to reduce this problem?

Answer to Question 1

Alcohol and substance abuse are serious problems in Indian communities. Based upon victim self-reports, more than two-thirds of family violence among American Indians involves a drinking offender. In its report, American Indians and Crime (1999), the Bureau of Justice Statistics reported that 55% of American Indian victims of violent crime report that their assailants were under the influence of alcohol and/or drugs. In contrast, 44% of Caucasian victims and 35% of Black American victims made similar reports. In cases where an American Indian offender assaults an Indian victim, the frequency of alcohol and/or drug involvement may be as high as 66% or more. Federal and tribal law enforcement officials also report a high level of alcohol involvement in violent offenses. Correspondingly, American Indians have a higher arrest rate for alcohol-related offenses, which includes driving under the influence, liquor law violations, and public drunkenness. This rate was more than double the arrest rate for other ethnic groups. American Indians and Crime at vii.

Further, the high level of alcohol and substance abuse in Indian communities harms Indian children and youth. Alcohol and substance abuse are also associated with child abuse and neglect. American Indian children suffer the highest rates of child abuse and neglect in the nation. Similarly, research sponsored by the National Institute on Alcohol Abuse and Alcoholism found that children exposed to alcohol abuse in the home have a myriad of problems

in their development that have later repercussions in the home, school, community, and justice system. Tribal youth have significant problems associated with abuse and neglect, including their own alcohol and substance abuse, violent victimization and violent offenses, suicide, and gang activity.

The Indian Health Service ("IHS") reported that, "Homicide is the second leading cause of death among Indians 1 - 14 years of age and the third leading cause of death for 15 - 24 year-olds." Suicide is the second leading cause of death among American Indians between the ages of 15 and 24.<sup>1</sup> Arrest rates of American Indian youth for alcohol-related offenses are more than double that of the national average. Reservation Indian populations are growing rapidly, and while the average age of the general population is about thirty-four years old, the average age on many of the large western Indian reservations is about eighteen years old. These tribes continue to face very severe poverty and resource challenges.

To combat these problems, the Federal Government administers many programs designed to address alcohol and substance abuse in Indian country, recognizing that collaboration and cooperation among federal agencies are essential to effectively counter these problems. Each agency with Indian country issues has an important role to play in alleviating and eliminating substance and alcohol abuse. Recognizing this, the Department of Justice maintains an ongoing dialogue with the Bureau of Indian Affairs ("BIA") and IHS concerning alcohol and substance abuse as well as violence among American Indians. In conjunction with these agencies, the Department of Justice is currently working on pilot projects to address alcohol abuse in Indian country. Through joint funding, the Office of Justice Programs' ("OJP") Office of Juvenile Justice and Delinquency Prevention ("OJJDP") is working on the "Circles of Care" project in cooperation with the Department of Health and Human Services's ("HHS") Substance Abuse and Mental Health Services Administration ("SAMHSA"). This project is funding comprehensive planning efforts to reduce youth mental health and alcohol and substance abuse problems in ten Indian communities around the country.

On June 7, 1999, the White House announced the Tribal Youth Mental Health and Community Safety Project, which is a three-year pilot project focusing on the mental health and community safety needs of tribal youth at ten sites beginning in FY 2000. The project is a collaborative effort by the Department of Education, HHS, the Department of the Interior, and the Department of Justice designed to address these tribal youth needs in the home, school, community, and justice systems. The Departments of Education and the Interior are contributing technical assistance funds, while the Department of Justice is contributing funding through OJJDP and the Office of Community Oriented Policing Services ("COPS") to provide juvenile prevention and intervention program funds and COPS school resources and gang prevention officers. For example, nine community programs serving Native American youth have received Juvenile Mentoring Program ("JUMP") grants to support one-on-one mentoring programs for

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<sup>1</sup> Indian Health Service, Key Facts About American Indian and Alaska Native Youth (July 1997).

youth at risk of educational failure, dropping out of school, or involvement in delinquent activities, including gangs and drug abuse. Meanwhile, HHS is funding pilot sites through IHS and SAMHSA for mental health and alcohol and substance abuse prevention and treatment.

In addition, OJJDP's Tribal Youth Program ("TYP") focuses on various areas of concern in the American Indian community, which include: (1) juvenile crime and victimization prevention activities such as truancy reduction, conflict resolution, and child abuse prevention; (2) interventions for tribal youth in the juvenile justice system such as improved aftercare services, teen courts, and restitution programs; (3) juvenile justice system improvements such as improved probation services, advocacy programs, and gender-specific programming; (4) and substance abuse prevention such as drug and alcohol education, peer and family counseling, and drug testing. TYP awarded thirty-four American Indian and Alaskan Native tribes and villages grants through a competitive review process, with awards ranging from \$64,875 to \$500,000 depending on the size of the tribal service population.

The Department of Justice is also seeking to include Indian tribes in general programs to break the cycle of substance abuse and violent crime. For example, fifteen Indian tribes received funding under the Drug-Free Communities Support Program, which is funded by ONDCP and administered by OJJDP. This program requires collaboration at the community level by government agencies, non-profit groups, and service providers to prevent the use of drugs and alcohol by young people and to create and sustain community support for these efforts. Further, the Department of Justice is developing a plan to address domestic violence in Indian country, which will incorporate initiatives from the Office of Victims of Crime and the Office of Violence against Women.

Similarly, we have worked to ensure that Indian tribes are eligible and participate in our Drug Courts Program, which is designed to provide state, local, and tribal courts with resources to work intensively with non-violent drug and alcohol offenders to address their problems and reduce repeat offenses. Since 1995, the Drug Courts Program Office has funded 56 grants. Though a majority of the grants target adult populations, many jurisdictions provide for juvenile programs as well. For FY 2000, the Drug Courts Program Office received 32 applications.

In addition, the Attorney General requested that the Office of Policy Development ("OPD"), OJP, and the Office of Tribal Justice ("OTJ") work with Indian tribes to increase the focus on the close correlation between problems of alcohol and substance abuse and violent crime in Indian communities. Thus, the Department of Justice, in cooperation with the BIA and IHS, held a conference in Seattle, Washington on March 2-3, 2000 where tribal leaders and field personnel discussed promising practices for addressing alcohol abuse in Indian country. The Department of Justice intends to publish and disseminate a pamphlet on these promising practices. Through this avenue and others, we will continue to seek to maximize our resources for Indian country.

For FY 2001, as part of the Initiative, the Department of Justice has requested funding for

the following programs to address the close correlation between alcohol and substance abuse and violence in American Indian communities: 1) the Indian Drug Testing and Treatment Program – \$10 million; 2) Indian Alcohol and Substance Abuse Diversion Program – \$8 million; and 3) Tribal Youth Mental Health and Behavior Problems Initiative – \$8 million. These program requests are summarized below:

1. **Indian Drug Testing and Treatment Program.** \$10 million of the OJP request for the Zero Tolerance and Drug Intervention Initiative would be for the Indian Drug Testing and Treatment Program. The program would provide for drug testing of offenders and funds for mandatory treatment for substance abusers who are in custody. Under the criminal justice system, drug testing is an important tool for criminal justice agencies to control drug abuse among inmates. Combined with effective interventions, such as meaningful, graduated sanctions, drug testing can curtail drug use within the criminal justice population. The effect on drug-dependent individuals who receive comprehensive treatment is a decrease in drug use, decrease in criminal behavior, increase in employment, and increase in interpersonal functioning. Substance abusers who are required to enter such a comprehensive treatment program are just as likely to succeed as those who voluntarily enter treatment. Such interventions have the effect of significantly reducing drug use and criminal behavior after release. The goal of this program is to promote community safety and reduce the risk of violence from offenders reentering the community at the end of their sentences.
2. **Indian Alcohol and Substance Abuse Diversion Program.** As a complement to the Indian Drug Testing and Treatment Program, the Department is requesting \$8 million for the Indian Alcohol and Substance Abuse Diversion Program. Tribal probation and criminal justice systems have minimal services available for court-mandated diversion programs, such as detoxification centers, halfway houses, in-patient treatment, or home detention. This program would fund tribal alcohol and substance abuse diversion programs to prevent and reduce the violent crime that is so closely associated with alcohol abuse in Indian country. It would also allow tribal law enforcement agencies to deal more effectively with repeat alcohol offenders and to refocus other tribal law enforcement resources on the most violent offenders.
3. **Tribal Youth Mental Health and Behavior Problems Initiative.** Indian juveniles in the juvenile criminal justice system are more likely than others to have mental health or emotional problems. Federal and tribal law enforcement officials have found that, in the absence of early intervention, minor Indian juvenile offenders may well escalate their crimes to serious felonies, including aggravated assault and homicide. To focus on this growing problem, the Tribal Youth Mental Health and Behavior Problems Initiative is requesting \$8 million in funding, which would be used for the interagency Tribal Youth Mental Health and Community Safety Initiative described above and for services for tribal youth in tribal juvenile detention facilities.



The Department of Justice will continue ongoing coordination efforts with other agencies, including the BIA and HHS, to maximize our joint efforts to reduce violence stemming from alcohol and substance abuse.

Question 2

There are now a number of high-profile cases of Tribal “instability” such as at Pine Ridge. What mechanisms exist at the [F]ederal level to intervene, mediate and hopefully resolve these situations so violence can be avoided?

Answer to Question 2

Based upon the Federal trust responsibility and specific statutes, such as the Indian Major Crimes Act and the General Crimes Act, 18 U.S.C. §§ 1152 & 1153, the Department of Justice has a unique responsibility to promote public safety in Indian communities. The Department of Justice has general felony jurisdiction over crimes by or against Indians in most of Indian country, both in terms of geographic area and population.<sup>2</sup> Historically, the BIA has policed Indian reservations or contracted with Indian tribes to provide basic law enforcement services. The BIA and tribal police generally serve as first responders to Indian country crime. The FBI, working cooperatively with the BIA and tribal police, investigates felony crimes by or against Indians. Also, the Department of Justice victim-witness coordinators assist witnesses and crime victims in Indian country, while the U.S. Attorneys prosecute felony crimes committed by or against Indians throughout most of Indian country. Moreover, tribal criminal justice systems handle misdemeanor cases against Indian offenders.

When an internal tribal community conflict arises, the Department of Justice consults closely with the BIA through our U.S. Attorneys and monitors the situation to prevent violence. In addition, the Community Relations Service (“CRS”) offers mediation to defuse and assist in the voluntary resolution of the conflict. Typically, the United States does not intervene to require a particular resolution of a peaceful, internal tribal dispute. If public safety is threatened and the Indian tribe is operating a law enforcement program under Public Law No. 93-638, the Indian Self-Determination Act, the BIA may reassume the Tribe’s law enforcement program and perform basic police functions. We defer to the BIA concerning the circumstances in which such action might be necessary. In addition, the U.S. Attorney’s office works closely with the BIA, the FBI and the U.S. Marshals Service to coordinate a response if there exists an imminent threat of violence.

As a long-term goal, it is essential to strengthen tribal law enforcement courts and justice

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<sup>2</sup> In some areas of Indian country, Congress has delegated law enforcement authority to the states under Public Law No. 83-280. In these areas, tribal governments retain concurrent law enforcement authority over minor crimes by Indian offenders, and tribal police may serve as first responders to felony crime.

systems to ensure that these institutions are equipped to resolve disputes within tribal communities in the first instance.

Question 3

Some tribes, such as the Tohono O'odham tribe in Arizona and the Blackfeet in Montana, are on the front lines in this nation's war on illegal immigration and drug trafficking. Does the Department assist these tribal law enforcement programs with resources, equipment, or material? Related to that question, does the Department or any federal agency work in tandem with any tribal law enforcement program on issues of joint concern?

Answer to Question 3

On particular matters, such as illegal immigration and drug trafficking issues, the Department of Justice and other federal law enforcement agencies work with the BIA and tribal law enforcement, as appropriate and consistent with departmental responsibilities. For example, for several years, OTJ has also worked with the Arizona U.S. Attorneys Office, the Immigration and Naturalization Service, and the Tohono O'odham Nation on issues concerning border crossings.

In Federal law enforcement matters pertaining to Indian communities, the FBI has primary law enforcement responsibility. To fulfill its responsibilities in Indian country in an effective and focused manner, the FBI established the Indian Country Unit to work with U.S. Attorneys and other Department of Justice agencies, the BIA, and tribal law enforcement agencies on all issues relating to law enforcement matters in Indian country.

In addition, the Department of Justice coordinates with the BIA and Indian tribal law enforcement agencies on issues of mutual concern. To facilitate its law enforcement efforts in Indian country, the U.S. Attorneys established the Native American Issues Subcommittee ("NAIS") of the Attorney General's Advisory Committee, which is comprised of U.S. Attorneys who have Indian Country within their districts. NAIS meets on a quarterly basis to discuss civil and criminal issues that affect Native American communities within their jurisdictions. Other components of the Department of Justice frequently attend to update NAIS to discuss problems, proposed legislation, litigation concerns, policy development, or other relevant matters. NAIS also regularly invites the BIA and tribal representatives to discuss issues and concerns that involve U.S. Attorney's offices and the tribes. NAIS will play an important role in implementing the Initiative.

In 1995, the Department of Justice recognized a need to address crime in Indian country and established 26 Assistant U.S. Attorney ("AUSA") tribal liaison positions in U.S. Attorneys offices with significant Indian populations or reservations. Among other things, the AUSA tribal liaisons work with the tribes as prosecutors, mediators, community advocates, and points of contact. Many districts sponsor training annually for tribal law enforcement, tribal social

services, and advocates that address specific topics of interest to tribes. Further, they meet regularly with the BIA, the FBI and tribal law enforcement to discuss criminal justice issues and concerns and coordinate efforts, as appropriate and consistent with departmental responsibilities.

Furthermore, in its Policy on Indian Sovereignty and Government-to-Government Relations, the Department of Justice pledged to "support and assist Indian tribes in the development of their law enforcement systems, tribal courts, and traditional justice systems." 61 Fed. Reg. 29424 (1996). In 1995, the Attorney General established OTJ to promote government-to-government relations with Indian tribes, serve as a permanent channel of communication for Indian tribes with the Department of Justice, and coordinate departmental policy on Indian issues. Accordingly, OTJ coordinates with the U.S. Attorneys, the BIA, and tribal law enforcement agencies. For example, from March 17th through March 24th, OTJ, COPS, OJP, and the BIA are conducting regional outreach meetings for Indian tribes in the District of Columbia, Seattle, WA, Minneapolis, MN, and Phoenix, AZ concerning the Initiative.

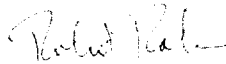
Also, OTJ is working with other departmental agencies and tribal law enforcement to address tribal specific issues. Further, OTJ is working on several special projects to improve Indian country law enforcement. In cooperation with the Department of Justice Wireless Communications Office, for example, OTJ and COPS are working to facilitate the transfer of excess wide band radio equipment to several pilot sites to improve tribal law enforcement radio coverage. If this effort is successful, it will be expanded next year. OTJ is also coordinating with OJP on its Indian Country Technology Initiative to work with several tribes on a trial basis to provide resources for comprehensive law enforcement technology planning.

Similarly, OJP works extensively with Indian tribes under its general programs, which includes the Drug Courts Program, Violence Against Women Program, the Byrne Discretionary Grant Program, the Local Law Enforcement Block Grant Program. OJP has established an American Indian and Alaska Native Office to coordinate these efforts and to promote outreach to Indian tribes. Under the Initiative, both the Tohono O'odham Nation and the Blackfeet Tribe are eligible to apply for COPS and OJP funding for tribal police officers, equipment, and training; detention facility construction; juvenile justice program funds; and tribal court funds. These programs are administered on a competitive basis, so all applicants are not always funded. The Tohono O'odham Nation and the Blackfeet Tribe have both received funding under the Indian Initiative and OJP's general programs.

In conclusion, the Department of Justice, the BIA, and other federal law enforcement agencies have substantial and ongoing working relations with tribal law enforcement agencies. We are working to promote ongoing consultation and cooperation between Federal and tribal law enforcement agencies on issues of mutual concern.

We appreciate this opportunity to provide you with additional information about our efforts in cooperation with other agencies to solve issues of concern in the American Indian community. Please do not hesitate to contact the Department if we can be of further assistance.

Sincerely,



Robert Raben  
Assistant Attorney General

**Investing in Indian Nations:  
Building Tribal Self-Government and Economic Development**

**Prepared Statement on the FY2001 President's Budget Request  
for Federal Indian Programs  
to the Senate Committee on Indian Affairs**

**Susan Masten, President  
National Congress of American Indians**

February 23, 1999

**I. Introduction**

Good morning Chairman Campbell, Vice-Chairman Inouye and distinguished members of the Indian Affairs Committee. Thank you for the opportunity to present testimony regarding the President's Budget Request for Fiscal Year (FY) 2001 Indian programs and services. My name is Susan Masten. I am President of the National Congress of American Indians (NCAI) and Chair of the Yurok Tribe of Northern California.

The member tribal governments of NCAI are extremely excited about this year's budget process. For the first time in a generation, the President has proposed a significant increase in the budget for programs that assist Indian people and Indian tribes, more than 1.2 billion. This commitment to Indian programs will better serve Indian communities and take a big step toward honoring the federal government's treaty and trust obligations to Indian nations. The news is out in Indian Country: this year the President is committed to meeting the acute needs in our communities. We are going to work very hard to ensure that Congress shares that commitment.

The last time the federal government enacted an increase of a similar scope to the President's FY2001 proposal, was in the mid-1970's, as a part of President Nixon's Tribal Self-Determination policy. Self-Determination has been and continues to be the most successful federal policy toward Indian Nations ever in the history of the country. Under this policy tribal governments have local control over programs and decision making on their reservations and have been able to fulfill needs and solve problems far more quickly and efficiently than through "top-down" federal programs. Through experience with Self-Determination, a generation of financially astute and fiscally responsible tribal government leadership has learned to function as better managers and service providers in all manner of tribal government functioning and tribal business development.

**The experiment with Tribal Self-Determination has succeeded, and it is time to invest more heavily in its continued success.** Since the 1970's, Indian people have had the highest population growth rate of any group in the U.S., and their population is outgoing the basic infrastructure of the reservations. Schools, law enforcement, transportation, health care, jobs programs, low-income housing, and drinking water and wastewater infrastructure are in desperate need. The President's proposed budget recognizes these needs and proposes increases to programs in all of these areas. NCAI would strongly encourage Congress to support the President's budget in these areas, and in light of these great needs, consider even greater increases.

**Tribal Priority Allocations.** NCAI would go beyond the President's request to strongly encourage Congress to put more funding into the basic Tribal Priority Allocations (TPA) that go to each tribal government for running governmental programs and services. These dollars are the core of the Tribal Self-Determination policy, because they allow tribal governments to set their own priorities for spending on programs and services. The unmet need for programs and services in Indian Country has been measured at 7.4 billion for the BIA and \$15.1 billion for the IHS, this includes \$2.8 billion for TPA, and it is absolutely necessary that Congress begin to address that unmet need.

**Federal funding for tribal governments is also a matter of equity.** Indian people living on reservations pay federal taxes just like every other citizen, but the reservations derive little support from federal funds that go to state governments. Most often, the states refuse to fund services on tribal lands, pointing out the federal responsibility for tribes. As a result, the programs serving the American Indian and Alaska Native population have rarely received the funding required to fulfill even the most basic needs, and funding for Indian programs has lagged far behind the funding of non-Indian programs. Compared to all other sectors of the American populace, American Indians and Alaska Natives most often rank at or near the bottom or top of most social and economic indicators, whichever is worse. Of the more than 500 federally-recognized Indian tribes, a great majority of their populations are characterized by the most severe unemployment, poverty rates, ill-health, poor nutrition and sub-standard housing in the U.S. In an era of federal budget surpluses, there are no excuses for failing to meet the federal obligation to remedy the human tragedy behind the statistics.

**Economic Development Funding.** NCAI is strongly supportive of the New Markets Initiative, and is looking forward to working with Congress in enacting legislation this year. However, we feel that even more targeted economic development funding towards Indian Country is warranted. Every study of Indian reservations points to the barriers to economic development as the fundamental problem. Larger investments in economic development strategies are needed to push Indian Country past this barrier and into a position where economic development becomes the norm, rather than an aberration. Because of its past actions, the United States has an obligation to help rebuild the shattered infrastructures of Indian Nations and create the opportunity for economic prosperity that will benefit not only Indian people, but the entire American economy. It

should also be noted that the conversion of welfare entitlement funds into state discretionary funding has added to the urgency felt throughout Indian Country to boost economic development. We believe there should be a greater emphasis on increasing the number of Empowerment Zones (EZ) in Indian Country. Under the current formulas too few of the EZ will be available for tribal designation.

**Transportation Funding.** NCAI is strongly supportive of ongoing efforts to provide increases in funding for the Indian Reservation Roads (IRR) program this year. As you are well aware, Indian Country has historically received a disproportionately lower share of the Highway Trust Fund. While TEA-21 provided a long-overdue increase in dollars for the Reservations Roads program, the increase did not adequately address the \$ 7.2 billion backlog of need for transportation improvements in Indian Country. The increase to the IRR program was considerably less than increases to other programs. Meanwhile, federal fuel tax receipts have far exceeded expectations, and this year are estimated to be \$ 2.5 - 3.0 billion more than anticipated when TEA-21 was enacted. An increased allocation of for the IRR program would begin to provide Indian tribes with an equitable share of the rising fuel tax receipts and provide many Indian communities with critically-needed transportation improvements to better access jobs, health services, and educational and economic development opportunities.

One of the primary things we will be seeking, along with the rest of Indian Country, is to restore funds lost due to the inadvertent application of the Obligation Limitation to the IRR Program. Prior to TEA-21, IRR program funds were not reduced by the obligation limitation. The application of the obligation limitation to the IRR program has resulted in the loss of over one-third of the total IRR increase intended by Congress to benefit Indian tribes. This inequity can be fixed by an amendment to TEA-21 and we look forward to working with the Committee on this very important issue.

**We caution against the use of appropriations riders to legislate in Indian affairs.** Tribal self-government rights are recognized in the United States Constitution and hundreds of treaties, federal statutes and Supreme Court cases and are deserving of serious consideration by the Congress. If the federal government is to contemplate legislation affecting tribal self-government, the legislation should be considered in the authorizing committees, given opportunity for consultation with the affected tribes, and taken up as stand-alone legislation where Members of Congress can know and understand what they are voting on.

NCAI urges Congress to increase the investment in Indian programs and tribal government infrastructure. We believe that the President's FY2001 budget request has taken a positive step in that direction. The following testimony is an overview that provides NCAI's viewpoint on sections of the budget that are most critical to tribal governments. NCAI would like to express its appreciation for information and funding recommendations by our member tribes (see attached resolutions) and from regional and national Indian organization, including the National Indian Education Association, the National Indian

Health Board, the National American Indian Housing Council, the National Indian Council on Aging, the National Tribal Environmental Council, the Native American Rights Fund, the Northwest Portland Area Indian Health Board, the California Indian Manpower Consortium, the Indian and Native American Employment and Training Coalition, and the Inter-Tribal Agriculture Council.

## II. Background Information

When comparing trends between FY1975 - FY1999 for the total BIA budget and the federal non-defense budget as a whole, federal spending as a whole increased at a rate of \$41 billion a year, with an average level of \$669.8 billion, while when corrected for inflation, the BIA budget actually declined by \$10 million a year, on an average spending level of \$1.7 billion. Throughout the entire FY1975-FY1999 period, per capita spending on the U.S. population as a whole consistently increased, whereas per capita spending on Indians through major Indian-related programs began to fall after FY1979.

Furthermore, in FY1996, federal funding for Indian programs fell short 13 percent or \$581 million from the President's budget request for that fiscal year. This was mostly seen in dramatic cuts in funding for the BIA (\$322 million less), Department of Housing and Urban Development (HUD) New Indian Housing (\$134 million less), and the Indian Health Service (IHS) (\$80 million less). In FY1997, funding for these programs fell short 4.1 percent or \$175 million below the President's request. And in FY1998, there was a 1.2 percent or \$52 million shortfall from what the President requested. In FY1999, this unfortunate trend continued with a \$100 million shortfall.<sup>1</sup> Mr. Chairman, in a year when the U.S. economy is booming and the federal government is expecting over seventy billion dollars in surplus funds, the federal government should not be cutting funds to American Indians, this nation's poorest people.

As Congress begins the appropriations process for FY2000, NCAI aggressively seeks support from the Committee in reversing the decline in funding for federal Indian programs that we have experienced since FY1996. In general, we feel the President's FY2001 budget moves Indian Country in this direction.

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<sup>1</sup> See generally "Indian-Related Federal Spending Trends, FY1975-1999", Congressional Research Service (CRS), February 1998.

### III. The President's FY2001 Budget Request

#### A. DEPARTMENT OF INTERIOR

##### 1. Bureau of Indian Affairs

##### a. FY2001 Funding

The President's FY2001 budget calls for \$2.2 billion to be allocated to the BIA, an increase of \$332 million over the FY2000 enacted level. The budget contains a request of \$1.8 billion for the Operation of Indian Programs (OIP), a increase of \$155 million over the FY2000 enacted level. The request of \$761 million for Tribal Priority Allocations (TPA) is a \$60.5 million increase over FY2000. Despite the importance of these increases to the tribes and the apparent commitment to tribal self-sufficiency, self-determination and self-governance shown by the Administration in its budget request, they still fall short of providing adequate funding for critically needed tribal programs. Historically, federal Indian policy has been governed by the solemn commitment made to Indian tribes in treaties, statutes, executive orders, judicial decisions and the general course of the tribes' dealings with the United States. Clearly, the current proposed FY2001 President's budget request of \$2.2 billion represents a growing disparity between Indian and non-Indian citizens. Indian tribes are challenged by the same problems the rest of the world faces: increasing difficulty in sustaining cultural and traditional ways and quality of life on a deteriorating resource base. However, these challenges to Indian Country are heightened to a much greater degree since most Indian tribes are dependent on the federal government to provide funding for critical programs, social and cultural services, education, natural resources/environmental and community development.

According to the Tribal Working Committee on Policy and Appropriations, comprised of 24 tribal leaders - 2 from each of the 12 BIA regions, the proposed FY2001 "needs-based" budget request is \$7.4 billion for the BIA. In preparing the needs-based budget projections, BIA and tribal representatives provided the following funding recommendations to address the unmet need in Indian Country:

- > \$2.8 billion for TPA
- > \$1.5 billion for Jobs and Training
- > \$0.5 billion for Land, Water and Air
- > \$0.3 billion for Trust and Natural Resources
- > \$2.3 billion for Special Request and other New Funding

Although the Administration's budget request for FY2001 includes a \$60.5 million increase in TPA over FY2001, this increase is inadequate to meet the vital needs of tribal governments and falls significantly short of the need-based budget projection. TPA budget activity includes the majority of funds used to support on-going services at the local tribal level, including such programs as: housing, law enforcement, child



welfare, education, natural resources management and other tribal government services. TPA gives tribes the flexibility to prioritize funds among these programs according to their unique needs and circumstances.

Over the past two decades, TPA has not received the required funding to allow tribes to exercise self-determination and self-governance. Further, in FY1995, TPA was drastically cut and critical tribal programs and services were severely impacted. The small increases to TPA over the past few years have not been adequate to keep pace with inflation. As a result, tribal governments have increasingly fallen behind in their ability to provide services in their communities. These budget reductions clearly undermine the successes tribal governments have achieved.

Mr. Chairman, at the very least, the President's FY2001 requested TPA increase of \$60.5 million must be supported by Congress. The enormous tribal program responsibilities associated with this budgetary category include the direct tribal operation of programs. Although the President's requested funding level for this budgetary category will help tribes address these needs, Congress is urged to consider the tribal needs-based budget projection and increase the TPA budget category well beyond its current enacted level.

Also of concern within the BIA is the issue of contract support costs. The President's FY2001 budget request for contract support costs includes a very modest increase of \$3.5 million to address the Bureau's continuing contract support cost shortfall, plus \$5 million for the Indian Self-Determination Fund to address the contract support cost needs of tribes taking on new BIA programs. This continual shortfall penalizes tribes which elect to operate BIA programs under the Self-Determination Policy.

Another major area of concern is BIA construction funding. The President's FY2001 budget request of \$366 million request, an substantial increase of \$168.5 million, must be supported by Congress. As this Committee is well aware, most of the schools, health facilities, courts, police and fire departments in Indian Country are in desperate need of repair and/or replacement.

The Administration and Congress' attempts to empower tribal governments to assume more management responsibilities over tribal program and service operations, create tribal jobs and develop sustainable economies that lead Indian Country into greater self-sufficiency are very commendable goals, and ones that are clearly shared by tribal governments. However, without adequate federal appropriations these objectives will not be achieved. Increased funding for programs and services under the BIA budget must be provided to ensure that the basic needs of this nation's first citizens are adequately met and our collective goals for a stronger economic base in Indian Country are fully realized.

**b. Economic Development**

Pursuant to the Indian Financing Act of 1974 as amended, the Office of Indian Economic Development administers the guaranteed loans, direct loans, and grants programs within the BIA. However, since 1996 funding for the direct loan and grant programs has ceased, the guaranteed loan program is the sole economic funding source within the Office of Indian Economic Development. The elimination of this funding has created gaps in the services that are provided to Indian tribes to develop economic opportunities on Indian reservations.

In the President's FY2001 proposed budget, there is an increase within the Indian Guarantee Loan Program of \$1 million over last years budget of \$5 million, making this years total request \$6 million. Additionally, there is a first time request of \$2 million for technical assistance under community development non-recurring programs. NCAI supports this request and believes that it will assist in building economic self-determination in Indian communities while removing barriers to funding in Indian Country. However, Indian Country still fails to benefit during this country's economic boom and assistance is greatly needed to bring sustainable economic development onto Indian reservations. As requested by NCAI's membership through NCAI Resolution #PSC-99-028, NCAI requests that Congress appropriate \$10 million specifically for funding the BIA Office of Indian Economic Development. The purpose of this funding is to provide training and technical assistance for the development and expansion of reservation businesses. NCAI further requests that Congress provide funding for the purpose of re-establishing the direct loan and grant programs within the Office of Indian Economic Development.

### **c. Indian Education**

NCAI applauds the Administration for its ongoing investment in Indian education and its commitment to "instilling hope" to Indian students by seeking to provide better educational resources in this year's budget. President Clinton has proposed a total investment of \$506.6 million for BIA school operations, an increase of \$39.6 million over FY2000. This increase allows the BIA to educate approximately 12 percent of the American Indian K-12 population and will cover additional costs for teachers, transportation, and operations resulting from the growing student population in Indian Country. Of the \$1.75 billion request for the hiring of 100,000 new teachers as part of the Class Size Reduction program in the Department of Education, the President proposes to provide \$6 million to BIA-funded schools. The Administration has also furthered its recognition of the federal government responsibility by seeking additional funding for safe and adequately equipped BIA schools.

Recognizing that BIA school systems have been the victim of neglect for many years, the President is seeking \$300.5 million for BIA education construction, a profound increase of \$167.3 million over FY2000, the largest request ever to build schools in Indian Country. From this total, \$126 million will be used to replace six schools on Indian reservations which are considered a threat to student safety and not equipped to provide Indian students with modern educational tools enjoyed by other students in

America.

The President has also requested an increase of \$103.4 million for the repair and improvement of BIA school facilities. Over 50,000 Indian students are currently learning in facilities that present serious health and safety threats. This increase will assist in the replacement and repair of some of the 185 BIA-funded schools on reservations. Tribes or tribal consortia may use up to \$30 million of the BIA school construction funds in issuing school modernization bonds by using these funds to ensure principal repayment for tribal issuers.

NCAI commends the Administration for honoring the federal governments responsibility in providing a quality educational system to American Indian and Alaska Native students attending BIA-funded schools. While NCAI is pleased with additional funding for safe and adequately equipped BIA schools, support is also needed for the following BIA Indian education programs.

Tribal Priority Allocations (TPA):

1. Adult Education. Year after year, this program unfortunately remains one of the most underfunded Indian education programs by the federal government. For FY2001, the Administration proposes \$2.46 million for Adult Education, a decrease of \$133,000 over the FY2000 enacted level. The real need requires \$5 million to adequately fund tribally-based adult education programs. The BIA estimates that in 1998, approximately 15,000 Indian adults who did not finish high school, participated in the program in order to obtain their General Educational Development (GED) degree.

2. Johnson-O'Malley (JOM) Program. The FY2001 request is \$17 million, a decrease of \$352,000 over the FY2000 enacted level. The funding need for this program should not be less than \$25 million in order to provide supplemental educational services for 272,000 American Indian students in 23 states. Moreover, in FY1995, Congress established the JOM program base-funding by calculating the Native American student count and multiplying it by \$85.11 per student and since FY1995, the funding amount per student and student count have been frozen. Per NCAI Resolution #99-103, the immediate release of JOM frozen funding is requested.

3. Scholarships. The FY2001 request of \$30.7 million for undergraduate scholarships for American Indians is an increase of \$2.24 million over the FY2000 enacted level. Since FY1996, this program has been increased only by \$2 million and has not provided for the increase in the number of Indian students wishing to enter college, or the increase in college tuition costs which are out pacing inflation. The proposed FY2001 funding would greatly help meet the needs of Indian students pursuing post-secondary education, especially when critically-needed programs are cut or eliminated such as the Department of Education's Office of Indian Education Fellowship Program.

Other Education Programs:

1. **Indian School Equalization Program (ISEP) Formula.** The President's FY2001 request is \$333.3 million for this program, an increase of \$16.8 million over the FY2000 enacted level. The requested amount would provide a little more than \$3,199 per Weighted Student Unit (WSU) compared to \$3,125 per WSU in school year 1997-98. NCAI supports a funding level of \$3,500 per WSU and requests an funding increase to meet this level.
2. **Student Transportation.** The FY2001 request for student transportation is \$38.2 million, a \$2.2 million increase over FY2000. In FY1997-98 the BIA-funded transportation cost was \$1.98 per mile with 15,197 miles (School Year 1996-1997) driven for day and boarding schools. According to the latest School Bus Fleet information, the national average for student transportation costs in school year 1993-94 was \$2.94 per mile for public schools. Therefore, the BIA-funded schools, which are located primarily in rural, isolated areas, are at least \$.96 below the national per mile average.
3. **Tribal Departments of Education.** The Improving America's Schools Act (Pub. L. 103-382) authorizes funding to assist tribes in planning and developing their own centralized tribal administrative entities. Unfortunately, the FY2001 budget request, as in years past, does not include any funding for this program. NCAI recommends at least \$3 million for tribal departments of education to accomplish the original intent of the 1994 Act. This level of funding would be appropriate, given the recent trend to convert more and more schools from BIA to tribal control.
4. **Tribal Colleges/Post Secondary Schools.** The President's FY2001 request for Tribally-Controlled Community Colleges is \$38.2 million, a \$2.9 million increase over FY2000. NCAI continues to supports \$40 million for this program.
5. **Post Secondary Schools.** The FY2001 request is \$14.3 million, an increase of \$300,000 over the FY2000 enacted level. The request includes funding for Southwestern Indian Polytechnic Institute (SIPI) and Haskell Indian Nations University. NCAI requests that the amount for Haskell be increased to \$10 million since it is the only national institution dedicated solely to the post secondary needs of Indian students.
6. **Special Higher Education Scholarships.** The FY2001 request is \$1.33 million, the same level provided in FY2000. The amount of funding to this program was reduced in FY1993 from \$2.6 million to \$1.33 million. At the same time, the American Indian graduation rates from 1993 to 1999 have more than doubled, thus more than twice the number of eligible American Indians and Alaska Native graduate and professional student have applied for financial assistance. Per NCAI Resolution #99-046, an increased funding level of \$5.6 million is needed to support the financial need of over 700 Indian student seeking higher education per year.

**d. Public Safety and Justice**

Of critical importance to Indian Country is adequate funding for public safety programs. As this Committee is well aware, tribal governments are in desperate need of sufficient resources to help reduce the increasing rate of crimes within their communities, to provide fire protection, and to provide immediate response in cases of emergency or disaster. In FY2000, Congress provided important funding to the BIA to begin addressing the law enforcement needs of Indian Country. In FY2001, the President is requesting an \$18.9 million increase for the continuation of this "multi-year" Presidential Initiative, resulting in a total of \$156.6 million for BIA Law Enforcement. Along with the increase in BIA funding for Indian Country law enforcement, the President has also requested \$173 million to the Department of Justice for law enforcement on reservations. NCAI supports these funding requests, because it will further the ongoing efforts to enhance law enforcement and judicial functions in tribal communities.

While Indian Country has enjoyed the recent attention resulting from the drastic short falls in funding for law enforcement, NCAI is also concerned with the current funding levels regarding fire protection and emergency services. Under the Community Fire Protection program, funding has steadily decreased over the past few years. In FY1999, the program was funded at \$1.47 million which was subsequently decreased to \$1.38 million in FY2000. For FY2001, the President has requested a further decrease in funding to \$1.36 million. With so much attention being paid to the needs of tribes with regard to law enforcement, NCAI seeks support from this Committee in addressing the shortage of critical public safety funding in Indian Country.

**e. General Assistance Program**

The FY1996 Interior Appropriations Bill included language which capped BIA General Assistance (GA) program expenditures. Such inadequate and limited appropriations have forced BIA and tribal social service programs to cut caseloads, leaving many potential recipients unserved. The enactment of the Welfare Reform law (Pub. L. 104-193) further stunted the GA program. As urban tribal members exhaust benefit time limits in Temporary Assistance for Needy Families (TANF) programs, many of these Indian families will have to return home to their reservation and their family support network. These families will likely seek support from the GA program.

Since the inception of welfare reform, NCAI and other tribal advocates have been warning about the future increase in GA caseload. Because the caseload increase is dependent on TANF time limits, which vary by state, the GA caseload will not rise uniformly in all areas. This time lag may be the most deceptive aspect of the GA caseload increase. Nineteen states hit their first TANF work requirement late in 1999. It will take time for these TANF participants to be terminated and to turn to GA for assistance. As such, it is only within the next fiscal year that GA caseloads will begin to increase. NCAI believes that now is the time to increase funding for the GA programs as it will be strained with increased caseloads in the upcoming year. Unfortunately, rather than increasing funding for the GA program, the President's FY2001 budget requests \$93.2 million, a decrease of \$20 million from the FY2000 enacted level.

With this substantial funding decrease, the GA program will not be able to serve eligible tribal members in desperate need of support, let alone accommodate any new recipients. This level of funding effectively prohibits tribal governments from providing assistance to tribal members without any other means of support. Tribal communities already manage scarce resources and stretch those as far as possible. Further reductions in program funding serve to undermine the Congress' intent of the GA program and seriously threaten the quality of life in tribal communities.

Per NCAI Resolution #PSC-99-022, the funding that the GA program currently receives is not adequate to meet the need of those tribal members reliant on the program. As a result, tribes must often use funds intended for important tribal government functions and programs in order to meet the basic needs of their people. NCAI urges this Committee to seek an increase the President's FY2001 GA program budget request by a minimum of \$20 million, restoring GA to its FY2000 funding level. Although this level of funding would not provide greater assistance for tribal members, it would at least allow tribes to maintain the safety net program as it currently exists.

**f. Housing Improvement Program**

The Housing Improvement Program (HIP) is a safety net program that is targeted to very low-income families who do not meet Department of Health and Urban Development (HUD) minimum income guidelines. This program serves the "neediest of the needy" Indian families for whom no other assistance is available. The President's FY2001 request of \$32 million for HIP doubles the FY2000 enacted level of \$16 million. NCAI strongly supports this proposed increase to HIP as it is currently grossly underfunded and one of Indian Country's desperately needed programs. With this potential increase, we urge this Committee to ensure that BIA consult with tribal governments on the funding distribution methodology for the HIP program. Although NCAI welcomes the proposed increase, the most current data identifies a need of approximately \$435 million for an estimated 30,000 eligible American Indian and Alaska Native families for the repair or replacement of their dilapidated homes in tribal communities.

**g. National Academy of Public Administration**

In August of 1999, the National Academy of Public Administration conducted a management and administration study of the of the BIA. As a result, recommendations were made to reform the BIA. In the FY2000 Interior Appropriations Act, \$5 million was appropriated to begin implementing these reforms. To continue the reorganization efforts, the President's FY2001 budget proposes an additional \$4 million. In an effort to better serve Indian Country, NCAI support movements to reform the BIA. Tribal leaders in their own efforts to reform the BIA have also formulated recommendations. NCAI strongly advocates that these recommendations be considered in the reformulation of the BIA.

#### **h. Trust Fund Management**

The Office of Special Trustee for American Indians (OSTAI), oversees and coordinates trust asset reform and has operating responsibility for financial trust service functions for the BIA. To ensure that trust management reform is accomplished, the President's proposed FY2001 budget request \$82.6 million for the OSTAI. Over \$58 million of this proposal targets OSTAI program operations for trust management reforms.

In conjunction with the OSTAI, the President's proposed budget includes \$108 million for Trust Management Reform within the BIA, a 48 percent increase over the FY2000 enacted level. The requested FY2001 amount is intended to ensure that the OSTAI trust management funded improvements are maintained. Out of the FY2001 BIA's proposed budget, \$12 million will be allocated to strengthen real estate services, \$3 million for additional staff for BIA probate functions, \$5.3 million to perform cadastral surveys, and \$4.8 million for the land titles and records programs. All of these increases will support the overall reform of the trust management services within both the OSTAI and the BIA.

NCAI supports this level of funding but has significant concerns regarding the Trust Asset and Account Management System (TAAMS). The clear need to overhaul of the BIA trust management system has been continually proven, but TAAMS has yet to be verified as a working system. The Department of Interior stated that system verification by an independent verification service would be completed in late August. It is now February of 2000 and there is yet to be any verification that the TAAMS system actually works. Overall, NCAI supports these funding levels to help the BIA and the OSTAI improve the Secretary's management of these accounts and to meet the goal of correcting a 70-year-old Indian trust fund mismanagement problem. Nevertheless, there continues to be concern that the requested money will be used to fund a system that has not been proven to work. NCAI is aware of your intention to introduce legislation to correct the ongoing trust management, and we look forward to working with you and the Committee during this process.

The President has nominated Mr. Thomas N. Slonaker to serve as Special Trustee for American Indians at the Department of Interior. NCAI supports the President's attempt to fill the Special Trustee position that has been vacant for approximately one year, and looks forward to working with the Special Trustee to correct the trust fund management problem.

The President's FY2001 budget also requests \$12.5 million for the OSTAI to continue the Indian Land Consolidation project. This request includes an increase of \$7.5 million over the \$5 million FY2000 enacted level. NCAI supports the voluntary consolidation of fractionated land interest for the benefit of both its owners and the tribes.

NCAI strongly encourages Congress and the Trustee to work collectively with tribes to end these mismanagement practices and begin reconciling outstanding accounts. NCAI urges Congress and the Administration to stay committed, as tribes are, to achieving

these goals.

**i. Indian Reservation Roads**

Sufficient funding for the Indian Reservation Road (IRR) program, which funds the construction and maintenance of public roads that provide access to and within Indian reservations, Indian trust lands, restricted Indian land and Alaska Native villages, is of critical importance to Indian Country. Road maintenance is currently funded through the Department of the Interior, and the need to adequately maintain BIA-owned roads is estimated by the Bureau to be \$100 million annually. For FY2001, the President requests \$31.7 million for the IRR program, an increase of \$5 million over the FY2000 enacted level.

Currently, the BIA receives approximately \$26 million per year for road maintenance which represents about \$500 per mile and in some cases as little as \$80 per mile for Indian roads maintenance. In comparison, an average of \$2,200 is spent on maintaining other federal roads, and an average of between \$3,000 and \$5,000 per mile is spent by states. As a result of insufficient funding, many roads in Indian communities are not sufficiently maintained and have to be shut down during the winter or become impassable during other times throughout the year. The deteriorating road systems negatively affect the health and economic viability of all tribal communities.

**2. Indian Health Service**

**a. FY2001 Funding**

According to the National Indian Health Board (NIHB), the FY2000 Indian Health Service (IHS) expenditure will provide less than 43 percent of the per capita expenditure for the civilian U.S. population. This is based on an IHS per capita expenditure of \$1,400 per client, compared to the U.S. civilian resident per capita expenditure of \$3,200. In order to address such glaring inequities, NCAI, along with the NIHB, and the Tribal Self-Governance Advisory Committee (TSGAC), have worked collectively to ensure that the federal government upholds the President's Executive Order #13084, titled "Consultation and Coordination with Tribal Governments", which requires federal agencies to consult with tribal governments on the annual budget.

Throughout 1999, IHS engaged tribal governments in the development of its FY2001 budget. At that time, there was agreement by NIHB, the TSGAC, and the National Council on Urban Indian Health (NCUIH) that the FY2001 IHS Budget should be \$15.1 billion, but no less than \$3.2 billion in order to adequately address the health care needs of American Indians and Alaska Natives. Included as a priority is an appropriation of at least \$423 million for Contract Support Costs (CSC), which is critically needed to ensure that tribal governments are successful in fulfilling the goals of Indian self-determination and self-governance. Per NCAI Resolution #VAN-99-050, it is unanimously agreed that a budget of no less than \$3.2 billion in FY2001 for IHS, is necessary, as the first increment, to reaching the needs-based funding level of \$15.1



billion.

The President's IHS request of \$3.1 billion is an increase of \$229 million over the FY2000 level. This includes \$2.27 billion for IHS Services and \$349 million for IHS Facilities. However, the President's FY2001 total also includes an estimated \$405 million in Medicare, Medicaid, and private health insurance collections, making an adjusted request of approximately \$2.7 billion. Of this total, the Health Services program would receive a \$195 million increase, and a \$34 million increase would go to the Health Facilities program. Though an improvement over last year, the actual total request of nearly \$2.7 billion falls significantly short of the \$3.2 billion required for the IHS to provide and sustain clinical and preventive services to save the lives of Indian people.

While the FY2001 budget request for IHS provides the largest single-year increase since FY1992, and, according to IHS, is perhaps the most strongly supported proposal in the Agency's history, NCAI requests the support of this Committee in seeking the additional \$600 million to reach the \$3.2 billion total needed for this first increment in reaching the overall health care needs of Indian Country. In real terms, these funding increases will result in thousands of American Indian and Alaska Native people having access to better and more increased health care services including hospital admissions, outpatient visits, dental services, mental health and social services, public health nursing home visits, and community health representative visits.

**b. Contract Support Costs, Mandatory Costs, and Contract Health Services**

The FY2001 budget request of \$269 million for Contact Support Costs (CSC) also falls short of the tribally recommended funding level. While the IHS claims that contractors will receive approximately 44 percent of the IHS's total budget, it stills remains far short of the \$423 million for CSC recommended by tribes. Furthermore, the proposed budget includes language that may result in existing contractors and compactors receiving no increases to compensate for resources lost to inflation.

According to the Northwest Area Indian Health Board, instead of funding mandatory costs at no less than \$160 million, the President's proposed budget provides only \$60.7 million for pay costs. Although these pay costs will be distributed among tribes and IHS programs, it is obvious that pay costs are not provided for in all tribal programs. The Alcohol and Substance abuse line item, for example, has only \$829,000 in pay costs funded for a nearly \$100 million program.

With regard to Contract Health Services, Contract Care has lost \$245 million in unfunded inflationary cost increases and increased costs due to population growth since FY1992. The Catastrophic Health Emergency Fund request of \$12 million for FY2000, for example, was less than the amount for FY1992. As a result, Indian health programs risk financial exposure during the last quarter of each fiscal year, jeopardizing their very existence.

**c. Urban Indian Health**

Mr. Chairman, according to the 1990 Census, there are approximately 1.2 million American Indians and Alaska Natives living in urban areas. Many native people have moved to an urban environment with the intent of improving their lives. They leave their native community, which has provided health care, housing and cultural support, only to find an urban environment with high crime rates, crowded and poor housing, inaccessible and sometimes resistive state programs, pollution, and other unfamiliar circumstances. Under Title V of the American Indian Health Care Improvement Act, the federal government is authorized to establish "programs in urban centers to make health services more accessible to urban Indians."

These urban programs have assisted eligible tribal members and their descendants in accessing health care critically needed in urban areas. According to the National Council of Urban Indian Health (NCUIH), there are currently 34 urban Indian health programs located throughout the 48 contiguous states. The majority of this service population currently lives below the poverty level. When viewed as a public health indicator, the NCUIH finds that "the urban environment contributes to and exasperates family dysfunction, poor health maintenance, behavioral health problems, cultural isolation, and reduces their ability to contribute to family and community." The President's FY2001 budget proposal includes \$31 million, an increase of \$3 million, for the Urban Health program, or 11 percent over FY2000. According to the IHS, an additional \$6 million is requested to bring more health professionals into the Agency and for additional increased pay costs.

Mr. Chairman, while approximately half the total population of American Indians and Alaska Natives live off their reservations and villages, urban programs currently receive only about 1 percent of the IHS Service funds. NCAI supports the NCUIH in its efforts to improve this disparity and in addressing the critical needs of today's Native urban populations.

**d. Elevation of the IHS Director**

The position of the Director of IHS in the Administration is also of critical importance to NCAI. For nearly two years, NCAI has urged Congress to elevate the IHS Director position to that of Assistant Secretary within the Department of Health and Human Services (DHHS). Currently, the IHS Director, the top administrative official charged with carrying out the federal responsibility for Indian health, does not report directly to the DHHS Secretary. NCAI, along with tribal leaders and tribal health care professionals, believes that in order for the IHS to operate efficiently and effectively the head of the IHS must be elevated to the level of Assistant Secretary. NCAI thanks this Committee for supporting this effort and look forward to the passage of this legislation before the end of the 106<sup>th</sup> Congress.

**3. Institute of American Indian Art**

For nearly forty years, the Institute of American Indian Art (IAIA) has been a national fine arts college devoted solely to the teachings and preservation of American Indian and Alaska Native arts and culture. The IAIA has educated over 4,000 American Indian and Alaska Native students since its inception in 1962. Since Congress termination last year of federal funding for IAIA, with many tribal leaders have voiced opposition to this efforts. They continue to believe that such a move is truly hurting Indian Country's efforts to preserve a significant part of its cultural identity.

NCAI is strongly committed to the enrichment and preservation of American Indian and Alaska Native cultures and art and the continuance of the IAIA. The Board of Trustees of IAIA have asked for the advice and assistance of NCAI and tribal leaders as it works to ensure the future of the IAIA. Per NCAI Resolution #PSC-99-098, NCAI strongly urges Congress to keep the IAIA in the federal budget. Under FY2001, continued funding for the IAIA should be in the amount of \$4.25 million for core operations and \$2 million for construction with a 100 percent matching provision. Mr. Chairman, as an artist, we know you have a personal commitment to American Indian and Alaska Native art and culture. We seek this Committee's support in seeking funding for this very important educational institution.

#### **4. National Park Service**

In November 1990, the Native American Graves Protection and Repatriation Act (NAGPRA) (Pub. L. 101-601) was passed by Congress and signed into law by the President. As you know, Congress' intent in enacting NAGPRA was to ensure that Native American human remains and sacred objects retained by the federal, state, and local governments, universities, and the museum community are returned to the appropriate tribes and/or descendants. The law also ensures that burial sites on tribal and federal lands are properly protected. Since the passage of NAGPRA, activities under the law have intensified in a number of areas, including the completion of summaries and inventories of human remains and objects, as well as a variety of successful repatriations. However, while the process is moving forward, many tribes are still finding themselves with very little resources and limited staff available to complete the work necessary to fulfill the mandates of the law. Meanwhile, government agencies, museums, and universities, in many cases, have the available resources and staff available to implement the law's requirements.

Under Section 10 of NAGPRA, the Secretary of the Interior is authorized to provide grant funds to Indian tribes, Alaska Native villages and corporations, and Native Hawaiian organizations to assist them in the repatriation of human remains and cultural items. Museums are also eligible to receive grants under this section. Most funded proposals emphasize collaboration: tribes working with tribes; tribes working with museums; and museums working with other museums. The funds are usually divided

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<sup>2</sup> NCAI and the Museum community have continuously pointed out this need when providing

equally between tribes and museums, but have proven to be inadequate. Despite a continual tribal request since FY1994 for NAGPRA related grants of \$10 million<sup>2</sup>, to date, the Administration has requested and Congress has appropriated only a fraction of that amount - \$2.4 million annually.

Under the FY2001 proposed budget, the Administration provides an increase of \$400,000 to the NAGPRA program, bringing the total to \$2.8 million. While this increase is one of the most substantial single year increases in the history of the program, it is far below the projected amount necessary to successfully comply with the provisions of the Act and well below the \$10 million level. Mr. Chairman, the protection and return of our ancestors and their sacred objects is of vital concern to our member tribes. In order to be equal partners in the NAGPRA process, tribal governments must be provided with sufficient funding, a request which NCAI has repeatedly conveyed to this Committee.

Another law of critical importance to tribes is the National Historic Preservation Act (NHPA) (Pub. L. 89-665). The NHPA provides one of the few legal options available for tribes to protect sites of historic and cultural significance. In 1992, NHPA was amended to authorize tribal governments to assume the responsibilities of State Historic Preservation Offices (SHPO's). The 1992 amendments also include important provisions that apply to federal actions that would affect cultural and sacred sites outside reservation boundaries. Not only does this language underscore current policy, including the President's Executive Order on Sacred Sites (No. 13007), but more importantly, the 1992 amendments added a requirement that the federal agencies notify tribal governments and invite them to participate in Section 106 consultation if a proposed federal action might affect a National Register site that has cultural or historic importance to the tribe.

The NHPA authorizes tribes to assume responsibilities like those performed by SHPO's for lands within reservation boundaries and also authorizes the National Park Service (NPS) to provide financial assistance to tribes that have assumed SHPO responsibilities. Currently, there are 20 tribes which have signed agreements with the National Park Service regarding assumption of SHPO duties since the drafting of agreements began four years ago. By assuming these responsibilities and receiving federal financial support for performing those functions, tribes can establish programs to interact with federal and state agencies to assert tribal interests in historic preservation and related matters. This has also eased the burden on many federal and state agencies, and has also opened the door for many tribes to have direct control over the protection and preservation of sites that are important to the community. The amount of funds appropriated for tribal preservation programs has increased modestly in recent years, about \$3 million under the FY2001 proposed budget, but that amount of

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testimony to the Senate Committee on Indian Affairs and both the House and Senate Interior Appropriations Subcommittees.

funding has not kept pace with the number of tribes that have taken over SHPO responsibilities, and is far short of the \$5 million to \$10 million annual level recommended in a 1990 report to Congress by the National Park Service.

The NPS tribal grant program represents a small part of the Historic Preservation Fund, the line item through which the National Park Service provides funding to tribes and to state historic preservation offices. The participation of tribal governments as full partners in our national historic preservation program would benefit the larger American society in a variety of ways, including helping Indian and non-Indian people learn about tribal perspectives on American history and the ways in which tribal cultures are rooted in the land. In order to preserve the vast history and cultural traditions of our people, and pursuant to NCAI Resolutions #PSC-99-056 and #PSC-99-017, NCAI calls upon Congress to fulfill its duties to Indian people and appropriate additional funding to assist tribal historic preservation programs and support funding of Tribal Historic Preservation Offices at the same level as State Historic Preservation Offices.

## **B. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

The President's FY2001 budget request of \$650 million for the Indian Housing Block Grant program reflects a \$30 million increase over FY2000. This request falls short of the \$985 million in base funding determined by the National American Indian Housing Council (NAIHC) as a minimum to begin addressing the housing shortage in American Indian communities. Per NCAI Resolutions #VAN-99-022 and #PSC-99-060, NCAI supports the NAIHC proposed request and urges Congress to address the real housing need in Indian Country by appropriating \$985 million in FY2001 for the Indian Housing Block Grant program. Adequate Indian housing funding is critical since 40 percent of Indian reservation housing currently is considered substandard; this is in stark contrast to the national substandard housing rate of 5.9 percent. This disparity translates to an inadequate housing ratio of over 6:1.

The Department of Housing and Urban Development (HUD) has a variety of other initiatives which will benefit tribes greatly. The Indian Housing Block Grant program will allow tribes or tribally-designated housing entities to provide housing or housing assistance for qualified law enforcement officers. Indian families are also eligible for the 10,000 new rental housing vouchers to help low-income working families through the Administration's proposed \$690 million initiative. Additionally, the budget proposes to set aside \$5 million of the Community Development Block Grant program for competitive grants to tribal colleges to assist their communities with neighborhood revitalization, housing, and economic development. A proposed \$2 million will allow HUD to establish a Native American Economic Development Access Center, which will link all 12 agencies through a toll-free number that Native American callers can use to receive information about federal programs for economic development. Additionally, the budget proposes a \$5 million set aside within the Indian Housing Block Grant to create a non-profit homeownership intermediary. This homeownership intermediary will serve as a catalyst for the creation of private homeownership in Indian Country and will support the "one-stop mortgage centers". Finally, HUD programs will also benefit tribal

governments through the proposed expansion of the Empowerment Zone initiatives. NCAI strongly supports the funding of these much-needed programs and believes that they will help in addressing the housing shortage in Indian Country.

Recently, Senator Christopher Bond, Chairman of the HUD Appropriations Subcommittee, has threatened to block government funding of American Indian smoke shops in an effort to curb teen smoking. NCAI is extremely alarmed by this threat and would request that this Committee support the continuation of HUD funding for smoke shops under the Indian Community Development Block Grant program.

### **C. DEPARTMENT OF JUSTICE**

Pursuant to the federal trust responsibility, the United States has an obligation to maintain public safety and criminal justice in Indian Country by supporting tribal law enforcement and justice systems. According to the Department of Justice (DOJ), American Indians are the victims of violent crimes at more than twice the rate of all other citizens. In his FY2001 budget proposal, the President makes a major commitment to improve law enforcement in Indian Country by requesting \$173 million to fund the "multi-year" joint DOJ and Department of Interior (DOI) initiative to fight crime and bolster judicial systems in Indian Country. The \$81.8 million in new and redirected DOJ funding and the \$18.8 million in additional DOI law enforcement funding will go far in addressing the current public safety crisis on tribal lands. NCAI fully endorses the Administration's commitment to increasing the number of police officers and improving the quality of detention facilities in Indian Country. It supports anti-crime grants to Indian governments and the following FY2001 funding requests:

1. In the U.S. Attorneys Office, \$4.6 million and 60 positions in additional resources will support an initiative to augment current investigative and prosecutorial efforts in Indian Country.
2. In the Office of Justice Programs, NCAI also welcomes the \$10 million in Drug Testing and Intervention Program funds for grants to tribal governments. This funding will help tribes develop and implement comprehensive systems to combat alcohol and substance abuse in Indian Country.
3. \$15 million in Tribal Courts Program funds will help assist tribal governments in the development, enhancement, and continuing operation of tribal juvenile justice systems.
4. \$20 million in Title V Grants for Local Delinquency Prevention will serve Indian youth by developing, enhancing, and supporting tribal juvenile justice systems.
5. \$34 million in State Correctional Facilities Grant Program funds will help to construct or expand adult and juvenile correctional facilities and jails in Indian Country.
6. \$2 million will provide for important tribal criminal statistics collection.

7. \$5 million in Police Corps Program funding will provide advanced educational opportunities for police in Indian Country.

8. In the Community Oriented Policing Service (COPS), \$45 million in COPS Public Safety and Community Policing Grants Program funding will be for additional law enforcement officers, equipment, and training.

Mr. Chairman, the Office of Tribal Justice (OTJ) and the Office of Justice Programs both serve Indian Country in many ways, most notably, through the multitude of grant programs that have recently been extended to tribal governments. These grant programs cover areas such as Corrections Programs, Drug Courts, Violence Against Women, Domestic Violence, Child Victimization Enforcement, and Juvenile Justice and Delinquency Prevention, just to name a few. Although some discretionary grant programs provide funding for tribal needs, such as the STOP Violence Against Women Discretionary Grant Program's four percent set aside for tribes and tribal organizations, there are many other programs that do not. We seek support from this Committee in obtaining similar direct funding initiatives for all programs that have a significant impact on tribal governments.

Further, we request the Committee to support the President's FY2001 budget request of \$932,000 to make the Office of Tribal Justice (OTJ) a permanent office within the Justice Department. Since 1995, OTJ has had notable success in promoting government-to-government relations and has gained wide acceptance and support throughout the federal government and among tribes. It is critical that OTJ be made an independent component within the Justice Department because it has performs significant and wide-ranging responsibilities in Indian Country.

#### **D. DEPARTMENT OF EDUCATION**

For FY2001, the President's proposed budget request for the Department of Education Office of Indian Education (OIE), is \$116 million which is a 50 percent increase over the FY2000 enacted level. This request will allow the Department's OIE to fund formula grants to Local Education Agencies (LEAs), support the 1998 Executive Order on Indian Education, continue the hiring of new American Indian teachers, and start a new program for American Indian administrators. NCAI fully supports this funding for OIE as it promotes the President's education initiatives. The following are NCAI's recommendations regarding OIE funding by category:

1. Formula Grants to LEAs. For FY2001, \$92.8 million is requested for OIE's formula grant program to public schools, an increase over FY2000 of \$30 million. This will increase the per-pupil average funding from \$134.00 to \$200.00. These funds are provided to BIA supported schools for the improvement of educational achievement of Indian students by allowing for the initiation and expansion of Indian specific programs and services.

2. Supporting Executive Order. NCAI fully endorses the Administration's effort to

support the initiatives under the President's 1998 Executive Order on Indian Education. Within the FY2001 requested budget is a \$20 million request for Special Programs, an increase of \$6.7 million over FY2000 funding. This request includes \$5 million for awards for school readiness demonstrations and educator professional development grants and \$10 million for the continuation of the American Indian Teacher Corps. The American Indian Teacher Corps will focus on the need to increase the number of qualified Indian teachers in the field. NCAI fully supports President Clinton's commitment to recruit and train 1,000 new Indian teachers over a five-year period who will then teach in schools with high concentrations of Indian students. Additionally, The President has requested \$5 million for a new program, the American Indian Administrator Corps. This program will recruit, train, and provide in-service professional development to American Indians to become effective school administrators in schools with a high concentration of Indian students. Lastly, the FY2001 proposed budget requests \$2.7 million, an increase of \$1 million over FY2000 to support a comprehensive Federal research agenda on Indian education.

Of the Nation's more than two million elementary and secondary teachers, less than one percent are American Indian or Alaska Native. The lack of role models has contributed to the disproportionately high drop out rates and low academic achievement rates of Indian students. Overall, the President's commitment to support the 1998 Executive Order will help curb the Indian drop out rates by providing demonstration grants for early childhood and preschool education; additional Indian teachers, preparation of Indians to take positions in school administration, and a mechanism to gather statistics on Indian education. NCAI also supports the OIE's involvement in the Regional Partnership Forums as articulated in the 1998 Executive Order. Their participation in these forums has assisted in bringing Federal, State, and Tribal governments together to discuss and consider ways of providing better educational services to Indian students.

3. Special Programs for Indian Adults. Since 1996, this program has received no funding. NCAI requests that the FY2001 proposed budget reflect \$5 million to be appropriated for this discretionary program devoted to increasing the educational skills of Indian adults.

4. The National Advisory Council on Indian Education (NACIE). Over the past two years, NACIE has been funded at \$50,000 to carry out its congressionally mandated role as a Departmental advisor for Indian Education. Although this funding allows for the two required meetings per year, the fifteen-member presidentially-appointed board has no permanent office and must rely on OIE staff to carry out minimal functions. NCAI is concerned that the Administration's request would neglect the inclusion of one of its own commissions, particularly in its obvious concern for Indian education. Therefore, NCAI requests that \$500,000 be appropriated for NACIE in light of their increased advisory role in the implementation of the Indian Education Executive Order signed by President Clinton in August 1998.



5. OIE Fellowship Program. This program was last funded in FY1996 and represented a broad, non-targeted approach to ensuring Indian students participated in post secondary education. At its peak, the program allowed approximately 150 Indian students annually to attend higher education institutions in fields from education to medical school. Although there have been increases in education funding, the American Indian higher education community has not been as fortunate. Complicating the situation is the fact that funding for higher education scholarships, at both the undergraduate and graduate levels through the Bureau of Indian Affairs and the Indian Health Service, has been cut more than 50 percent since 1996. NCAI recommends that the fellowship program be funded at \$5 million.

Within the President's FY2001 proposed budget for Higher Education, \$40 million has been requested for a new dual degree program. The Dual Degree for Minority-Serving Institutions would provide grants to minority-serving institutions and research universities to enable students at Tribally and Alaska Native controlled, Hispanic, Black, and Native Hawaiian colleges to earn a dual degree. Three years would be spent at the minority-serving college and two years would be spent at a major research university to earn a masters or bachelors degree in a field of which the students racial or ethnic group is under represented. The funds will provide scholarships to bridge the tuition costs between the two schools and compensate the minority-serving institution for revenue losses due to the student accelerated matriculation. NCAI firmly supports this funding level and program to encourage Indian students to enter into areas of study that Indians are under represented.

## **E. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

### **1. Administration for Native Americans**

The FY2001 budget requests \$44 million for ANA, an increase of \$9 million over the FY2000 enacted level. In awarding grants in FY2001, ANA will give special attention to energy development and the creation of tribal codes and ordinances. NCAI urges Congress to support this much-needed increase that will support tribal government infrastructure and increase tribal government capacity to administer programs.

ANA administers its basic grant program in four distinct categories, including: 1) the Social and Economic Development Strategies program (SEDS); 2) an Alaska specific SEDS program primarily geared to governance; 3) an environmental regulatory enhancement program focused on tribal capacity building; and, 4) a native language program to preserve and revitalize native languages. The SEDS program includes a wide range of governance projects allowing for tribal constitution revisions and codes/ordinance development, social projects that are based on maintaining and fostering cultural traditions, and economic development projects covering a wide range of areas.

ANA economic development projects include not only the development of new

enterprises but also the expansion of existing successful businesses. The majority of economic development projects are planning grants for architectural and engineering costs or grants that provide for economic development infrastructure (i.e. codes/ordinances development and creation of enterprise boards).

Through its Native American program assistance, the ANA has moved many tribal and Native programs from dependency on federal services, or operating federally-mandated programs, to developing and implementing their own discrete projects. ANA continues to serve a large and diverse base of Native American communities and organizations, many of which have little in the way of resources and lack sustainable economic development opportunities.

## **2. Administration for Children and Families**

Within the Administration for Children and Families (ACF) lies a host of Agencies, Bureaus and Divisions that regulate social service programs which are critically needed in Indian Country. Unfortunately, access to these programs and services is extremely limited for tribal governments, with tribal resources and consultation measuring only a fraction of what is provided to states and other non-tribal government entities.

### **a. Division of Tribal Services**

The FY2001 request for the ACF Federal Administration line-item is \$165 million, an increase of \$17 million over FY2000. From this total, funding is provided to the Division of Tribal Services (DTS), which was established under the DHHS/ACF to fulfill the requirements of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) (Pub. L. 104-193).

While this is the first time that DTS has been mentioned in the federal budget, the President's FY2001 budget request again fails to provide the Division of Tribal Services (DTS) with its own discretionary program authorization and budgetary line-item. Because of this, the DTS continues to be forced to compete with other agency programs in order to provide services to tribal governments in the areas of Temporary Services for Needy Families (TANF) and Native Employment Works (NEW) programs. The ACF has tried to provide necessary funding to carry out these duties, but without line-item funding authorization for the DTS, the increasing needs of Indian tribes surrounding these social support programs will not be met. NCAI requests the assistance of the Committee to work with DHHS in securing line-item funding for DTS.

Distinct, line-item funding is urgently needed by DTS, which oversees tribal programs that are quickly growing and expanding. The DTS provides programmatic support to 22 tribal TANF programs which directly affect 94 tribes and Alaska Native villages. If the 22 additional pending plans were approved, a total of 44 tribal TANF plans serving 172 tribes will be in operation. Based on current trends and at the increased interest expressed by tribes, it is estimated that by FY2001 approximately 50 percent of all federally-recognized tribes will either administer or be served by a tribal TANF program.

Furthermore, NCAI urges this Committee to work with the Labor, Health and Human Services and Education Subcommittee to seek an immediate authorization of a \$10 million budgetary line-item for the DTS in FY2001. As part of this authorization, NCAI requests Congress to expand the DTS responsibilities beyond just TANF and NEW to include social support related tribal services under the ACF, including child care, child support and enforcement, and child protection services. Creating a more streamlined approach to serving tribal government social support program needs will benefit all parties involved in providing, obtaining and accounting for these services. In last year's oversight hearing on welfare reform's impacts on Indian Country, tribal leaders testified to the need for tribes to develop comprehensive, streamlined programs to serve their tribal members. The inclusion of ACF welfare reform related services under DTS will be the first step in allowing tribes access to a whole range of programs and services in a central agency.

Lastly, because final tribal TANF and NEW regulations have just been published, there is a great need for DTS to provide training and technical assistance to aid tribal governments in taking full advantage of the flexibility in the regulations. This would necessarily entail travel expenses, regional and national conference expenses, and the printing of numerous publications related to the new regulations. NCAI again requests support from this Committee in seeking a DTS line-item, which would allow DTS to develop and justify their budget and set aside funds specifically for these purposes.

**b. Office of Child Support Enforcement**

In the development of tribal Child Support and Enforcement programs, the PRWORA authorizes tribal governments to apply for direct funding over an entire tribally-operated Office of Child Support and Enforcement (OCSE) program. Another option is that OCSE program functions carried out by the tribe direct funds as part of a cooperative agreement with the state over child support enforcement activities. However, the OCSE has stated to tribes that they would not authorize any direct tribal OCSE funding until regulations over such tribal program functions are promulgated. NCAI Resolution #MRB-98-067 requests the OCSE provide funding prior to a final rule being promulgated so that tribes can immediately begin building the infrastructure and technological base to operate such a complex program. NCAI seeks support from this Committee in implementing this request.

Additionally, while DHH boasts that the Child Support Enforcement (CSE) program is breaking records for nationwide collections, including the number of federal income tax refunds seized and the increasing numbers of arrests by criminal task forces, tribal governments are prohibited from any direct access funds to develop their own CSE program. Furthermore, while the CSE program has just been awarded the Vice Presidential Award for increased child support collections, inequity within the CSE program exists. Tribal governments are not permitted to receive direct federal funding to operate child support enforcement programs and collect child support payments to assist low-income families. These options are afforded to them under PRWORA.

Again, the ACF Federal Administration line-item subsumes funds for tribal child support enforcement. Not only has OCSE not allowed tribal governments to directly access programmatic funding, but their budget is not distinct from the general federal administration budget. Tribal governments cannot even advocate specifically on behalf of appropriations for this critical program that would funnel resources back into communities and reduce welfare dependency. As previously stated, the ACF Federal Administration line-item of \$165 million, which includes funding for the Division of Tribal Services, also includes funding for tribal child support enforcement. Without line-item funding authorization for the tribal child support enforcement, the ever-increasing needs of Indian tribes surrounding these social support programs will not be met.

**c. Child Care Bureau**

While the FY2001 budget requests \$2 billion for the discretionary Child Care Development Block Grant (CCDBG), an increase of \$817 million dollars over the FY2000 enacted level, tribal governments, who receive a 2 percent set aside of the CCDBG, will still fall far short of meeting child care needs on their reservations. National studies indicate that combined mandatory and discretionary child care funds still only allow about 10 percent of eligible families to receive child care subsidies. There is a critical need for safe, healthy, nurturing child care environments, particularly on Indian reservations, where parents have a higher median number of children than the national average. Per NCAI Resolution #PSC-99-102, an increase in tribal child care funding from its current level of 2 percent of the total appropriation is needed.

**d. Head Start**

The FY2001 budget boosts funding for Head Start by \$1 billion in FY2001, the largest funding increase ever. The budget also provides a total of \$175 million, including a \$30 million increase over FY2000, for Indian Head Start. As per NCAI Resolution #PSC-99-083, NCAI strongly supports this much-needed increase to Indian Head Start programs, many of whom are stretched to capacity.

**e. Foster Care and Adoption Assistance, Tribal Child Welfare Initiative**

The President proposes to increase Foster Care and Adoption Assistance by \$5 million in FY2001. This initiative allows for a two-tiered approach in which DHHS will conduct a comprehensive assessment of Indian child welfare programs and make a limited number of grants available to tribes to enable them to strengthen the capacity of their child welfare program. This will allow them to address issues such as staff training and retention, licensing of foster care homes, conducting criminal background checks of prospective foster and adoptive parents, operating case review systems, and developing automated data collection systems. NCAI supports the increase to the

Foster Care and Adoption Assistance Program and the Tribal Child Welfare Initiative specifically. We believe that these efforts will develop models for strengthening tribal child welfare programs on a larger scale.

NCAI also encourages this Committee to work with DHHS and the Foster Care and Adoption Assistance Program to locate funding to help offset S. 1478, a bill introduced by Senator Daschle that would allow tribes to receive direct federal funding to operate Title IV-E foster care programs. The Congressional Budget Office scored the bill at \$250 million over 5 years. If DHHS could find an offset, even for one year, it would be of great assistance to tribal governments, who cannot currently access Title IV-E funds without a tribal-state agreement. Although there are 48 tribes who receive IV-E funds through their state, most tribal governments have been unable to tap these funds. Foster care funding is urgently needed for the 4,600 Indian children currently in the foster care system, and directly funding tribal governments to administer the foster care and adoption assistance program under Title IV-E is the best way to provide appropriate foster care and adoption services for Indian children.

### **3. Administration on Aging**

Three provisions under the purview of the Administration on Aging, authorized in the Older Americans Act (Pub. L. 89-73, as amended), are of special importance to American Indian and Alaska Native elders. The first is Aging Grants for Native Americans authorized in Title VI. The purpose of this program is to promote the delivery of supportive services, including nutrition services, to older American Indians, Alaska Natives, and Native Hawaiians. The President's FY2001 budget requests \$24 million, an increase of \$5 million over the FY2000 enacted level, for Title VI grants to tribes and tribal organizations. Current grantees report a 20 percent increase in the number of elders eligible for the service between 1996 and 1999. Because of this growing population of Native elders, NCAI requests that the full \$30 million authorized for Title VI be appropriated in FY2001. Funding of this program provides key "front-line" services for 229 programs serving reservation elders, including congregate and home-delivered meals, transportation, and a wide variety of other services.

The second provision is Aging Research and Training, also authorized in Title VI. Activities supported under this program have helped organizations such as the National Indian Council on Aging (NICOA) gather information about the problems and needs of Indian elders, and design and test innovative approaches to meet the needs of this rapidly-increasing population in Indian Country. Additionally, funds from this program have historically provided training funds for Title VI program directors. For FY2001, NCAI requests an appropriation of \$630,000 with at least \$130,000 earmarked for a continuing grant to NICOA to gather information on Indian elders and to quantify their needs. The remainder should be directed to grants for training Title VI service providers to better serve Indian elders.

The third provision is ombudsman/elder abuse prevention authorized in Title VII: Allotments for Vulnerable Elder Rights Protection Activities, Subtitle B: Native American

**Organization Provisions.** Subtitle B was intended to assist in prioritizing elder rights issues and carrying out elder rights protection activities in Indian Country. With deteriorating economic and social conditions in many Indian communities, elder abuse is on the rise. Prevention programs for tribes are desperately needed—yet no funds have ever been provided for Subtitle B, despite an authorization level of \$5 million. State programs currently receive \$4.5 million for ombudsman services and \$4.7 million for prevention of elder abuse programs. However, these programs seldom, if ever, reach Indian Country. We request that this Committee seek the full authorization of \$5 million in FY2001, specifically for tribal programs as authorized in Subtitle B of Title VII.

During the coming year, Congress is expected to take action on a number of policy issues that will greatly impact Indian elders. Three of the more critical issues to be debated include reauthorization of the Older Americans Act and the Indian Health Care Improvement Act, as well as the Administration's proposal to establish a National Family Caregiving Support Program.

As Congress continues or begins its review of these statutes, NCAI request the following support from this Committee: first, the Older Americans Act (OAA) was last reauthorized in 1992. Reauthorization is long overdue. While appropriations for OAA programs do occur without reauthorization, programs serving Indian elders are at risk as the supply of discretionary funds dwindle. For this reason, reauthorization without major changes to existing targeting language is critical; second, numerous provisions in the Indian Health Care Improvement Act (IHCIA) will require significant modifications to better serve Indian elders. When hearings are scheduled for this purpose, the NCAI would like to voice its suggestions for amendments; and, third, the Administration's proposal for assistance to family care givers directs a large majority of the resources directly to states through the OAA. Unfortunately, as proposed, the OAA does not direct any portion of these funds to Indian Country through the existing OAA mechanism--the Title VI program--or directly to tribes. When these issues are heard, NCAI would welcome the opportunity to suggest ways to ensure that Indian care givers can also receive adequate support.

Without exception, our tribal cultures teach us to honor and respect Indian elders so that our elders--the living expression of our heritage and highest values--can be teachers to us and to our children. We urge Congress to honor this mandate by providing adequate funding for those programs that impact Indian elders, particularly in the reauthorization of both the Older Americans Act and the Indian Health Care Improvement Act, and to ensure that Indian care givers are adequately recognized in any care giving assistance legislation.

#### **4. Health Care Financing Administration**

The President's FY2001 budget request does not include any Health Care Financing Administration (HCFA) funding specifically for tribal governments because existing legislation does not authorize direct funding of tribal Medicaid, Medicare, and Children's Health Insurance Program (CHIP) programs. Indian Country has become increasingly

aware of the positive impacts that these major entitlement programs have on their communities. Because of this, NCAI request the support of this Committee in establishing direct tribal programs under the HCFA, improving tribal access to existing HCFA programs, and mandating a significant increase in consultation between tribes and the HCFA over such program and service entitlements.

As highlighted above in our discussion on the IHS budget, a growing disparity exists between Indian and non-Indian citizens in per capita expenditures for Medicaid patients. We believe similar funding disparities exist for Medicare and are starting to emerge for the new CHIP program. Our concerns on this matter were conveyed in great detail to this Committee in our FY2000 budget testimony. Since then, NCAI continues to advocate for the direct funding of tribal programs under HCFA and looks forward to working with the Committee to this end. A significant step in this direction is provided in S. 406, which allows tribal governments to direct bill and collect reimbursements from Medicaid and Medicare programs. But as NCAI testified before this Committee on August 4, 1999, although NCAI supports S. 406, tribal governments should be authorized to develop and administer HCFA programs, and not limited solely to direct bill and collect reimbursements. NCAI urges this Committee to expand the government-to-government relationship beyond BIA and IHS. We encourage the Committee to ultimately introduce and support legislation that would allow for tribal governments to administer Medicaid, Medicare, and CHIP programs. This is the only way that tribal members will ever be able to fully access Medicaid, Medicare, and CHIP program funding and services.

#### **5. Centers for Disease Control & Prevention**

In FY2001, there is a need of \$600,000 for special HIV surveillance studies to be undertaken in order to better understand the extent of the HIV epidemic in the Native American population, and to supplement the existing AIDS case and HIV infection data presently available. Additionally, \$200,000 is needed to contract out a series of meetings between states, CDC, IHS, tribal representatives, and epidemiologist to make recommendations on improving the disease surveillance system in Native America. NCAI seeks the support of this Committee in this request.

#### **6. Health Resources & Services Administration**

NCAI is concerned that the Ryan White CARE Act, which is soon to be up for reauthorization, does not presently contain adequate language to address the need to develop services for HIV infected Native Americans, nor does it contain a set aside under the AIDS Drug Assistance Program for the Indian Health Care system. As Congress begins to review the Ryan White CARE Act, NCAI seeks the support of this Committee to meet the needs of those infected with HIV/AIDS in Indian Country. We also request the Committees to direct the Health Resources and Services Administration to begin taking a more active position with regard to insuring that capacity-building assistance is provided to American Indian/Alaska Native tribes and organizations to enable them to more successfully compete for Ryan White CARE Act

funding under Titles I, II, III & IV.

#### **7. Substance Abuse and Mental Health Services Administration**

The President's FY2001 budget request for the Centers for Substance Abuse Prevention is \$48.8 million. NCAI seeks the support of this Committee in securing a targeted funding program whose purpose is to involve Native American substance abuse prevention treatment programs more actively in the effort to slow the spread of HIV.

#### **8. National Institutes of Health**

The President's FY2001 budget request for the National Institute of Health (NIH) is \$3 million. Unfortunately, there is a shortage of funding for research related to HIV in Native America within NIH. NCAI seeks the support of this Committee in seeking critical funding for behavioral research in particular, to help better understand the underlying components of risk behavior leading to HIV infection in the Native American population.

### **F. DEPARTMENT OF AGRICULTURE**

Being the most rural of any minority group, American Indians residing on reservations are for the most part, geographically isolated, resource-limited, and the least likely of any farm group to receive loans from the United States. Of the some 55 million acres of Indian lands, 47 million acres are used for the production of crops, livestock, or both. Those individual operators and farming tribes who produce these resources are in need of capital, more efficient administration of existing federal programs, and technical assistance. This need extends over all farming tribes even those who may have an abundance of natural resources

#### **1. Programs Assisting Native Americans**

While the President's proposed FY2001 budget request for the Department of Agriculture is decreased overall by eight percent from FY2000, the President's funding request for Native American programs is increased by ninety million dollars from FY2000, for a total of \$784 million. NCAI greatly supports this request for increased funding, as it would: further the success of the numerous American Indian tribes engaged in cultivation of agricultural and community development; assure economic stability on Indian lands; and, facilitate the development of agri-business to help overcome economic, infrastructure, resource and geographic challenges, characteristic of Indian reservations. The commitment of the USDA to adequately fund both line item programs that apply specifically to tribes as well as programs that benefit tribes indirectly is essential in order to enhance economic self-sufficiency through rural development and rural based economies, and is further strengthened and safeguarded by the specific education initiatives of tribal colleges.



## **2. Native American Specific Programs**

### **a. Extension Indian Reservations Program**

Since 1990, the Extension Indian Reservation Program, authorized under the Food, Agriculture, Conservation and Trade Act, has been providing many services to Indian Country on issues ranging from crop and animal production practices to farm business management. It also has furnished extension agents, employees of the State Cooperative Extension System, who work with tribal advisory committees to develop educational programs in agriculture or agriculture-related youth programs that respond to tribal priorities. Unfortunately, since funding began in 1990, it has remained at \$1.7 million, supporting about 26 projects in 15 states. For FY2001, the President has requested \$5 million, an increase of \$3.3 million from the FY2000 level. NCAI strongly supports this increase for FY2001 in order for the program to hire additional extension agents on large Indian reservations to help Indian Country promote productive and efficient land use.

### **b. Rural Development Native American Programs**

The Department of Agriculture's FY2001 proposed budget specifically earmarked for the Rural Development Native American programs for: Water and Waste Disposal Direct Loans and Grants; Community Facility Loans and Grants; Rural Business Enterprise Grants; Rural Business Opportunity Grants; and, Intermediary Relending Program Loans. For FY2001, the President has requested \$48.7 million, an increase of \$36.7 million from the FY2000 enacted level for the Rural Development Native American Programs.

NCAI supports the funding request to the Rural Development Native American programs which would allow more loans and grants to tribal governments to construct and improve their water and wastewater systems, construct community facilities such as health clinics and child care centers, and diversify and expand economic opportunities within their communities. These funds would provide an appropriate step in advancing tribal economic development and the achievement of stable and self-sustaining reservation economies.

NCAI supports the President's FY2001 requests for the Rural Development Native American programs as specified:

- ▶ Water and Waste Disposal Direct Loans and Grants - the FY2001 budget request is \$29.7 million, an increase of \$17.7 million from FY2000. These loans and grants will assist tribes in meeting the substantial need of improve the quality of drinking water systems and waste water disposal facilities on their reservations.
- ▶ Community Facility Loans and Grants - for FY2001, the President has requested

\$8 million for this new initiative.

- ▶ Rural Business Enterprise Grants - for FY2001, the President has requested \$6 million that would provide grants for reservation small business.
- ▶ Rural Business Opportunity Grants - for FY2001, the President has requested \$1 million for Rural Business Enterprise Grants, as seed monies for start-up businesses on reservations.
- ▶ Intermediary Relending Program Loans - for FY2001, the President has requested \$4 million for this new program which will provide loans for small business start up and expansion at considerably lower interest rates than market rate.

**c. Food Distribution Program on Indian Reservations**

The Food Distribution Program on Indian Reservations (FDPIR) is one particular remaining USDA program that benefits Native Americans, administered at the Federal level by the Food & Nutrition Service (FNS), an agency of the U.S. Department of Agriculture, in cooperation with 98 Indian Tribal Organizations and six State agencies. The FY2001 budget for the FDPIR is \$76.5 million, an increase of \$1.5 million over the FY2000 enacted level. Although insignificant, this increase is crucial in order to provide commodity foods to low-income households, including the elderly Native American, living on reservations, and to Native American families residing in designated areas near reservations. Many Native Americans actually participate in the FDPIR, rather than the Food Stamp Program because of rural isolation and the lack of easy access to food stores. NCAI supports the appropriate funding increases to the FNS budget.

**d. Proposed Expansion of Empowerment Zones**

The proposed expansion of Empowerment Zones will expand the wage of credits and tax incentives, as well as facilitate a new round of urban EZs. These EZs will extend and improve economic growth in the thirty-one existing urban and rural Empowerment Zones, administered by HUD and USDA, and support the proposed third round of ten new empowerment zones to be designated in 2001. The total cost of these proposals will be \$4.4 billion over ten years. NCAI supports the much needed expansion of EZs which will provide economically depressed rural areas and communities with real opportunities to create jobs, develop and enhance the economies of rural communities, and diversify markets.

**G. DEPARTMENT OF COMMERCE**

**1. Minority Business Development Agency**

For nearly thirty years, the Department of Commerce Minority Business Development Agency's (MBDA) has been assisting Indian tribes to create sustainable economic

development through its Native American Programs (NAP) by establishing Native American Business Development Centers (NABDC) throughout Indian Country.

Since a majority of tribal communities are located in rural and remote areas of this nation, which often accounts for the significant lack of economic opportunities available to them, NABDC's are one of the few entities that have direct contact with tribes and tribal communities. The MBDA has established nine MBDCs on tribal lands, focusing primarily on providing technical assistance for the growth of Indian-owned and operated business enterprises.

In FY2000, NCAI encouraged the Department of Commerce through the MBDA to establish additional tribal business centers to serve and improve resources and services to American Indian and Alaska Native communities. Although additional funds were requested, the creation of new business centers were not included in the FY2000 budget.

Instead of creating additional NABDCs, the MBDA expanded its digitally-based business development services. As such, it introduced four electronic tools that are available to minority businesses to increase their access to domestic markets. The first is the Phoenix Opportunity System which electronically matches businesses with contracting and other business opportunities and automatically e-mails the business when a match is found. The second is the Resource Locator. The Resource Locator is an Internet-based tool to locate business development resources. The third is the Market Analyst which provides sophisticated market research to small businesses. Finally, the fourth is the Virtual Business Centers which allows entrepreneurs to find information on the Internet about different growth markets.

For FY2001, the President's proposed budget includes an increase of \$500,000 over the FY2000 budget of \$27.2 million for the expansion of the Phoenix Database. Unfortunately, Business Development Center funding was not requested in the FY2001 budget. Providing technology to minority business is essential, however Indian Country still faces the major disadvantage of the digital divide. Many of the businesses located on reservations are still in infant stages and need assistance with business plans and start up capital. Until, the digital divide is bridged in Indian Country, existing Indian businesses and future start ups will not benefit from the Internet based programs and services the MBDA offers.

If the MBDA continues to increase its digitally-based business development services without providing the basic technical assistance that Native American businesses require, Native American businesses will continually be left behind. Therefore, NCAI continues to request additional funding for the MBDA to create additional NABDC which have operated at the same level of funding since 1987, despite an increase and growing need for tribal business assistance. In the last four fiscal years, congressional appropriations for the MBDA have been significantly reduced and threatened with total defunding.

Congress must not forget the unique relationship Indian tribes and Indian people have with the United States government and, by descent, with every federal agency. By its own commitment through treaties with various sovereign Indian nations, the federal government is in a "trust" position in regard to resources and the economic future of Indian people. This relationship is different from the government's relationship with other minority groups, thus, business technical assistance to the tribes and Indian business-owners must not be approached or reviewed with the same framework as other minority programs. Due to the fact that when Native Americans are just beginning to gain the opportunity to participate in a substantive way in the U.S. economy, there is a need to continue to support and encourage self-sufficiency and self-determination in Indian Country. Therefore, NCAI requests Congress increase funding for the NABDC, a program that has proven its importance in helping scores of under served tribal communities in this country.

## **2. Small Business Administration**

Several years ago, the Small Business Administration (SBA) with funding from the Bureau of Indian Affairs, established the Tribal Business Information Centers (TBIC) to provide technical assistance and information to exiting and new Indian businesses. The initial funds established 17 TBIC centers. These centers are concentrated in 5 states, servicing only a small portion of the 558 federally recognized tribes and Alaskan Native villages throughout Indian Country. Throughout the TBIC's existence, no new monies have not been appropriated for continued operations of the TBIC or for expansion of the 17 centers. In FY2000, NCAI requested funding for additional TBICs but none were appropriated. This year in the President's proposed budget, \$1.5 million is requested to fund operations of the existing 17 TBIC's over the zeroed out budget for FY2000. NCAI supports the Administrations request to continue operations of the existing TBIC's, but again requests funds for the establishment of additional TBICs.

Historically, the Small Business Development Centers (SBDC), which provides education, training, and consulting to existing and prospective small businesses, was not established to serve the needs of Indian owned businesses. To amend this situation, the President has the first time proposed in the FY2001 budget a request for \$3 million out of the proposed \$85 million SBDC budget to establish a Native American Small Business Development Center (NASBDC) network. This network will focus on providing assistance to Indian reservations. The establishment of a NASBDC would provide needed training, counseling, and technical assistance that the SBDC has historically failed to provide to Indian Country. NCAI supports this request and believes that it would provide the assistance that many Indian small businesses need to develop self-sufficiency.

Within the SBA, in FY2000, \$1.5 million was appropriated to establish a mentor-protege program entitled BusinessLINC. This program matches small businesses with established businesses to encourage learning, information sharing, networking, and collaboration. Within the President's FY2001 request of \$6.6 million, \$1.25 million has been specifically earmarked to serve Indian Country. NCAI supports this earmark and

firmly believes that this type of program will continue to create interest from non-Indian business to invest and support new business in Indian Country.

Out of the 31 designated Empowerment Zones (EZ), two are located on Indian reservations: the Oglala Sioux Tribe Empowerment Zone and the Desert Community Empowerment Zone that services the Torres-Martinez Desert Cahuilla Indians, the Cabazon Band of Mission Indians, and the Augustine Band of Mission Indians. Within these EZs, the SBA has established the One-Stop Capital Shop (OSCS) to provide credit assistance and a range of small business counseling, training, and technical assistance services. In FY2000, \$3.1 million was appropriated to open four OSCS. Currently there are 18 OSCS in operation. In FY2001, the President is requesting an additional \$10 million to open 17 more locations which will provide coverage of all 31 EZ locations. The President's proposed budget also requests the establishment of 10 new EZ locations. NCAI supports this request and advocates for additional tribes to obtain the EZ status.

In 1992, the SBA introduced the Microloan program that provides loans of up to \$750,000 to intermediaries who in turn make small loans up to \$25,000 to entrepreneurs. These entrepreneurs are often deemed unable to obtain loans due to inexperience, credit, lack of assets, or the need for technical assistance. The program was formalized in 1997 under P.L. 105-135. In FY2001 the President's proposed budget requests \$60 million which is \$30 million over the Administration's FY2000 request. In addition to the microloan program, this program is accompanied by a technical assistance grant program. NCAI supports the requested amount and believes that both programs are complementary to the existing and new SBA programs.

In FY2000, the New Markets Venture Capital program was introduced. This program would require interested investment groups have a minimum of \$5 million of investment capital and \$1.5 million in technical assistance funding available for a five year period to participate in the program. The participants would generate \$150 million of leverage at a 14.44 subsidy rate to fund 10 to 20 New Market Capital organizations. These New Market Capital organizations are intended to provide growth capital and technical assistance in order to transfer small businesses into thriving companies. In FY2000, \$40 million was appropriated to fund this program, but it was not authorized by Congress. This year, the President's FY2001 proposed budget requests \$51.7 million to match equity investments and technical assistance funds to finance the 10-20 New Market Capital organizations. NCAI supports this program and proposed funding level and strongly urges language to be inserted for the specific assistance of Native American businesses.

In 1994, under the Riegle Community Development and Regulatory Improvement Act, the Community Development Financial Institutions Fund (CDFI) was established. The CDFI Fund provides capital to institutions that serve distressed communities and low-income individuals. The President's proposed budget requests \$125 million, an increase of \$30 million over FY2000 funding. For the first time, the President has requested a \$5 million set aside to establish a training and

technical assistance program that is focused on eliminating barriers to capital access for Native Americans. NCAI supports this set aside and hopes that more financial institutions will become incubators to serve and develop Native American banking institutions.

### **3. National Telecommunications and Information Administration**

In order to bridge the digital divide, the National Telecommunications and Information Administration (NTIA) has requested an increase of \$29.5 million for its Technology Opportunities Program (TOP), formerly known as the Telecommunications and Information Infrastructure Assistance Program (TIIAP). This program promotes the widespread use of advanced telecommunication and information technologies in both the public and non-profit sectors. TOP provides competitive matching grants to state, local, and tribal governments and non-profit entities to help them develop information infrastructures and services for under served communities. As the development of economic opportunities in Indian Country moves forward, NTIA and TOP are playing a significant role in the establishment of the information superhighway in tribal communities. Since the programs inception over 20 tribes or tribal organizations have received funding. In 1999, the Leech Lake Tribal Council received funding to create a tele-wellness infrastructure on the reservation to provide health information and education to clinic staff. Similarly, the University of South Dakota received funding to create a distance learning project to provide culturally sensitive training for Native American nursing students. NCAI supports the proposed increased funding level and believes that through the TOP program, tribes themselves can participate actively in bridging the digital divide.

Also under the NTIA, is the Public Telecommunications Facilities Program (PTFP). This program supports the expansion and improvement of public telecommunications services by providing matching grants for equipment and the dissemination of noncommercial educational and cultural programs. In FY2000, \$24.7 million was allocated to the program. This year, the President is requesting in the proposed budget an increase of \$81.3 million bringing the total request to \$106 million. PTFP has assisted in the delivery of public radio and television to Indian Country. Thus far, 40 tribes have received funding from this program. To help ensure that this important work continues, NCAI supports the President's FY2001 request to promote tribal telecommunications and economic development opportunities throughout this nation's rural and disadvantaged tribal communities.

### **4. Economic Development Administration**

Since the current Indian poverty rate is two to three times the national average and the Indian unemployment rate is up to eight times the national average, the need for capacity building within Indian Country is critical. Even though the Economic Development Administration (EDA) has been providing support for capacity building for over the last 30 years, there still remains a great unmet need. Due to limited funding, EDA's impact in Indian Country has been limited. However, the President's FY2001

proposed budget is encouraging to tribes, due to a requested increase of \$49.2 million over FY2000 zero budget. This increased funding level will be allocated as follows: 1) \$1.2 million for technical assistance to solve specific economic development problems, respond to development opportunities, and build and expand local organizational capacity; 2) \$4 million for planning to support the formulation and implementation of economic development programs that are designed to retain full-time permanent jobs and increase income for unemployed and underemployed; 3) \$30 million for public works to help attract new industry, encourage business expansion, diversify local economies and generate long-term jobs; and \$14 million for capital access. NCAI greatly supports this funding request and believes that it will provide the assistance needed to remove barriers for the development of sustainable economic development.

The President's budget also includes an increase of \$23 million over FY2000 zero budget for the deployment of broadband within technologically under-served areas. With Indian reservations having a telephone penetration level of 20-70 percent, compared to the national average of 98 percent, the digital divide continues to be a very acute problem. The requested increased funding will also provide high speed Internet access to under served communities to help bridge the technological gap both in infrastructure and knowledge. NCAI also supports this desperately needed funding to bring Indian Country into the 21st century.

#### **H. DEPARTMENT OF TRANSPORTATION**

During the ISTEA reauthorization process which became TEA-21, NCAI and tribal governments fought hard to convince Congress to increase funding for Indian roads and bridges. In the end, tribes received far less than what was needed to address the dreadful conditions on Indian reservations. However, NCAI is grateful for what some in Congress were able to do to increase funding to the Indian Reservation Roads (IRR) program from approximately \$191 million a year to \$275 million. While Indian Country did receive this important increase under TEA-21, a new cut was imposed on IRR funding that was never seen before. TEA-21 for the first time extended the "obligation limitation" to the Indian roads allocation, resulting in a loss of about \$25 million of the \$225 million authorized for FY1998, and about \$32 million of the \$275 million for FY1999. Tribes expected to lose even more in FY2000 if it were not for the last minute efforts of some in the Senate, led by Senator Domenici, to make adjustments to the FY2000 Appropriations bill.

While the President's FY2001 proposed budget calls for a \$75 million increase for IRR, under the obligation limitation, the Federal Highway Administration (FHWA) is required by TEA-21 to withhold a certain percentage of the total IRR obligation authority amount at the beginning of each fiscal year to be redistributed near the end of that fiscal year to recipients with projects that are immediately ready for funding. However, in expanding the obligation authority withholding provision to the Indian roads allocation, TEA-21 failed to expand the redistribution authority to include Indian tribes. As a result, tribes are barred from sharing in the year end redistribution; thus money authorized and appropriated for tribal roads is diverted to states. Obviously, our member tribes view

this as unfair treatment. Logically, NCAI feels that if any funds are withheld from the IRR allocation, they should be redistributed back to the IRR program.

In years past, IRR funds were exempt from the obligation limitation, making 100 percent of the authorized contract authority amount available at the beginning of each year. Clearly, in passing TEA-21, Congress has contradicted its proclaimed support for IRR through the application of the obligation limitation to the IRR program. Since the obligation limitation provision now withholds funds from tribes and states, but redistributes the withheld funds only to the states, a legislative change is necessary to exempt IRR program funds from the obligation limitation withholding. NCAI is working so that this obligation limitation is permanently removed and IRR funding restored to the 100 percent level through amendments to TEA-21 pursuant to NCAI Resolution #VAN-99-070 and #PSC-99-078 .

NCAI is also concerned with how Congress and the Administration distributes the overall national highway trust funds. When TEA-21 was being debated, it was recognized that Indian reservation roads make up 2.63 percent of all existing roads eligible for TEA-21 funding. However, Indian tribes receive less than 1 percent of TEA-21 funding for these roads. If tribes were to receive their full pro-rata share of the billions included in TEA-21, the IRR program would have received \$4.7 billion instead of the \$1.6 billion over the six-year period covered under TEA-21.

Also, the 1 percent set aside that amounted to about \$13 million in additional funding for Indian bridge rehabilitation and replacement in ISTEA was removed from TEA-21. Indian bridge funding now must come out of the IRR funding. The loss of this extra \$13 million in highway bridges results in a net loss to the IRR program of \$39 million. While NCAI appreciates the increases in funding under TEA-21, the obligation limitation, the loss of the bridge set aside funding, and other net losses has resulted in a mere \$12.4 million increase to the IRR construction program. According to our member tribes, such a small increase is unacceptable in light of the current need in Indian Country. Many tribal leaders are also expressing increased concern over the BIA's current "relative need" distribution formula for IRR program funding.

Efficient roads are vital to most aspects of life on Indian lands including activities such as economic development, attending school, obtaining health care, and transporting people from welfare to work. During recent deliberations over the FY2000 transportation spending bill, Senator Domenici served as a strong advocate in calling for the full \$289.5 million in funding for the IRR program despite the obligation limitations imposed under TEA-21. However, while the Senator's efforts were applauded by Indian Country, NCAI feels that TEA-21 should be amended to ensure that the IRR program is fully funded every year. Per NCAI Resolution #PSC-99-077, NCAI also recommends the a study of the current conditions of Indian roads be implemented in order to document the critical needs in Indian Country with regard to transportation infrastructure.

Mr. Chairman, Congress should fund the IRR program at an absolute minimum of \$300 million annually, as has been recommended by both the tribes and the BIA. This would



begin the process of addressing the backlog of road construction projects. NCAI also urges Congress to provide \$15 to \$20 million annually for Indian reservation bridge construction and repair programs. These funds should come from the national bridge repair program and not from the IRR allocation. Finally, as a matter of policy, tribes should be provided direct access to the various federal discretionary programs, such as scenic by-way funding, highway safety, mass transit, and other programs. Mr. Chairman, NCAI is aware of efforts by the Committee to address some of these issues, and we are prepared to assist in any way possible.

## **I. DEPARTMENT OF LABOR**

The proposed FY2001 Department of Labor budget of \$39.8 billion is intended to help Americans who are not benefitting from today's strong economy. The request for discretionary programs is \$12.4 billion in budget authority, a \$1.2 billion increase from the FY2000 level. The application of discretionary programs and initiatives to American Indian/Alaska Native governments should be of utmost priority, considering that half of the work force in Indian Country remains unemployed - 50 percent in 1997, as compared to 49 percent in 1995. Of the 378,853 adult American Indians who were employed in 1997, 30 percent (113,904) were still living below the poverty line.

### **1. Workforce Investment Act**

The Workforce Investment Act (WIA) was signed into law in August 1998, replacing the former Job Training Partnership Act (JTPA). WIA provides at least \$55 million for the Indian comprehensive services program, which funds tribes and off-reservation organizations to provide services to Native American youth and adults. The Administration disregarded this earmark in FY2000 when it sought a depreciated amount of only \$53.8 million. Following the deficient funding in FY2000, the Administration has recognized that the law requires a minimum of \$55 million, which it is requesting for FY2001. NCAI regards WIA as an opportunity to more effectively provide job training services and urges Congress to consider the federal priority and obligation to tribes.

WIA National Programs are funded at \$242.8 million in FY2001, a net decrease of \$57.6 million below FY2000. These national programs include the provision of employment and training assistance to Native Americans, and migrant and seasonal farm workers, as well as pilot and demonstration projects, research and evaluation, and technical assistance and incentive grants. Increases in FY2001 include \$4.6 million, reflecting completion of a one-time project for Native Americans. NCAI urges this Committee to increase funding to WIA National Programs and to support the specific increase for Native Americans.

### **2. Welfare-to-Work**

Administered by the Department of Labor, the "Welfare to Work" (WtW) program was enacted as part of the Balanced Budget Act of 1997 to provide employment-related

services to assist the hardest-to-employ welfare recipients and non-custodial parents of children on welfare, and to obtain and retain unsubsidized employment. The WtW program provided a one percent set aside for tribes which equated to \$15 million for FY1998 and another \$15 million for FY1999. The WtW program was authorized for only two years, and allowed grantees three years to expend the funds. Despite the fact that employment-related service needs remain unmet, WtW was not reauthorized. Congress did, however, approve a series of amendments to the WtW program, broadening the eligibility requirements. The President's FY2001 budget proposal also provides an additional two years for states and tribes to spend the WtW funds already made available to them, thus ensuring that roughly \$2 billion in existing resources continues to help those most in need. NCAI supports the application of the new eligibility criteria which will allow tribes to spend less time on documenting numerous eligibility characteristics and more time serving clients.

### **3. Fathers Work/Families Win**

The FY2001 budget proposal includes \$255 million for the first year of a new "Fathers Work/ Families Win" initiative, \$10 million of which is set aside to provide grants to help Native American low-income families. These proposed funds are aimed at addressing the working poor and fathers, in the aftermath of no new WtW funding. The New Responsible Fatherhood Initiative promotes work and boosts child support payments. These competitive grants will enable States and local communities to complement welfare reform efforts by focusing on work connections, work support activities, and skills training. NCAI supports the \$10 million set aside for applicants from the Native American workforce agencies.

### **4. Youth Opportunity Grants**

The FY2001 budget request also provides \$15 million for the tribal supplemental youth employment services program that replaces the former JTPA Summer Youth Program, and supports year-round activities. In addition, the President proposes to increase the Youth Opportunity Grant (YOG) program from its current \$250 million funding level to \$375 million in FY2001. Native American grantees serving reservation areas and Alaska Natives are eligible to apply for this competitive program funding, competing with applications from non-Indian state and local agencies. NCAI urges sufficient funding to provide reliable and consistent opportunities for youth.

### **5. Disabilities Initiative**

NCAI supports adequate funding of other programs within DOL that benefit American Indians, including the Administrations's Disabilities Services request for \$43 million in the FY2001 budget. The Disability Employment and Initiatives Unit funding to expand programs has the capability to greatly impact Indian Country. NCAI urges these work incentive grants and services be extend to tribes.

## **6. Tribal Liaison**

Due to the numerous department/agencies/programs within the Department of Labor, it is difficult to determine which activities are available to tribal governments. Therefore, NCAI proposes that DOL create a position for a Tribal Liaison whose primary duty would be to relay information, concerns, and activity within Labor between tribal leaders and program staff, DOL staff, White House staff, and Congressional staff. The Division of Indian and Native American Programs (DINAP) does not currently have the resources to support a position to function in this capacity.

## **J. DEPARTMENT OF VETERANS AFFAIRS**

Mr. Chairman, as an Indian veteran, you know that adequate funding for Veterans programs is another critical concern of Indian Country. You know first hand that Native American veterans have served the United States with honor and distinction since this nation was founded. Indian people have the highest percentage of veterans of any population within the United States. According to the Veterans Administration, over 160,000 American Indians have served in the Armed Forces. Native people also carry the proud distinction of being the most decorated group in this country's history. Today, Native veterans have many pressing needs such as housing, health care, benefits, and other concerns that include issues unique to Indian Country.

NCAI is very pleased by the Administration's continued support for the Native American Veterans Housing Loan Program. For FY2001, the Administration has provided a \$12,000 increase, resulting in a total request of \$532,000. While only a small program, the Native American Veterans Housing Loan Program is vital since it provides direct loans to veterans living on trust land. Many times these veterans are unable to secure such loans through local banks or credit unions. These loans are available to purchase, construct or improve homes. The principle amount of loans under this authority is generally limited to \$80,000, except in areas where housing costs are significantly higher than costs nationwide. This pilot program began in 1993 and is authorized through December 31, 2001. Mr. Chairman, to date, this program has been very successful and critical in providing home ownership opportunities to our nation's Native veterans. NCAI calls on Congress to support the President's budget and consider the establishment of a permanent and expanded program in order to continually serve the important needs of Native veterans.

## **K. DEPARTMENT OF DEFENSE**

The Department of Defense (DOD) is requesting funding for programs which will result in meaningful implementation of its recently adopted American Indian and Alaska Native Policy. We respectfully ask this Committee for support of the NCAI's FY2001 recommendations which are fair and equitable and are in line with tribal governance self-determination efforts of Indian nations.

NCAI strongly urges inclusion of funds annually appropriated by Congress of not less

than \$8 million under the DOD Operation & Maintenance budget to work with tribal governments for mitigation of environmental impacts, including training and technical assistance; related administrative support; gathering of information; documenting of environmental damage; and development of a system for prioritization of mitigation and cost to complete estimates for mitigation on Indian lands resulting from DOD activities.

In regard to Environmental Restoration and Formerly Used Defense Sites (FUDS), the President is requesting \$186.4 million for remedial activities, a reduction from the FY2000 level of \$239.2 million. A significant portion of these funds address environmental impacts on Indian lands and are used for environmental restoration, reduction and recycling of hazardous waste, and removal of unsafe buildings and debris. With the growing awareness of such sites and the dire need for remedial activities funding, a realistic request should be at least \$225 million, which is the amount NCAI recommends. In addition, we strongly urge the Congress to set aside 12 percent of these funds for remedial activities on Indian lands. Furthermore, to ensure tribal lands are given equitable remediation attention, we believe the DOD should be directed to provide this Committee with an annual accounting for the funds which directly address Indian Country impacts.

We support the \$8 million that in the past has been annually appropriated by Congress for the DOD Office of Small and Disadvantaged Business Utilization for its "5 percent Indian Incentive for Prime Contractors" Program. The program provides up to \$8 million to prime contractors who utilize Indian-owned companies. This funding will further the efforts of the Office of Small and Disadvantage Business Utilization to reach out to Indian Country and work with tribal and individual Indian entrepreneurs seeking to work with DOD contractors.

The DOD has come from an historical point regarding Indian nations as adversaries. With adoption and implementation of its American Indian and Alaska Native Policy, the DOD has an opportunity to change the way it has done business with tribes. Indian Country has enjoyed this Committee's unwavering support for tribal self-determination and equitable fiscal treatment and appreciate support for NCAI's recommendations regarding the DOD FY2001 budget.

#### **L. DEPARTMENT OF ENERGY**

The Department of Energy (DOE) adopted its American Indian Policy in 1991, however implementation has been inconsistent resulting in a fragmented consultation tribal policy and ineffective tribal participation in many areas under the Department's jurisdiction. Last Year DOE Secretary Bill Richardson requested the NCAI to coordinate revision of the DOE Indian Policy into an American Indian and Alaska Native Tribal Government Policy. We anticipate the policy process to be completed by late spring. NCAI appreciates Secretary Richardson's initiatives for tribal inclusion in DOE mainstream and innovative programmatic areas. The NCAI respectfully requests this Committee to support the following appropriations request to ensure positive tribal government policy implementation.

## **1. Environmental Management**

The DOE Office of Environmental Management Office of Public Accountability (OPA) (EM-22), FY2001 proposed budget for tribal programs is \$5 million and increase from the FY2000 enacted level of \$4.5 million. The EM-22 funds cooperative agreements for ten tribes in the development and operation of tribal environmental programs, maintaining transportation emergency response capabilities, environmental education, and natural-cultural resource enhancement programs. Inadequate funding for tribal program has always been a problem which has been compounded by the fact that many federal sites slated for cleanup are former tribal lands or ceded territory and contain significant cultural sites. DOE-EM officials have stated that they are working to avoid negative impacts on tribal budgets, however the FY2001 budget request does not reflect that position. NCAI calls upon Congress to provide \$6 million for tribal funding for the cooperative agreements so as not to undermine tribal cleanup programs, continue funding for Indian outreach to tribal governments, liaison, and communication assistance support by tribal organizations including the NCAI. We request the Committee's assistance in this endeavor.

The Waste Isolation Pilot Plant (WIPP) near Carlsbad, New Mexico opened this year and is receiving a limited amount of transuranic waste shipments from selected sites. However, a national transportation campaign is soon to begin. The FY2001 proposed budget for DOE has requested \$5.13 million for Institutional Programs like WIPP, an increase of 2.7 percent from the FY2000 enacted level of \$5 million. Some of the tribes on current WIPP routes do not have basic emergency response capability in the event of a radioactive waste transportation accident. The Institutional Programs section of the DOE Carlsbad Area Office assists tribes in developing emergency preparedness capability. However, tribes have received an inequitable 11 percent of available FY2000 funds. The NCAI requests that the overall budget of Institutional Programs be given \$6.5 million and that the tribal portion be increased to at least 33 percent from the current 11 percent until such time as the tribes are able to protect lives and property within their communities in the same manner as their state government counterparts. We ask the Committee for its help on this urgent matter.

The DOE-EM National Transportation Program was created to address DOE transportation planning and preparedness issues. Approximately \$250,000 of the Transportation Program budget provides tribal support. As stated above, most tribes are ill-prepared to cope with radioactive waste shipment accidents which may come from WIPP, or other DOE radioactive waste and spent nuclear fuel shipping campaigns. The NCAI recommends that tribal allocation for the DOE-EM National Transportation Program be increased to \$1million since many tribal populations are at risk due to the lack of viable emergency preparedness infrastructure. NCAI requests the Committee's support for fiscal parity to better serve Indian Country in the event of a radioactive waste shipment accident.

## **2. Office of Civilian Radio Active Waste Management**

The DOE Office of Civilian Radioactive Waste Management (OCRWM) has performed

scientific and technical studies at Yucca Mountain on the Nevada Test Site for a proposed high-level spent nuclear fuel and radioactive waste permanent repository. The Nevada Test Site is within the traditional homelands of the Shoshone and Paiute peoples whose culture, environment, and health has already been impacted by federal government-sponsored atomic testing which released unknown amounts of radioactive fallout to the area. The Draft Environmental Impact Statement on the Nevada Test Site was issued and comments are due by February 29, 2000. Indian nations indigenous to the area lack the technical staff to analyze the massive accumulation of data, monitor the Yucca Mountain siting activities, and attend related technical and policy meetings. Never in the history of this multi-year feasibility study program have tribal governments indigenous to the area been funded for oversight activities. However, in FY2000 \$5.43 million was allocated to nine Nevada counties and one California county (designated local units of government under the Nuclear Waste Policy Act of 1987, as amended) for oversight activities at Yucca Mountain. In FY2001, DOE is requesting \$5.88 million for non-Indian governments. To end the disparate treatment of tribal governments, we ask that this Committee support the earmark of \$2 million for impacted tribal governments in the Yucca Mountain area. By funding the impacted tribes, Congress will assist the tribes who remain on their homelands but are left out of the oversight process at Yucca Mountain and transform the DOE-OCRWM's arbitrary Indian policy.

The NCAI Nuclear Waste Program, funded through a DOE-OCRWM cooperative agreement, received \$50,000 for FY2000. We ask the Committees support in our request for \$150,000 for FY2001. The NCAI Nuclear Waste Program is a national information dissemination effort to provide tribal governments with updates on the implementation of the Nuclear Waste Policy Act of 1982, as amended. The long-range issues and impacts to Indian Country are significant and national in scope, but tribes do not have adequate staff or resources to track this program. Many tribes do not have the ability to attend the myriad of meetings to interact with the DOE-Yucca Mountain program officials on issues and developments, which includes the current Yucca Mountain Draft Environmental Impact Statement. The NCAI Nuclear Waste Program is currently in its third year of its five-year cooperative agreement period. NCAI request the Committees support for the \$150,000 request for the continuation of interactive forums for tribal leaders and tribal program managers and assist in providing relevant and current information regarding the implementation of the Nuclear Waste Policy Act, as amended.

### **3. Energy Efficiency and Renewable Energy**

The DOE is requesting \$5 million in FY2001, an increase of \$1.2 million for the Office of Energy Efficiency and Renewable Energy under the DOE Energy Resources budget. The Renewable Indian Energy Resource/Tribal Energy Program will be funded under this budget request to provide tribal governments the same supportive program framework already established for the states, and to undertake activities to insure that tribal energy planning and installations are technically, economically, and environmentally sound. The NCAI supports the \$5 million Energy Resources budget and asks this Committee also to support this request.

The DOE Office of Nuclear Energy, Science and Technology was allocated \$27.4 million in FY2000 for two programs the Nuclear Energy Plant Optimization program, and the Nuclear Energy Research Initiative. Even though Indian Country did not benefit from either program they could be potential impacts. In the FY2001 proposed budget, the DOE requests \$35 million for the Nuclear Energy Research Initiative and \$5 million for Nuclear Energy Plant Optimization. Both programs will conduct research and development to advance nuclear energy and to refurbish and upgrade those nuclear utilities whose licenses will soon expire and will have to apply to the Nuclear Regulatory Commission for relicensing. Several tribal communities are located within the 10-mile Emergency Planning Zone and the 50-mile Ingestion Pathway which are part of emergency preparedness plans for nuclear utilities. A community's readiness to respond to a radiological emergency event should be a critical component of the overall evaluation criteria for a nuclear plant's license renewal. Many tribes are currently left unprotected and at risk in nuclear reactor accident scenarios. To better protect tribal communities in these critical geographical areas, we request that the DOE direct a 20 percent tribal set aside of the \$35 million to be shared with tribes within the 10-mile Emergency Planning Zone and the 50-mile Ingestion Pathway Zone around commercial nuclear reactors to allow for the development and enhancement of emergency response infrastructures in the event of an off-site emergency at a nearby nuclear reactor.

The proposed FY2001 budget is requesting \$6.5 million for Solar Program Support under the Energy Efficiency and Renewable Energy budget. This amount is an increase of \$1.5 million over the FY2000 enacted level. Funding for this program provides electricity restructuring, technical assistance, and analysis to state, federal, and tribal decision-makers to achieve their renewable and energy efficiency goals. It also provides for competitive solicitation for cost-shared awards for renewable and hybrid field feasibility studies and validation projects with a tribal set aside. The NCAI asks this Committee to join us in supporting the Solar Program Support budget increase for FY2001.

#### **4. Environmental Safety and Health**

Until this year, the DOE Federal Preservation Officer (FPO) was funded through the DOE Office of Environment, Safety and Health (ES&H), and was overseer of the National Historic Preservation Act activities. The FPO successfully worked with tribal environmental program managers and the NCAI on cultural resources protection and management issues. Ironically, we believe the FPO had the least recognition of importance within the DOE ES&H, and perhaps the smallest program budget. As part of enlightened Indian policy implementation, this office should expand its capacity to work with tribes instead of diminishing its capacity. We strongly urge this Committee's support for an FY2001 appropriations request in the amount of \$500,000 to the ES&H for environmental guidance and tribal outreach activities. Additionally, the NCAI believes the DOE Office of ES&H should report to this Committee on its tribal consultative and interactive processes and the status of policy and programmatic

measures designed to protect natural and cultural resources in Indian Country, specifically, prehistoric, ethnohistoric, and traditional cultural properties.

#### **M. ENVIRONMENTAL PROTECTION AGENCY**

Tribes are sovereign entities with the ability to set environmental quality standards, make environmental policy decisions, and manage programs consistent with Environmental Protection Agency (EPA) standards and regulations. In order to preserve and enhance the environmental quality of Indian Country for present and future generations and sustain tribal cultures, tribes deserve equitable funding for their environmental regulatory programs. We respectfully ask this Committee to support the following recommendations for the FY2001 EPA budget:

The EPA FY2001 request for the Indian General Assistance Program (GAP) under the Multimedia section of State and Tribal Assistance Grants is \$52 million, an increase from the FY2000 level of \$42 million. Tribal environmental program managers view GAP activities as the highest priority. The NCAI supports a \$10 million increase over the current EPA request for a total of \$62 million. This full funding effort will provide tribes with the resources to build capacity for EPA-delegated environmental programs. This increase is not a relatively large amount and reflects an minimal average of \$110 thousand per tribe for GAP program.

The EPA is proposing to permanently eliminate the statutory 1/3 of 1 percent cap on Clean Water Act Section 319 Non-point Source Pollution grants that may be awarded to tribal governments. For FY2001, the agency is requesting \$250 million for Section 319 grants. Most of the water pollution in Indian Country emanates from non-point sources. The NCAI recommends that a minimum of \$4 million be set aside for Section 319 tribal programs.

Under the proposed FY2001 EPA budget, the Clean Water Act State Revolving Fund program cap will be raised to 1½ percent for tribal governments which amounts to approximately \$12 million. However, NCAI urges this Committee to provide an additional \$5 million set aside for tribal governments in addition to the 1½ percent cap. The State Revolving Fund program assists tribes in wastewater treatment capacity building. Even though the additional request is still a significant shortfall, it will help address the estimated \$650 million wastewater treatment unmet needs in Indian Country. Within the State Revolving Fund program, the FY2000 budget provided \$15 million specifically for Alaska Native Villages. We urge this Committee to increase this amount to \$20 million for wastewater treatment facilities for the Alaska Native populations.

The EPA has requested for FY2001 \$12.3 million for section 1452 (i) of the Safe Drinking Water Act State Revolving Fund. This fund provides a tribal government set aside for public water system expenditures to facilitate compliance with the national primary drinking water regulations. The NCAI urges that this Committee include an additional \$5 million for tribal drinking water programs.



The EPA is proposing authorization for cooperative agreements with tribal governments and tribal consortia to assist the agency in implementing federal environmental programs. This initiative will facilitate a cost-effective approach in protecting environmental quality throughout Indian Country. EPA plans to utilize discretionary dollars to implement the cooperative agreements program. The NCAI strongly urges this Committee to fund the Tribal/EPA Cooperative Agreements Program to implement federal environmental programs in the amount of \$2 million in the first year of this important project.

More tribes have begun to develop environmental protection programs. Unfortunately, federal technical assistance funding has been severely reduced. The NCAI asks for an earmark from the EPA Office of Water budget in the amount of \$1 million to go towards funding tribal technical assistance needs. We respectfully request that the EPA provide the congress with an accounting of the technical assistance which this money will provide in order to assess future needs.

Tribal governments are responsible for protecting the health and welfare of their citizenry. Emergency preparedness and planning are requisites for ensuring protection of tribal communities. The Superfund Amendments and Reauthorization Act of 1986 (SARA Title III), burdens tribes with an unfunded mandate of compliance for emergency planning, and ability to respond to chemical emergencies. The NCAI urges Congress to provide \$13.7 million to establish Tribal Emergency Response Commissions (TERC) and Local Emergency Planning Committees (LEPC), as required under SARA Title III. SARA Title III restricts tribal emergency management program development, however, we will work with this Committee in the future to make the necessary changes to this law for the greater protection of Indian Country.

The challenges of environmental quality regulation can be met by tribal governments through the efforts of this Committee in supporting our recommendations for funding EPA tribal programs funding. We appreciate past efforts of this Committee and thank you for your assistance regarding tribal environmental quality protection for FY2001.

#### **N. FEDERAL EMERGENCY MANAGEMENT AGENCY**

Indian Country is waiting for the Federal Emergency Management Agency (FEMA) to formulate a coordinated implementation plan for its American Indian and Alaska Native Policy. Many barriers prevent establishment of disaster mitigation tribal programs, access to emergency management program funding, and technical assistance on a government to government level. This Committee has broken barriers in many program areas and has provided impetus for equitable treatment and funding to tribal governments. We again call upon this Committee to assist NCAI in its recommendations to FEMA for FY2001 funding of tribal programs which will enable tribal governments to assume their role as protectorates and overseers of the health and safety of tribal citizens.

For FY2001 SARA Title III Training Grants, FEMA is requesting \$179,500, the same

level of funding as FY2000. The tribal allocation of training grants are divided among several FEMA regional offices and in one region the tribal allocation was only \$5,000 to be divided among 35 tribes. Support for emergency responder training is expensive and training and support requires a much greater investment than the amount FEMA allows. The current budget request will not cover staff support or reporting and administrative work costs in the grant application and administration process for a SARA Title III grant. States used to receive money for SARA Title III Grants, but that funding is now consolidated into the Emergency Management Performance Grants which combines funding for FEMA's preparedness, mitigation, and other non-disaster programs for state emergency management activities. For FY2001 for states FEMA has requested \$137.4 million for Emergency Management Performance Grants. The NCAI requests at least \$2 million for tribal SARA Title III Training Grants which will alleviate part of the inequity in funding and allow a greater pro rata share for tribes.

In 1997, Project Impact was implemented to assist in making communities more disaster resistant. Project Impact developed and implemented a national framework promoting and fostering individual responsibility and partnerships for building communities that could withstand floods, hurricanes, earthquakes, and other costly natural hazards. Since its inception, FEMA has given out \$60.9 million in pre-disaster mitigation grant funds to states and non-Indian local governments. In the current year, \$300,000 is available to tribal communities for Project Impact. However, even at this minuscule level of funding, no tribal community has received any funding. In FY2001, FEMA proposes the establishment of a separate and distinct fund for pre-disaster mitigation activities in support of Project Impact. The NCAI requests that this Committee direct FEMA to step up its Project Impact outreach to tribal communities, and report to the Committee the financial outlay and assistance activities by the end of FY2001.

Under the FEMA Policy and Regional Operations activity, \$300,000 was allocated for tribal pilot programs in FY2000 to develop and enhance tribal emergency response program planning, training, and infrastructure development. In FY2001 the same amount has been requested. Although tribes are in dire need of pilot program assistance, FEMA has not spent the FY2000 allocation. The NCAI believes the amount currently available and the funding requested will not allow tribal governments to effectively improve emergency management in tribal communities within a one year time frame. We urge the Congress to direct FEMA to spend the current funding on tribal pilot projects. We also ask the Congress to increase the Policy and Regional Operations activity budget for FY2001 to \$900,000 and direct FEMA to operate three additional tribal pilot projects for two years and at the same funding level each year.

Without adequate emergency preparedness and response mechanisms in place Indian Country remains at risk. In the absence of FEMA oversight, state pass through funds generally do not reach tribal programs. Even if funds were provided to tribes through state agencies, such a procedure is counter to a government-to-government relationship with tribes. The best way for tribes to achieve parity from the inequitable state pass through funding and to participate in a meaningful way is to implement set

aside programs. When disaster declarations are made, tribal decision-makers are left out of the loop. Indian Country has always been at an economic disadvantage to repair community infrastructure following natural and manmade disasters. We will look to this Committee for assistance in resolving inequitable treatment and access to emergency management services in Indian Country. For these reasons, the NCAI requests a tribal set aside from discretionary funds or program specific funds of not less than \$5 million overall for emergency prevention and preparedness for tribal governments.

Again, we thank this Committee for accepting its responsibility and serving as an advocate for Indian Country. And we thank Committee members for support of the NCAI's FY2001 budget recommendations for FEMA towards achieving fiscal program funding equity for tribal governments, the right and fair thing to do.

#### **IV. Conclusion**

Mr. Chairman, we urge the Congress to fulfill its fiduciary duty to American Indians and Alaska Native people and to uphold the trust responsibility as well as preserve the Government-to-Government relationship, which includes the fulfillment of health, education and welfare needs of all Indian tribes in the United States. This responsibility should never be compromised or diminished because of any Congressional agenda or party platform. Tribes throughout the nation relinquished their lands as well as their rights to liberty and property in exchange for this trust responsibility. The President's FY2001 budget request acknowledges the fiduciary duty owed to tribes. We ask that the Congress to maintain the federal trust responsibility to Indian Country and continue to aid tribes on our journey toward self-sufficiency. This concludes my statement. Thank you for allowing me to present for the record the National Congress of American Indians' initial comments regarding the President's FY2001 Budget.

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# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-028

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Masten  
Yurok Tribe

**FIRST VICE PRESIDENT**  
W. Ron Allen  
Jamestown S'Klallam Tribe

**RECORDING SECRETARY**  
Isaac Mâjêl  
Pama-Yuma

**TREASURER**  
Eric Stevens, Jr.  
Oneida of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
Ojibwa Sioux

**ALBUQUERQUE AREA**  
Stanley Pato  
Zia Pueblo

**ANADARKO AREA**  
Alamie Ruppnick  
Prairie Band of  
Pawnee of Kansas

**BILLINGS AREA**  
William Old Chief  
Blackfoot Tribe

**JUNEAU AREA**  
Mike Williams  
Tahltan

**MINNEAPOLIS AREA**  
Bernida Churchill  
Mille Lacs Band of Ojibwa

**MUSKOGEE AREA**  
S. Diane Kelley  
Cherokee Nation

**NORTHEAST AREA**  
Alma Ramson  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Wapato Tribe of NVCA

**PORTLAND AREA**  
Ernest L. Stoenager  
Cowab Tribe

**SACRAMENTO AREA**  
Alevain E. Hess  
Rohay Pueblo Tribe

**SOUTHEAST AREA**  
A. Bruce Jones  
Tombigbee Tribe

#### EXECUTIVE DIRECTOR

DeAnn K. Chase  
Assistant, Finance & Admin.

### Title: BIA Economic/Business Development Training and Technical Assistance Funding

**WHEREAS**, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

**WHEREAS**, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

**WHEREAS**, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

**WHEREAS**, historically, Indian Tribes and Nations have been recognized as separate political and economic entities, which has often led to great economic and social inequities for Tribes and their members; and

**WHEREAS**, historically, the great potential of Indian reservations for further economic development has not been fully realized; and

**WHEREAS**, the lack of economic development has led to consistently high rates of unemployment and great hardship for Indian people on many reservations, with unemployment rates often exceeding 25% of all employable adults, many times the national average; and

**WHEREAS**, the passage of welfare reform legislation creates additional urgent incentives for the continued creation of jobs and highlights the need for sustainable economic development on Indian reservations, since, as welfare programs are ended, Indian people on the reservations will need quality employment

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opportunities; and

**WHEREAS**, various programs have been enacted, such as the BIA Economic Development Office, which allows businesses owned by Indian tribes and Indian individuals to take advantage of opportunities for business development; and

**WHEREAS**, the United States Congress passed legislation creating the Indian Finance Act, which included all Indian reservations, providing incentives for business on reservations and providing business opportunities for Indian and Tribal-owned businesses; and

**WHEREAS**, the legislation that created the Indian Finance Act to fund past BIA training and technical assistance has been removed from the BIA budget; and

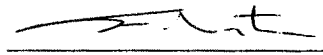
**WHEREAS**, the president of the United States, at the August 8, 1998 Summit on "Building Economic Self-Determination in Indian Communities," declared that he would remove barriers to funding economic development in Indian Country, by Executive Order if necessary.

**NOW THEREFORE BE IT RESOLVED**, that NCAI does hereby urge the President of the U.S. to include in his FY 2001 budget no less than \$10 million in funding for the Bureau of Indian Affairs (BIA) Office of Economic Development for the purpose of providing training & technical assistance (T & TA) and for the development and expansion of reservation businesses; and

**BE IT FURTHER RESOLVED**, that NCAI does hereby urge and request that the U.S. Congress and the House and Senate Interior Appropriations Committees appropriate no less than \$10 million, beginning in FY 2001, for the purposes outlined above.

#### CERTIFICATION

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

ATTEST:



Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-046

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Massén  
Yurok Tribe

**FIRST VICE PRESIDENT**  
W. Ron Allen  
Jameson S'Klallam Tribe

**RECORDING SECRETARY**  
Juana Majel  
Pauma-Yuma

**TREASURER**  
Emie Stevens, Jr.  
Omaha of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
Oglala Sioux

**ALBUQUERQUE AREA**  
Stanley Pina  
Zia Pueblo

**ANADARKO AREA**  
Minnie Ruppel  
Prairie Band of  
Potawatomis of Kansas

**BILLINGS AREA**  
William Old Chief  
Blackfeet Tribe

**JUNEAU AREA**  
Mize Williams  
Kupik

**MINNEAPOLIS AREA**  
Berada Churchill  
Mille Lacs Band of Ojibwe

**MUSKOGEE AREA**  
S. Diane Kelley  
Chevaley Nation

**NORTHEAST AREA**  
Alma Ransom  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Washoe Tribe of NV/CA

**PORTLAND AREA**  
Ernest L. Sheegor  
Cover of Alope Tribe

**SACRAMENTO AREA**  
Atervia E. Hess  
Rohopai Paiute Tribe

**SOUTHEAST AREA**  
A. Bruce Jones  
Fondren Tribe

#### EXECUTIVE DIRECTOR

Joann N. Chase  
A. Loren, Melissa & Arlene

**Title: Support for Increased Funding for Fellowship Assistance Funding Under the Special Higher Education Program, Administered by the American Indian Graduate Center**

**WHEREAS**, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

**WHEREAS**, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

**WHEREAS**, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

**WHEREAS**, the American Indian Graduate Center, Inc. was established in 1969 to further higher education of American Indians and Alaska Natives, thereby improving the lives of individuals, their families, and their tribes and has provided financial assistance to over 9,000 American Indians and Alaska Natives; and

**WHEREAS**, higher education is a key ingredient in developing stronger, self-sustaining and independent American Indian and Alaska Native communities and individuals; and

**WHEREAS**, the American Indian Graduate Center funds approximately 350 students each year due to limited resources; while there are total application requests for financial assistance from over 700 graduate students; and

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**WHEREAS**, the American Indian Graduate Center is the contractor for the Special Higher Education Program established under the Bureau of Indian Affairs; and

**WHEREAS**, additional funding through the Special Higher Education Program, through the Bureau of Indian Affairs, would provide additional financial support to more students; and

**WHEREAS**, the amount of Special Higher Education Program funds was reduced in 1993 from \$2.6 million to \$1.33 million while the American Indian graduation rates from 1993-1999 has more than doubled, thus more than doubling the number of eligible American Indian / Alaska Native graduate and professional students applying for financial assistance through the American Indian Graduate Center; and

**WHEREAS**, funding the Special Higher Education Program at a level of \$5.6 million would reduce the financial hardship of students that are pursuing their advanced degrees and provide funding for over 700 students per year; and

**WHEREAS**, the National Indian Education Association has identified, as a priority issue, the lack of scholarship assistance for American Indians and Alaska Natives that must be alleviated.

**NOW THEREFORE BE IT RESOLVED**, that NCAI will advocate for increased funding to the level of \$5.6 million for the Special Higher Education Program through the Bureau of Indian Affairs to support the financial needs of the increasing number of American Indian and Alaska Native students that are pursuing graduate and professional degrees; and

**BE IT FURTHER RESOLVED**, that NCAI does hereby support the efforts of the American Indian Graduate Center to provide support to American Indians and Alaska Native students that are pursuing advanced educational opportunities; and


**BE IT FINALLY RESOLVED**, that NCAI staff shall diligently monitor this resolution and report progress in the next edition of the Sentinel.

**CERTIFICATION**

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

**ATTEST:**  
Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.



# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-022

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Mattes  
Yonuk Tribe

**FIRST VICE PRESIDENT**  
W. Ron Allen  
Jameson S'Kialam Tribe

**RECORDING SECRETARY**  
Joana Majed  
Puma-Yuma

**TREASURER**  
Erika Stevens, Jr.  
Oneida of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Cliford  
Oglala Sioux

**ALBUQUERQUE AREA**  
Stanley Pina  
Zia Pueblo

**ANADARKO AREA**  
Maemie Ruppelch  
Prairie Band of  
Pawnee of Kansas

**BILINGS AREA**  
William Ohi Chief  
Blackfoot Tribe

**JUNEAU AREA**  
John Williams  
Tupik

**MINNEAPOLIS AREA**  
Beverly Churchill  
Sisseton Band of Ojibwa

**MUSKOGEE AREA**  
S. Diane Kelley  
Cherokee Nation

**NORTHEAST AREA**  
Alma Ransom  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Washoe Tribe of NV/CA

**PORTLAND AREA**  
Ernest L. Stoenegar  
Coos of Alsea Tribe

**SACRAMENTO AREA**  
Merwin E. Hess  
Shasta/Pitkin Tribe

**SOUTHEAST AREA**  
A. Bruce Sauer  
Tondawa Tribe

#### EXECUTIVE DIRECTOR

John K. Chase  
Alameda, Idaho & Arkansas

**Title: NCAI Supports the Pueblo of Acoma's Request to U.S. Congress to Appropriate Yearly Funding Increases to Support the Bureau of Indian Affairs Funding Allocation for Acoma Tribal Social Services**

WHEREAS, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

WHEREAS, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

WHEREAS, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

WHEREAS, the Bureau of Indian Affairs funding base allocation for the Acoma Community Social Services is limited and only meets approximately 25% the total Acoma Child and Family Protection services needs; and

WHEREAS, the Acoma Tribe's priority needs for Social Services Program continues to be left out of the BIA's Area and National Tribal Priority Allocation; and

WHEREAS, the Acoma Tribe has had to use funds from other community services programs such as Aid to Tribal Government, Tribal Courts and other community programs including the Elderly Housing Assistance Program to make up the shortfall annually incurred by the Program; and

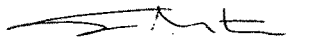
WHEREAS, the negative impact resulting from the limited services provided to families due to the limited funds has precipitated in an increase of dysfunctional families, child abuse and neglect, alcohol abuse, domestic violence and unemployment; and

WHEREAS, the Acoma Social Service Program is challenged with a young community with 43% of its population under the age of 21, with about 32% of households with children run by single mothers and almost half of the children under 18, or 48%, living in households without both parents present, against an average household income of \$16,000 (1900), and with nearly 40% of households below the national poverty line.

NOW THEREFORE BE IT RESOLVED, that NCAI does hereby support the Acoma Tribe in requesting the U.S. Congress to appropriate yearly funding increases to support Tribal programs in the delivery of Social Services.

#### CERTIFICATION

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

ATTEST:

  
Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.

## NATIONAL CONGRESS OF AMERICAN INDIANS



### THE NATIONAL CONGRESS OF AMERICAN INDIANS

#### RESOLUTION # VAN-99-050

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
W. Ross Allen  
*Jamestown S'Klallam Tribe*

**FIRST VICE PRESIDENT**  
Ernie Stevens, Jr.  
*Ojibwa Nation of Wisconsin*

**RECORDING SECRETARY**  
Lela Kashalla  
*Nambe Pueblo*

**TREASURER**  
Russell (Red) Mason  
*Three Affiliated Tribes*

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
*Ojibwa Sioux*

**ALBUQUERQUE AREA**  
Joe A. Garcia  
*Ohkay Owilagah  
San Juan Pueblo*

**ANADARKO AREA**  
Gary McLama  
*Wichita & Affiliated Tribes*

**BILLINGS AREA**  
Earl Old Person  
*Blackfoot Tribe*

**JUNEAU AREA**  
Steve Glanis  
*Haida Village of Port Yukon*

**MINNEAPOLIS AREA**  
Bertrida Churchill  
*White Lake Band of Ojibwa*

**MUSKOGEE AREA**  
S. Dione Kelley  
*Cherokee Nation*

**NORTHEAST AREA**  
Michael W. Schindler  
*Seneca Nation of Indians*

**ROCKY MOUNTAIN AREA**  
van Malli  
*10th River Plains-Montezuma*

**PORTLAND AREA**  
Henry Cogey  
*Sami Nation*

**SACRAMENTO AREA**  
Theryl A. Selinger  
*Salish Shoshone Reservation /Wiyot*

**SOUTHEAST AREA**  
V. Bruce Jones  
*Indio Tribe*

#### EXECUTIVE DIRECTOR

Ann K. Chase  
*London, Hudson & Arthur*

#### **Title: Indian Health Service Fiscal Year 2001 Budget**

WHEREAS, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, all rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

WHEREAS, the National Congress of American Indians (NCAI) is the oldest and largest national Indian organization, established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

WHEREAS, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

WHEREAS, the fundamental policy of Congress with respect to Indian Nations has been to encourage the policy of self-determination and self-governance since 1975; and

WHEREAS, the Indian Self-Determination and Education Act is intended to transfer effective controls and operations of programs previously controlled and operated by the federal government to the management of Tribal governments for the benefit of Indian people; and

WHEREAS, tribal governments are locally based and therefore in the best position to know the needs of the people they serve; and

WHEREAS, the National Congress of American Indians, the National Indian Health Board and the Tribal Self-Governance Advisory Committee have worked progressively to ensure that the federal government upholds the President's

Executive Order #13084, titled "Consultation and Coordination with Indian Tribal Governments," which requires that federal agencies consult with Tribal governments on the annual budget and policies affecting their sovereign rights to health care and other services; and

**WHEREAS**, the Indian Health Service (IHS) has engaged Tribal governments in budget formulation in every area of the IHS and invited representatives of Tribal governments and their health care systems to develop the Fiscal Year 2001 Budget; and

**WHEREAS**, the National Indian Health Board, the Tribal Self-Governance Advisory Committee and the National Council on Urban Indian Health met collectively with the Indian Health Service and reviewed the budget recommendations developed in each of the twelve area budget formulation meetings on June 1 and 2, 1999, in Washington, D.C.; and

**WHEREAS**, there has been agreement by the National Indian Health Board, the Tribal Self-Governance Advisory Committee and the National Council on Urban Indian Health that the Fiscal Year 2001 Indian Health Service Budget should be at least \$15.1 billion , but no less than the Director's request of \$3.219 billion in order to address the health care needs of American Indian and Alaska Native people; and

**WHEREAS**, the National Indian Health Board, the Tribal Self-Governance Advisory Committee, and the National Council on Urban Indian Health have agreed that the Director's request for an \$806 million increase for the Indian Health Service in Fiscal Year 2001 is the first incremental increase necessary to reaching the \$15.1 billion base funding level for IHS; and

**WHEREAS**, the National Indian Health Board and the Tribal Self-Governance Advisory Committee have selected as a priority the appropriation of at least \$423,515,000 in Fiscal Year 2001 for Contract Support Costs, which is critically needed to ensure that Tribal governments are successful in fulfilling the goals of Indian Self-Determination and Self-Governance.

**NOW THEREFORE BE IT RESOLVED**, that NCAI does hereby and is directed to advise the United States Congress, the Administration and Tribal Governments on the enactment of a budget no less than \$3,218,857,000 within the Fiscal Year 2001 Interior Appropriations legislation; and

**BE IT FURTHER RESOLVED**, that NCAI does hereby work closely with the National Indian Health Board, the Tribal Self-Governance Advisory Committee and the National Council on Urban Indian Health in the development of testimony and assist with the education of members of the U.S. Congress on the need for funding for Contract Support Costs that is no less than the Director's request of \$423,515,000 for Fiscal Year 2001; and

**BE IT FURTHER RESOLVED**, the NCAI is directed to establish a meeting with the White House Office of Management and Budget prior to and after the OMB passback on the Fiscal Year 2001 IHS Budget and the National Indian Health Board, the Tribal Self-Governance Advisory Committee, and the National Council on Urban Indian Health, to ensure consistent consultation; and

**BE IT FURTHER RESOLVED**, the NCAI is directed to work with Dr. Michael Trujillo, Director of the Indian Health Service, to ensure that an ongoing process is established that provides tribal governments the opportunity to monitor the implementation of the IHS budget to assure that the American Indian people are receiving the full benefit of all funding appropriated by the U.S. Congress through the Indian Health Service; and

**BE IT FINALLY RESOLVED**, that NCAI does hereby request, on behalf of the National Indian Health Board, the Tribal Self-Governance Advisory Committee, and the National Council on Urban Indian Health, a series of meetings with the appropriate committees of the U.S. Congress, The White House and it's Office of Management and Budget, the Secretary of the Department of Health and Human Services and the Indian Health Service, on the efforts of Tribal governments to secure a budget no less than \$3,218,857,000 for the Indian Health Service in Fiscal Year 2001, which is necessary, as the first increment, to reaching the needs-based funding level of \$15,122,440,000 and to save the lives of Indian people, in fulfillment of the solemn trust responsibility, purchased in exchange for our precious lands.

#### CERTIFICATION

The foregoing resolution was adopted at the 1999 Mid-Year Session of the National Congress of American Indians, held at the Vancouver Trade and Convention Center, in Vancouver, British Columbia, Canada on July 20-23, 1999 with a quorum present.

  
 W. Ron Allen, President

#### ATTEST:

  
 Lela Kaskalla, Recording Secretary

Adopted by the General Assembly during the 1999 Mid-Year Session held at the Vancouver Trade and Convention Center in Vancouver, British Columbia, Canada on July 20-23, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-098

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Maxtone  
Yurok Tribe

**FIRST VICE PRESIDENT**  
W. Ross Allen  
Janestown S'Kallam Tribe

**RECORDING SECRETARY**  
Joana Majel  
Pawnee-Yuma

**TREASURER**  
Erika Stevens, Jr.  
Oneida of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
Ojibwa Sioux

**ALBUQUERQUE AREA**  
Stanley Pino  
Zia Pueblo

**ANADARKO AREA**  
Mamie Ruppel  
Prairie Band of  
Potawatomi of Kansas

**BILLINGS AREA**  
William Old Chief  
Blackfeet Tribe

**JUNEAU AREA**  
Mike Williams  
Yupik

**MINNEAPOLIS AREA**  
Bernida Chanchill  
Mille Lacs Band of Ojibwa

**MUSKOGEE AREA**  
S. Diane Kelley  
Chevotone Nation

**NORTHEAST AREA**  
Alma Ransom  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Washoe Tribe of NV/CA

**FORTLAND AREA**  
Ernest L. Steingar  
Coway of Aloha Tribe

**SACRAMENTO AREA**  
Merwin E. Hess  
Bishop Paiute Tribe

**SOUTHEAST AREA**  
A. Bruce Jones  
Lumbee Tribe

#### EXECUTIVE DIRECTOR

JoAnn E. Chase  
Mandan, Hidatsa & Arikara

#### Title: Support of Institute of American Indian Arts For Continued Federal Funding

WHEREAS, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

WHEREAS, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

WHEREAS, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

WHEREAS, the Institute of American Indian Arts is a national fine arts college devoted solely to the teaching and preservation of American Indian and Alaska Native Arts and Culture; and

WHEREAS, the NCAI has been made aware that the House Interior Appropriations Committee has terminated federal funding for the Institute of American Indian Arts (IAIA) for FY2001; and

WHEREAS, the IAIA has educated approximately 4,000 American Indian/Alaska Native students since its inception in 1962; and

WHEREAS, the NCAI is cognizant of the positive impact the IAIA has on the recognition of American Indian/Alaska Native Cultures via the arts; and

**WHEREAS**, NCAI is strongly committed to the enrichment and preservation of American Indian/Alaska Native cultures and art and to the continuance of the IAIA; and

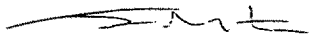
**WHEREAS**, the Board of Trustees of the Institute of American Indian Arts has asked for the advice and assistance of NCAI and tribal leaders as it works to ensure the future of the IAIA.

**NOW THEREFORE BE IT RESOLVED**, that NCAI does hereby urge the United States Congress to keep the IAIA in the federal budget; and

**BE IT FINALLY RESOLVED**, that NCAI does hereby urge the President of the United States and the United States Congress to continue federal funding for IAIA for FY2001 in the amount of \$4.25 million for core operations and \$2 million for construction with a 100% matching provision.

#### CERTIFICATION

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

**ATTEST:**

  
\_\_\_\_\_  
Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-056

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Madison  
Yurok Tribe

**FIRST VICE PRESIDENT**  
W. Bob Allen  
Jamesstown S'Klallam Tribe

**RECORDING SECRETARY**  
Juana Majel  
Pawnee-Turne

**TREASURER**  
Eric Stevens, Jr.  
Oneida of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
Ojibwa Sioux

**ALBUQUERQUE AREA**  
Stanley Pino  
Zui Pueblo

**ANADARKO AREA**  
Nanette Baginski  
Prairie Band of  
Pocahontas of Kansas

**BILLINGS AREA**  
William Old Chief  
Blackfoot Tribe

**SUNEAU AREA**  
Arlene Williams  
Yupik

**MINNEAPOLIS AREA**  
Bernice Churchill  
Mille Lacs Band of Ojibwe

**MUSKOGEE AREA**  
S. Diane Keffley  
Cherokee Nation

**NORTHEAST AREA**  
Alma Ransom  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Washoe Tribe of NWCA

**PORTLAND AREA**  
Ernest L. Stevigar  
Covey of Above Tribe

**SACRAMENTO AREA**  
Mervin E. Hess  
Bishop Paiute Tribe

**SOUTHEAST AREA**  
A. Bruce Janni  
Isonde Tribe

#### EXECUTIVE DIRECTOR

Juana K. Chase  
Atlanta, Indiana & Anishinabe

### Title: To Support Increased Funding for Tribal Historic Preservation Programs

WHEREAS, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

WHEREAS, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

WHEREAS, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

WHEREAS, a growing number of Indian tribes are building their own historic preservation and cultural resources management programs, and there is a need to increase the levels of federal financial assistance for these tribal programs; and

WHEREAS, federal laws such as the National Historic Preservation Act (NHPA) and Native American Graves Protection and Repatriation Act (NAGPRA) recognize tribal authority within reservation boundaries as well as tribal rights and interests beyond reservation boundaries; and

WHEREAS, the regulatory program established by the NHPA is the primary federal regulatory program that can be used to protect traditional cultural places and other historic places that Indian tribes regard as holding religious and cultural importance; and



**WHEREAS**, the NHPA authorizes tribes to assume responsibilities like those performed by states historic preservation officers (SHPOs) for lands within reservation boundaries and also authorizes the National Park Service to provide financial assistance to tribes that have assumed SHPO responsibilities; and

**WHEREAS**, by assuming SHPO responsibilities and receiving federal financial support for performing those functions, tribes can establish programs to interact with federal and state agencies to assert tribal interests in historic preservation and related matters, including graves protection and repatriation; and

**WHEREAS**, the amount of funds appropriated for tribal preservation programs has increased modestly in recent years (about \$3 million in FY 1999), but the amount of funding has not kept pace with the number of tribes that have taken over SHPO responsibilities (20 tribes), and is far short of the \$5 million to \$10 million annual level recommended in a 1990 report to Congress by the National Park Service; and

**WHEREAS**, the NPS tribal grant program represents a small part of the Historic Preservation Fund, which is the line item in the federal budget through which the National Park Service provides funding to tribes and to state historic preservation offices; and

**WHEREAS**, the participation of tribal governments as full partners in our national historic preservation program would benefit the larger American society in a variety of ways, including helping people in the larger society to learn about tribal perspectives on American history and the ways in which tribal cultures are rooted in the land.

**NOW THEREFORE BE IT RESOLVED**, that NCAI does hereby support increased appropriations for the Historic Preservation Fund for financial assistance to tribal historic preservation programs, especially for tribes that accept responsibilities for performing functions that would otherwise be performed by state historic preservation officers; and

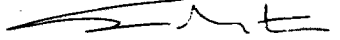
**BE IT FURTHER RESOLVED**, that NCAI does hereby endorse the efforts of Indian tribes and other inter-tribal organizations to secure increased federal appropriations for tribal historic preservation programs; and

**BE IT FINALLY RESOLVED**, that NCAI does hereby call upon the historic preservation community to actively support increased funding for tribal historic preservation programs.

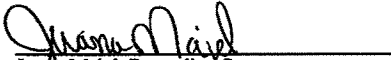
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**CERTIFICATION**

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

**ATTEST:**  
Juan Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-017

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Masten  
Yurok Tribe

**FIRST VICE PRESIDENT**  
W. Ram Allen  
Jamestown S'Klallam Tribe

**RECORDING SECRETARY**  
Juana Majel  
Pawnee-Naiwa

**TREASURER**  
Ernie Stevens, Jr.  
Ojibwa of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
Ojibwa Sioux

**ALBUQUERQUE AREA**  
Stanley Pina  
Zu Pueblo

**ANADARKO AREA**  
Alameda Hupachi  
Prairie Band of  
Pocahontas of Kansas

**BILLINGS AREA**  
William Old Chief  
Blackfoot Tribe

**JUNEAU AREA**  
Mike Williams  
Yup'ik

**MINNEAPOLIS AREA**  
Bernida Churchill  
Mille Lacs Band of Ojibwa

**MUSKOGEE AREA**  
S. Diane Kelley  
Cherokee Nation

**NORTHEAST AREA**  
Alma Ransom  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Wascoo Tribe of NWCA

**PORTLAND AREA**  
Ernest L. Stensgar  
Coos of Alsea Tribe

**SACRAMENTO AREA**  
Hervin E. Hess  
Robap Paiute Tribe

**SOUTHEAST AREA**  
A. Bruce Jones  
Coushatta Tribe

#### EXECUTIVE DIRECTOR

John E. Chase  
Assistant, Finance & Admin.

#### Title: Funding for Tribal Historic Preservation Offices

**WHEREAS**, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

**WHEREAS**, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

**WHEREAS**, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

**WHEREAS**, it is recognized that there is federal legislation regarding the establishment of Tribal Historic Preservation Offices, also known as the National Historic Preservation Act (Section 101 (d)), and this Act specifies allocation of federal funds for these Tribal Historic Preservation Offices; and

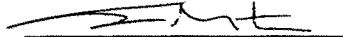
**WHEREAS**, state Historic Preservation Offices currently receive annual federal funding for the management and administration of their offices, and Tribal Historic Preservation Offices have been charged with the same obligations and responsibility under the law as the state Historic Preservation Offices.

**NOW THEREFORE BE IT RESOLVED**, that NCAI does hereby support federal funding of Tribal Historic Preservation Offices at the same level as state Historic Preservation Offices beginning in the 2000 fiscal year.

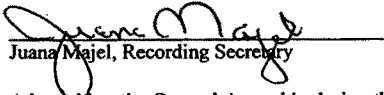
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**CERTIFICATION**

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

**ATTEST:**  
Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS

## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # VAN-99-022

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
W. Ron Allen  
*Jamestown S'Klallam Tribe*

**FIRST VICE PRESIDENT**  
Ernie Stewass, Jr.  
*Garfield Nation of Wisconsin*

**RECORDING SECRETARY**  
Lela Kaakilla  
*Nambe Pueblo*

**TREASURER**  
Russell (Bud) Mason  
*Three Affiliated Tribes*

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
*Ojibwa Sioux*

**ALBUQUERQUE AREA**  
Joe A. Garcia  
*Ohkay Owingeh  
San Juan Pueblo*

**ANADARKO AREA**  
Gary McAdams  
*Wichita & Affiliated Tribes*

**BILLINGS AREA**  
Earl Old Person  
*Blackfeet Tribe*

**JUNEAU AREA**  
Steve Glens  
*Native Village of Fort Yukon*

**MINNEAPOLIS AREA**  
Bernida Churchill  
*Mille Lacs Band of Ojibwe*

**MUSKOGEE AREA**  
S. Diane Kelley  
*Cherokee Nation*

**NORTHEAST AREA**  
Michael W. Schindler  
*Seneca Nation of Indians*

**PHOENIX AREA**  
Ivan Makil  
*Salt River Pima-Maricopa*

**PORTLAND AREA**  
Henry Cagay  
*Lemmi Nation*

**SACRAMENTO AREA**  
Cheryl A. Seldner  
*Table Bluff Reservation / Wiyot*

**SOUTHEAST AREA**  
A. Bruce Jones  
*Lumber Tribe*

#### EXECUTIVE DIRECTOR

JoAnn K. Chase  
*Mandan, Hidatsa & Arikara*

### Title: Resolution in Support of Increase in NAHASDA Funding to \$972 Million for FY 2001

**WHEREAS**, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, all rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

**WHEREAS**, the National Congress of American Indians (NCAI) is the oldest and largest national Indian organization, established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

**WHEREAS**, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

**WHEREAS**, that Indian tribes throughout the country have six times more substandard housing than other housing in the United States, 40% of Indian families are overcrowded compared to 6% for non-Indians, and 28% of 250,000 American Indians living in non-tribal areas are very low income and will be affected by welfare reform initiatives; and

**WHEREAS**, Indian tribes have been severely under-funded for housing and infrastructure for the past years under the Native American Housing Assistance and Self Determination Act of 1996.

**NOW THEREFORE BE IT RESOLVED**, that NCAI does hereby request that the Congress appropriate a minimum of \$972 Million for FY 2001 for the Indian Housing Block Grant Program under the Native American Housing Assistance and Self Determination Act of 1996.

## CERTIFICATION

The foregoing resolution was adopted at the 1999 Mid-Year Session of the National Congress of American Indians, held at the Vancouver Trade and Convention Center, in Vancouver, British Columbia, Canada on July 20-23, 1999 with a quorum present.

  
\_\_\_\_\_  
W. Ron Allen, President

## ATTEST:

  
\_\_\_\_\_  
Lela Kaskalla, Recording Secretary

Adopted by the General Assembly during the 1999 Mid-Year Session held at the Vancouver Trade and Convention Center in Vancouver, British Columbia, Canada on July 20-23, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-060

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Masten  
Yurok Tribe

**FIRST VICE PRESIDENT**  
W. Ron Allen  
Jamesstown S'Klallam Tribe

**RECORDING SECRETARY**  
Joanne Majid  
Paumotu

**TREASURER**  
Emile Stevens, Jr.  
Omaha of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Cerald M. Clifford  
Ojibwa Sioux

**ALBUQUERQUE AREA**  
Stanley Pino  
Zuñeño

**ANADARKO AREA**  
Mamie Bynicki  
Prairie Band of  
Potawatomi of Kansas

**BILLINGS AREA**  
William Old Chief  
Blackfeet Tribe

**JUNEAU AREA**  
Mike Williams  
Yupik

**MINNEAPOLIS AREA**  
Bonnie Churchill  
Mille Lacs Band of Ojibwa

**MUSKOGEE AREA**  
S. Diane Kelley  
Choctaw Nation

**NORTHEAST AREA**  
Arlene Ransom  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Washoe Tribe of NV/CA

**PORTLAND AREA**  
Emmett L. Steingard  
Cowwamish Tribe

**SACRAMENTO AREA**  
Arlene E. Hess  
Bidjap Paiute Tribe

**SOUTHEAST AREA**  
A. Bruce Jones  
Tusculum Tribe

#### EXECUTIVE DIRECTOR

John R. Chase  
Executive, H&D&A Arizoa

**Title: Requesting the United States President and the United States Congress to Budget and Approve Funding, Respectively, for \$985 Million for the FY 2001 Indian Housing Block Grant Program under the Native American Housing Assistance and Self-Determination Act of 1996**

**WHEREAS**, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

**WHEREAS**, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

**WHEREAS**, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

**WHEREAS**, there is a severe housing need in Indian Country and has been noted by Secretary Andrew Cuomo, US Department of Housing and Urban Development (HUD) and Congress to be the number one population group needing adequate, safe and decent housing; and

**WHEREAS**, the United States Congress and the President approved FY 1999 funding for \$620 million for the Indian Housing Block Grant (IHBG) Program under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA), P.L. 104-330 and that amount has proven to be very inadequate for small and medium-size Indian tribes; and

**WHEREAS**, the Native American Indian Housing Council (NAIHC) has researched and determined that the federal funding level for Indian housing is about \$985 million; and

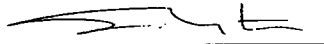
1301 Connecticut Avenue NW, Suite 200, Washington, DC 20036 202.466.7767 fax 202.466.7797

**WHEREAS**, a strong and uniform support on this funding issue has been provided by many Indian tribes and regional and national Indian organizations including, but not limited to, the National American Indian Housing Council, HUD-recognized regional Indian housing associations, tribal leaders associations and many individual Indian tribes.

**NOW THEREFORE BE IT RESOLVED**, the National Congress of American Indians requests the United States President and United States Congress budget and approve funding, respectively, of \$985 million for the FY 2001 to Indian Housing Block Grant Program under the Native American Housing Assistance and Self-Determination Act of 1996 (P.L. 104-330).

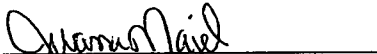
#### CERTIFICATION

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

#### ATTEST:

  
\_\_\_\_\_  
Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.



# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-077

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Masten  
Yurok Tribe

**FIRST VICE PRESIDENT**  
W. Ron Allen  
Jamestown S'Klallam Tribe

**RECORDING SECRETARY**  
Joanna Mabel  
Paumotu

**TREASURER**  
Erica Stevens, Jr.  
Ozaukee of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
Oglala Sioux

**ALBUQUERQUE AREA**  
Stanley Pina  
Iza Pueblo

**ANADARKO AREA**  
Alamide Ruppel  
Prairie Band of  
Pocahontas of Kansas

**BILLINGS AREA**  
William Old Chief  
Blackfeet Tribe

**JUNEAU AREA**  
Mike Williams  
Tribal

**MINNEAPOLIS AREA**  
Bernadette Churchill  
Mille Lacs Band of Ojibwe

**MUSKOGEE AREA**  
S. Diane Kellley  
Cherokee Nation

**NORTHEAST AREA**  
Aloa Ransom  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Washoe Tribe of NV/CA

**FORTLAND AREA**  
Ernest L. Stoeniger  
Crozer of Alsea Tribe

**SACRAMENTO AREA**  
Marvin E. Moss  
Bishop Paiute Tribe

**SOUTHEAST AREA**  
A. Bruce Jones  
Tombigbee Tribe

#### EXECUTIVE DIRECTOR

James H. Chase  
Alameda, Modesto & Antelope

### Title: In Full Support of a National Study of the Deplorable Condition of Roadways Within Indian Country and Increased Annual Interior Appropriations for the Indian Reservation Roads Maintenance Deficit

**WHEREAS**, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

**WHEREAS**, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

**WHEREAS**, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

**WHEREAS**, the Indian Reservation Roads (IRR) program, which is jointly administered by the Federal Highways Administration - Federal Lands Highway Office and Bureau of Indian Affairs (BIA), generally consists of construction and maintenance of roads and bridge systems; and

**WHEREAS**, the IRR Maintenance program is primarily funded by annual appropriations to the U.S. Department of the Interior (Interior) and is subject to the Tribal Priority Allocation distribution; and

**WHEREAS**, there are nine (9) basic divisions of the Interior that include the BIA, where each division competes to receive a share of the annual maintenance appropriations; and

**WHEREAS**, the BIA's share of these Interior appropriations has dramatically and severely been systematically reduced over the last thirty (30) years and this continues to detrimentally impact the safety, health, welfare, education, economic, employment, jurisdiction and sovereignty of tribal governments; and

**WHEREAS**, the BIA is directly responsible for improving the stewardship of constructed assets and to reduce the accumulated deferred maintenance of the IRR system and is directly responsible for providing a fiduciary trust to tribal governments.

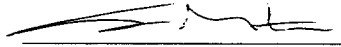
**NOW THEREFORE BE IT RESOLVED**, that NCAI does hereby recommend that the U.S. Congress, the Department of Interior, the Federal Highway Administration and the Bureau of Indian Affairs provide adequate funding for an in-depth and detailed analysis of the maintenance deficit of the national Indian Reservation Roads program; and

**BE IT FURTHER RESOLVED**, that NCAI does hereby recommend the study and analysis of the maintenance aspect of the national IRR be used as the basis for additional and/or special Congressional appropriations which would insure, invest and sustain the maintenance of the national IRR and protect the public investment of highway trust funds; and

**BE IT FINALLY RESOLVED**, that NCAI does hereby endorse the proposed analysis of the accumulated deferred maintenance and shall actively seek and lobby for additional Congressional and Interior appropriations for maintenance of the national Indian Reservation Roads program.

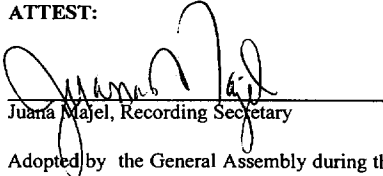
**CERTIFICATION**

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in California on October 3-8, 1999 with a quorum present.



Susan Masten, President

**ATTEST:**

  
Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-078

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Masten  
Yankton Tribe

**FIRST VICE PRESIDENT**  
W. Russ Allen  
Jamestown S'Klallam Tribe

**RECORDING SECRETARY**  
Joanna Majed  
Pawnee-Yukon

**TREASURER**  
Ernie Stevens, Jr.  
Ojibwa of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Cerald M. Chford  
Ojibwa Sioux

**ALBUQUERQUE AREA**  
Stanley Pano  
Zia Pueblo

**ANADARKO AREA**  
Hazelie Koppicki  
Public Band of  
Pottawatomie of Kansas

**BILLINGS AREA**  
William Osh Chibet  
Blackfoot Tribe

**JUNEAU AREA**  
Milly Williams  
Tahltan

**MINNEAPOLIS AREA**  
Bernida Churchill  
Mille Lacs Band of Ojibwa

**MUSKOGEE AREA**  
S. Diana Kelley  
Choctaw Nation

**NORTHEAST AREA**  
Alana Ransom  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Washoe Tribe of NV/CA

**FORTLAND AREA**  
Ernest L. Svinger  
Coos of Maine Tribe

**SACRAMENTO AREA**  
Aberville E. Hess  
Bethup-Pawnee Tribe

**SOUTHWEST AREA**  
A. Bruce Jones  
Jumilla Tribe

#### EXECUTIVE DIRECTOR

John R. Chase  
Amarillo, Indiana & Ankara

**Title: Technical Amendment of the Transportation Equity Act for the 21<sup>st</sup> Century (TEA21) to Exempt the Indian Reservation Roads Program from the Obligation Ceiling Limitation.**

**WHEREAS**, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

**WHEREAS**, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

**WHEREAS**, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

**WHEREAS**, the Transportation Equity Act for the 21<sup>st</sup> Century (TEA21), Public Law 105-178, limits the obligation of Indian Reservation Roads (IRR) funding to 89%; and

**WHEREAS**, the TEA21 of 1998, Section 1102 - Obligation Ceiling has eliminated over \$89 million from the IRR program; and

**WHEREAS**, the Obligation Ceiling limitation is inconsistent with all prior transportation acts and negatively impacts the ability of Indian Tribes and the Bureau of Indian Affairs to provide safe and decent access to health care, education, employment, tourism, and economic development; and

**WHEREAS**, the recent (H.R.2084) FY2000 Transportation Appropriation bill did not restore full funding to the IRR program; and

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**WHEREAS**, the National Congress of Americans, pursuant to NCAI Resolution #VAN-99-070, have established a technical amendment, entitled the "TEA21 Technical Amendments Act," that purports to exempt the IRR program from the Obligation Ceiling limitation and further promulgates restoring full funding to the IRR program; and

**WHEREAS**, other tribal governments have obtained legal assistance to create other forms of technical amendments to amend the TEA21, Obligation Ceiling limitation statute.

**NOW THEREFORE BE IT RESOLVED**, that NCAI shall continue to promulgate a technical amendment to exempt the IRR program from the implementation of the Obligation Ceiling limitation and further restores full funding to the IRR program; and

**BE IT FINALLY RESOLVED**, that NCAI shall organize a national meeting of tribal governments to streamline and combine the efforts of Indian Country in this relevant and important initiative.

#### CERTIFICATION

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

**ATTEST:**

  
Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-083

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
Susan Madsen  
Yurok Tribe

**FIRST VICE PRESIDENT**  
W. Ben Allen  
Jamestown S'Kallam Tribe

**RECORDING SECRETARY**  
Joanna Majet  
Pawnee-Yukon

**TREASURER**  
Ernie Stevens, Jr.  
Omaha of Wisconsin

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
Oglala Sioux

**ALBUQUERQUE AREA**  
Stanley Pina  
Zu Pueblo

**ANADARKO AREA**  
Mamie Bopchick  
Prairie Band of  
Potawatomi of Kansas

**BILLINGS AREA**  
William Old Chief  
Blackfoot Tribe

**TUNEAU AREA**  
Mike Williams  
Tupik

**MINNEAPOLIS AREA**  
Bernice Churchill  
Mille Lacs Band of Ojibwe

**MUSKOGEE AREA**  
S. Diane Keffley  
Cherokee Nation

**NORTHEAST AREA**  
Alma Bansom  
St. Regis Mohawk Tribe

**PHOENIX AREA**  
A. Brian Wallace  
Washoe Tribe of NV/CA

**PORTLAND AREA**  
Ernest L. Stoenagar  
Council of Nooksack Tribe

**SACRAMENTO AREA**  
Averlie E. Hess  
Aravaipa Papper Tribe

**SOUTHWEST AREA**  
A. Bruce Jones  
Lushoot Tribe

#### EXECUTIVE DIRECTOR

Isabel E. Chase  
Alamogordo, Harbors & Anishin

#### Title: Equal Funding for American Indian Head Start Programs

WHEREAS, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

WHEREAS, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

WHEREAS, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

WHEREAS, the American Indian Head Start Programs currently receive approximately \$43 million dollars less than Migrant Head Start Programs and request at a minimum, that both programs be funded equally; and

WHEREAS, current grantees are limited in their ability to apply for enrollment expansion funds due to the unavailability and/or lack of suitable facilities on Indian reservations; and

WHEREAS, the tribal leaders need to assure that their most valuable members and their families have the opportunity to receive the valuable services to children who have been enrolled in Head Start; and

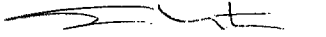
WHEREAS, current grantees are limited in their ability to apply for enrollment expansion funds due to the unavailability and/or lack of suitable facilities on Indian reservations.

**NOW THEREFORE BE IT RESOLVED**, that NCAI does hereby make use of its influence with congressional leaders and the Department of Health and Human Services to assure that American Indian tribes are made completely aware of the opportunities to become Head Start grantees, and to assure technical assistance is provided in the years funds are made available to expand enrollment of existing grantees; and

**BE IT FURTHER RESOLVED**, that NCAI does hereby request the Secretary of the Department of Health and Human Services to make whatever efforts necessary to lessen the funding gap between the two programs.

#### CERTIFICATION

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

#### ATTEST:

  
Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS



## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # PSC-99-102

#### EXECUTIVE COMMITTEE

##### PRESIDENT

Susan Masten  
Yurok Tribe

##### FIRST VICE PRESIDENT

W. Ron Allen  
Jameson S'Kallam Tribe

##### RECORDING SECRETARY

Brian Hodel  
Pawnee Nation

##### TREASURER

Erica Stevens, Jr.  
Ojibwa of Wisconsin

#### AREA VICE PRESIDENTS

##### ABERDEEN AREA

Cervid M. Clifford  
Ojibwa Sioux

##### ALBUQUERQUE AREA

Stanley Pileo  
Zia Pueblo

##### AMADARKO AREA

Mamie Ruppicki  
Prairie Band of  
Missourians of Kansas

##### BILLINGS AREA

William Ohi Chief  
Blackfoot Tribe

##### JUNEAU AREA

Mike Williams  
Yupik

##### MINNEAPOLIS AREA

Beverly Churchill  
Mille Lacs Band of Ojibwa

##### MUSKOGEE AREA

S. Diane Kelley  
Chevrole Nation

##### NORTHEAST AREA

Alma Benson  
St. Regis Mohawk Tribe

##### PHOENIX AREA

A. Brian Wallace  
Wapoch Tribe of ARICA

##### PORTLAND AREA

Ernest L. Semangat  
Crown of Aklavik Tribe

##### SACRAMENTO AREA

Merwin E. Hess  
Shoshone Tribe

##### SOUTHEAST AREA

A. Bruce James  
Lumbee Tribe

#### EXECUTIVE DIRECTOR

JoAnn R. Chase  
Assistant, 1 Victoria & AntLara

#### Title: Support for the Inclusion of Tribal Child Care in the Subcommittee on Indian Child and Family Welfare

WHEREAS, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

WHEREAS, the National Congress of American Indians (NCAI) is the oldest and largest national organization established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

WHEREAS, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI; and

WHEREAS, the Child Care and Development Block Grant Act of 1990 (CCDBG) provided a tribal set-aside of funding in the amount of 2% for Indian tribes to operate tribal child care programs; and

WHEREAS, the tribal child care programs need legislative advocacy from NCAI as the CCDBG Act will be authorized in the year 2000 and the tribal set-aside of 2% needs to be increased.

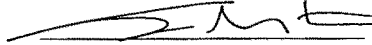
NOW THEREFORE BE IT RESOLVED, that NCAI does hereby support the inclusion of the tribal child care in the NCAI Subcommittee on Indian Child and Family Welfare; and

BE IT FURTHER RESOLVED, that NCAI does hereby support an increase in funding for tribal child care from its current level of 2% of the total appropriation.



**CERTIFICATION**

The foregoing resolution was adopted at the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999 with a quorum present.



Susan Masten, President

**ATTEST:**

  
Juana Majel, Recording Secretary

Adopted by the General Assembly during the 1999 Annual Session of the National Congress of American Indians, held at the Palm Springs Convention Center, in Palm Springs, California on October 3-8, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS

## THE NATIONAL CONGRESS OF AMERICAN INDIANS

### RESOLUTION # VAN-99-070

#### EXECUTIVE COMMITTEE

**PRESIDENT**  
W. Ross Allen  
*Jamestown S'Klallam Tribe*

**FIRST VICE PRESIDENT**  
Ernie Stevens, Jr.  
*Ojibwa Nation of Wisconsin*

**RECORDING SECRETARY**  
Lele Kaskalia  
*Nambé Pueblo*

**TREASURER**  
Russell (Bud) Mason  
*Three Affiliated Tribes*

#### AREA VICE PRESIDENTS

**ABERDEEN AREA**  
Gerald M. Clifford  
*Ogala Sioux*

**ALBUQUERQUE AREA**  
Joe A. Garcia  
*Ohkay Owingeh*  
*San Juan Pueblo*

**ANADARKO AREA**  
Gary McAdams  
*Wichita & Affiliated Tribes*

**BILLINGS AREA**  
Earl Old Person  
*Blackfeet Tribe*

**JUNEAU AREA**  
Steve Ginals  
*Native Village of Fort Yukon*

**MINNEAPOLIS AREA**  
Bernalda Churchill  
*Millie Luce Band of Ojibwa*

**MUSKOGEE AREA**  
S. Diane Kelley  
*Cherokee Nation*

**NORTHEAST AREA**  
Michael W. Schindler  
*Seneca Nation of Indians*

**PHOENIX AREA**  
Ivan Makil  
*Salt River Pima-Maricopa*

**PORTLAND AREA**  
Henry Caggy  
*Lummi Nation*

**SACRAMENTO AREA**  
Cheryl A. Seldner  
*Toiyte Bluff Reservation/Wiyoi*

**SOUTHEAST AREA**  
A. Bruce Jones  
*Lumbee Tribe*

#### EXECUTIVE DIRECTOR

JoAnn K. Chase  
*Mandan, Hidatsa & Arikara*

**Title: Recommending Removal of the Obligational Ceiling Limitation Requirement for the Indian Reservation Roads Program From The FY2000 and Subsequent Department of Transportation Appropriations Acts**

**WHEREAS**, we, the members of the National Congress of American Indians of the United States, invoking the divine blessing of the Creator upon our efforts and purposes, in order to preserve for ourselves and our descendants the inherent sovereign rights of our Indian nations, all rights secured under Indian treaties and agreements with the United States, and all other rights and benefits to which we are entitled under the laws and Constitution of the United States to enlighten the public toward a better understanding of the Indian people, to preserve Indian cultural values, and otherwise promote the welfare of the Indian people, do hereby establish and submit the following resolution; and

**WHEREAS**, the National Congress of American Indians (NCAI) is the oldest and largest national Indian organization, established in 1944 and comprised of representatives of and advocates for national, regional, and local Tribal concerns; and

**WHEREAS**, the health, safety, welfare, education, economic and employment opportunity, and preservation of cultural and natural resources are primary goals and objectives of NCAI.

**WHEREAS**, transportation impacts virtually every aspect of a community such as economic development, education, healthcare, travel, tourism, planning, land use and employment opportunities; and

**WHEREAS**, the Affiliated Tribes of Northwest Indians is aware that the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) has been signed into law by the U.S. President and limits the obligation of Indian Reservation Road (IRR) funding to 90%; and

**WHEREAS**, the obligation ceiling limitation thus far has eliminated over \$58 million from the IRR program, which will lose another \$31 million if the limitation is not removed in the FY 2000 Appropriations Act; and

**WHEREAS**, this limitation is inconsistent with all prior transportation acts, and seriously impacts the ability of Indian Tribes and the Bureau of Indian Affairs to provide the American Indian people with safe and decent access to health care, education, employment, tourism, and economic development.

**NOW THEREFORE BE IT RESOLVED**, that NCAI does hereby draft a Technical Amendment in consultation with tribes and advocate for its' passage with the U.S. Congress to remove the obligation limitation contained in TEA-21 for Transportation Appropriations Acts.

#### CERTIFICATION

The foregoing resolution was adopted at the 1999 Mid-Year Session of the National Congress of American Indians, held at the Vancouver Trade and Convention Center, in Vancouver, British Columbia, Canada on July 20-23, 1999 with a quorum present.

  
\_\_\_\_\_  
W. Ron Allen, President

**ATTEST:**

  
\_\_\_\_\_  
Lela Kaskalla, Recording Secretary

Adopted by the General Assembly during the 1999 Mid-Year Session held at the Vancouver Trade and Convention Center in Vancouver, British Columbia, Canada on July 20-23, 1999.

# NATIONAL CONGRESS OF AMERICAN INDIANS

March 22, 2000

## EXECUTIVE COMMITTEE

PRESIDENT  
Susan Masten  
Yurok Tribe

FIRST VICE PRESIDENT  
W. Ron Allen  
Jamestown S'Klallam Tribe

RECORDING SECRETARY  
Juana Majel  
Pauma-Yuima

TREASURER  
Ernie Stevens, Jr.  
Oneida of Wisconsin

## AREA VICE PRESIDENTS

ABERDEEN AREA  
Gerald M. Clifford  
Ojibwa Sioux

ALBUQUERQUE AREA  
Stanley Pino  
Zia Pueblo

ANADARKO AREA  
Mamie Ruppnick  
Prairie Band of  
Potawatomi of Kansas

BILLINGS AREA  
William Old Chief  
Blackfeet Tribe

JUNEAU AREA  
Mike Williams  
Yup'ik

MINNEAPOLIS AREA  
Bernda Churchill  
Milne Lacs Band of Ojibwa

MUSKOGEE AREA  
S. Diane Kelley  
Cherokee Nation

NORTHEAST AREA  
Alma Ransom  
St. Regis Mohawk Tribe

PHOENIX AREA  
A. Brian Wallace  
Washoe Tribe of NV/CA

PORTLAND AREA  
Ernest L. Stensgar  
Coeur d'Alene Tribe

SACRAMENTO AREA  
Mervin E. Hess  
Bishop Paiute Tribe

SOUTHEAST AREA  
A. Bruce Jones  
Lumbee Tribe

## EXECUTIVE DIRECTOR

JoAnn K. Chase  
Mandan, Hidatsa & Arikara

The Honorable Ben Nighthorse Campbell  
Chairman  
Senate Committee on Indian Affairs  
United States Senate  
Washington, D.C. 20510

Dear Mr. Chairman:

On behalf of the National Congress of American Indians (NCAI), I would like to thank you again for the opportunity to present testimony on the President's FY2001 budget before the Senate Indian Affairs Committee on February 23, 2000. Listed below are responses to supplemental questions forwarded by letter on March 6, 2000.

1. *You state that there are shortages of American Indian directed research and prevention efforts at both the Center for Disease Control and the National Institute of Health. Why is it necessary for those agencies to conduct research in regard to American Indian/Alaskan Native health problems?*

Using HIV/AIDS as the example, it is necessary for CDC to conduct epidemiological and behavioral research on AI/AN to provide data that is critical to focusing limited resources in HIV prevention. The present disease surveillance system for AI/AN does not permit a clear understanding of the scope and direction of the HIV epidemic and other sexually-transmitted and infectious diseases in Indian Country. While it is critical that a new structure for disease surveillance be built, in the short-term, some special epidemiological studies can be undertaken to make HIV/AIDS surveillance more reliable for AI/AN. It is our understanding that these special studies are not very expensive and would go a long way toward filling the gaps in prevention efforts of this disease in Indian Country.

Behavioral research is equally critical to HIV prevention in Indian Country where there currently exists a great need for such research. The information gained from behavioral

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research can provide those working to prevent HIV and related diseases. It will also provide an understanding of what triggers certain risk-taking behavior in Indian people, and thus enable them to design prevention interventions that focus where they are most needed. This research could also provide insight into the apparent co-epidemic of intravenous drug use in the Indian population and provide suggestions on how it could be reduced.

2. *The Indian Health Service has requested a healthy increase for its programs in the FY 2001 budget, yet urban health programs continue to be underfunded - despite the fact that over 1 million Indian people live in urban areas. What do you see as the greatest health care need for urban Indians?*

The greatest health care need for urban Indians is more health programs. Under Title V of the American Indian Health Care Improvement Act, the federal government is authorized to establish "programs in urban centers to make health services more accessible to urban Indians." These urban programs have assisted eligible tribal members and their descendants in accessing health care critically needed in urban areas. According to the National Council of Urban Indian Health (NCUIH), there are currently 34 urban Indian health programs located throughout the 48 contiguous states. Adequate funding for these urban Indian health programs should be one of the first priorities for addressing the health care needs of urban Indians.

The majority of this service population currently lives below the poverty level. The President's FY2001 budget request for the Urban Indian Health program proposal includes \$31 million, an increase of \$3 million over FY2000.

Mr. Chairman, as you know, while approximately half the total population of American Indians and Alaska Natives live off their reservations and villages, urban programs currently receive only about 1 percent of the IHS Service funds. NCAI supports the NCUIH in its efforts to improve this disparity and increase funding to address the critical needs of today's Native urban populations.

3. *The budget request includes a \$30 million increase for Indian Head Start. How does Head Start benefit Indian children?*

Considering the low economic status of most American Indians on reservations and in urban areas, Head Start is a vital program for Indian children whose purpose is to provide child development programs primarily

**Letter to Chairman Nighthorse Campbell**

**March 22, 2000**

**Page 3**

for low income families. The growth of Head Start programs operated by federally recognized tribes from 43 grantees in 1965 to 173 programs today reflects the extent of this need. Currently, more than 20,000 Indian children from the ages of 3-5 are enrolled in the programs along with 1,600 Indian infants and toddlers.

Head Start provides assistance in the areas of education, health, nutrition, and social services. However, the importance of Head Start programs extends beyond its financial help to Indian families. Its primary goal is to increase school readiness for children. Indian children are in a unique situation in which transition into school is more difficult than it is for non-Indian children. The cultural values embraced on the reservations are often ignored and devalued in schools, making Indian children feel disconnected from the educational environment. This difficulty in making the leap to school is evident in the high drop out rate of Indian students along with high substance abuse and suicide statistics. Head Start programs ease this transition by strengthening the academic skills of Indian children as well as their cultural identity. This dedication to promoting Indian heritage is ensured by the Language and Culture initiative which strengthens traditional language and culture. It also is enforced by the involvement of parents and tribes in Head Start programs. Therefore, Head Start programs are especially important for Indian children because they promote academic and cultural survival.

4. *There are proposed increases for contract support costs in both the BIA and IHS budgets. Are these increases adequate to meet the current contract support cost backlog?*

No, the proposed increases for contract support costs (CSC) will not meet the backlog in the BIA nor the IHS. For the BIA CSC, the President's FY2001 budget request includes a very modest increase of \$3.5 million to address the Bureau's continuing CSC shortfall, plus \$5 million for the Indian Self-Determination Fund to address the CSC needs of tribes that are taking on new BIA programs. These estimates do not include payment of direct CSC or funding needed to bring the BIA in compliance with the *Ramah Navajo Chapter vs. Lujan* case. This continual shortfall penalizes tribes which elect to operate BIA programs under the Self-Determination Policy.

For the IHS CSC, the FY2001 budget request of \$269 million falls short of the tribally recommended funding level of \$423 million. However, in order to begin addressing the CSC shortfall, it is estimated that an increase of \$100 million is needed over the FY2000 level of \$228 million. For FY2001, the

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President has proposed a \$40 million increase; thereby an additional \$60 million is still needed. While the IHS claims that contractors will receive approximately 44 percent of the IHS's total budget, it stills remains far short of the \$423 million for CSC recommended by tribes.

Furthermore, the proposed budget includes language that may result in existing contractors and compactors receiving no increases to compensate for resources lost to inflation. This language is contrary to the recently approved IHS CSC policy. The development of this policy included the active involvement of tribal governments and reflects the fundamental principles of tribal self-determination and self-governance. Consistent with the IHS CSC policy and these principles, we would recommend that if the proposed \$40 million increase is appropriated, \$25 million be reserved for ongoing CSC shortfalls and \$15 million reserved for new and expanded contracts.

Mr. Chairman, I would like to reiterate that the member tribal governments of NCAI are extremely encouraged by this year's budget process. As you know, for the first time in a generation, the President has proposed a significant increase in the budget for programs that assist Indian people and Indian tribes. If preserved through the appropriations process, more than \$1.2 billion more will be provided to Indian programs. This commitment will better serve Indian communities and take a big step toward honoring the federal government's treaty and trust obligations to Indian nations. Indian Country is well aware that this year the President is committed to meeting the acute needs in our communities. We look forward to our continual efforts with the Committee on Indian Affairs at ensuring that Congress shares that commitment.

If you have any further questions, please call me or JoAnn K. Chase, NCAI Executive Director at (202) 466-7767.

Sincerely,



Susan Masten  
President



## NATIONAL INDIAN HEALTH BOARD

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**Statement of Julia Davis  
Vice-Chairperson  
National Indian Health Board  
On the  
Fiscal Year 2001 Indian Health Service Budget  
February 23, 2000**

Chairman Ben Nighthorse Campbell, Vice-Chairman Daniel Inouye, and distinguished members of the United States Senate Committee on Indian Affairs, I am pleased to offer testimony on behalf of the National Indian Health Board (NIHB) on the Fiscal Year (FY) 2001 Indian Health Service (IHS) Budget. The NIHB serves all 558 Tribal Governments in advocating for the improvement of health care delivery. Our Board Members represent each of the twelve Areas of the Indian Health Service and are generally elected at-large by their respective Tribal Governmental Officials within their regional area. We have the duty to ensure that the solemn treaty commitments of our ancestors are upheld in all matters related to health and human services.

The federal responsibility to provide health services to American Indians and Alaska Natives has grown out of the unique relationship between Tribal Governments and the United States. The importance of this government to government relationship is cited in Article I, section 8, clause 3 of the United States Constitution, which gives specific authority for Federal supervision of Indians. Over the course of 200 hundred years, the unique federal/tribal relationship has been underscored by Treaties, Statutes, Executive Orders, and U.S. Supreme Court decisions.

For American Indian and Alaska Native people, the federal responsibility to provide health services represents a "pre-paid" entitlement, paid for by the cession of over 450 million acres of land to the United States. In many of the treaties which were negotiated between Tribes and the U.S. government, specific provisions for basic health care, such as the services of a physician and the construction and maintenance of hospitals and schools were included. The Synder Act of 1921, provided the broad authority for Congress to appropriate funds for the, "relief of distress and the conservation of health", among American Indian populations throughout the U.S. This permanent authority is recognized as the foundation for numerous federal programs, including Indian health care, within the domain of the Bureau of Indian Affairs. In 1954, the Transfer Act transferred the responsibilities for health care from the Secretary of Interior to the Secretary of Health, Education and Welfare which brought a much needed public



health focus towards restoring health among American Indians and Alaska Natives.

Twenty-five years ago, two important public laws changed the delivery of health care in Indian Country. The Indian Self-Determination and Education Assistance Act of 1975 and the Indian Health Care Improvement Act of 1976 gave new opportunities and responsibilities to the IHS and Tribal Governments in the management of health care services. While the tribal initiative to control health services was not immediate, Self-Determination and Self-Governance today is having a significant impact on the way Federal health services are provided in Indian communities. The IHS reports that at least 45 percent of the budget is currently under an Indian Self-Determination contract or Self-Governance compact. In our study, *"Tribal Perspectives on Indian Self-Determination and Self-Governance in Health Care Management"*, we found that of the 210 surveyed 75 percent were already contracting some IHS program and within the next five years 94 percent planned to be under a contract or compact with the IHS. Tribes involved in this study report improved quality of care and better health systems after contracting and compacting.

The policy of Self-Determination and Self-Governance is having a profound impact on health care in Indian Country. Utilizing the insights from their experience in managing their health care services, Tribal Governments are working to ensure that new policies and the budget authority contained within the annual budget justification document is responsive to their health needs.

#### **IHS Funding Compared with Other Federal Agencies**

I present for your review, a comparison or trend analysis of the per capita expenditures available to an Indian health beneficiary versus other Federal Agencies' per capita health expenditures. The agencies represented in this comparison include Medicaid and the Veterans Administration. As you are probably well aware, Medicaid is a health program available to the poor who cannot purchase health care. Medicaid for all its intent and purposes is a welfare program designed to provide a safety net for the Nation's indigent. While the Veterans Administration provides health services to former military personnel.

Unlike Medicaid, the budget of the IHS (which is funded primarily under the authority of the Synder Act) is treated as a discretionary program in the federal budget process. During the past eight years, the enacted appropriations for the IHS grew very slowly with increases between 1 and 3 percent per year. In FY 2000, we were quite pleased to have realized a 6.7 percent increase. Although these increases may have been comparable to or slightly in excess of many federal discretionary programs during this period, they were less than the increases provided to the major federal health care entitlement programs.

Medicaid averaged over 10 percent growth per year for the period 1992 to 1996, over 4 times the levels of growth in the IHS budget over the same period.

The trend is not new. The IHS has been struggling to keep pace with the growth in the cost of health care and the rising number of IHS beneficiaries for the past two decades. A report issued by the Department of Health and Human Services in 1986, entitled, "*Bridging the Gap: Report on the Task Force on Parity of Indian Health Services*," found that expenditures per capita by IHS declined from 75 percent of national expenditure levels in 1975 to less than 69 percent in 1986. In the subsequent decade, this gap widened.

The charts and table attached to my testimony presents the disparity, in actual appropriations and in dollars adjusted for inflation to their spending power in 1993 for the period FY 1993 to FY 1998 for the IHS versus Medicaid and the IHS versus the Veterans Administration. In FY 1993, the actual per capita expenditure for an Indian person in the IHS was \$1,442 as compared to \$3,042 for a Medicaid beneficiary and \$5,249 for a Veterans' Administration beneficiary. Four years later in FY 1997, **the per capita expenditure for an Indian person was \$1,430 as compared to \$3,369 for a Medicaid beneficiary and \$5,458 for a Veterans' Administration beneficiary.**

As you can well observe, Indian people in the Indian Health Service programs are not being served under the Nation's first prepaid health plan at a level which even meets one-third of what is available to a Medicaid and one-fifth of what is available to Veterans' Administration beneficiaries. Even though many Indian people are eligible to participate in Medicaid and Medicare, there are many barriers which limit their participation. Tribal and IHS health programs do not have equal access to these programs due to technical legislative impediments. At the same time, new Medicaid managed care efforts are largely controlled by State governments and managed care providers who will do their best to count Indian patients as a part of their plan, but will not make reasonable reimbursements to Indian health programs. And while improvements have been made to increase reimbursement rates within Indian health programs, the net gains in collections simply do not equal the disparity inherent in the IHS Budget.

The Nation's first pre-paid health plan is failing to meet the Trust obligation, as demonstrated by the FY 2001 IHS Budget. It is quite obvious that American Indians and Alaska Natives in IHS and Tribal programs are treated unequally when compared to Medicaid recipients and Veterans who secure services in other Federal programs.

For purposes of today's hearing, we have looked externally at IHS per capita expenditures as compared to other Federal programs. Internally, there is a growing need for the Congress to provide guidance on behalf of Tribal Governments to ensure that per capita expenditures between IHS direct-operated and tribal contracted or compacted programs are analyzed fully. No one

is certain what level of unmet need is reliable and valid between IHS and tribal facilities. At present there is a systemic, nationwide inconsistency in resource allocation within the IHS, between Areas and between programs.

#### **Level of Need Funded (LNF) Workgroup**

In the past year, we have observed the activities of the IHS-chartered workgroup which is undertaking an examination of IHS funding to establish a common estimate of health care funding needs for Indian people. At present, the IHS Resource Requirement Methodology forecasting tools are inadequate for a contemporary nationwide estimate of health needs. To assist the LNF Workgroup, three outside independent contractors were selected to help the LNF Workgroup identify reasonable approaches for determining health care needs for Indian people.

One of these approaches looks specifically at comparing a comprehensive medical benefits package to the services which should be available under an IHS or tribal health system. It appears that the best means for comparing benefits is derived from the Federal Employee Health Benefits (FEHB) plan which uses a Blue Cross and Blue Shield standard for displaying the variety of FEHB plans that a Federal Employee might consider when selecting a plan. For purposes of establishing comparability, the LNF workgroup has determined which IHS services and programs can be considered as core benefits or as "Wrap Around" public health services. And the LNF Workgroup has also estimated population variables and current health spending, to ultimately develop a model for comparing funds needed and funds available to determine the level of need within Indian health or tribal health programs.

**Early estimates would suggest that \$3,391 per person is available for insured persons under a Federal Employee Health Benefits plan, as compared to \$1,244 for an Indian person with comparable Blue Cross Blue Shield benefits currently available under an IHS or tribal health program. This is a disparity of \$2,147 and implies that Indian patients secure only one-third of what a Federal employee secures in their health care. These estimates are not yet final, but confirm the inequity and injustice which Indian people suffer under the present IHS budget. Based on population estimates and current appropriations, including Medicaid and Medicare collections, the total funding needed to bring American Indians and Alaska Natives up to a standard of care available to Federal Employees is \$7.78 Billion.**

We are well aware that Members of Congress and their staff are also enrolled in the Federal Employee Health Benefits program. In this day and age, when the economy is booming and there are talks about a Budget Surplus, it seems quite reasonable for American Indians and Alaska Natives to ask why they too cannot secure the same care available to the Congress and the

Administration. Indian people are not asking for anything more, they merely seek to increase the resources necessary to bring their health status up to a level which is equal to all other citizens. The loss of 450 million acres of land was an extraordinary loss and thus to secure health care under the IHS budget at a level which is one-third of what a Federal Employee or a Medicaid beneficiary presently receives is a true violation of the United States' Trust Responsibility.

In December 1999, the LNF Workgroup issued its second report, which documents the funding needs of IHS and tribal programs at the local level. The estimated costs are based on actuarial factors which utilizes \$2,980 per person as the cost of health care which should be available to each American Indian or Alaska Native. By using this indicator and other actuarial data from the local program (or operating unit), the LNF Workgroup calculated the extent of unmet needs in Indian communities. The results of their analysis indicates the following:

- 109 of 180 operating units are funded below 60 percent (Alaska programs are considered as 1 operating unit)
- Total unmet need is \$1.2 billion (if all units were raised to 100 percent)
- \$268 million is needed to raise below average units to 60 percent.
- 18 operating units are funded above 100 percent. (These units are very small with populations of less than 1,000. Total active users for all 18 units is only 10,000.)

The results of the LNF Workgroup studies are considered "provisional" at this time. The documents are now being reviewed internally by the IHS and externally by the Tribes, pending formal consultation and application of revised user counts. While the National Indian Health Board has not yet endorsed the study findings, we believe the analytical approach in assessing unmet needs may offer the best opportunity for redefining resource allocation based on health status, locality adjustments for costs, and the "economies of scale" affecting native communities differently. The NIHB respectfully recommends that an oversight hearing or briefing be held to examine the findings of this comprehensive study.

### **Developing a Tribally-driven Budget for the IHS**

Four years ago, Tribal Governments utilized the President's Executive Order on Tribal Consultation to propose a new process to develop a tribally-driven Indian Health Service budget. This tribally-driven IHS budget was to be developed with the input of every tribal government in consultation with the IHS. Under the guidance of Dr. Michael Trujillo, every Area of the IHS held two day

consultation sessions last spring and Tribal Governmental Officials provided their best recommendations on how IHS funding should be increased and applied to improve health services within the FY 2001 IHS Budget. This same process for the FY 2002 IHS Budget formulation is now underway, where tribal and urban Indian representatives are gathering to meet with IHS representatives on the budget.

The Tribal Needs Based Budget for FY 2001 includes a request of \$15,128,716,000, which represents the collective recommendations of each of the twelve Areas of the IHS, their Tribal programs and urban Indian health projects. The Needs Based Budget includes \$7.4 billion for Services and \$7.6 billion for Facilities to provide access to high quality primary and secondary medical services, basic preventive services and the infrastructure for service provision.

### **NIHB Priorities**

The current proposed FY 2001 President's Budget request of \$2.6 billion is the largest annual increase ever in the history of the agency. But the final budget recommended by the President overlooks the protection of existing health programs by failing to fund mandatory cost increases due to inflation and population growth.

My colleagues on the National Indian Health Board and other Tribal leaders join me in strongly recommending an increase of \$1,180,418,000 for the Indian Health Service in Fiscal Year 2001 over the enacted FY 2000 appropriation of \$2,390,728,000. An increase of \$950.7 million would restore major reductions in IHS programs realized over the past seven fiscal years and would amount to a total appropriation of \$3,571,146,000 in FY 2001. The amount of funding recommended over and above the President's request of \$2,620,429,000 for FY 2001, is \$950,717,000.

While we are only requesting less than one-fourth of the comprehensive tribal-based needs budget, we feel these priority areas should be funded in FY 2001. The increase of \$950.7 million, includes: \$107.2 million to fully fund Contract Support Costs, \$20.9 million for Medical Inflation, \$61.3 million for other Inflationary Costs, \$9.9 million to restore the base, \$44.5 million for population growth, and \$706.7 million to restore current services, in addition to the \$229 million increase provided for in the President's FY 2001 Request.

### **Full funding for Contract Support Cost and why it is important**

One of our leading priorities is to realize a \$107.2 million increase in Contract Support Costs in FY 2001. While President Clinton and the Congress

have strongly encouraged Indian Self-Determination and Self-Governance policy development, the full amount necessary for Contract Support Costs remains absent. An appropriation of \$376,003,000 in FY 2001 would provide additional funds for existing contracts and provide the \$100 million needed for new and expanding contract support costs. Without the benefit of federal administrative support structures or funding, Tribal Governments cannot be expected to bear the burden of managing programs on behalf of the Federal Government.

In 1998, the National Indian Health Board published a year-long study on the policy of Indian Self-Determination and Self-Governance as it affects health care delivery. This descriptive study was national in scope and includes the Tribal perspectives of 210 tribes and tribal organizations, which is representative of 38 percent of the 554 Tribal Governments. Tribal leaders and Tribal health directors were surveyed representing each of the three primary groups of tribes participating in Contracting, Compacting and as IHS direct service tribes. Every IHS administrative Area was represented in the study. According to the health director survey results, the lack of Indian Self-Determination contract support funding was regarded as a barrier to contracting and compacting for 27 percent of the IHS direct service tribes, 28 percent of contracting tribes and 11 percent of compacting tribes.

Despite the limitations of Contract Support Costs funding, on average, every type of tribe – IHS direct service, contracting and compacting – has achieved a higher level of health care since the self-governance demonstration project began. And Tribes more commonly perceive an improvement in the quality of care when they manage their own health care systems. These are only a few of the major conclusions resulting from this study which suggests that if the Federal Government wants to encourage tribal management, full funding for both direct and indirect costs for Tribal management of health services is a key to quality and cost-effective health care.

### **Mandatory Increases and Inflationary Costs**

Mandatories are cost increases necessary to maintain the current level of services. Each year the IHS determines what it will cost to pay all Congressionally mandated Pay Act Increases for its Federal Employees. And the IHS calculates Medical and Non-Medical inflationary cost increases each year consistent with other Federal programs. (Although the medical deflator is much lower than the inflation factor used in the Consumer Price Index for Medical Services.) Even though these funds are necessary and should be added to the base budget of the IHS each year, they have not been included and are eventually absorbed by the agency in program decreases and staffing reductions.

The base budget of IHS has been effectively reduced by \$706.7 million between FY 1993 to FY 2000. In FY 2000, only \$80 million was appropriated to maintain the current health program, but \$146 million was the minimal level needed for mandatory cost increases. Instead of fully funding the mandates, the Congress has chosen to require the IHS to absorb the fixed costs for salaries, population growth and inflation. Therefore, we ask the Congress to fully fund these modest estimates for inflation at \$706.7 million in FY 2001.

We appeal to the Senate Committee on Indian Affairs to advise the Senate Budget Committee that the Indian Health Service budget has already contributed to the cost savings used to achieve a balanced budget. The loss of \$799 million in fixed costs is a substantial loss of budget authority. We urge the Indian Affairs Committee to request report language which directs the Department of Health and Human Services and the Office of Management and Budget to ensure that mandatory cost increases due to inflation and Federal Pay Act increases be included in the base budget of the IHS prior to its earliest deliberations in future budget submissions.

### **Pay Act Increases**

The NIHB is very pleased that \$60.6 million in Pay Act Increases were recommended for FY 2001. For the past three years, the NIHB has requested some assurance that funds utilized for annual cost of living adjustments and mandatory Pay Act increases for employees is shared equitably between IHS Federal employees and Tribal employees. The NIHB strongly recommends that 45 percent or \$27.3 million of the \$60.6 million recommended for Pay Costs is dedicated to Tribal employees.

### **Population Growth**

Tribes have long testified that funding must increase to compensate for population growth just as they must increase for actual inflation costs. Even though Tribes recommended \$44.5 million for population growth for FY 2001, the President's Budget did not incorporate any increase for this need. Population growth is built into the funding mechanisms for the Medicaid and Medicare programs. As entitlement programs, these health systems automatically receive population growth increases.

### **Health Disparity Funding**

The National Indian Health Board is encouraged by the efforts of the Administration to propose increases to address health disparities based on the recommended priorities of Tribes. We do however, have some key concerns,

related to the distribution of these funds. It is proposed that \$85.5 million in new funds be directed towards Alcoholism, Substance Abuse, Diabetes, Cancer, Mental Health, Elder Health, Heart Disease, Injuries, Dental Health, Maternal and Child Health, Domestic/Community Violence, and Infectious Disease, as well as in certain programs. At least 99 new staff are included in this \$85.5 million increase.

To assure equity in distribution of these funds, the NIHB strongly recommends that 45 percent or \$38.5 million of the \$85.5 million proposed in health disparity funds be made available to Tribal health programs under Self-Determination Contracts or Self-Governance Compacts. At a minimum, at least 45 FTE positions should be designated within tribal programs as well.

We applaud the IHS in their attempt to reduce the gap in health disparities, however, we are concerned that allocation of these program increases may follow arbitrary or competitive grant application processes. For example, we understand that very few tribes are benefitting from the current Indian Child Protection and Child Abuse grants, the Women's health grants and Elder health care grants. To ensure that new program funds are awarded equitably and with effectiveness, the NIHB recommends that Tribes are consulted in developing the distribution plan for Health Disparity funding.

#### **The tragic consequences of the FY 2001 IHS Budget**

Tribal leaders and health care providers continue to deal with the impact of the lack of mandatory increases for inflation, population growth and Pay Act increases. But what does this mean in terms of health services? Thousands of people will be denied hospital admission, nearly half a million outpatient visits will be reduced, dental services will be cut, mental health and social services will be decreased, public health nursing home visits will not be performed and CHR visits will be severely impacted. The FY 2001 budget does not include sufficient increases for inflation, Contract Support Costs, the phasing in of staffing at new facilities, and population growth. And with an unwillingness to fully fund Facilities Construction projects which are ready for funding, program improvements and sanitation needs will go unmet and accreditation of health facilities will be compromised.

#### **Conclusion and Call for Action**

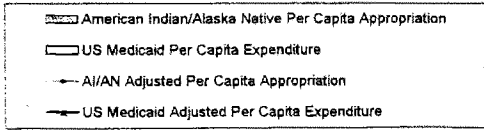
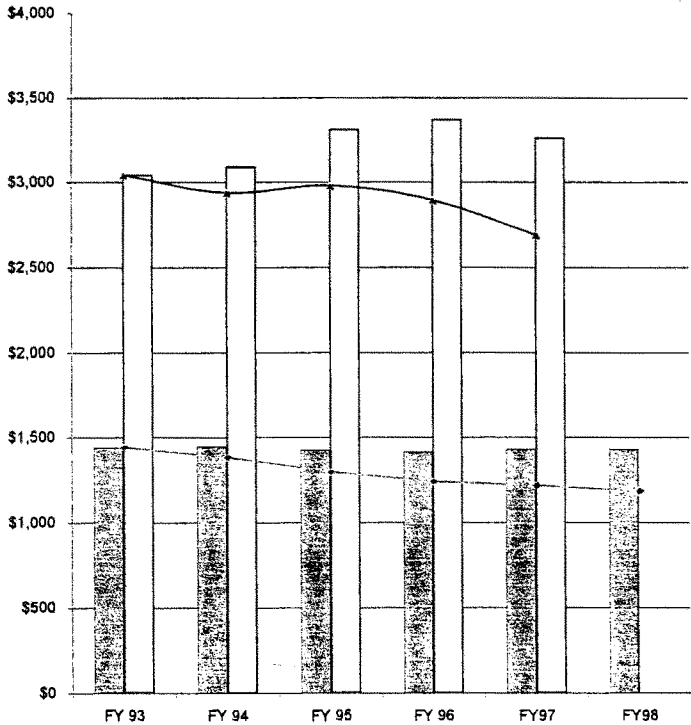
Mr. Chairman, Indian people across this great land are suffering from major illnesses, such as Diabetes, Cancer and Heart Disease which is two to three times that of the general population. Meanwhile, IHS and Tribal Health Providers are funded to meet only 40 percent of the need, as appropriated by the United States Government. All of these health care providers, whether they are



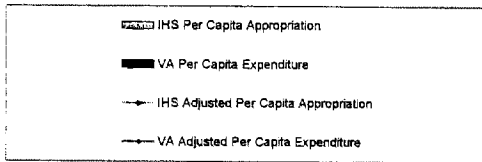
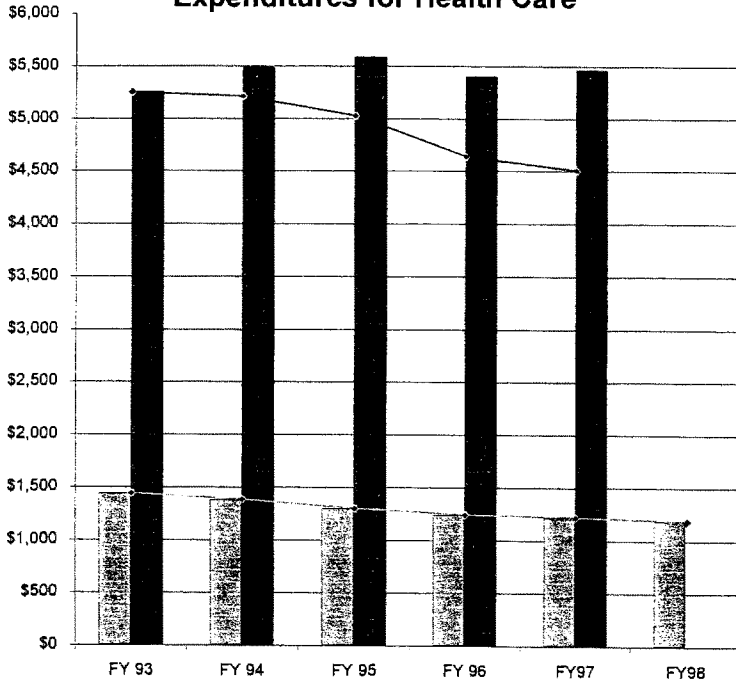
denied yearly salary increases or who work in facilities which are at times over 80 years old, are doing their very best to maximize every precious federal dollar appropriated by the U.S. Congress for the benefit of Indian people. Despite their best efforts, these providers will be forced to turn people away or watch Indian people die from lack of appropriate funds. Today, we cannot afford to even ask for more prevention dollars, because the acute care of Indian people is being prioritized first.

On behalf of the National Indian Health Board, we thank the Indian Affairs Committee for considering our recommendations for improving Indian health programs. I call upon my Indian friends to work together with the distinguished Chairman of the Senate Committee on Indian Affairs to uphold the Treaty commitments our great leaders agreed upon more than a century ago. We seek to provide the same level of care to our citizens that you would provide to all citizens eligible for Medicaid, the Veterans Administration or the Federal Employee Health Benefits program. It is time to restore the losses realized in the past seven years and support a budget for the IHS in the amount of \$3.5 billion in FY 2001. This amount of funding will only meet one fourth of the Tribes declared need, but it is a start and one that is badly needed.

### IHS Per Capita Appropriations Compared to National Medicaid Per Capita Expenditures



### IHS Per Capita Appropriations Compared to Veterans Administration Per Capita Expenditures for Health Care



IHS PER CAPITA APPROPRIATIONS COMPARED WITH  
OTHER FEDERAL AGENCY PER CAPITA EXPENDITURES

FY 93 - FY 98

(Dollars in Thousands)

Year	Appropriation	Population	% Pop Growth from 93	Medical CPI	% CPI Growth from 93	IHS Per Capita	IHS Adjusted Per Capita	2		3		4	
								Medicaid Per Capita US Pop	Medicaid Adjusted US Pop Per Capita	DOJ Bureau of Prisons Per Capita	DOJ Bureau of Prisons Per Capita	VA Health Care Cost Per Capita	VA Health Care Cost Per Capita
FY-93	\$1,874,351	1,299,415	-	189	-	\$1,442	\$1,442	\$3,042	\$3,122	\$3,122	\$3,122	\$5,249	\$5,249
FY-94	\$1,943,068	1,340,666	3.20%	208	4.90%	\$1,449	\$1,382	\$3,089	\$3,146	\$2,992	\$2,992	\$5,479	\$5,211
FY-95	\$1,963,062	1,376,692	5.90%	218	10.00%	\$1,426	\$1,297	\$3,311	\$3,430	\$3,087	\$3,087	\$5,580	\$5,022
FY-96	\$1,986,800	1,405,437	8.20%	227	14.10%	\$1,414	\$1,239	\$3,369	\$3,549	\$3,049	\$3,049	\$5,397	\$4,636
FY-97	\$2,054,000	1,435,947	10.50%	233	17.50%	\$1,430	\$1,217	\$3,261	\$3,489	\$2,878	\$2,878	\$5,458	\$4,503
FY-98	\$2,098,612	1,466,354	12.80%	240	20.80%	\$1,431	\$1,183						
FY-99	\$2,118,349	1,495,681	13.12%			\$1,416							

<sup>1</sup> Includes all directly appropriated dollars including construction funds (Source: Indian Health Services).

<sup>2</sup> National Medicaid expenditures (Source: Health Care Financing Administration, Office of Statistics & Data Management).

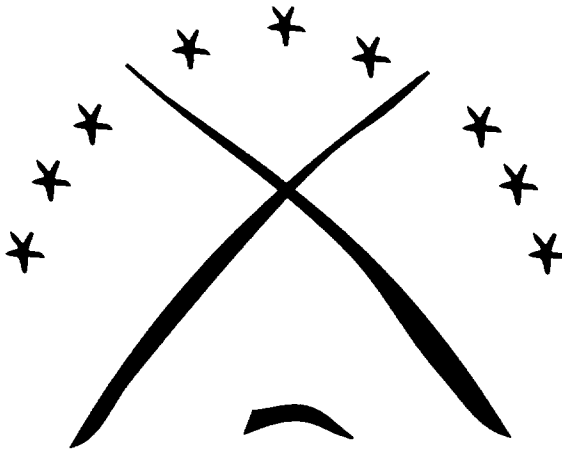
<sup>3</sup> The figures include all costs associated with health care to BOP inmates. This includes (but is not limited to) Public Health Service associated costs (e.g. salary reimbursement), medical transportation and airlift costs, outside hospitalization, security guard services, mental health care services, activation costs, HIV testing costs, salaries, consultants, equipment, and supplies (Source: Federal Bureau of Prisons, Office of Congressional Affairs).

<sup>4</sup> FY-93-96 unique patient totals exclude Readjustment Counseling and CHAMPVA patients (count in those particular years is unknown) which accounts for approximately 3% of total unique patients in FY-96-97 (Source: Department of Veterans Affairs, Office of Chief Financial Officer).

Testimony of

Christopher D. Boesen,  
Executive Director

NATIONAL AMERICAN INDIAN HOUSING COUNCIL



Before the  
SENATE COMMITTEE ON INDIAN AFFAIRS

February 23, 2000

Chairman Campbell, Vice-Chairman Inouye and other distinguished members of the Committee, on behalf of the Members of the National American Indian Housing Council and its Board of Directors, particularly Chairman Chester Carl of the Navajo Nation, thank you for this opportunity to address you today on the President's budget.

This Committee has been, and continues to be, a good friend to Indian Country and the opportunity to speak frankly about our concerns before this distinguished panel is a tremendous honor, especially for a former staff member of this Committee.

**HUD'S BUDGET REQUEST:**

NAIHC is pleased with the President's budget proposal for Indian housing in fiscal year 2001 because it includes an increase in funding under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). Last year's level of \$620 million would be raised to \$650 million. The proposal also includes a doubling of the available funds for the Bureau of Indian Affairs' Housing Improvement Program, from \$16 million to \$32 million.

Nevertheless, even this new amount is nowhere near the level tribes need to meet their members' housing needs.

**FUNDING NEEDS FOR INDIAN HOUSING:**

Indian housing is in more need of federal support than any other housing program in this country. The lack of significant private investment and the dire conditions faced in many communities mean that federal dollars make up a larger portion of the total housing resources than in other areas.

NAIHC estimates that to meet the needs as presented to us now, not taking into account the rapid growth in the Indian population occurring, we need at least \$972 million in funding for the NAHASDA block grant, the basic housing program for tribes.

Indian housing needs are many and varied. Basic infrastructure, low-rent housing, homeownership and housing counseling services are all crucial. The NAHASDA block grant allows tribes to determine their own needs and their own course of action. In this respect, NAHASDA is a model program and should be supported.

**Need for Indian Housing Program Funding, Fiscal Year 2001**

Program or Function	Appropriation Needed
Existing Housing Operation	\$ 90,000,000
Housing Modernization/Improvements	220,000,000 <sup>1</sup>
New Housing Development	325,000,000 <sup>2</sup>
Implementation/Program Operations Costs	\$ 148,000,000 <sup>3</sup>
HOME Program Contribution	21,000,000
Homeless/Youthbuild/Miscellaneous Programs	8,000,000
Title VI Loan Guarantee Credit Subsidy	\$ 32,000,000
Section 184 Mortgage Guarantee Credit Subsidy	6,000,000
Welfare Reform Cost Increase for Tribal Programs	122,000,000 <sup>4</sup>
<b>FY 2001 INDIAN HOUSING FUNDING TOTAL</b>	<b>\$ 972,000,000</b>

<sup>1</sup>HUD estimates 40,000 units currently need renovation and an additional 16,000 need replacement. This figure assumes an average of \$25,000 per unit, for 8,800 units.

<sup>2</sup>Assumes current spending level for 3,600 units at an average cost of \$90,000/unit. HUD estimates new construction needs at 1/3 of the existing housing stock or approx. 50,000 units.

<sup>3</sup>Includes 20% for administration of the Indian housing programs, totaling \$127 million, and an additional \$21 million for environmental reviews, planning and technical assistance as required under the Act.

<sup>4</sup>This figure is based on NAIHC research including Census data and HUD's 1996 Assessment of American Indian Housing Needs and Programs: Final Report. The research assumes 50,012 households are likely to return to the reservations, based on a population of 28% of American Indians and Alaska Natives living in metropolitan and non-metropolitan non-tribal areas at 50% area median income or below and further presupposing the Assessment's report's 71% figure for tribal members' preference to return to the reservation applied to that 28%.

**THE IMPACT OF WELFARE REFORM ON INDIAN HOUSING PROGRAMS:**

Welfare reform's basic principle is that some people choose not to work. In Indian Country, the choice is often non-existent; job opportunities do not exist.

NAIHC believes welfare reform will have two significant unintended consequences:

1. Tribal members losing benefits will place an increased burden on tribal housing programs. Welfare income may be counted as income. Therefore NAHASDA's limitation that a tribe or TDHE may charge only 1/3 of a tenant's income for rent means that the rent paid to that tribe or TDHE will decrease. This could affect thousands of Indian families, costing tribes millions of dollars.

SCIA Testimony: Christopher Boesen, NAIHC

2. Cessation of benefits to Indian families living in non-tribal areas will cause some families to move back to tribal areas, where housing is already scarce. According to federal government statistics, 28% of the more than 250,000 American Indian and Alaska Native families living in non-tribal areas are very low income. Assuming, as the same statistics do, that 71% of these families would like to move back to tribal areas, one must recognize that as many as 50,000 families could return to tribal areas when their benefits are cancelled, if not before.

NAIHC estimates the effect of welfare reform on Indian housing programs to be at least \$122 million a year, simply to house these families. Development of new units could drive this cost upward substantially.

#### **FUNDING SET-ASIDES:**

Of further concern to this organization is the increasing use of set-asides under the NAHASDA block grant. While crucial services must be performed, claiming that the block grant is receiving \$650 million in the request does not accurately reflect the proposal. In fact, HUD's new request for a \$5 million set-aside for Indian Housing Intermediaries is in addition to existing set-asides of \$6 million and \$5 million for the Section 184 and Title VI programs, respectively. HUD has historically received a \$6 million set-aside for technical assistance. The Department has requested a \$2 million increase in this last set-aside as well, to replace money the Congress and President agreed to provide NAIHC with last year to strengthen our technical assistance program.

The total set-aside from NAHASDA, therefore, is \$24 million, leaving the actual request for NAHASDA funding for the tribes at only \$626 million.

#### **NEW FEDERAL INITIATIVES:**

The President's budget includes several new initiatives for Indian Country, funded through the Department of Housing and Urban Development. Unfortunately, as mentioned earlier, these come at the expense of the NAHASDA block grant. NAIHC believes that there should be no new set-asides under NAHASDA. All new programs should receive separate funding, whether it is for the proposed Native Hawaiian housing program or new Homeownership intermediaries.

As for the specific proposal for creating Homeownership Intermediaries, NAIHC believes the \$5 million requested will not be enough to accomplish a viable program, even if funded separately. Depending on the specifics of the proposal, NAIHC could support a larger, separately funded account to help create a non-profit community in Indian Country. Unfortunately for tribes, the strong network of community groups and non-profits that play such a crucial role in other communities' housing plans are largely non-existent in Indian Country. Clearly, the presence of such entities would enable more programs to operate and give a boost to the tribes' existing work in housing finance.



Another new initiative in the President's budget is to create a Native American Economic Development Access Center, for a cost of \$2 million dollars. According to HUD, this new center will "link over twelve agencies through a single toll-free number so that Native American callers can access information about federal programs for economic development." This seems highly duplicative in light of the existing Codetalk Internet website, linking different agencies in a single location. Clearly, more information can be obtained via the Internet than during the course of a phone call. Also, the statements from the Department about the role of their "community builders" would seem to include just such a function, therefore those community builders operating in Indian Country should already be filling this role.

While not directly affecting housing, the BIA's Trust Management Improvement Project, funded through the Office of Special Trustee, is a crucial part of long-term strategies for developing a viable private housing market in Indian Country. There is a huge need to be able to accurately account for trust land leasehold information and to be able to process it in a timely manner. BIA's role in this regard, similar to that of a county's title records office, must be improved if mortgage lending is to ever become a reality for Native Americans living on trust land. NAIHC supports the full funding of this initiative and hopes the Committee will remain in close communication with the BIA, the Office of Special Trustee and their partners to ensure that the system's implementation is both timely and effective.

#### **COMMUNITY DEVELOPMENT BLOCK GRANTS:**

The Community Development Block Grant (CDBG) program is a crucial tool for the development of infrastructure and economic opportunities. The Indian set-aside under the program has been 1.5% of the total appropriation for several years. NAIHC believes that both to develop effective housing strategies and for the economic development needed to support homeownership and job creation, this amount should be expanded to at least 3% of the total, or \$147 million. Clearly, we must invest in infrastructure and job creation now if tribes are going to be successful in the long term. This money can do exactly that and eventually lead to stronger on-reservation economies.

#### **DAVIS-BACON WAGE REQUIREMENTS:**

As you know, NAIHC has held for several years that the application of Davis-Bacon wage requirements in Indian Country is discriminatory. As the Chairman and Vice-Chairman are both well aware, Indian tribes are subject to the Davis-Bacon wage act in a way that other communities are not. The application of Davis-Bacon wages raises the cost of building Indian housing units by 10%, according to the General Accounting Office.

Other HUD programs, such as the Section 202 elderly housing program, the Community development Block Grant and the Section 811 disabled housing program have exemptions that waive the application of Davis-Bacon wages if the project in question involves fewer than 9 units of housing. The HOME block grant, which more closely

resembles the NAHASDA program than any other at HUD, has a 12-unit exemption while the HOPWA program providing housing for victims of AIDS has a total exemption.

Just yesterday, lobbyists for the Building and Construction Trades Department of the AFL-CIO agreed to compromise language that would allow the tribes to pass their own tribal statute for prevailing wages that would preempt the Davis-Bacon levels. This is a major victory for Indian housing and also a victory for tribal sovereignty and self-determination. The credit for this victory goes to you, Chairman Campbell, and to Vice-Chairman Inouye. I am grateful for the hard work and support of the Indian Affairs Committee staff and I would especially like to thank Paul Moorehead and Theresa Rosier for their patience and constant redrafting of proposals. I am excited to work with you to make sure this compromise becomes law.

### **ENVIRONMENTAL CONCERNS:**

Environmental review requirements under NAHASDA continue to be a concern for tribes. Under the NAHASDA regulations, a tribe can either perform an environmental assessment themselves and provide HUD with a certification, or have HUD perform the assessment. The latter was the way assessments were done under the HUD programs previous to NAHASDA, so tribes have very little experience with performing these functions themselves.

As I told the Committee last year, HUD has told tribes that there are not enough resources within HUD to perform these assessments and that tribes must perform the assessments themselves. Unfortunately, HUD is also enforcing requirements in an absurdly strict manner. A tribe is considered to have violated the law if they even make a simple paperwork error, such as not providing certification that a particular project does not need an assessment. Tribes are held to a stricter standard than the Department. If a tribe fulfills the requirements as HUD had in the past, they will be found in non-compliance. If this is discovered after work has begun, not only may no more federal funds go to the development of that project, but the Department will also recapture money already spent.

The application of these requirements in such a strict manner has had a chilling effect on new construction in many instances. NAIHC strongly supports the waiver authority included in S. 400, the bill reported favorably out of this Committee last year. This authority, while not requiring waivers, does let the Secretary waive the requirements in those cases in which paperwork problems, not genuine environmental issues, are at stake. Therefore, less money would be wasted and could go directly to housing development.

### **CONSULTATION AND OVERSIGHT:**

Executive Order 13084 requires that each federal Department have a formal consultation policy governing its interaction with Indian tribes. HUD's has not been completed. In fact, today the Department is again meeting with tribes, following the revocation of a

previous proposal at the request of both this organization and the National Congress of American Indians.

Indian Country is very concerned that the policy put in place must respect the unique government-to-government nature of the relationship between tribes and HUD. HUD must respect the sovereignty of tribes in both the development and application of this policy. It remains to be seen what the eventual policy will be, but NAIHC will inform the members of this Committee if it in any way fails to live up to the goal of a true government-to-government policy.

**CONCLUSION:**

In closing, I would again like to thank all the members of this committee, in particular Chairman Campbell and Vice-Chairman Inouye, for their continuing support for Indian housing programs and the tribes. I look forward to working with each of you in this session of Congress and am happy to answer any questions you may have.

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*The National American Indian Housing Council is a 501(c)(3) organization representing tribes and tribal housing organizations nationwide. It operates a national technical assistance and training program as well as the Native American Housing Resource Center in Washington, DC through an appropriation from the Congress administered by HUD. NAIHC's offices are at 900 Second Street, NE, Suite 305, Washington, DC 20002; phone: (202) 789-1754, fax: (202) 789-1758; <http://naihcnaihc.org>*



April 14, 2000

The Honorable Ben Nighthorse Campbell  
 Chairman  
 Senate Committee on Indian Affairs  
 838 Hart Senate Office Building  
 Washington, D.C. 20510-6450

Dear Senator Campbell,

As requested, here are answers to the supplemental questions sent regarding my testimony before the Committee on the President's budget request for Indian programs for FY 2001. Thank you for giving me the opportunity to expand my comments and clarify NAIHC's position in two important areas.

1. *NAIHC is the leader in addressing Indian housing issues. With 4 years of NAHASDA implementation under our belts, what do your member tribes consider the greatest area for HUD to concentrate on in the years ahead to improve the Indian housing situation?*

As everyone adjusts to the new system under NAHASDA, a positive working relationship between HUD and the tribes is key to success for the program. Given the fact that this continues to be a learning situation, both groups must be flexible to change and open to new ideas. Most importantly, both groups must strive to become familiar with the new system in order to weed out inconsistencies and make this an efficient program.

This transition period has told us a lot about the kind of relationship HUD seeks to maintain with the tribes. Unfortunately, it does not seem to be the sort of relationship the tribes want. Although NAHASDA is a fundamentally different program than the former 1937 Act public housing program, HUD continues to act as though it is the same program with the same level of oversight and authority. Until NAHASDA has been fully implemented, it is difficult to assert any sort of independence from HUD, but the day will come when HUD will have to let up on its hold over the tribes.

As for specific technical changes, some have been addressed in the package of amendments that has already passed the Senate as S.400 and recently passed the House as part of H.R.1776. NAIHC owes a great deal of gratitude to you, Vice Chairman Inouye, and your staff for your instrumental role in facilitating the passage of these amendments. We are very hopeful that the NAHASDA amendments will be signed into law during this legislative session.

At an NAIHC sponsored Legal Conference in December 1999, tribal housing representatives came together to discuss many of the difficulties they are having with HUD. Changes with environmental assessments and development of a tribal consultation policy were on the top of the list.

The amendments currently pending include a waiver authority for the Secretary for environmental assessments when problems are deemed technical instead of fundamental in nature. It has been the opinion of many that the new amendment falls short of what is needed. Although important, this change does not deal with the larger problems of environmental assessments. The real issue has been responsibility in conducting the assessments.

According to NAHASDA there are two options for conducting the environmental assessments. Either the tribes assume responsibility for them or HUD does them. Given the option, many tribes choose to have HUD do the assessments because the tribes do not have staff trained to conduct them. What has usually been the story is a huge delay or refusal by HUD, which jeopardizes the future of the project.

One problem is a shortage of staff and lack of resources in the ONAP field offices. With a limited budget, ONAP claims they cannot afford travel expenses and are lacking in trained staff to conduct the environmental reviews. Tribes have been frustrated because they are unsure of what to do to get their housing projects moving.

Also of great importance to the tribes is the establishment of a tribal consultation policy as mandated by Executive Order 13084. After numerous meetings across the country, HUD has been very slow to document any sort of consultation policy. A new executive order concerning consultation is due out soon, but the desire of the tribes remains the same: to have direct input on the policies and procedures that significantly affect them in their dealings with HUD.

Ultimately, there has been the general problem of lack of communication. HUD has preferred to communicate with tribal leaders rather than the tribally designated housing entity (TDHE), when it is the TDHE who needs to be working with HUD. HUD has also been sluggish in developing uniform policies when dealing with the tribes. Often the same question will get multiple answers. Furthermore, many HUD staff have not been properly trained to deal with NAHASDA.

Tribes are confident that NAHASDA will become the successful program it was designed to be once the foundation is secure. In the years ahead, the most important area for HUD to concentrate on will be good communication with the tribes and efficient operation of the ONAP national office and field offices.

2. *The request includes \$5 million for the Treasury Department's "Community Development Financial Institution" (CDFI) for "training and technical assistance" to eliminating barriers to credit in Native communities. What are your thoughts on this proposal?*

NAIHC was happy to see the \$5 million for CDFI technical assistance and training in the President's budget since much of the recent focus of NAIHC has been on eliminating barriers to credit and lending in Native communities. NAIHC has proven itself to be effective in the field of technical assistance and training and will continue to

expand in this area. Although we have come a long way, there is certainly still a lot to be done. Increased funding for training and technical assistance in Indian Country is therefore a proposal we would readily support. It is NAIHC's hope that the \$5 million, if allocated, will be used in such a way as to best support the tribes, so we would like to see it outsourced to an organization or organizations with the capacity to help tribes where they truly need it.

Sincerely,



Christopher D. Boesen  
Executive Director



## NATIONAL INDIAN EDUCATION ASSOCIATION

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**STATEMENT OF THE  
NATIONAL INDIAN EDUCATION ASSOCIATION  
SUBMITTED TO  
THE SENATE COMMITTEE ON INDIAN AFFAIRS  
ON THE PRESIDENTS FISCAL YEAR 2001 BUDGET**

February 23, 2000

**Submitted by:  
John W. Cheek (*Muscogee Creek*)  
Executive Director**

The National Indian Education Association (NIEA), the oldest national organization representing the education concerns of over 3,000 American Indian and Alaska Native and Native Hawaiian educators, tribal leaders, school administrators, teachers, parents, and students is pleased to submit this statement on the President's FY2001 budget as it affects Indian education. NIEA has an elected board of 12 members who represent various Indian education programs and constituencies from throughout the nation. NIEA holds an annual membership convention which provides our participants with an opportunity to network, share information, and hear from Congressional leaders and staff, as well as from, federal government officials on policy and legislative initiatives impacting Indian education.

Funding for Indian education and Department of Defense schools is the sole responsibility of the Federal Government while public education is a combination of state and federal resources. Local Education Agencies (LEAs) and their surrounding communities also have the ability to pass bond initiatives in order to build or repair local school buildings. Tribal and Bureau of Indian Affairs (BIA) schools, on the other hand, must rely on the federal government to ensure their academic and construction needs are being met. The extent to which the federal government has assumed this responsibility can be exemplified in the backlog of construction and repair/renovation needs now exceeding \$800 million. The area of school construction and repair remains problematic as recent annual appropriations have historically targeted less than ten percent of the total need requirement. The budget request this year, however, shows promise as it illustrates the possibilities when policy, programs, and funding work in tandem to correct long standing deficiencies in educating the Indian community.

In terms of academic success, American Indian students continue to rank at, or near, the bottom of every educational indicator. This seemingly negative situation is actually an improvement when you consider that just 50 years ago the federal government was actively involved in the termination of Indian tribes. While many BIA/Indian tribal schools have the option of developing their own assessment criteria, many opt to follow the guidelines of the state in which they are located. Public education at the local level reflects the guidance of the state in terms of its academic requirements. The Administration has made an impressive move to increase educational access for American Indian and Alaska Native people through issuance of Indian Education Executive Order 13096 in August of 1998.

The Executive Order played a major role in the development of new programs in the fiscal year 2000 budget approved by Congress. The new American Indian Teacher Corps was approved at the President's request of \$10 million. The program promises to focus attention on the lack of qualified Indian professionals teaching in our Indian schools. By allowing 500 new Indian students to enter the teaching profession over a two-year period and receive training over a five-year period, the corps would deal with the problem of high teacher turn over in isolated Indian communities.

President Clinton one year ago presented his 21<sup>st</sup> Century Schools initiative which focused almost entirely on improving the human and physical infrastructure needs of public schools. The Administration's FY2001 proposal moves forward with education leading his "Investment Agenda" and includes: the third year of funding for Class Size Reduction which plans to add 100,000 new teachers; a reinvigorated School Construction and Modernization effort; new programs to close achievement gaps; improving teacher quality; making college affordable; and family learning initiatives. Most of these, if funded, would mean additional education resources for American Indian and Alaska Native students attending public and Bureau of Indian Affairs (BIA) schools. The last few appropriation cycles have shown several school construction/bonding proposals which have failed to be funded for various reasons. We encourage the committee to endorse the school construction proposal from the Administration and/or increase the amount of funding the BIA receives for school construction/renovation and repair needs. As was the case last year, there is still a backlog in all areas of education construction within the BIA school system now estimated at over \$1 billion.

#### **President's FY2001 Education Proposals for American Indians and Alaska Natives**

The President has requested over \$700 million in new funding for the FY2001 budget for American Indian and Alaska Native education programs. NIEA fully supports this request as it illustrates a commitment to meeting the educational needs of this country's only aboriginal citizens. A look at the new funding (*does not include current funding levels*) being proposed for FY2001 includes:

Bureau of Indian Affairs School Construction and Repair	\$167,000,000
Reducing Class Size in BIA Schools	6,000,000
American Indian Teacher Corps	10,000,000
American Indian Administrators Corps	5,000,000
Native American School Modernization Bonds	430,000,000
Therapeutic Pilot Programs at BIA Boarding Schools	8,200,000
Family and Child Education Program	6,800,000
BIA School Operations	43,000,000
Tribal College Funding	12,100,000
<u>Indian Head Start</u>	<u>30,000,000</u>
<b>Total New Funding Request for FY2001</b>	<b>\$718,100,000</b>

Both political parties have indicated that education is their top priority and no where is the need greater than in American Indian and Alaska Native communities. We encourage both political parties and both houses of Congress to approve the funding recommendations for these Indian education programs.

The Elementary and Secondary Education Act (ESEA) of 1965 is due for reauthorization this session of Congress. NIEA has developed recommendations for consideration by the authorizing committee, the Department of Education and Indian Country. Several tribes, including the Affiliated Tribes of Northwest Indians, has endorsed NIEA's recommendations as they apply to the current ESEA, as amended by the Improving America's Schools Act (IASA). The issuance of Executive Order 13096 by President Clinton in August of 1998 on American Indian and Alaska Native Education and the reauthorization of the Elementary and Secondary Education Act in 1999 will both play a major role in



determining the future of education in general, and Indian education in particular. Our comments will be tied directly to both of these initiatives.

NIEA's testimony will discuss Indian education and related programs administered by the Departments of Commerce, Education, Health and Human Services, Interior, and Labor, and specifically those within the Bureau of Indian Affairs (BLA) and the Indian Health Service (IHS).

## 1. DEPARTMENT OF COMMERCE

### I. National Telecommunications and Information Administration (NTIA)

A. **Telecommunications and Information Infrastructure Assistance Program (TIIAP).** NIEA supports the Administration's FY2001 request of \$45.1 million for this program. TIIAP provides grants for projects that enable schools and communities to develop their telecommunications infrastructure and to offer students opportunities to develop their technology skills. Tribes and tribal colleges are among those who recognize the importance of this program in meeting their telecommunications technology needs and in producing technology-literate students. Developing a tribal workforce skilled in telecommunications technology can help tribes reduce unemployment in their communities by giving individuals marketable job skills; supporting established businesses on, or attracting new ones to, their reservations; and strengthening tribal government administrative infrastructures in order to improve delivery of education, health, and other social welfare programs in addition to carrying out day-to-day governmental functions and responsibilities. Recent grantees include the Alamo Navajo School Board in New Mexico; Fort Berthold Community College in North Dakota; Northwest Portland Area Indian Health Board in Oregon; Oglala Sioux Tribe in South Dakota; Council of Athabascan Tribal Governments in Alaska; and the Minneapolis American Indian Center in Minnesota.

B. **Native American Economic Development Program Initiative.** The FY2001 Budget Request is \$49.2 million and includes \$5.2 million for Planning and Technical Assistance, \$39 million for Public Works and \$5 million for Economic Adjustment. NIEA fully supports the FY2001 request. The Purpose of this program is to fund capacity building, including planning and technical assistance, revolving loan funds and capital access, and infrastructure projects that are needed to enable American Indian tribes and Alaskan Native Villages to be more effective and competitive in the economic development and livability of their reservations and communities. This new program is a part of the Clinton Administration's "New Markets" Strategy and includes, among other activities, skill-training and distance learning facilities.

## 2. DEPARTMENT OF EDUCATION

### I. Office of Indian Education (OIE)

For FY2001, the Department of Education has requested \$115.5 million to fund formula grants to Local Education Agencies (LEAs), fund new discretionary programs for OIE and fund new and continuing National Center for Education Statistics (NCES) surveys and research activities. This amount, in addition to LEA grants, would partially fund the National Advisory Council on Indian Education (NACIE), fund the Indian Education Executive Order and fund the Presidential Executive Order on Tribally Controlled Community Colleges (TCCC). NIEA requests partial funding for the TCCC Executive Order since its implementation requires other Education Department agencies to combine resources. To our knowledge, other agencies within the Department of Education, have provided little, if any, physical and financial resources for the TCCC Executive Order. In 1997,

budget authority for OIE transferred from Interior to Labor, Health and Human Services, and Education Appropriations.

Partial funding has been restored for OIE's discretionary program called Special Programs for Indian Children. NIEA requests the Committee's support for full reinstatement for other discretionary programs in adult education, Indian fellowships, gifted and talented and Tribal Education Departments. The Administration's support for Indian students throughout its other programs is well established and appreciated by the Indian community, however, few Departmental initiatives are available for Indian adults and Indian students attending postsecondary institutions. This educational gap prevents full educational access generally assured other students.

The following are NIEA's recommendations regarding OIE funding by category:

- A. **Formula Grants to LEAs.** For FY2001, the Department of Education has requested \$92 million for its formula grant program to public schools. This represents a \$30 million increase over FY2000 and would increase the Per Pupil Expenditure (PPE) from \$134 to \$200. Since the Indian Education Act's enactment in 1972, the PPE has remained relatively the same. The Department estimates that this funding assists 421,000 Indian students attending public and 42,000 students attending Bureau of Indian Affairs (BLA) schools for a total of 463,000. NIEA supports this funding request and asks the committee's concurrence in recommending this level of funding.
- B. **Special Programs for Indian Children.** The FY2001 request for this discretionary category is \$20 million and is \$6.7 million over FY2000. One year ago, NIEA asked for \$20 million to fund discretionary programs within the Office of Indian Education. We are pleased that the FY2001 request reflects our concern for funding to support critical need areas in Indian education. The Special Programs category includes the following authorizations: 1) Improvement of Educational Opportunities for Indian Children; 2) Professional Development; 3) Fellowships for Indian Students; 4) Gifted and Talented Education; and 5) Grants to Tribes for Education Administration Planning and Development. Of the five authorizations listed, only items one and two are currently funded. These are also the only two authorizations the Administration is proposing to reauthorize in the new ESEA under Subpart 2. NIEA supports the funding of all these authorizations since they provide opportunities for all American Indians in every educational category from K-12 to postsecondary to adult education. Tribal Education Departments also need to be funded if Indian reservations are to be able to provide standards driven curriculum commensurate with state programs and culturally-based education programs for their tribal members. We ask the committee's support to fund all Special Programs authorizations and support these authorizations in the ESEA reauthorization. In addition to the FY2001 request, NIEA recommends:
1. **Fellowships for Indian Students:** NIEA requests \$5 million for the Indian Fellowship program to train Indian professionals in other high need careers such as medicine, engineering, and technology-related fields. This program was last funded in FY1996 and represented a broad, non-targeted approach to ensuring Indian students participated in postsecondary education. At its peak, the program allowed approximately 150 Indian students annually to attend higher education institutions in fields as diverse as education to medical school. Complicating the situation is the fact that funding for higher education scholarships, at both the undergraduate and graduate levels through the Bureau of Indian Affairs and the Indian Health Service, have been cut over 50 percent since 1996. NIEA stresses to the Committee that the increases in education funding, in general, have not

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reached the American Indian higher education community and every effort needs to be made to correct this situation.

2. **Gifted and Talented:** NIEA requests \$3 million for Gifted and Talented programs for American Indian and Alaska Native students. Indians are generally under-represented in gifted programs and much of this is due to cultural differences. NIEA fully supports gifted and talented programs and would ask the committee's support in funding this authorization. Indian students identified as being gifted could be recipients of Indian fellowships that prepare a cadre of Indian professionals for exceedingly technical fields.
3. **Grants for Tribal Education Departments:** NIEA requests \$3 million for grants to Tribal Education Departments (TEDs). We are very disappointed that the President's FY2001 budget request does not contain a request for funding for Tribal Education Departments (TEDs). There are two separate provisions authorizing such funding. The Improving America's Schools Act of 1994, Pub. L. No. 103-382, authorizes funding through the U.S. Department of Education. The School Improvement Amendments of 1988, Pub. L. No. 100-297, authorize funding through the BIA within the Department of the Interior. We are, however, not surprised at the omission. The President has never requested funding for TEDs under either authorization. And, as part of its current reauthorization of the Elementary and Secondary Education Act, the Administration is asking Congress to eliminate the Department of Education authorization. Last year, in an effort to keep in the authorization, tribes and Indian organizations submitted testimony and evidence of the value of the at present over ninety TEDs in improving education for hundreds of thousands of tribal students nationwide.

As the Senate takes up reauthorization and appropriation's process this year, we look forward to working with the Committee on this critical component of Indian education. The efforts of tribes to be truly self-governing should not be cut short as they move beyond contract and program administration into areas of education regulation. Indeed, in almost a dozen federal statutes, Congress has already recognized the role of TEDs in education research, standards, and accreditation. What is needed to make these provisions real is for this Committee to see that the appropriations provisions are not eliminated, and that sufficient appropriations – \$3 million – are made. TED's exemplify the necessary role that tribes must have in securing an educational future for their members. TED's have never received funding through either the Department of Education and the Department of Interior. One option that NIEA recommends is a cooperative agreement between both agencies to fund TED's and provide technical expertise required from both agencies for their success. With more tribes assuming control over their educational programs, TED's would be a logical outgrowth of this self-determination activity. However, the standards required for adequate educational programs and governance-related tribal functions dictates that neither agency should individually control TEDs, but should rather work cooperatively to meet mutual goals.

- C. **Special Programs for Indian Adults (Section 9131)** No funds are requested for this program in the FY2001 budget. This program was last funded in 1995 when it received \$5.4 million for 30 projects to carry out educational programs specifically for Indian adults. NIEA has identified adult education for American Indians and Alaska Natives as one of the four priorities urgently needed by Indian Country. *NIEA strongly recommends \$5 million for reinstatement of the Special Programs for Indian Adults in the FY2001 Budget Request.*

- D. **National Activities.** The Administration requests \$2.7 million in FY2001 for National Activities. This request is \$1 million over FY2000 and includes research to augment the Year 2000 National Center for Education Statistics (NCES) Schools and Staffing Survey (SASS) and other data collection efforts.

NIEA supports the targeted increases for Indian education research, but continues to be concerned that studies on American Indian students are not already a part of the Department's data gathering effort. While this attitude has begun to change in recent years with regard to Indian populations, many other ethnic populations generally receive considerable research results without having their respective program budgets cover the cost. A 1996 report by the United States Commission on Civil Rights titled the 'Equal Educational Opportunity Project Series, Vol. 1' found that Department of Education data on student characteristics was lacking among students from American Indian, Asian and other national backgrounds. The report stated that:

*"accurate, reliable and complete data on these ethnic groups are vital for the efforts of the education community to assess the needs of all student sub-populations."*

The report recommended that documents from the Department of Education's Office of Educational Research and Improvement (OERI), and other federal agencies that contain data utilized by policy and decision makers, should include information on these populations. NIEA echoes this position and recommends that the Department of Education make a concerted effort to provide research data for all ethnic categories when conducting studies and that they do so with funds requested through their own research department.

- E. **Tribal College Executive Order.** At the release of the Department's budget, no numbers were available for funding recommendations for the Tribal Colleges Executive Order which was funded in FY 1998 at \$200,000. NIEA has been informed by the Department that other agencies will have their resources combined for the Order's implementation.
- F. **The National Advisory Council on Indian Education (NACIE).** NACIE is recommended at \$50,000, the same amount since FY1998. NIEA requests that the Committee consider full funding for NACIE in the amount of \$500,000 in order for it to carry out its mandated functions under the Indian Education Act and to reinstate a permanent office within the Department of Education. NACIE currently has no permanent office and must rely on OIE staff to carry out minimal functions. Since FY1996, NACIE has been unable to fully carry out its advisory capacity on behalf of Indian education. NIEA has made every effort to involve NACIE in several Indian education initiatives including the Indian Education Executive Order. To our knowledge, NACIE still maintains an account within the Department of Education's Councils and Commissions category and must annually submit an operating budget and recommendations to the Secretary of Education and the Congress for ways to improve educational opportunities for Indian people.

With the current Indian Education Executive Order in place and being implemented and with increases in OIE appropriations over the past few years, NIEA believes that now is the perfect time to re-establish this important office.

- G. **Indian Education Executive Order.** In August 1998, President Clinton signed Executive Order 13096 on American Indian and Alaska Native Education. The order represents a four-year effort originating from Indian Country with the vision of strengthening access to

educational opportunity. The resulting executive order focuses on the problem areas in Indian education, including high dropout rates, low academic achievement, safe and drug-free learning environments, and development of a national policy on Indian education. An Research Agenda is also being implemented in an effort to broaden the knowledge base in Indian education through an enhanced data collection effort.

- H. **OIE Administration.** Funding requests were not available for the OIE administration which is now covered under the overall Department of Education's Program Administration account. A budget footnote in the Education Department's 1999 budget request indicated that \$2.9 million in 1997 and \$2.8 million in 1998 were identified for administrative costs which are now included in the Program Administration account in 1999.
- II. **OTHER DOED INDIAN EDUCATION-RELATED PROGRAMS:**
- A. **Class Size Reduction Initiative.** The Administration proposes to spend \$1.7 billion in FY2001 to reduce class size particularly in urban areas. School districts would receive funds to recruit, train, and pay the salaries of additional teachers. The \$450 million increase in the program overall would likely be reflected in a higher level of funding going to Indian schools. NIEA supports this initiative. The Department funded \$3.5 million in FY1999 and \$4 million in FY2000 for American Indians and Alaska Natives. NIEA supports this initiative.
- B. **Reading and Literacy Grants.** The FY2001 request is \$286 million and is \$26 million over the FY2000. NIEA fully supports the funding request for this program. NIEA is concerned that the original Administration program was called the "America Reads" program and would have contained a set-aside for Indian tribes and the BIA in the amount of \$1.9 million. This set-aside is not included in the Reading Excellence Act as it was passed in October, 1998. NIEA strongly encourages the committee to support a technical amendment that would include Indian tribes and BIA schools as eligible for a tribal set-aside of 1.5 percent.
- C. **Goals 2000/Teaching to High Standards.** The FY2001 President's request does not include funding for Goals 2000. The Administration proposes, however, to consolidate Goals 2000, Eisenhower, and Title IV into a single program called "Teaching to High Standards". NIEA supports the new program if reform mechanisms currently in place for BIA schools continue to be a part of the new program. The Administration proposal allows a one percent set aside while the House-passed version proposes a .5 percent allocation. One percent of Title III funds for Territories and BIA-funded schools are used to support comprehensive, systemic education reforms to improve teaching and learning. The FY2000 budget for Bureau of Indian Affairs schools is estimated at \$2.9 million. Approximately 43,000 Indian students are to be served during FY2000.
- D. **Safe and Drug-Free Schools.** The FY2001 request is \$650 million and is \$50 million over FY2000. NIEA supports the FY2001 request for Safe and Drug-Free Schools. State grants under this program total \$439 million. BIA schools receive a one percent set-aside, which in 2000 was \$5.3 million. A similar amount for Indian schools should be available in FY2001. The current request is expected to benefit approximately 40,000 Indian students.
- E. **School-To-Work.** There is no Administration request in the FY2001 request for School-to-Work. The program completes its phase-out in 2000 with States or other vocational education dollars continuing the program. Up to one percent of program funds are set-aside for programs to help Indian youth acquire the knowledge and skills they need to make a smooth transition

from school to career-oriented work and further education and training. The amount going to Indian students in 1999 was \$1.2 million and \$550,000 in 2000.

- F. Title I, Grants to LEAs.** The FY2001 request is \$9.1 billion and is \$400 million over 2000. Title I, Education for the Disadvantaged, covers four programs: Title I basic grants; Title I concentration grants; Title I targeted grants; and capital expenses for private school children. The FY2001 request for Title I Basic Grants is \$5.7 billion, an increase of \$900,000 over 2000. The BIA set-aside amount under the FY2001 appropriation would be \$49.4 million (\$1 million less than FY2000) and serve approximately 24,500 Indian students. NIEA supports the FY2001 funding recommendation.
- G. Title I, Comprehensive School Reform.** The FY2001 request is \$190 million and is \$20 million over FY2000. This Title I initiative funds research based school-wide reform. Under this proposal, the BIA would share a 1 percent set-aside with U.S. Territories. The BIA portion would be \$896,000.
- H. Title I, Even Start.** The FY2001 request is \$150 million and level with 2000. The Even Start program supports local projects that blend early childhood education, parenting instruction, and adult education into a unified family literacy program. The FY2000 Indian set-aside amount was estimated at \$2.2 million. NIEA fully supports this program.
- I. Eisenhower Professional Development State Grants/Teaching to High Standards.** There is no Administration funding request for Eisenhower State Grants in FY2001. The Administration proposes to consolidate this program with Title VI and Goals 2000 and requests \$690 million in FY2001. NIEA supports this program. The Eisenhower Professional Development program emphasizes improvement of instruction in mathematics, science and other professional development areas. The FY2000 Indian set-aside amount under this program was \$1.7 million, comparable with FY1999.
- J. Impact Aid.** The FY2001 request is \$770 million and is \$136.5 million less than the FY2000 enacted level. The Administration's request would provide the following allocations: Basic - \$720 million; Special Education - \$40 million; Heavily Impacted Districts - \$0; Facilities Maintenance - \$5 million; Construction, \$5 million; and Payments for Federal property - \$0. *NIEA supports the National Association of Federally Impacted Schools (NAFIS) request of \$1.03 billion which proposes the following allocations: Basic - \$818 million; Heavily Impacted Districts - \$82 million; Special Education - \$50 million; Payments for Federal property - \$47 million; Construction - \$8 million; and Facilities Maintenance - \$8 million.*
- Impact Aid compensates school districts in areas where large numbers of children live on, or are associated with, Federal property such as Indian reservations or military bases. In 1999 the Department estimated that over 124,000 Indian children living on Indian lands would generate approximately \$300 million, well over the FY1998 amount of \$214.5 million for local school districts. In FY2000, the following estimates show how much support Indian students will generate by category for public schools: Basic - \$296 million; Special Education - \$20 million; and School Construction - \$4 million. The total FY2000 amount Indian students may generate under the Administration's request is \$320 million.
- K. Education for Homeless Children and Youth.** The FY2001 request is \$31.7 million and is \$2.9 million over 2000. NIEA supports the FY2001 request. Under this program, the BIA receives a one percent set-aside for homeless students served by the BIA. This amount is approximately \$100,000.

- L. **Bilingual Education.** The FY2001 request is \$460 million and is \$54 million over 2000. NIEA supports the Administration's request for Bilingual Education. In FY1999 American Indian and Alaska Native students received indirect funding for Bilingual Education programs in public schools in the amount of \$30.2 million. BIA schools are eligible to apply for Bilingual Education funding directly through the Department of Education. In FY2000 the amount of grants to BIA schools was \$525,000. Funding is distributed through grants to school districts to address the severe academic problems of school children who are limited English proficient. The Department estimates that 182,000 American Indian students in BIA and public schools will receive bilingual education assistance in FY1999. Under previous allocations, the Bilingual education program has included comprehensive reform funding designed to retain native languages of Indian communities. NIEA strongly encourages continuance of this effort.
- M. **Special Education Grants to States.** The FY2001 request is \$5.3 billion and is \$300 million over 2000. The Individuals with Disabilities Education Act (IDEA) was reauthorized in 1997 as Public Law 105-17. BIA schools receive 1 percent for the education of children 5-21 years with disabilities who live on reservations. An additional .25 percent is allocated for distribution to tribes and tribal organizations to provide for the coordination of assistance and related services for children aged 3-5 with disabilities on reservation schools. The set-aside amount in the FY2000 budget request is estimated at \$53 million. Approximately 7,000 Indian students with disabilities would be served with Special Education funding.
- N. **Special Education Grants for Infants and Families.** The FY2001 request is \$383.6 million and is \$8.5 million over FY2000 enacted level. The Indian set-aside under the request was \$4.8 million in 2000 and is \$300,000 over 1999. NIEA supports the request for Grants for Infants and Families program. BIA schools receive 1.25 percent for distribution to tribes and tribal organizations for the coordination of assistance in the provision of early intervention services to children aged birth to 2 years.
- O. **Vocational Rehabilitation State Grants.** The FY2001 request is \$855 million and is \$200 million less than FY2000. NIEA supports funding level with FY2000. Within the Vocational Rehabilitation State Grants program is the Grants to Indians section that is recommended for funding in the FY2001 request at \$24 million. NIEA fully supports the Grants to Indian program.. Funds for this program are based on a .5 percent set-aside. These critical dollars provide vocational rehabilitation services to 7,000 American Indians with disabilities living on reservations.
- P. **Education Technology.** The FY2001 funding request for Education Technology is \$903 million and is \$137 million over 2000. The program includes a Technology Literacy Challenge fund, Technology Innovation Challenge Grants, and Regional Technology in Education Consortia. American Indians are estimated to benefit with approximately \$2.3 million in Technology Literacy Challenge funds in FY2000. NIEA supports the higher FY1999 funding level for this program.
- Q. **Protection and Advocacy of Individual Rights.** The FY2000 request is \$10.9 million and is level with FY1999. The request would support systems in each state to protect and advocate for the legal and human rights of individuals with disabilities. These systems pursue legal and administrative remedies to ensure the protection of the rights of individuals with disabilities under federal law. The Indian set-aside in FY2000 is estimated at \$50,000 and is level with FY1999.

- R. **Fund for the Improvement of Education (FIE).** The FY2001 request is \$137.2 million and is \$106.7 million less than FY2000. This program supports a variety of activities aimed at stimulating reform and improving teaching and learning. FIE also funds through the States a portion of the Title I Demonstrations of Comprehensive School Reform which provides resources and incentives to apply research findings and strategies to help turn around failing schools. The FY2000 Indian set-aside amount is \$81 million and is level with FY1998 and FY1999.
- S. **Alaska Native Education Equity.** The FY2001 request is \$13 million and is level with FY2000. NIEA fully supports the FY2001 request. The proposal will fund an Educational Planning, Curriculum Development, Teacher Training, and Recruitment program at \$5.4 million; a Home-based Education for Pre-School Children program at \$5.7 million; and a School Enrichment program at \$1.9 million. The Alaska Native Education Equity program funding request provides funding for continuation of projects that address the barriers preventing Alaska Native students from achieving to higher academic standards.
- T. **Vocational and Adult Education.** The FY2001 request is \$1.1 billion and is recommended at \$10 million less than FY2000. Under the Basic Grants program there is an Indian and Hawaiian Natives set-aside of 1.25 percent in the amount of \$15.4 million. Additionally, there is a Tribally Controlled Postsecondary Vocational and Technical Institutions program recommended at \$4.1 million. NIEA fully supports both of the funding recommendations for these programs.
3. DEPARTMENT OF HEALTH AND HUMAN SERVICES
- I. Administration for Children and Families:
- A. **Headstart.** The FY2001 budget request is \$175 million for Indian Head Start within the Department of Health and Human Services. This is a \$30 million increase over the amount appropriated in FY2000. The overall FY2001 request is \$6.3 billion and is \$1 billion over 2000. NIEA supports the FY2000 budget request. In 1998, over 21,600 American Indian and Alaska Native children attending Head Start. If the budget request is approved, Indian communities should see an increase in Indian Head Start programs and enrollment. Currently there are 150 Indian Head Start programs serving Indian communities.
- II. Indian Health Service.
- A. **Indian Health Professions Scholarships.** The FY2001 request for the Indian Health Service Indian Health Professions is \$32.8 million and is a \$2.3 million increase over FY2000. The need for health professionals in Indian Country has exceeded the available funding for ensuring adequate numbers of American Indians enter the medical profession. The Indian Health Professions is authorized by Public Law 94-437, the Indian Health Care Improvement Act (IHCLIA), and includes various Health Profession programs under sections 102 through 105; 108; 110; 112; and 114.
- III. OTHER DHHS INDIAN EDUCATION-RELATED PROGRAMS:
- A. **Administration for Native Americans (ANA).** NIEA supports the FY2001 request of \$44 million for ANA programs, which is \$9 million over FY2000. NIEA supports the programs authorized for Indian tribes and organizations through this program. ANA provides funding



for tribes and non-profit Indian organizations to develop economic development, environmental management, and language retention and preservation projects. Its mandate makes this agency uniquely situated to help Indian and Alaska Native people address their economic and social needs.

- B. Native American Languages Act Grants.** NIEA anticipates approximately \$2 million going toward language preservation grants. NIEA supports the Native Language Act of 1992 which authorized a funding level of \$2 million in FY1993. We urge the Committee's continued support so that tribes have the resources to implement language preservation and enhancement projects.
- C. Child Care Development Block Grant (CCDBG).** NIEA supports the FY2001 request of \$2 billion for Child Care Development Block Grants. The President is requesting a very sizable increase -- from roughly \$1.2 billion to \$2.0 billion -- in funding for the discretionary component of the Child Care and Development Fund (CCDF). Tribal child care programs are now funded through a 2% set-aside in this program. The larger, mandatory component of CCDF is automatically funded under the welfare reform law.

Tribes receive a 2 percent set-aside of these funds. In FY1998, 243 tribal grantees were awarded over \$61 million in Child Care and Development Fund (CCDF) grant funds. Through consortia arrangements, CCDF tribal grantees serve over 500 Federally recognized Indian Tribes and Alaska Native Villages. The following activities have been implemented for Indian Tribes and tribal organizations as a result of Welfare Reform amendments to the Child Care and Development Block Grant Act:

- A Program Instruction containing the uniform procedures for requests by tribal grantees to use CCDF funds for construction and major renovation of child care facilities was approved by OMB.
- P.L. 104-193 requires minimum child care standards to be developed in consultation with Indian Tribes and tribal organizations that appropriately reflect tribal needs and available resources. Tribal Leaders were invited to consult with ACF officials on this issue in special focus groups at the Tribal Child Care Conference in April 1997. A Notice requesting comments on minimum standards was published in the Federal Register on March 26, 1997. Through the establishment of a Tribal Standards Advisory Committee, the Child Care Bureau is continuing to consult with Tribes on the development of these standards.
- A Program Announcement was published in the Federal Register on July 18, 1997 requesting competitive funding applications for child care services for a Native Hawaiian organization and a "private nonprofit organization established for the purpose of serving youth who are Indians or Native Hawaiian."

In January 1998, the Child Care Bureau awarded a contract to a Native American 8(a) contractor to strengthen child care services for Native American children and families. Technical assistance under this contract will support Indian Tribes and tribal organizations in their efforts to increase the availability and quality of child care, develop more coordinated delivery systems, promote linkages with State and local programs, and improve child care opportunities for families, providers and tribal communities.

The contractor will assist tribal grantees in child care capacity building efforts through the following major activities: a toll-free information and referral line; a database of promising tribal models; a software package for data reporting and program management; a tribal child care home page; a quarterly newsletter; an annual tribal conference; and on-site technical assistance on issues that have been identified by tribal grantees.

#### 4. DEPARTMENT OF INTERIOR

##### I. Bureau of Indian Affairs (BIA):

Within BIA's overall departmental framework are six categorical areas that contain education-related programs serving federally-recognized Indian tribes. NIEA monitors only those education programs within each category. These include: Tribal Priority Allocations; School Operations; Tribally Controlled Community Colleges; Special Programs and Pooled Overhead; and Education Construction. The following are the FY2001 President's budget request for each category and a brief description of each line item (*education programs only*):

<u>BIA CATEGORY</u>	<u>FY2000 ENACTED</u>	<u>FY2001 REQUEST</u>
Tribal Priority Allocation	\$50,867,000	\$52,662,000
School Operations	\$467,303,000	\$506,571,000
Tribally Controlled Community Colleges	\$35,311,000	\$38,202,000
Special Programs/Pooled Overhead	\$15,298,000	\$15,598,000
Education Construction	\$133,249,000	\$300,499,000
<b>BIA EDUCATION TOTAL</b>	<b>\$702,028,000</b>	<b>\$913,532,000</b>

##### A. Tribal Priority Allocations (TPA):

1. **Adult Education.** The FY2001 request for Adult Education is \$2.5 million which is \$133,000 less than FY2000. NIEA believes the adult education program needs to be funded at no less than \$5 million annually within the BIA. Adult Education continues to be one of the most underfunded Indian education programs despite the fact that it is desperately needed to enable adult Indians who did not finish high school to obtain their General Educational Development (GED) degree. The BIA estimates that approximately 20,000 Indian adults participate in the program.

The elimination in 1996 of the Adult Education Program in the Department of Education's Office of Indian Education (OIE), put a strain on the limited resources of the BIA and does little to focus financial attention on Indian adults who do not live on reservations. Older Indian adults tend to not attend state-operated programs and are more comfortable with Indian instructors.

2. **Johnson-O'Malley (JOM) Program.** The FY2001 request is \$17 million, an \$352,000 reduction from FY2000. NIEA supports funding for JOM at a level of \$24 million to meet the increasing number of eligible students. The highest level the JOM program has received since 1990 was in FY1995 when it was funded \$24.4 million. The JOM program provides supplemental educational services for 272,000 American Indian students in 23 states. NIEA recommends lifting the current moratorium on new dollars to meet the increasing number of eligible students.

3. **Scholarships.** The FY2001 request is \$30.7 million and is a \$2.2 million increase over FY2000. NIEA requests a level of \$35 million for the BIA Scholarship Program. The program provides undergraduate scholarships for American Indians. One of NEA's major priorities is to increase funding for all postsecondary education programs for American Indians and Alaska Natives. The needs of Indian students pursuing postsecondary education are often neglected, especially when critically-needed programs are cut or eliminated such as the Department of Education's Office of Indian Education Fellowship Program. As mentioned below, funding for BIA's only graduate level scholarship program has operated at half funding capacity for four consecutive years.
- B. Other Programs- School Operations**  
The FY2001 budget request for School Operations is \$506.6 million and is \$39.6 million over FY2000. The \$506.6 million investment in American Indian youth attending BIA schools provides for a variety of basic educational services from early childhood to student transportation to administrative costs associated with educating primarily reservation-based schools. The BIA educates approximately 12 percent of the American Indian and Alaska Native K-12 population in the U.S. Below are the various education components within the School Operations line item.
1. **Indian School Equalization Program (ISEP) Formula.** The President's FY2001 request is \$333.3 million for the formula program and an additional \$667,000 for program adjustments bring the total request to \$334 million. NIEA supports a funding level of at least \$4,000 per WSU and recommends \$352.2 million for the ISEP Formula program. This is an increase over FY2000 of \$16.8 million. The ISEP program provides formula-based funding for 185 federally-operated and contracted schools serving 50,000 students. There are several types of schools funded with ISEP funds including BIA-operated, grant, and contract elementary and secondary schools. The fiscal year 2001 request reflects a 3,000 student reduction in the student count over the past few years. The FY2001 request provides a \$3,685 per Weighted Student Unit (WSU) compared to \$3,267 per WSU in school year 1998-99. The proposed \$3,685 per WSU is still far below the average per student expenditure by public elementary and secondary schools, an amount reported by the Department of Education's National Center for Education Statistics (NCES) to be \$7,317 per student in school year 1996-97. Additionally, the 1998 Department of Defense Schools Per Pupil Expenditures was well over \$8,000 per student. When you consider that the Federal Government is responsible for only two school systems, the Department of Defense and the Bureau of Indian Affairs, the discrepancies unfortunately illustrate where U.S. priorities fall.
  2. **Family and Child Education (FACE) Program.** NIEA supports the FY2001 request of \$20.6 million for BIA's early childhood development and FACE program. The FY2001 funding level represents a \$15 million increase over FY2000. NIEA fully supports the requested funding for this program. Currently there are 22 FACE sites serving 1,800 children and 1,800 adults from a total of 1,700 families in two settings which include home and school. The program will also serve an additional 3,200 children in grades K-3 by supporting teacher training in the High/Scope active learning curriculum which is implemented in the FACE Program and included in the School's Consolidated School Reform Plan.
  3. **Student Transportation.** The FY2001 request for Student Transportation is \$38.3 million for, an increase over FY2000 of \$2.2 million. NIEA supports a request of \$42.2 million which funds transportation at the same rate as School Bus Fleet level of \$2.26 per mile. In SY1999-00 the BIA-funded transportation cost is estimated to be \$2.26 per mile with 14,363 miles (School Year 1999-2000) driven for day and boarding schools. According to the latest School

Bus Fleet information, the national average for student transportation costs in school year 1993-94 was \$2.94 per mile for public schools. Therefore, the BIA-funded schools, which are located primarily in rural, isolated areas, are at least \$.78 below the national per mile average.

4. **Administrative Cost Grants.** The FY2001 request for Administrative Cost Grants is \$46.3 million, a \$4.1 million increase over FY2000. NIEA supports a level of \$50 million for Administrative Cost Grants. This program provides grants in lieu of Contract Support Funds to Tribes or Tribal Schools. For SY 1999-2000, the Bureau projects there will be 127 contract/grant schools and 58 Bureau-operated schools. During FY1999, 5 schools converted to contract or grant status. The Bureau projects 6 schools will convert to contract or grant status in School Year 2000-2001 for a total of 127 contract/grant schools.
  5. **Education Facilities Operations.** The FY2001 request for Facilities is \$55.6 million, a \$1.5 million increase over FY2000. NIEA supports the level recommended in FY2000 of \$90 million for Operations and \$30 million for Maintenance costs. New for FY2001, this budget item eliminates the maintenance funding of years past. In FY1999, the Bureau provided funds for operating expenses for education facilities including 2,337 buildings (excluding quarters), containing approximately 17.6 million square feet. In FY2000, the Bureau will provide funds for essential services for educational facilities consisting of 2,390 buildings (excluding quarters), containing approximately 17.9 million square feet.
  6. **Tribal Departments of Education.** Although no funding is provided in the President's budget, NIEA recommends at least \$3 million for tribal departments of education, which are authorized by P.L. 103-382, the "Improving America's Schools Act." We believe that sufficient funding should be provided to assist tribes in planning and developing their own centralized tribal administrative entities to accomplish the original intent of the 1994 Act. This would be appropriate given the recent trend to convert more and more schools from BIA to Tribal control.
- C. **Tribally Controlled Community Colleges**
1. **Tribal Colleges/Post Secondary Schools.** The President's FY2001 request for Tribally-Controlled Community Colleges is \$38.2 million, a \$2.9 million increase over FY2000. The proposed budget includes \$37.1 million for Operating Grants, \$114,000 for Technical Assistance Grants, and \$977,000 for Endowment Grants. NIEA supports a level of \$40 million for Operating Grants.

In addition, tribal community colleges have never received facilities construction or renovation/repair money from the BIA. The national average for Full-Time Equivalent (FTE) funding at mainstream community colleges is approximately \$6,200 per year. The level of FM funding for some special population colleges is approximately three times that which is provided to the tribal colleges.

Furthermore, NIEA supports higher funding levels in FY2001 for Bureau-funded post secondary vocational institutions. This includes Haskell Indian Nations University, Southwest Indian Polytechnic Institute (SIPI), the Institute for American Indian Arts (IALA) at \$4.25 million, and the United Tribes Technical College (UTTC) at \$2.5 million.

**D. Special Programs and Pooled Overhead**

1. **Graduate Scholarships.** The Administration request for Graduate Scholarships in FY2001 is \$1.33 million, which is the same as the past four fiscal years. NIEA supports a funding level of at least \$5 million. This program is the primary funding source for American and Alaska Native graduate students and is totally inadequate to help these individuals meet the costs of an advanced degree. The program, which is administered by the American Indian Graduate Center (AIGC) of Albuquerque, New Mexico, has been underfunded for the last 4 years. For school year 1997-98, the actual unmet need was \$5.7 million. During the 1996-97 school year, the program funded an estimated 378 students with an average award of \$3,955. Because of reduced funding, scholarship awards are being drastically reduced while the demand for these limited scholarship funds increase. This program funds students in 27 states with 128 tribes represented. No other federal graduate level scholarship program, specifically for American Indian students, currently exists.

**E. Education Construction**

The FY2001 request for the BIA Construction is \$365.9 million, of which \$300.5 million (82%) is dedicated to education construction. NIEA supports the request for Education Construction. This is the largest amount ever requested for school construction, and is \$167.3 million over the 2000 funding level, an increase of 126 percent.

1. **Replacement School Construction.** The FY2001 request is \$126.1 million for Replacement School Construction, which is \$63.3 million more 2000. NIEA supports the Administration request for Replacement School Construction. The replacement school construction program funds replacement of older, unsafe, and dilapidated schools on reservations. School replacement priorities are based on a new priority list of 13 schools, which is comprised of the last three uncompleted school schools from the old priority list published in 1993 and 10 new schools. In FY2001, \$126.1 million is requested for advanced planning and design, and to complete construction of the first six schools on the newly developed priority list: Tuba City Boarding School in Arizona, Second Mesa Day School in Arizona, Zia Day School in New Mexico, Baca Consolidated Community School in New Mexico, Lummi Tribal School in Washington, and Wingate Elementary School in New Mexico. Up to \$30 million of the request may be used for tribal participation in the President's School Construction Modernization Initiative.
2. **Education Facilities Improvement and Repair (FI&R).** The FY2001 request is \$171.2 million, which is \$103.4 million over the 2000 appropriation. NIEA supports the Administration request for Education Facilities and Repair. This funding will be used to fund critical health and safety concerns at existing education facilities. This request will fund maintenance and major and minor repair projects to reduce the significant backlog for needed repairs.
- F. **Institute of American Indian Arts.** The FY2001 request for IAIA is \$4.25 million. NIEA supports a level of \$6.25 million which includes \$2 million for construction costs. The \$2 million would be matched by IAIA. NIEA is concerned that proposed funding for the Institute of American Indian Arts (IAIA) is being terminated with the last year for appropriations in FY2001. We support continued funding for IAIA and request the Committee's support in continuing funding for this institution. This institution has been in existence for 35 years and is the only facility solely dedicated to the arts for American Indians and Alaska Natives. NIEA feels that the efforts the management at IAIA have recently exhibited demonstrates their commitment to keeping this valuable institution a part of the American Indian culture.

**5. DEPARTMENT OF LABOR**

**A. Workforce Investment Act**

The FY2001 Request for the Workforce Investment Act is \$55 million. The request would fund Indian comprehensive services program under Section 166. The WIA Program Year 2001, begins on July 1st of that year. The amount available for the comparable Indian JTPA Section 401 program in PY2000 is \$53.8 million. Upon enactment of WIA it provided that at least \$55.0 million would be reserved for the Indian comprehensive services program. Like the Section 401 JTPA program, this money funds tribes and off-reservation organizations to provide services to Native American youth and adults in all parts of the US, on and off reservation.

However, the Administration ignored the law in requesting funding for FY 2000. It sought only \$53.8 million. More was actually appropriated, but all of the amount over the \$53.8 million was earmarked for the construction of a facility in Hawaii to serve Samoans. The President's FY 2001 budget finally recognized that the law requires a minimum of \$55.0 million.

**B. Tribal Supplemental Youth Services Program**

The FY 2001 request would also provide \$15.0 million for the tribal supplemental youth services program that replaces the tribal component of the former JTPA Summer Youth program. That is the same amount which DOL will make available for 2000. Unlike the JTPA Summer program, the tribal supplemental youth services program can support year-round activities.

**C. Dislocated Worker Program**

As in prior years, the President's budget for FY2001 is seeking a significant increase for the dislocated worker program, the workforce program least targeted on the hard-to-employ. The budget also asks for another increase for Job Corps and a 10% increase in the administrative budget of DOL's Employment and Training Administration.

**D. Youth Opportunity Grant Program**

The President wants to increase the Youth Opportunity Grant program from its current level of \$250 million to \$375 million in FY 2001. Native American grantees serving reservation areas and Alaska Natives are eligible to apply for this money, competing with applications from non-Indian state and local agencies. An announcement is expected very soon of the winners in the last YOG competition.

**E. Welfare to Work Program**

WIA is only one of a number of workforce-related programs in the budget. One of the others that has become important to many tribes and Alaska Native groups is the tribal set-aside in the "Welfare-to-Work" (WtW) program. WtW funding was authorized for only two Fiscal Years, FY 1998 and FY 1999. Last November Congress approved a series of amendments to the WtW law, liberalizing the eligibility requirements for the program. However, as the states had a great deal of WtW and TANF funding they had not used, Congress refused to provide any new money for either state or tribal WtW programs.

The President's FY 2001 budget proposal asks Congress to again amend the WtW legislation, this time to extend from three to five years the period of time that states and tribes have to spend the money already made available to them. However, no new money was requested. This will help tribes that have been the slowest to use their WtW funding, but, ironically, will

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do no good for tribes that have tried the hardest to use their WtW money to help welfare recipients enter the workforce. In a new twist to the story, the Administration's budget asks for \$10 million in FY 2001 to provide grants to "Indian and Native American workforce agencies" for services to help "Native American low income families." As is typically the case with new Administration initiatives contained in the budget, there are no specifics. The \$10 million is part of a larger \$255 million "Fathers Work/Families Win" initiative.

In conclusion, we want to thank the Committee for continuing to give its attention to the issues and concerns we have raised in our testimony. In light of the federal government's trust responsibility for the education of all American Indians and Alaska Natives, and on behalf of our members, we urge the Committee's support for maintaining or increasing the funding for the Indian education and related programs discussed herein at the levels we have recommended.

###

BUREAU OF INDIAN AFFAIRS FUNDING FISCAL YEARS 1999 - 2001 PRESIDENT'S REQUEST Education Programs Only									
BUREAU OF INDIAN AFFAIRS TRIBAL PRIORITY ALLOCATION	PRESIDENTS			Feb 1, 1998			Feb 7, 2000		
	FY98	NIEA FY 99	FY 98	FY 2000	NIEA FY 00	FY2000	FY 2001	NIEA FY 01	
	Request	Recommended	Final Approve	Pres. Request	Recommended	Enacted	Pres. Request	Recommended	
Scholarships	\$29,036,000	\$29,036,000	\$29,506,000	\$29,990,000	\$39,000,000	\$28,456,000	\$30,696,000	\$35,000,000	
Adult Education	\$2,896,000	\$4,000,000	\$2,633,000	\$2,805,000	\$4,000,000	\$2,563,000	\$2,480,000	\$5,000,000	
TCCCs Supplement	\$1,047,000	\$1,047,000	\$1,047,000	\$1,081,000	\$1,081,000	\$1,076,000	\$1,114,000	\$1,114,000	
JOM	\$18,080,000	\$24,000,000	\$18,080,000	\$17,469,000	\$24,000,000	\$17,387,000	\$17,035,000	\$24,000,000	
Other Educ Design	\$1,406,000	\$1,406,000	\$1,406,000	\$1,361,000	\$1,361,000	\$1,355,000	\$1,357,000	\$1,357,000	
<b>TPA SUBTOTAL</b>	<b>\$52,268,000</b>	<b>\$59,469,000</b>	<b>\$52,676,000</b>	<b>\$51,106,000</b>	<b>\$59,442,000</b>	<b>\$50,867,000</b>	<b>\$52,662,000</b>	<b>\$56,471,000</b>	
<b>OTHER PROGRAMS-SCHOOL OPERATIONS</b>									
ISEP (Formula)	\$308,516,000	\$328,000,000	\$306,230,000	\$318,890,000	\$329,000,000	\$316,502,000	\$333,298,000	\$353,208,000	
ISEP (Prog Adj)	\$708,000	\$708,000	\$656,000	\$663,000	\$708,000	\$663,000	\$667,000	\$667,000	
Early Childhood	\$5,513,000	\$6,500,000	\$5,503,000	\$5,586,000	\$7,500,000	\$5,586,000	\$20,584,000	\$20,584,000	
Student Transportation	\$36,464,000	\$36,500,000	\$34,758,000	\$36,835,000	\$41,000,000	\$36,099,000	\$38,283,000	\$42,227,000	
Institutional Disabled	\$3,741,000	\$3,741,000	\$3,740,000	\$3,747,000	\$4,000,000	\$3,747,000	\$3,751,000	\$4,000,000	
Facilities O&M	\$77,409,000	\$77,409,000	\$75,222,000	\$79,100,000	\$90,000,000	\$79,100,000	\$58,901,000	\$90,000,000	
(Facilities Operation Detail)	-	-	-	(\$51,625,000)	-	\$54,981,000	\$55,601,000	\$60,000,000	
(Facilities Maintenance Detail)	-	-	-	(\$27,275,000)	-	\$0	\$0	\$30,000,000	
Administrative Cost Grants	\$48,690,000	\$48,290,000	\$42,160,000	\$47,690,000	\$50,000,000	\$42,180,000	\$46,300,000	\$50,000,000	
Area/Agency T.S.	\$7,142,000	\$7,142,000	\$7,117,000	\$7,357,000	\$8,000,000	\$7,357,000	\$7,387,000	\$8,000,000	
Tribal Departments of Education	\$0	\$3,000,000	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000	
Substance Abuse/Alcohol Educ <sup>1</sup>	\$0	\$0	\$0	\$400,000	\$400,000	\$398,000	\$398,000	\$400,000	
School Statistics-ADP	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000	
Emergency Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	
<b>OTHER PROG SUBTOTAL</b>	<b>\$486,865,000</b>	<b>\$512,990,000</b>	<b>\$476,066,000</b>	<b>\$503,968,000</b>	<b>\$534,308,000</b>	<b>\$467,303,000</b>	<b>\$562,570,000</b>	<b>\$572,686,000</b>	
<b>TRIBALLY CONTROLLED COMMUNITY COLLEGES</b>									
Operating Grants	\$34,320,000	\$36,320,000	\$30,220,000	\$37,320,000	\$40,220,000	\$34,220,000	\$37,111,000	\$40,000,000	
Technical Assistance	\$114,000	\$114,000	\$114,000	\$114,000	\$114,000	\$114,000	\$114,000	\$114,000	
Endowment Grants	\$977,000	\$977,000	\$977,000	\$977,000	\$977,000	\$977,000	\$977,000	\$977,000	
<b>TCCC SUBTOTAL</b>	<b>\$35,411,000</b>	<b>\$37,411,000</b>	<b>\$31,311,000</b>	<b>\$38,411,000</b>	<b>\$41,311,000</b>	<b>\$35,311,000</b>	<b>\$38,202,000</b>	<b>\$41,091,000</b>	
<b>SPECIAL PROGRAMS/POOLED OVERHEAD - EDUCATION</b>									
Postsecondary Schools	\$12,921,000	\$16,200,000	\$12,921,000	\$14,333,000	\$16,000,000	\$13,967,000	\$15,598,000	\$16,000,000	
Special Higher Education	\$1,337,000	\$5,700,000	\$1,337,000	\$1,337,000	\$5,000,000	\$1,331,000	\$1,331,000	\$5,000,000	
<b>EDUCATION SUBTOTAL</b>	<b>\$14,258,000</b>	<b>\$21,900,000</b>	<b>\$14,258,000</b>	<b>\$15,670,000</b>	<b>\$21,000,000</b>	<b>\$15,298,000</b>	<b>\$16,929,000</b>	<b>\$21,000,000</b>	
<b>EDUCATION CONSTRUCTION</b>									
Replacement Sch Const	\$37,400,000	\$116,758,000	\$17,400,000	\$38,859,000	\$39,859,000	\$62,859,000	\$128,148,000	\$126,149,000	
Indian School Construction Bonding <sup>1</sup>	-	-	-	\$30,000,000	\$30,000,000	\$0	\$30,000,000	\$30,000,000	
Employee Housing	\$3,000,000	\$3,000,000	\$3,000,000	\$2,907,000	\$3,000,000	\$2,907,000	\$3,112,000	\$3,112,000	
Facilities I&R	\$46,212,000	\$46,212,000	\$40,000,000	\$36,011,000	\$46,212,000	\$67,883,000	\$171,238,000	\$171,238,000	
<b>ED CONST SUBTOTAL</b>	<b>\$86,612,000</b>	<b>\$166,000,000</b>	<b>\$60,400,000</b>	<b>\$106,377,000</b>	<b>\$119,071,000</b>	<b>\$133,249,000</b>	<b>\$330,499,000</b>	<b>\$330,499,000</b>	
Institute of American Indian Art	\$3,188,000	\$4,250,000	\$4,250,000	\$4,250,000	\$6,250,000	\$2,125,000	\$4,250,000	\$6,250,000	
<b>BIA GRAND TOTAL</b>	<b>\$678,622,000</b>	<b>\$802,040,000</b>	<b>\$638,866,000</b>	<b>\$721,782,000</b>	<b>\$791,382,000</b>	<b>\$704,153,000</b>	<b>\$1,005,112,000</b>	<b>\$1,036,197,000</b>	

<sup>1</sup> Funded under Human Services



**U.S. DEPARTMENT OF EDUCATION, OFFICE OF INDIAN EDUCATION  
INDIAN EDUCATION FUNDING, Fiscal years 1994-2001 Request**

	FY 94	FY 95	PRES REQ	ACT	FY 96	FY 97	FY 98	FY 99	FY 00	Pres. Request FY 01
<b>SUBPART 1 - GRANTS TO LOCAL EDUCATION AGENCIES</b>										
LEAs - Sec. 9112	\$52,899,000	\$54,169,000	\$54,993,000	\$45,603,000	\$3,178,000	\$54,770,000	\$54,620,000	\$56,820,000	\$85,016,000	
BIA CONTRACT SCHOOLS - Sec. 9112	\$2,173,000	\$2,482,000	\$2,490,000	\$2,228,000	\$2,584,000	\$2,640,000	\$3,910,000	\$3,910,000	\$4,904,000	
BIA OPERATED SCHOOLS - Sec. 9112	\$2,448,000	\$3,066,000	\$3,110,000	\$1,971,000	\$2,288,000	\$2,340,000	\$2,170,000	\$2,170,000	\$3,246,000	
INDIAN CONTROLLED SCHOOLS (Supt 1 in 94)	\$3,087,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>SUBPART 1 SUBTOTAL</b>	<b>\$60,207,000</b>	<b>\$59,696,000</b>	<b>\$60,393,000</b>	<b>\$50,000,000</b>	<b>\$58,030,000</b>	<b>\$59,750,000</b>	<b>\$62,000,000</b>	<b>\$62,000,000</b>	<b>\$92,785,000</b>	
<b>SUBPART 2 - SPECIAL PROGRAMS FOR INDIAN CHILDREN</b>										
EDUCATIONAL SERVICES FOR INDIAN CHILDREN - Sec. 9121	\$4,801,000	\$3,983,000	\$0	\$0	\$0	\$0	\$1,272,000	\$1,260,000	\$2,400,000	
PLANNING, PILOT, AND DEMONSTRATION	\$1,174,000	\$412,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
INDIAN FELLOWSHIPS - Sec. 9123	\$1,735,000	\$1,606,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	
EDUCATIONAL PROFESSIONAL DEVELOPMENT	\$2,982,000	\$650,000	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	
PROFESSIONAL DEVELOPMENT - Sec. 9122	\$0	\$610,000	\$529,000	\$0	\$0	\$0	\$1,870,000	\$1,970,000	\$2,600,000	
DEMONSTRATION GRANTS	\$0	\$1,734,000	\$6,500,000	\$0	\$0	\$0	\$0	\$0	\$0	
INDIAN TECHNICAL ASSISTANCE CENTERS	\$3,815,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
GIFTED AND TALENTED PROGRAMS - Sec. 9124	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
INDIAN CONTROLLED SCHOOLS (Supt 2 in 95 on)	\$0	\$3,021,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
GRANTS TO TRIBES FOR EDUC ADMIN/PLNG/DEV - Sec. 9125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
AMERICAN INDIAN POSTSEC ECON DEVEL SCHOLARSHIPS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
AMERICAN INDIAN TEACHER TRAINING	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
AMERICAN INDIAN ADMINISTRATOR INITIATIVE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000,000	\$10,000,000	
<b>SUBPART 2 SUBTOTAL</b>	<b>\$14,307,000</b>	<b>\$12,115,000</b>	<b>\$14,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,242,000</b>	<b>\$13,230,000</b>	<b>\$20,000,000</b>	
<b>SUBPART 3 - SPECIAL PROGRAMS FOR INDIAN ADULTS</b>										
PROFESSIONAL DEVELOPMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
ADULT EDUCATION - Sec. 9131	\$4,861,000	\$5,620,000	\$5,451,000	\$0	\$0	\$0	\$0	\$0	\$0	
<b>SUBPART 3 SUBTOTAL</b>	<b>\$4,861,000</b>	<b>\$5,620,000</b>	<b>\$5,451,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>NATIONAL ACTIVITIES</b>										
STATISTICS AND ASSESSMENT - Sec. 9141	\$200,000	\$0	\$0	\$0	\$0	\$0	\$735,000	\$1,735,000	\$2,735,000	
RESEARCH/EVAL/DATA COLLECTION/TECH ASST	\$0	\$125,000	\$907,000	\$0	\$0	\$0	\$0	\$0	\$0	
<b>NATIONAL ACTIVITIES SUBTOTAL</b>	<b>\$200,000</b>	<b>\$125,000</b>	<b>\$907,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$735,000</b>	<b>\$1,735,000</b>	<b>\$2,735,000</b>	
<b>SUBPART 4 - ADMINISTRATION</b>										
OFFICE OF INDIAN EDUCATION	\$3,360,000	\$3,715,000	\$3,270,000	\$2,377,000	\$2,843,000	\$2,600,000	\$2,800,000	\$2,800,000	\$2,800,000	
NATIONAL ADVISORY COUNCIL ON INDIAN EDUCATION - Sec. 9151	\$475,000	\$471,000	\$507,000	\$120,000	\$0	\$50,000	\$50,000	\$50,000	\$50,000	
TRIBAL COLLEGE EXECUTIVE ORDER (new in 96)	\$0	\$0	\$0	\$0	\$0	\$200,000	\$200,000	\$200,000	\$200,000	
<b>SUBPART 4 SUBTOTAL</b>	<b>\$3,835,000</b>	<b>\$4,246,000</b>	<b>\$3,787,000</b>	<b>\$2,497,000</b>	<b>\$2,843,000</b>	<b>\$2,850,000</b>	<b>\$3,050,000</b>	<b>\$3,050,000</b>	<b>\$3,050,000</b>	
<b>GRAND TOTAL</b>	<b>\$80,500,000</b>	<b>\$81,582,000</b>	<b>\$84,785,000</b>	<b>\$52,497,000</b>	<b>\$60,893,000</b>	<b>\$62,600,000</b>	<b>\$65,977,000</b>	<b>\$78,985,000</b>	<b>\$115,500,000</b>	

OE Federal Administration  
Cost Covered by Gen. Admin.

**NATIONAL INDIAN EDUCATION ASSOCIATION**

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February 22, 2000

The Honorable Ben Nighthorse Campbell  
Chairman Committee on Indian Affairs  
83 Senate Hart Office Building  
U.S. Senate  
Washington, DC 20510

Dear Chairman Campbell:

The National Indian Education Association (NIEA) would like to take this opportunity to thank you for allowing us to testify before the Committee on Indian Affairs on the President's FY2001 Budget Request. NIEA is pleased to see major increases being proposed for most Indian education programs within the Department of Education and the Department of Interior's Bureau of Indian Affairs. Critical need areas such as school construction and teacher preparation are being proposed for increased funding and we ask your committee's concurrence on these funding level requests.

There are still areas, however, that need more attention if we are going to raise the level of achievement being experienced by American Indians and Alaska Natives. Funding for higher education scholarships remain a low priority across the agencies entrusted to fulfill the trust responsibility for the education of Indian people. We ask your committee to provide additional higher education resources for programs like the Indian Fellowship program within the Office of Indian Education in the Department of Education and the undergraduate and graduate scholarship programs in the Bureau of Indian Affairs. While we appreciate the targeted increases for teacher training and professional development, Indian Country still needs doctors, engineers, and other highly skilled professionals working in Indian communities.

Again, thank you for receiving our testimony of the FY2001 President's Budget Request. I have included the required number of copies and a copy of our testimony on disk. If you have any questions with any of our material or the contents of our testimony, please feel free to reach me at the number and address above.

Sincerely,

John W. Cheek  
Executive Director



## NATIONAL INDIAN EDUCATION ASSOCIATION

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March 23, 2000

The Honorable Ben Nighthorse Campbell  
 Chairman, Committee on Indian Affairs  
 U.S. Senate  
 838 Hart Office Building  
 Washington, DC 20510-6450

Dear Chairman Campbell:

Thank you for allowing the National Indian Education Association (NIEA) to present oral testimony on the President's budget request for FY2001 on February 23<sup>rd</sup>. As a follow up and in response to your March 6 supplemental questions, we are providing the following responses.

**1. What are the top priorities of the Indian education community reflected in the budget request?**

Funding for Indian Education programs originate primarily from two federal agencies -the Department of Education's Office of Indian Education (OIE) and the Department of Interior's Bureau of Indian Affairs (BIA). OIE programs assist over 450,000 Indian students attending mainly public schools while BIA education programs serve 50,000 student located primarily on Indian reservations. The Administration's budget request for Indian education in FY2001 is the best funding package ever. The increases in request and final appropriations over the past few years are remarkable when you consider in 1995 the Office of Indian Education in the Department of Education was recommended to be eliminated by zeroing out its funding. Part of the reason, we believe, for the increase in Indian education funding, at least for those programs at the Department of Education, is because they have had consistent leadership in the OIE office for several years now. For years, that office was plagued with acting officials who seemingly acted more on behalf of departmental leadership, than the needs of the Indian learner. Having a committed American Indian in the key role at OIE has stabilized the office and permitted a vision of what is needed in Indian Country to develop as exemplified in new program directions within OIE. The President's budget request illustrates the possibilities when an acknowledgment of the critical education needs in Indian communities are met with appropriate funding streams dealing with those issues.

The top priorities within the Indian education community are many but singularly focused on raising the academic achievement levels of Indian students. The President's budget request for OIE programs plans on increasing the capacity of well-trained Indian professionals

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working in schools as teachers and administrators. The lack of qualified Indians in these fields is exemplified by the high turnover of teachers and administrators in schools with high proportions of Indian students. High dropout rates experienced by Indian students in these schools may well be tied to the lack of commitment of teachers from different cultural backgrounds. To do this the Administration is requesting over \$26 million (\$6.7 million over FY2000) to fund new awards in professional development and early childhood demonstration grants. The funding would also allow for the second year of the American Indian Teacher Corps and create a new American Indian Administrator Corps.

New resources are being recommended for increasing the knowledge base of how Indian students learn and achieve. The President's budget request recommends an additional \$1 million for National Activities to support research activities developed as part of a comprehensive research agenda to provide information on the status of education for the Indian population. The \$2.7 million request will permit the Department's research agency to gather additional data on American Indian students, which to date is outdated and absent in most respects to how Indian students learn. NIEA has consistently voiced its concern that the Department's ongoing research activities rarely include data on Indian learners. Other population groups are routinely surveyed in all research activities, but Indian students usually only become a part of these studies when OIE appropriations allow for this to happen.

A new Department of Education request for 2001 includes \$50 million for a School Renovation initiative for public schools with high concentrations of American Indian students and an additional \$5 million for Impact Aid construction which will help LEAs build and renovate schools for their students living on Indian lands. An additional \$300 million for BIA school construction, if funded, will reduce the significant shortage of appropriate classroom space and provide numerous health and safety improvements and repair projects for BIA schools.

Within BIA, most education programs are level funded with few increases. School Construction is the exception as it reflects the high priority within the Indian community as well as the Administration. The Education Construction category within the BIA request is 220% over 2000 (which itself was 220% over 1999). The \$300 million request includes \$126 million for Replacement School Construction, \$3 million for Employee Housing Repair, and \$171 million for Facilities Improvement and Repair. NIEA fully supports this request but is concerned that early indications from Interior appropriation committees that a 4% reduction below current year funding may be the starting point when the subcommittees meet early next month. The \$211 million in new funding proposed for FY2001 for BIA education would be simply wiped out if this is the case.

The Johnson O'Malley (JOM) program funding within the BIA budget request again reflects the downward trend in funding for this program. Since 1999, the JOM program has lost over \$1 million in its appropriations even though the number of eligible students continues to

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climb. Due to an existing cap on the total number of students that can be counted by JOM and the lower appropriations for the program, the same number of students must be served with lesser funding. The FY2001 request for JOM is \$17 million. The supplemental nature of the program permits eligible students to participate in school education programs on par with other non-Indian students. Even minimal school supplies that students need to do their work in public and BIA schools are out of reach for many Indian families. JOM fills this need by providing school supplies, tutoring, and other activities to enable Indian children to compete in the regular classroom.

Scholarships are a high priority for Indian communities but relatively few are available for American Indian students. The President's FY2001 request is \$2.2 million over 2000, but has not increased sufficiently to meet the increasing numbers of students entering, or wanting to enter higher education programs. Programs such as OIE's professional development and teacher training programs are needed, but do not meet the needs of Indian students who want to enter careers such as engineering, medicine, and other highly technical fields. The availability of such programs in the 70's and 80's helped increase the field of professional Indians, but the late 90's may have reversed this trend by not allowing American Indians the opportunity to enter much needed professional fields.

As mentioned in our February 23<sup>rd</sup> testimony, we hope that Indian education funding has not reached its plateau and begins another downward funding spiral. Policy makers need to realize that American Indians and their education concerns are almost totally reliant upon the good will and funding of the federal government. The extent or lack of achievement of Indian students nationally is reflective of the lack of commitment by the federal government in maintaining its trust responsibility for Indian people.

**2. Dr. Brown has stated the coordination of resources often brings better results. Does the NIEA envision areas where cross-agency funding and program integration can impact Indian education more effectively?**

The Indian Education Executive Order that was signed by President Clinton in August of 1998 led the way for this "cross-agency" funding to actually occur. The five-year order permits agencies to work together to enhance the available resources for Indian communities and individuals without increasing funding. This can happen if the participating agencies allow their staffs and departmental directives to focus on the order's goals. The level of commitment by agency varies and usually falls upon one or two people from each agency to see that activities are carried out. A major concern is that the current Administration is in its last year and the next one may have a totally different set of ideas for Indian education.

One activity that would do well as an interagency activity, if it were funded appropriately, would be Tribal Education Departments (TEDs). Currently, authorization exists for TEDs in

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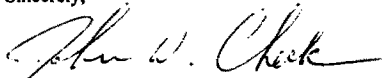
the Improving America's School's Act legislation which is undergoing reauthorization. Unfortunately, the Administration's proposal eliminates this authorization since it has never been funded since the 1994 reauthorization. The Department of Education typically responded to requests for TED funding as something the BIA should be doing. A similar line item has been in the BIA's budget for years, but has only been funded once for one tribe. NIEA recommends that the TED's authorization remain intact and that BOTH agencies work together to see the program developed. The Department of Education could provide the funding, the authorization, and the expertise in standards development. The BIA could provide the avenue for working with Tribal Education Departments and perhaps establish pilot sites in reservations and non-reservation schools. This could illustrate the perfect inter-agency arrangement for enhancing tribal education programs congruent with state and national standards.

The TED's authorization and several others were identified for removal from current legislation with the understanding that other agencies within the department could perform those functions. We fail to see how this can occur given the unique and albeit different governance status the TED's authorization entails. Another example is the proposed removal of the Adult Education authorization in the Elementary and Secondary Education Act reauthorization. This assumes that existing state adult education divisions can serve the same population. This, in our opinion, removes the federal responsibility for serving the adult Indian population and gives it to the states which contradicts the government to government relationship with tribes.

The one thing that Indian education has consistently experienced is inconsistency in policy, programs, and funding. We have a momentum built up with the executive order and the FY2001 funding request and we have key individuals in key positions throughout government. To the extent possible, we encourage the new Administration and this committee to see that the Indian Education Executive Order is not lost as new people and new ideas enter the new year.

The NIEA would like to thank this committee and especially Chairman Campbell and Vice-Chairman Inouye for their steadfast commitment to the needs of the American Indian and Alaska Native people. Without your voice on behalf of Indian concerns, we would likely be worse off than we are today. Thank you for allowing us to submit additional responses and we look forward to our continued working relationship on behalf of Indian education.

Sincerely,



John W. Cheek (*Muscogee Creek*)  
Executive Director

TESTIMONY

OF

ELOUISE P. COBELL

As the first named Plaintiff in Cobell v. Babbitt

SUBMITTED TO

The Committee on Indian Affairs  
of the United States Senate  
at 9:30a.m., February 23, 2000  
in a Hearing on

THE INDIAN PROGRAMS BUDGET

Mr. Chairman and Members of the Committee.

My name is Elouise Cobell. I am a member of the Blackfeet Tribe, Chairperson of the Board of Blackfeet National Bank and the first named plaintiff in the class action lawsuit concerning individual Indian trust beneficiaries: Cobell v. Babbitt.

I appreciate the opportunity of presenting testimony today concerning the FY 2001 Budget as it relates to Indian Trust reform activities by the Department of Interior.

By way of background, I want to remind this Committee that Kevin Gover, Assistant Secretary for Indian Affairs, has repeatedly testified before Congress and in Court that resolving the trust fund mess and meeting the Government's trust responsibility is his "highest priority." Therefore, when we examined the President's Budget Initiatives for Native Americans, we were surprised to see that trust reform was the very last item on the list of activities to be presented. We fear that may reflect the issue's actual place in the Department's priorities, despite representations to the contrary.

While we believe the amount of funds made available to the Interior Department and the Office of Special Trustee is sufficient to do the job at this time, we are concerned that these funds are not being expended wisely or effectively. In fact, funds are being squandered or misappropriated. As a result, at a future time when these funds will be needed to implement an effective trust reform program, they will not be available. Indeed, Assistant Secretary Gover has frequently threatened



Indian Country by saying that in the future, funds needed to implement trust reform and to defend the government in trust litigation may be taken out of budgets for Indian social service and other programs. That is a frightening threat which punishes the victim. Of course, if that threat was realized, the victims of trust mismanagement would be victimized once again through the diminishment of vital services.

As this Committee knows, last year the U.S. District Court in the District of Columbia completed the first trial of a two-phase lawsuit, in the class action case of Cobell v. Babbitt. The Trial Two Phase, for an accounting to correctly re-state the accounts of the beneficiaries, could begin later this year.

In his Trial One decision, Judge Royce Lamberth held in what he characterized as a “stunning victory for the plaintiffs” that the United States is in breach of its trust responsibilities to the individual Indian trust beneficiaries who make up the class of plaintiffs. During the Phase One trial, Bruce Babbitt, Secretary of the Interior and principal trustee delegate of the United States, confessed on the witness stand that our government as trustee has not fulfilled and continuing to violate its fiduciary duties to the Indian trust beneficiaries.

The Judge ordered the government to get into compliance with its fiduciary obligations and he promised to retain jurisdiction over the case for at least five years to assure that the plans and promises made by the government to fix the system were actually being carried out and were working. Although the Judge withheld more direct judicial intervention at this time, he indicated that he was prepared to take

further action if the Government squanders its last opportunity to achieve trust reform on its own.

The centerpiece of the government's promise to fix the system is the implementation of a new, "state of the art" trust accounting and asset management system called "TAAMS," for which Congress has already appropriated almost \$100 million. In detailed Court testimony, Interior explained the functions which TAAMS must carry out before the decision is made to proceed with the nation-wide implementation of the system. Interior announced publicly and submitted to the Court a precise and specific schedule for implementation of TAAMS and its roll out across the country once its functionality has been verified. The Court made it clear that in deciding to stay his hand for now, he did so relying on the substance and timing of promises made at trial, and other commitments.

Following a staged and misleading ribbon cutting for TAAMS in Billings, Montana last June, the Interior Department declared that "TAAMS works." Unfortunately, that statement was not true then and is not true now. But then these are the same people who claimed "we won" after the Court's December 22, 1999 Opinion, and then proceeded to appeal that same decision.

Before TAAMS was launched, many people -- not just the Plaintiffs -- expressed concerns about the TAAMS system's ability to work and the consequent waste of time, money and set back to trust reform. These voices included high officials within the Interior Department and the General Accounts Office (more than once). As the GAO noted just last year, TAAMS was designed and purchased by

Interior without the benefit of an integrated architecture for Indian Trust operations. In other words, Interior did not identify its specific business needs before soliciting bids for and selecting a system to carry out its trust management functions. To this day, it is still unclear whether Interior has adequately defined its needs, and whether the particular system which has been purchased can meet them.

The fact is, these fears have been realized. The TAAMS system is not working as represented to Congress and the Court. Its roll out from Billings on the Government's specific timetable has just not happened.

This is evident by reviewing Secretary Babbitt's Interior Budget in Brief, Departmental Highlights. It reveals some curious contradictions. For example, without apology or explanation, the document states (DH-15): "This Spring, BIA expects to begin deploying TAAMS at additional locations [beyond Billings], commencing with its title plants." (underlining supplied).

Compare that information to last year's promises which Interior widely touted in a dog and pony roadshow to Congress, the Courts and the public. Interior's power point presentation committed to the following "TAAMS Implementation Tier Schedule by Area Office" (Defendants' trial exhibit 321):

The TAAMS Implementation Schedule by Area Office

- Billings                      June, 1999
- Juneau                        October, 1999
- Aberdeen                    October, 1999
- Minneapolis                November, 1999
- Eastern                        January, 2000

- Anadarko February, 2000
- Muskogee March, 2000
- Albuquerque March, 2000
- Navajo March, 2000
- Phoenix April, 2000
- Portland June, 2000
- Sacramento July, 2000

Thus, by Interior's own admission, the TAAMS program is NOT working. At best (assuming that Billings is working, which may not be the case), the roll out is at least six months off and there is no evidence to predict for success in the future.

The Budget in Brief, Departmental Highlights tells us that 193,000 of 285,000 accounts have been "converted" to TAAMS. There is no explanation of what they mean by "converted" and no mention whether and how that data is presently capable of being used and whether TAAMS is operating in seamless interface with other BIA data bases and is functioning as the system that was presented in the TAAMS dog and pony show. However, it is refreshing to see that the Interior Department in its Budget in Brief, Departmental Highlights avoids saying that "TAAMS works."

Turning to the budget request raised additional questions. Of course, we applaud the funding increase for certain trust management functions, e.g., real estate, probate, etc. However, we question whether and how the \$6.9 million reduction in OST funding "reflects progress towards meeting Secretary Babbitt's commitment to trust management reform."

Other budget information tells us that the \$6.9 million reduction results from a decline in one-time computer systems acquisition costs. Until Congress determines what are the problems with TAAMS and what it will take to solve them, those funds may well be needed to do the job.

We believe it is important for this Committee to find out just what is going on with TAAMS and its previously announced schedule and take steps to staunch the flow of waste in order to conserve the resources for an effective trust reform project.

We strongly support the funding and use of funds for trust reform but we fear that money wasted now will be lost forever. This is our position now, and it was our position last year, even though some Interior Department officials deliberately and deceptively claimed in Court and elsewhere that we opposed the funding. Nothing could be further from the truth. We only want to assure that the money is not wasted. It takes restraint not to say, "we told you so."

The Interior Budget in Brief, Departmental Highlights states that Interior has made significant progress in reforming its trust management systems (DH-14). The Departmental Highlights refers to TAAMS as an illustration. We have already pointed out that the Departmental Highlights (DH-15) confesses that TAAMS has not met any significant milestone in TAAMS deployment. But what is as significant as that confession, is what Interior does not tell Congress in the Departmental Highlights.

For example, one of the most critical major milestones for TAAMS is the independent validation and verification (IV&V) of TAAMS scheduled for August,

1999. Without this IV&V demonstrating successful performance of TAAMS, further deployment of TAAMS would and should not be implemented. The Departmental Highlights is curiously silent on the matter of verification. One would imagine that if the IV&V were successfully performed as scheduled, we might have heard about it and BIA might have trumpeted its success to Congress in the "Improving Trust Management" section of Departmental Highlights. But it is nowhere to be found.

Was IV&V successfully performed in August, 1999 as promised? Congress needs to know. So do the public and taxpayers. If TAAMS does not and cannot function as required, the time to cut our losses and invest in a system that works is now.

Another critical element in the TAAMS milestones is "data clean-up." Has BIA loaded correct, "clean" data into TAAMS or does BIA continue to use data that they know is wrong or suspect may be incorrect. The Departmental Highlights is once again silent on this critical point.

It could well be that Interior is once again, as Judge Lamberth notes, "puffing to Congress" about the success of the TAAMS project which is the keystone of Interior's trust reform. Is TAAMS "working" or is it a failure and in shambles? We urge Congress to find out the truth as part of its authorizing, appropriating and oversight functions, before countless millions and what little time is left in this administration is wasted on a hopelessly inadequate trust management system. We urge Congress not to allow this administration to simply pass on its failures to the next.

We believe that adequate funds have been made available to the government for handling trust reform, defending the class action suit, and finding, preserving and producing the documents and records necessary for both the litigation and the performance of trust duties. But we do not know if the funds have been fully used as provided by Congress or whether they have been used effectively. Again, this is information that you, as Congress, need to have to guide your decisions.

The individual Indian trust beneficiaries have been denied justice for decades. These are some of the most impoverished people in America, and yet our Government is still playing cruel games with them. The delays, stalling, retaliation and dissembling are a blight on the honor of this Country. This Congress has expressed its concern, and this Congress can do something to make trust reform a reality.



**NORTHWEST  
PORTLAND  
AREA  
INDIAN  
HEALTH  
BOARD**

Burns-Paiute Tribe  
 Chehalis Tribe  
 Coeur d'Alene Tribe  
 Colville Tribe  
 Coos, Siuslaw &  
 Lower Umpqua Tribe  
 Coquille Tribe  
 Cow Creek Tribe  
 Grand Ronde Tribe  
 Hoh Tribe  
 Jamestown S'Klallam Tribe  
 Kalispel Tribe  
 Klamath Tribe  
 Kootenai Tribe  
 Lower Elwha Tribe  
 Lummi Tribe  
 Makah Tribe  
 Muckleshoot Tribe  
 Nez Perce Tribe  
 Nisqually Tribe  
 Nooksack Tribe  
 NW Band of Shoshoni Tribe  
 Port Gamble S'Klallam Tribe  
 Puyallup Tribe  
 Quileute Tribe  
 Quinalt Tribe  
 Samish Indian Nation  
 Sauk-Suiattle Tribe  
 Shoshone-Bannock Tribe  
 Siletz Tribe  
 Skokomish Tribe  
 Spokane Tribe  
 Squaxin Island Tribe  
 Stillaguamish Tribe  
 Suquamish Tribe  
 Swinomish Tribe  
 Talalip Tribe  
 Umatilla Tribe  
 Upper Skagit Tribe  
 Warm Springs Tribe  
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*The Northwest Portland Area Indian Health Board:  
 Legislative Plan, January 20, 2000*

The Northwest Portland Area Indian Health Board (Board) is a tribal organization that for the past 26 years has represented the Federally recognized tribes in Washington, Oregon, and Idaho on health-related issues. The Board facilitates consultation between Northwest tribes and the Indian Health Service and state agencies; provides information to tribes on legislation, regulations and policy related to health care; and performs health education, research, and policy projects on issues of regional concern to Northwest tribes.

Federal Responsibility for Health Care for American Indian/Alaska Native People

Many Northwest tribes are among those who signed treaties with the government of the United States of America that formed the basis of the Federal responsibility for health care for Indian people. The Federal government has a unique ongoing moral and legal obligation to provide health care to Indian people--an obligation paid for with millions of acres of land and millions of dollars of resources. This obligation has been affirmed many times through treaties, executive orders, legislation, and policy supported by administrations and Congresses of both parties.

Increasingly, Northwest tribes are choosing to operate the Indian health care programs in their communities. Using the contracting and compacting options provided by P.L. 93-638, tribes insure that Federal funds get to the community level where they can be used to increase care to patients. This local control provides the greatest flexibility in meeting health care needs and meshes closely with the current reform efforts of Congress. It also reaffirms this Nation's policy of the last thirty years of tribal self-determination.

Indian Health Programs are a Federal Success Story

Over 83,000 Indian people in Oregon, Washington and Idaho receive primary health care from Indian health programs. Nationally, over 1.5 million American Indians/Alaska Natives receive care from Indian health programs and in many areas of the country the Indian health care provider is the only health care available. The partnership forged among Congress, tribal governments, urban Indian health organizations and the Indian Health Service over the last 40 years has resulted in significant improvements in the health status of Indian people. While American Indians continue to lag behind in a number of health status measurements, real progress has been achieved. Death rates of Indian people from infectious diseases, gastrointestinal diseases, and tuberculosis have fallen dramatically. Maternal death rates have declined by 65% just since 1973.

As Congress controls spending, it should not cut programs that are models of what the Federal government at its best can accomplish.



### FY 2001 Indian Health Service Budget

#### *The Budgets of the Past Eight Years Failed to Provide Funding for the Increased Costs Faced by Indian Health Program*

In Fiscal Year 2000 the IHS once again had a long-delayed budget that was still not finalized by January 2000. An apparent increase of \$155 million (6.9%) was apparently (not confirmed) reduced by a rescission totaling \$ 6 million. This reduced the increase to 6.7% for a FY 2000 increase of just \$149 million-nearly \$100 million less than needed to fully fund mandatories. The FY 2001 Indian Health Service budget may include a \$200 million increase. This is still far short of what is needed to fully fund mandatories and begin to address the health disparities of Indian people. In FY 1999 Congress approved a 6.7% increase, but still \$75 million short of the amount needed to keep pace with inflation and population growth. In FY 1998 the IHS received only a 2.2% increase over FY 1997 and over \$100 million in mandatory cost increases were not funded. In FY 97 Congress funded less than 50% of mandatory pay increases, and no unavoidable inflationary cost increases (e.g., medical inflation, population growth) requiring the Agency to absorb an additional \$50 million. Since FY 1993 the IHS has absorbed over \$1 billion in mandatory costs increases. The billion dollars in lost purchasing power has led to the diminishment of medical services to American Indians/Alaska Natives putting their health and lives at risk. Tribes feel this was unacceptable even during times of rising national debt, but it is unconscionable during times of budget surpluses.

Indian health programs are facing ever-increasing costs. Providing services to over 1.5 million patients residing in primarily rural areas, Indian health programs did not realize the same level of cost savings managed care achieved in urban areas and costs appear to be rising again for all health programs. It is unfair to freeze the IHS budget while allowing inflation and population adjustments for other federal health programs such as Medicaid and Medicare which are projected to grow by an average of 7.3% over the next five years.

### Fund Mandatory Costs in FY 2000

In FY 2000 it is critical that funding be provided to cover all mandatory costs increases incurred by the Indian Health Service, including medical inflation, mandatory payroll increases, and population growth (including new tribes). In the Northwest where Indian health programs must purchase all inpatient and specialty care from private providers, it is particularly important that inflationary cost increases for the Contract Health Services program be funded. In past years deferred medical and dental services in the Northwest have been as much \$4 million annually. This must not be allowed to happen again.

### Diabetes Funding

The \$30 million in diabetes funding authorized by the Balanced Budget Act of 1997 was a welcome increase that was put to good use in identifying the need and beginning much needed health education for diabetes. Tribes are successfully developing programs to prevent and treat this serious disease that disproportionately impacts Indian people. The experience of tribes demonstrates that more funds are needed to make further gains in prevention to reduce long-term costs and the pain and suffering caused by diabetes. Diabetes funding should be made a part of the IHS base budget and be treated as recurring annually. Tribes should be able to access these

funds through available P. L. 638 Title I (Contracting) and Title III (Compacting). This would allow for the most efficient use of these funds.

Increase Funding for Mental Health and Alcohol Programs.

Tribes have identified Alcohol funding as a high priority. Dual diagnosis patients needing a combination of mental health and alcohol treatment services would benefit from a larger appropriation for these services. Mental health programs are the best hope to reduce the epidemic of suicides in Indian country.

Increase Funding for HIV/AIDS Prevention Efforts.

The Northwest Portland Area Indian Health Board's Project Red Talon faces a 2/3 budget cut in 2000 despite the growing threat of HIV/AIDS. Instead of cutting funding the Centers for Disease Control should be working with tribes to increase prevention efforts.

Restore and Increase Funding for Community Health Representatives (CHRs)

Tribes oppose any reduction for CHRs. In FY 2001 the \$1,466,000 rescission of FY 2000-approved funding must be restored and an increase is needed just to keep pace with inflation and fund necessary training for CHRs.

Increase Maintenance and Improvement Funding in FY 2000

Last year's \$2.9 million increase (for a total of \$43.5 million) was a welcome change from previous years' shortfalls, but it was nearly \$5 million less than the President's request. Funding for the maintenance and repair of Indian health facilities is calculated on the basis of square footage. As new facilities have been built, M & I funding has not kept pace and tribes have received less and less each year. The large investment (both Federal and tribal) to update medical facilities should not be jeopardized through inadequate funding to appropriately maintain the facility.

Funding for Tribal Health Information Systems

As tribal governments take on more responsibility for health care and welfare programs for Indian people, it is critical that they have up-to-date information and telecommunication systems to enable them to operate programs efficiently and effectively. Congress needs to recognize this need and provide funds to build and improve tribal telecommunication and information systems that support health and welfare programs in tribal communities.

Repair by Replacement

No business would repair a facility if the cost of that repair exceeded 80% of the estimated cost of replacing the facility with a new structure and yet this is exactly what happens in Indian health. The NPAIHB recommends that Congress add legislative language to the appropriations bill to allow the IHS to authorize the use of maintenance and repair funds for new construction

when the 80% threshold is reached. No additional funds are required to make this change in policy. The Congress could still require committee approval of construction that exceeds the current \$900,000 threshold.

Suggested bill language: The Indian Health Service is authorized to use maintenance and improvement funds to replace existing IHS and tribally owned and operated health care facilities when the cost to construct, maintain and operate an existing temporary, modular, or permanent structure, including quarters, exceeds the cost to construct, maintain, and operate a replacement structure.

#### Funding for Joint Venture Facility Construction and Small Ambulatory Care Projects

In order to meet the facility construction needs of Indian health programs, Congress should support tribal joint venture and small ambulatory clinic projects. The commitment of tribes to use their own resources and non-IHS resources to construct facilities with the commitment of Congress to staff and equip the facility provides an opportunity to address the critical facility construction needs of Indian health programs with the costs shared by Congress and tribes. Northwest tribes have joined with tribes from around the country to advocate for the joint venture program as one way to supplement the underfunded facilities budget.

The Northwest Portland Area Indian Health Board and the Portland Area Office of the Indian Health Service has developed an innovative method for small facility construction that should be promoted with relatively small amounts of funds from the Indian Health Service budget.

#### Sanitation and Environmental Surveys.

Environmental surveys should receive an increased appropriation to document the need for increased funding for Sanitation.

#### Funding for New Tribes

Congress needs to provide new funds for the health care needs of newly recognized tribes at the time of restoration and at the level of need identified by IHS. Congress should recognize that reducing funds from existing tribal contracts for newly recognized tribes is disruptive to ongoing health care delivery. The obligation to provide health care rests with the federal government not other federally recognized tribes.

#### Permanent Funding for the Northwest Tribal Epidemiology Center

In FY 1997, IHS began funding 4 Tribal Epidemiology Centers with funds identified in the FY 1996 appropriations bill. One of these centers, the Northwest Tribal Epidemiology Center (*EpiCenter*), is located in the Portland Area at the Northwest Portland Area Indian Health Board. The *EpiCenter* will provide epidemiologic and programmatic assistance on a variety of health issues. The Board would like *The EpiCenter* to be funded at a level that will enable it to be a fully functional epidemiology center, and for its funding to be on a permanent basis rather than as a renewable project. The value of the *EpiCenter* may prove to be worthy of replication in other IHS areas and the Northwest Portland Area Indian Health Board is committed to assisting

tribes in this effort. In addition the work of the *EpiCenter* is critical to (Government Performance and Results Act) GPRA reporting requirements.

Northwest tribes strongly encourage Congress to provide long-term support by designating the Northwest Tribal Epidemiology Center as a permanent part of the regular Indian Health Services appropriation. In addition, the *Northwest Tribal Epidemiology Center* should be funded at \$550,000 to allow it to provide professional, high quality work for Indian health programs. The Board strongly supports an increase in support for these centers.

#### Contract Support Costs

Contract support costs funds are required for tribes to successfully manage their own programs. The Indian Health Service has estimated a shortfall of \$100 million in contract support costs. Congress should appropriate adequate contract support cost funds to eliminate this ongoing shortfall. The Northwest Portland Area Indian Health Board recommends a \$100 million increase in the appropriation for contract support costs. In addition if large tribes such as Navajo elect to contract or compact a special appropriation should make this possible without any reduction to existing self-determination tribes. This continuing shortfall threatens to pit tribe against tribe as mature contractors are asked to absorb all inflationary increases in order to fund new contractors. Some tribes are told they will receive no contract support cost funding if they take over new programs because their level of funding is greater than that of new contractors.

#### Public Law 638, Title V legislation that provides permanent authority for Self-Governance Compacting

The Northwest Portland Area Indian Health Board supports legislation making self-governance permanent as Title V of P.L. 93-638. The Congress has reviewed this legislation extensively and this legislation should be enacted in 2000 without further delay.

#### Reauthorization of the Indian Health Care Improvement Act (IHCIA) PL 94-437.

The Indian Health Care Improvement Act expires on September 30, 2000. House bill HR 3397 is based on the National Steering Committee on the Reauthorization of the Indian Health Care Improvement Act. Northwest Tribes were actively involved in the development of this proposed bill. Congress should hold hearings on the proposed bill, listen to tribal concerns and act promptly to reauthorize this important legislation and reaffirm the federal commitment to Indian Health. If the bill is not reauthorized in 2000 all programs should be continued and proposed programs should be considered for separate legislation.

#### Tribal Access to VA Prime Vendor Contract

Tribes in the Northwest have worked for four years to access the Veteran's Administration Prime Vendor program for the purchase of pharmaceuticals authorized by P.L. 102-585, Section 603. The Portland Area of IHS currently participates in this contract but Indian health programs operating under P.L. 93-638 programs do not. Participation results in cost savings and improved pharmacy services. A legislative remedy is required to allow tribes to participate in this program.

An amendment to the Indian Self-Determination Act (ISDA), 25 U.S.C. 450 is needed to facilitate tribal participation in these contracts. Proposed Title V legislation, which provides permanent authority for Self-Governance, includes an amendment that allows tribes to participate in prime vendor contracts as authorized by P.L. 102-585, Section 603. This approach was used to extend Federal Tort Claims coverage to tribes and tribal organizations and their employees (see section 102(d) of the ISDA, 25 U.S.C. 450f(d)). The Board proposes the following language for this change:

“For purposes of application of P. L. 102-585 (38 U. S. C. Sec 126) tribes and tribal organizations carrying out a contract, compact, grant, or cooperative agreement under P. L. 93-638 shall be deemed to be acting as ordering agents of the Indian Health Service (IHS).

#### Medicare

The Indian Health Care Improvement Act needs to be amended to give Indian Health Service outpatient clinics the ability to bill for services. Currently, if an Indian patient in the Portland Area subscribes to Medicare part B and utilizes Indian Health Service outpatient services that program cannot bill Medicare for these services. All Indian Health Programs should be able to bill Medicare for services provided to eligible Medicare patients. The Health Care Financing Administration needs to make Indian-specific policies and procedures to insure that its billing requirements insure that Indian health programs receive fair reimbursement for services provided. In most cases per capita payments and a requirement to join managed care plans, as plan providers does not work for Indian health programs.

#### Medicaid

Indian health programs derive an important portion of their income from the Medicaid program. Indian people are eligible for both IHS services and Medicaid if they meet eligibility criteria. Since the IHS is the payer of last resort, many Indian people are required, often against their wishes, to enroll in the Medicaid program. Since this enrollment is mandatory, Indian people need to be assured that if they do sign up for Medicaid:

1. They will not be charged premiums
2. They will not be charged co-pays
3. They will be able to choose an Indian Health Program as their provider and that provider will be able to collect an equitable payment for services provided
4. Their estate will not be subject to Estate Recovery proceedings

The Executive Branch and the Congress should grant the necessary exemptions to American Indians/Alaska Natives to insure that Medicaid programs not undermine the federal commitment to provide health care services to Indian people.

#### HCFA Consultation

The Health Care Financing Administration should provide technical assistance to Indian health programs whenever new regulations are being developed. All proposed HCFA regulations should include a specific analysis of their impact on Indian health programs.

Elders

Tribes should be clearly identified as eligible for a fair share of the Older Americans Act funding. Northwest tribes support the Administration's proposed "National Family Caregiver Support Act."

Long Term Care needs are growing as the population of American Indian/Alaska Native elders grows. The Indian Health Service does not fund long-term care. The IHS should be given authority to receive an appropriation for long-term care. The Medicare and Medicaid programs could become important sources of funding for long term and home and community based care for elders with support from the Health Care Financing Administration.

Elder Abuse has been identified as an area of concern by the Northwest Portland Area Indian Health Board Elders Committee. More information on identifying the extent of this problems and possible remedies are needed.

Allocation of a Share of the Tobacco Settlement for Indian Health Programs.

A share of any national settlement with tobacco companies should be allocated to the Indian Health Service budget. American Indians/Alaska Natives have high prevalence rates for smoking resulting in increased costs for Indian health programs. These programs deserve a share of settlement funds in proportion to these high rates. Any revenue from increased tobacco taxes should be shared with Indian health programs. Tribes should also retain the right to initiate their own lawsuits against tobacco companies.

Elevation of the Indian Health Service Director

Tribes support the elevation of the Director of the Indian Health Service to the Assistant Secretary level within the Department of Health and Human Services. Two bills are before the 106<sup>th</sup> Congress, HR 403 introduced by Rep. George Nettercut Jr. and S. Bill 299 introduced by Sen. John McCain. The Director of the Indian Health Service, the largest direct health care provider within the Department, should answer directly to the Secretary to insure that the issues that impact the agency are addressed. There are many legal and cultural issues that are unique to Indian health programs and it is the Director of the Indian Health Service who tribes look to insure that these are taken into consideration when Department policy and regulation are developed. To do this effectively, the Director needs to report directly to the Secretary and serve on the top policy making level within the department.

March 21, 2000

Mr. Ben Nighthorse Campbell  
Chairman  
United States Senate  
Committee on Indian Affairs  
Washington, DC 20510-6450

Dear Mr. Nighthorse Campbell

The following is my response to two supplemental questions regarding the February 23, 2000 hearing on the President's budget request.

1. **Dr. Brown, you say there are really two needs: 1) additional resources; and 2) a more coordinated federal approach. Does the Welfare Reform law provide a model for future approaches Congress should look into for building healthier tribal communities?**

Not specifically. However, as pointed out in my testimony, one of the early positive effects of welfare reform has been the increased strengthening of coordination, communication and collaboration at all levels of government – among service providers, among tribes and between tribes and states. The welfare reform legislation in bringing the various tribal programs to the table (and in many cases state providers), has served as a catalyst for tribal governments to find ways to improve the efficiency of their tribal delivery systems in assisting tribal members to move from welfare to work. This response has highlighted the importance and need for legislation such as P.L. 1-2-477 which allows tribes to combine funds at the *tribal level* from multiple federal agencies. This approach gives tribes the flexibility to use federal funding to redesign programs and services which best reflects their individual needs and reduces administrative burdens placed upon them.

P.L. 102-477 is an example of how other areas of funding (e.g. economic development, health care, education) could require related federal departments to communicate with each other, coordinate their services, and where possible, allow tribes to consolidate their funding from various agencies.

Mr. Ben Nighthorse Campbell  
United States Senate  
Committee on Indian Affairs  
March 21, 2000  
Page Two

**2. Indian country often fears “consolidation and cooperation” as code-words for “reducing federal resources.” Is this fear justified in your experience?**

Yes. Especially when funding is “block granted” to tribes and states.

The consolidation and cooperation I refer to does not suggest combining various related funding into block grants but requires federal agencies (as stated in question #1) to communicate with each other, better coordinate their services, and where possible, allow tribes, if desired, to consolidate federal funds at the *local level*.

This approach, as stated in testimony, does imply that federal funds be reduced but allows for the more effective and efficient use of limited federal funding already received, as well as needed additional funding.

This approach however, requires a shift in thinking. From one of seeing the federal government’s role of controlling services to tribal communities, to one of investing with tribal governments in their communities to get long-term results.

Sincerely,

Eddie F. Brown, DSW  
Associate Dean for Community Affairs  
Director, Kathryn M. Buder Center for American Indian Studies





NATIONAL  
INDIAN  
CHILD  
WELFARE  
ASSOCIATION

February 22, 2000

The Honorable Ben Nighthorse Campbell, Chairman  
Senate Committee on Indian Affairs  
United States Senate  
Senate Hart Office Building, Room 838  
Washington, D.C. 20510

Re: Testimony on federal programs for Indian people

Dear Chairman Campbell:

I am writing you today to express some of the National Indian Child Welfare Association's thoughts, concerns and recommendations as your committee takes testimony on federal programs for Indian people and communities. Our specific comments focus on a proposal in the President's budget under the Department of Health and Human Services that would provide \$5 million dollars in new funding for an assessment of tribal capacity in child welfare and limited competitive grants for improvements to tribal child welfare programs. (See DHHS, Administration for Children and Families, Fiscal Year 2001, Justification of Estimates for Appropriations Committees, pages D-33 and 34.) While we believe this initiative is a small step in the right direction, it is our position that it would be much more effective and fitting with the government-to-government policy of this Administration to support direct funding for tribes from the Title IV-E Foster Care and Adoption Assistance program. This is what S. 1478 does, and it is backed by years of experience and knowledge of what is needed to help Indian children secure a greater sense of stability and permanency when they have to be removed from their homes.

We believe the origins of the HHS budget proposal come in response to a bill, S. 1478, and efforts to engage the Administration for Children and Families in meaningful dialogue on how to provide Indian children under tribal jurisdiction the same rights to benefits that children under state jurisdiction have under the federal government's largest child welfare entitlement program. Children that are at risk of being removed or have been removed from their homes due to allegations of child abuse are some of this country's most vulnerable children. In non-Indian communities, a child who meets the requirements of the Title IV-E program is guaranteed to have services to help them during his or her stay in foster care, funding for the foster family to help meet the basic needs of the foster child and training for the foster and adoptive families and caseworkers who help watch over the child. In tribal communities, this guarantee does not exist. Tribal communities are expected to "get by" on what little discretionary funding they can scrape up from a variety of meager sources, such as the Bureau of Indian Affairs or other

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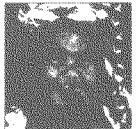
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The Honorable Ben Nighthorse Campbell, Chairman  
February 22, 2000  
Page 2

Administration for Children and Families' programs. This situation has been highlighted by a 1994 report from the Office of Inspector General for the Department of Health and Human Services entitled *Opportunities for Administration for Children and Families to Improve Child Welfare Services and Protections for Native American Children*. The report basically says that tribes have little access to federal child welfare funding, and the best way to ensure that they do is to provide them with direct access.

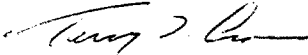
While more technical assistance for tribal child welfare programs could be beneficial, the Department of Health and Human Services seems to be plotting out a course which assumes that most tribes are not ready to operate federal child welfare programs. This proposal also ignores the fact that many states were not able to fully meet Title IV-E requirements when it became available back in 1981. Nineteen years ago we did not see a proposal like this being recommended for states.

Our recommendation is as follows:

Have the Senate Committee on Indian Affairs hold a hearing this year on child welfare services in Indian Country, at which time witnesses can speak to readiness issues, access to resources and strengths and challenges for tribal governments in this area. We believe that this is the best forum at this time for discussing these issues and are hopeful that this would lead to a greater understanding of the importance for this policy change.

We want to thank you for your help in increasing awareness of issues that impact Indian children. We would be glad to discuss our ideas and recommendations with you further.

Sincerely,



Terry L. Cross  
Executive Director

C24200-44



U. S. Department of Housing and Urban Development  
Washington, D.C. 20410-5000

OFFICE OF THE ASSISTANT SECRETARY  
FOR PUBLIC AND INDIAN HOUSING

APR 20 2000

Honorable Ben Nighthorse Campbell  
United States Senate  
Washington, DC 20510-6450

Dear Senator Campbell:

Thank you for your letter of March 6, 2000, as a follow-up to testimony which I presented to your Committee on February 23. Again, I appreciate the invitation which you extended to me for that meeting. Your letter contained three questions with a fourth added by Senator Conrad. Below is our response.

Question one concerned the funding of "Indian smoke shops" with Community Development Block Grant (CDBG) funds. You requested information on the process that tribes and non-Indian recipients of CDBG funds must follow in order to receive grant funds.

The Indian Community Development Block Grant (ICDBG) Program is a competitive funding program authorized by Section 106 of Title I of the Housing and Community Development Act of 1974 (the Act), as amended. It has been a very popular program with tribes since its inception in 1978. Generally, the amount of funds requested has been two to three times greater than the amount available. Each year an amount is set-aside out of the overall Community Development Block Grant (CDBG) appropriation for ICDBG funding. In the last few years, this amount has been \$67,000,000. Specific portions of this overall appropriation are assigned to each of the HUD Area Offices of Native American Programs (ONAP) and are available for competition for those tribes within the office's jurisdiction. The amount assigned to each of the Area ONAPs is based upon a system or formula set forth in the regulations for the program. The distribution system takes into consideration the size of the Native American population living in the jurisdictions of eligible applicants and the income levels and housing conditions of this population.

A Notice of Fund Availability (NOFA) is published in the Federal Register after the appropriated funds are made available to HUD. This NOFA describes the amounts available, any grant ceilings established by the Area ONAPs, applicant and project threshold requirements, the rating system to be used, application requirements, and the process and procedures to be used to evaluate and approve projects. The NOFA for FY 2000 funds was published in the Federal Register on March 10, 2000.

There are no specific set-asides of funds for particular types of projects. A wide variety of types of activities are eligible under the Act and program regulations (24 CFR Part 1003): housing rehabilitation; community infrastructure; commercial development; to name but a few. Each project is rated under the factors established for general project types - housing related (housing rehabilitation/ repair; land acquisition for housing; new housing construction) community facilities (infrastructure or buildings) and economic development. The maximum point award for any project is 100 points. Once rated, each project is ranked by point award and projects are funded in rank order until the funds assigned to the Area ONAP are used up.

The non- Native American, Community Development Block Grant (CDBG) program has two separate, principal components: the Entitlement program and the State program. Seventy percent of the funds appropriated in a fiscal year (after set-asides such as ICDBG are funded) are provided by HUD on a formula entitlement basis to metropolitan cities and urban counties (Entitlement recipients); thirty percent are provided to states, based also on a formula, for State program funding. Each year each Entitlement recipient has to provide HUD with an Action Plan for the use of the funds provided as does each state; every 3-5 years each of these recipients has to provide HUD with a Consolidated Plan. Eligible activities are the same under the Entitlement and State programs.

Under the Entitlement program, recipients are required to use the funds for eligible activities as set forth in the Act and as further described or modified by the program regulations (24 CFR Part 570, subpart C). The activities undertaken must also conform with certain other statutory requirements, e.g. benefit to persons of low or moderate or income or other national objective established by the Act.

In the State program, a state does not directly undertake activities; each state administering the program develops procedures consistent with the Act and the program regulations for the State program (24 CFR Part 570, subpart I) for distributing the funds to eligible local governments - small cities and non-metropolitan counties. These procedures do provide for types of competitive funding processes. These customers are required to use the funds for eligible activities as set forth in the Act and as further described or modified by the program regulations (24 CFR Part 570, subpart C). The activities undertaken must also conform with certain other statutory requirements, e.g. benefit to persons of low or moderate or income or other national objective established by the Act.

I would also like to point out that the ICDBG projects funded that are now being questioned, are primarily for travel plazas. At these operations, tobacco products are but one of many items being sold. This Administration is fully in support of reducing the incidence of smoking by minors. HUD is supporting recently proposed legislation which would bar the Department's economic development assistance to businesses primarily engaged in the sale of tobacco products. In the mean time, there are reasonable and logical controls on the sale of tobacco products to minors which apply to Indian enterprises as well as other businesses.

Additionally, it is important to note that the one project funded where the primary source of income is tobacco is a participant in the Food and Drug Administration's (FDA) "sting program." This allows FDA officers to conduct random "sting operations" to determine compliance with the laws prohibiting sales to minors. The tribe has a good compliance record with the FDA. In fact, recent data indicates that their level of compliance is better than 49 of the 50 states. I have no evidence, and none has been provided to me, which would indicate that Native American retailers are not enforcing laws concerning the sales of tobacco products to minors.

Question two related to the proposed "Native American Development Access Center" and the progress being made on this effort. I am pleased to announce that significant strides have taken place and the inter-agency members plan to have this Center in place by the end of March.

The Economic Development Access Center (Center) represents the efforts of twelve federal agencies. While the actual Center will be housed within HUD's Office of Native American Programs, it would be inaccurate to represent this as a HUD only effort. This project is a successful example of inter-agency cooperation.

The Center will, for the first time, link over twelve agencies through a single toll-free number and web-site so that entrepreneurs--Native Americans, lending institutions, non-profits, foundations, and private businesses--can collaborate to achieve sustainable economic development in Indian Country. Experienced economic development specialists will provide personalized research, initiate dialogue among entrepreneurs, coordinate with other federal agencies, and share their knowledge and experience to ensure that relationships are developed and maintained, and that entrepreneurs receive information and guidance necessary to promote economic growth in their communities.

Your third question related to the progress made in the Title VI program, which was authorized by the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA).

To date, eight Preliminary Letters of Acceptance totaling \$34,115,000 have been issued by HUD to potential borrowers. This authorizes the applicant (borrower) to proceed in processing a Title VI guarantee. Below is a listing of those tribes/Tribally Designated Housing Entities (TDHEs) who have received these letters, and a brief description of the proposed project.

<b>Tribe/TDHE</b>	<b>Proposed project</b>	<b>Proposed Guarantee*</b>
Asa'Carsarmiut Alaska	Infrastructure/20 homeownership units	\$ 1,500,000
Catawaba South Carolina	120 units of mix of rentals and homeownership	\$ 5,200,000
LacCoutreOreilles Wisconsin	40 units rental	\$ 1,000,000
Northwest Inupiat Alaska	Infrastructure/20 homeownership units	\$14,600,000
NorthernArapaho Wyoming	Low Income Tax Credit Water and Sewer lines for affordable housing units	\$ 265,000
Pojoaque New Mexico	Infrastructure/30-40 single family homeownership	\$ 850,000
Quinault Washington	38 Single family units and an Assisted Living Center	\$7,200,000
Tulalip	28 unit mixed development	<u>\$3,500,000</u> \$34,115,000

\*Please note that these are preliminary amounts requested and subject to change.

We published a Notice of Funds Availability (NOFA) for Title VI Loan Guarantee Capacity-Building Grants under funding from the Rural Housing & Economic Development grant program. The purpose of the NOFA was to solicit a contractor to provide technical assistance to Indian tribes or TDHEs with an obligation approved under the Title VI Demonstration Program. The contractor has met with a number of tribes and TDHEs to date.

The last question in your March 6 letter was from Senator Conrad and it addresses a tribal concern over the amount of NAHASDA funding it received prior and subsequent to the implementation of the Act.

Prior to NAHASDA, Indian housing authorities received operating subsidy to manage its housing units, Comprehensive Grant Program (CGP) funds to modernize units and Indian housing development funds to construct new units. Operating subsidy was provided according to the Performance Funding System; CGP was provided based on a formula for IHAs with more than 250 units; and Indian housing development funds were competitive among Indian housing authorities (IHA), not tribes.

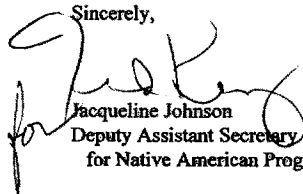
Title III of NAHASDA states that no tribe can receive a formula grant amount that is less than the total amount made available in Fiscal Year (FY) 1996 for operation and modernization of its 1937 Act units (i.e. operating subsidy and CGP). Title III also states that the Indian housing block grant (IHBG) formula shall be based on factors that reflect the need of the Indian tribes considering the following factors: the number of low-income housing dwelling units owned or operated by an IHA and the extent of poverty and economic distress and the number of Indian families with Indian areas of the tribes.

The Negotiated Rulemaking Committee developed the NAHASDA formula based on the requirements of Title III. Therefore, no tribe receives less than they were receiving in FY 1996 for operation and modernization of its units. Also, the formula allocation was drafted so that it was equitable for all tribes based on needs variables.

Prior to NAHASDA, some tribes may have been more successful than others when competing for Indian housing development funds. Therefore, these tribes may not be receiving the same amount of funds it received prior to NAHASDA. However, these funds were competitive and not guaranteed annually based on a formula. The formula under NAHASDA addresses the need of all tribes across the country and attempts to provide an equitable distribution of IHBG funds to all tribes.

I am hopeful that I have addressed these issues to your satisfaction. If you have any further questions, please do not hesitate to contact me at (202) 401-7914. Thank you for your continuing interest in our programs.

Sincerely,



Jacqueline Johnson  
Deputy Assistant Secretary  
for Native American Programs

## Native American Rights Fund

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February 25, 2000

The Honorable Ben Nighthorse Campbell, Chairman  
Senate Committee on Indian Affairs  
United States Senate  
838 Hart Senate Office Building  
Washington, DC 20510

**Re: Hearing on the President's FY 2001 Budget Request and Funding for Tribal Education Departments**

Dear Chairman Campbell:

On behalf of NARF's clients in the area of Tribal Education Departments (TEDs), the Rosebud Sioux Tribe of South Dakota; the Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation in Montana; the Northern Cheyenne Tribe in Montana; the Three Affiliated Tribes of the Fort Berthold Indian Reservation in North Dakota; and the Jicarilla Apache Tribe in New Mexico, we submit the following statement and materials for the record regarding the Committee's Hearing on February 23, 2000 regarding the President's Budget Request for FY 2001.

We are disappointed that there is no request for appropriations for TEDs. Congress has enacted two separate authorizations for TED appropriations. The School Improvement Amendments of 1988, Pub. L. No. 100-297, authorize appropriations through the Bureau of Indian Affairs within the Department of the Interior. The Improving America's Schools Act of 1994, Pub. L. No. 103-382, authorizes appropriations through the Department of Education. In addition to these appropriations authorizations, about ten other statutory provisions recognize the importance of the role of TEDs in improving education for hundreds of thousand of tribal students nationwide.

We are aware that in its current bill proposing reauthorization of the Elementary and Secondary Act of 1965, the Administration is seeking to eliminate the Department of Education TED appropriations authorization. The Administration's proffered justification for this elimination is that "TEDs have never been funded." **We oppose this elimination and, notwithstanding the failure of the President to request TED funding, we ask the Committee**



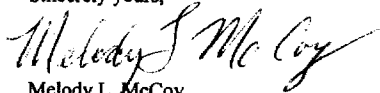
Chairman Nighthorse Campbell  
 February 25, 2000  
 Page 2

**to take the important step of providing TED appropriations in the amount of \$3 million.** As the following reports and research show, TEDs are a vital part of tribal sovereignty and Indian education progress, and they are deserved of such funding.

1. *Federal and State Laws regarding Tribal Education Departments, 1984-1999.* This book details the importance to Congress of the role of tribal education departments in improving Indian education, as evidenced by eleven federal statutes and their legislative history;
2. *External Evaluation Final Report of the Rosebud Sioux Tribal Education Department* (April, 1999). This report substantiates that tribal education departments can have a positive impact on reducing drop out rates and increasing graduation rates of tribal secondary students in both tribal and public schools;
3. *Notification that the Rosebud Sioux Tribal Education Department has been selected as being among Sixteen Finalists of the Harvard University "Honoring Nations" Project for 1999.* The Rosebud Sioux Tribal Education Department's Truancy Intervention Project has been recognized for its contributions to sustaining the Tribe's economy; and
4. *Statement of the Native American Rights Fund before the Senate Committee on Health, Education, Labor, and Pensions* (June, 1999). NARF has testified in support of retaining and funding the appropriations authorizations for tribal education departments enacted by Congress in Pub. L. No. 103-382 (1994) and Pub. L. No. 100-297 (1988).

Thank you for your attention to this critical matter. Please let me know if I can provide further information.

Sincerely yours,



Melody L. McCoy

Enclosures

cc: Rosebud Sioux Tribe  
 Assiniboine & Sioux Tribes  
 Northern Cheyenne Tribe  
 Three Affiliated Tribes  
 Jicarilla Apache Tribe

Testimony of  
John W. Tippeconnic III

Mr. Chairman and members of the Committee on Indian Affairs:

Thank you for inviting me to testify today. My name is John W. Tippeconnic III, Ph.D. I am Professor of Education at Penn State University and also the Director of the American Indian Leadership Program. I am a member of the Comanche Tribe and I am also part Cherokee. I have been an active participant in Indian education for over 30 years – as a classroom teacher, administrator, and now as a professor. I attended BIA, public, and mission schools and worked at a tribally controlled institution.

It is an honor to be here to address the education of American Indians and Alaska Natives in this country, especially in the context of the reauthorization of the Elementary and Secondary Education Act (ESEA). I trust this Committee has the best interest of Indian country in mind and will provide the necessary leadership and action to ensure that the Indian education provisions of the ESEA continue to provide educational opportunities for the approximately 600,000 Indian youth and adults in education programs throughout this country.

We have made progress in the education of American Indians and Alaska Natives since 1969 when the Senate Special Subcommittee on Indian Education, known as the “Kennedy Report” recommended a comprehensive piece of legislation be enacted by Congress to meet the educational needs of Indian students. The Indian Education Act of 1972, along with other legislation, other initiatives, and the hard and dedicated work of many people, including Indian people, helped to bring about this overall progress. Today there are many Indian students doing well in school. We also know there are:

- . more parents involved in the education of their children
- . there are more Indian teachers, administrators, counselors, professors and other educators
- . more of the curriculum reflects tribal cultures, languages and histories
- . there is a growing body of Indian education research, and
- . there is more tribal control of education – with over 30 tribal colleges and over 110 tribally controlled schools.

There are more success stories today and we have a better understanding of what works in the education of American Indians and Alaska Natives. Often that knowledge base exists in practice and in the minds and experiences of educators. As I will mention later, we need to get more of the success stories documented as best practices and research findings.

However, as we all know, we are not where we want to be in Indian education. There continues to be far too many students who are not doing well in school. As documented in the Indian Nations at Risk Report (1991), the White House Conference on Indian Education Report (1992), the Comprehensive Policy Statement on Indian Education (1997), the Executive Order on American Indian and Alaska Native Education (1998), and the National Center for Education Statistics reports, we continue to have high drop out rates, low academic achievement, the lack of parental involvement, the lack of relevant cultural education, alcohol and substance abuse problems, the need for more Indian teachers, administrators, counselors, professors, and other educators. Much remains to be done before we can claim widespread success across Indian country. Thus,

it is critical that the Indian education provisions of ESEA be reauthorized so that progress will continue in the future.

I will start my discussion by emphasizing to the Committee that the education of American Indians and Alaska Natives takes place in a very difficult and complex environment today. Providing quality education is not easy and continues to present difficult challenges when you consider the diversity among tribes and the roles and responsibilities of local, state, tribal and national governments. The complexity is further compounded by the historical, political, economic, health, and social factors that also influence how Indian students learn and how they are taught in schools. All this points to the need to address Indian education from comprehensive and collaborative strategies that are based on research, best practices, consultation and respect and acknowledgement of the Federal responsibility in Indian education and the federal policy of tribal self-determination in Indian education.

#### Comprehensive Approach

I suggest that the reauthorization of ESEA/Title IX maintain and strengthen its comprehensive broad based approach to meeting the wide array of educational needs of American Indians and Alaska Natives by providing opportunities at all levels of education - from early childhood to graduate school, including adult education. This comprehensive approach has been the strength of Title IX from the beginning when the Indian Education Act was passed in 1972. This comprehensive approach provided opportunities and the necessary flexibility for students, schools, tribes, Indian organizations and institutions, and colleges and universities to provide services to meet

local educational needs. In my opinion, a fundamental change in ESEA/Title IX will occur if programs, as being proposed, are eliminated from the law. It is a shame that, in recent years, budget requests and appropriations did not support the comprehensive vision of the authorizing committees in Congress. A lack of appropriated funds does not mean that needs do not exist in Indian education. A comprehensive approach is necessary to continue our success in Indian education.

#### Research is Essential

I strongly recommend that research be emphasized and promoted in the reauthorization of ESEA/Title IX. Research is critical today given the national emphasis on accountability, quality, results, standards and student assessment. More importantly, research is essential to the improvement of teaching and student learning, including student academic achievement. We must keep and strengthen the “National Research Activities” section of the law. We do this by moving beyond evaluations, the collection and analyses of baseline data and the identification of effective approaches. These activities are important and they should continue in a collaborative fashion between NCES, OERI, OIE and other federal agencies. However, both quantitative and qualitative applied research efforts, with academic rigor, are needed that focus on research questions that address teaching and student learning issues. This type of research will not only inform practice but, hopefully, will impact policy and appropriations. The research forums currently being held as a result of the Presidential Executive Order 13096 on American Indian and Alaska Native Education will be helpful in determining the important research questions to ask and answer in the near future.

It is encouraging to note that there is a great deal of interest in Indian education research with more American Indian and Alaska Natives conducting research. The National Indian Education Association (NIEA), the American Educational Research Association (AERA), the Comprehensive Policy Statement on Indian Education (Red Book), and the Presidential Executive Order 13096 on American Indian and Alaska Native Education all promote research. The Comprehensive Federal Indian Education Policy Statement makes a number of suggestions that are worthy of consideration for inclusion in the reauthorization of ESEA. Among them are:

- . the establishment of a national center for Indian education research
- . building tribal capacity to conduct and be involved in educational research (Indian people should be doing more of the research)
- . ensuring research protocol is respected, and
- . accurate and reliable data are used in the research process.

#### **Parent Involvement**

Without question, parent involvement has been a strength of Title IX. Parent committees have given parents a voice with authority in the operation of Indian education programs and have provided the entry point for many parents to be involved in the education of their children. However, we know that parent involvement continues to be a challenge for most programs in at least three ways: 1) getting more parents involved in the parent committees, 2) getting the regular classroom teachers involved with the parent committees and with parents in general, and 3) getting parents to be involved in the daily school activities of their children.

If the formula grant program to LEAs requires a comprehensive program approach to meeting the needs of Indian children (including impacting Title I and regular classroom teachers) then it only makes sense that the parent committee's role and responsibility also be comprehensive and go beyond the formula grant supplemental program. I think there should be some language in the reauthorization that requires LEAs to coordinate parent committees with other governance bodies and facilitate parent committee involvement with regular classroom teachers. After all, regular classroom teachers have the responsibility to teach all their students so the LEA and state standards are achieved.

#### Other Formula Grant Concerns

A strength and weakness of the formula grant program has been the supplemental approach at the school level. A strength is that an Indian education presence has been established at the LEA level that addresses the culturally related academic needs of American Indian students. A lot of good things are happening with students, parents, and Indian professionals in schools and I am not recommending that the supplemental approach be changed. However, the impact on the total school and students seems to vary by site. A weakness of the program and of the legislation is that the active involvement of the regular classroom teacher is missing. As I already mentioned, it is critical that regular classroom teachers be more actively involved in the formula grant programs.

#### Provide Higher Education Support

An initial strength of the program that in time became a weakness was providing

opportunities for colleges and universities to prepare American Indians and Alaska Natives to become educators, including teachers, administrators, counselors and to become professionals in the fields of medicine, psychology, law, engineering, business administration, natural resources, education and related fields. The strengths and weaknesses of the programs are, unfortunately, directly related to funding. Although there are more American Indians and Alaska Natives attending universities and colleges today (approximately 130,000), the need for American Indian and Alaska Native teachers, administrators, counselors, and other professionals is well documented in the literature. The current provisions in the law in Subpart 2 "Special Programs and Projects to Improve Educational Opportunities" are adequate and should remain. I am pleased that the Department of Education ran a competition this year for demonstration and professional development grants. I also recommend that the "Fellowship Program for Indian Students" remain part of the Title IX reauthorization. The Fellowship Program provides students a choice of colleges and universities to earn a degree plus a choice of being a part of an institutional funded program or an individual fellowship. Also, fellowships develop Indian professionals outside of education.

#### Strengthen Tribal Involvement and Capacity

I strongly recommend that the section providing "Grants to Tribes for Education Administrative Planning and Development" be retained and strengthened in the reauthorization. Tribes are key partners in the education of their tribal members. This is especially true given the federal responsibility in Indian education, the government-to-government relationship, and the federal policy of tribal self-determination. Any



comprehensive, collaborative or partnership effort in Indian education must involve tribes. The lack of funding and/or shifting this responsibility to the Department of Interior are not valid reasons to do away with this provision. Rather, efforts should be made to obtain funding to support, implement and to help build tribal capacities in education, especially tribal departments of education.

#### Adult Education

I also recommend that the section, "Special Programs Relating to Adult Education for Indians" be retained in the reauthorization. In my opinion, when funds were available, adult education was one of the more successful programs of Title IX. The 1993 NACIE Annual Report indicated there were 27 adult education awards that served 5,079 students. In 1990 the high school graduation rate for American Indians was 66 percent, compared to 75 percent for the general population. This means a significant number of students did not complete high school. Adult education or the GED becomes a viable option for these students. There is still a need in adult education, only funding is lacking.

#### Other Suggestions

- . Retain the provisions for the National Advisory Council on Indian Education (NACIE).
- . Encourage the use of technology in the formula grant program to LEAs.
- . Ensure the Comprehensive Regional Assistance Centers provide technical assistance to Indian education grantees.

Conclusion

We have seen progress in the education of American Indians and Alaska Native over the past 27 years. Progress will continue and will be greatly facilitated if the ESEA continues to provide Indian education opportunities using a comprehensive approach - from early childhood education to graduate school, including adult education. This will result in even greater progress in the future with more American Indians assuming leadership roles in education. Thank you.



## Walker River Paiute Tribe

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April 3, 2000

The Honorable Ben Nighthorse Campbell, Chairman  
Committee on Indian Affairs  
United States Senate  
838 Hart Senate Office Building  
Washington, DC 20510-6450

Dear Chairman Campbell,

The Walker River Paiute Tribe urges the Senate Committee on Indian Affairs to support FY 2001 budget requests for the Bureau of Indian Affairs and the Indian Health Service in its views and estimates report of the Senate Budget Committee.

The Bureau of Indian Affairs has requested an increase of \$331.9 million (+17%) over the FY 2000 appropriation. The request includes increases for Tribal Priority Allocations programs that are very important for tribal governments including Contract Support, the Indian Self-Determination Fund, tribal courts, housing improvement, road maintenance and real estate services. The budget would continue the efforts to increase funding for law enforcement programs. The budget would also increase funding for school operations and school construction.

The BIA request of \$2.2 billion is not sufficient to meet the needs of Indian tribes. The Walker River Paiute Tribe is disappointed that the Clinton Administration chose not to request funding closer to the levels of need that were identified by tribal officials last fall. Nevertheless, the WRPT does support the requested increase of \$331.9 million and urges the Committee on Indian Affairs to support the request.

The Indian Health Service has requested an increase of approximately \$200 million, including an increase of \$40.0 million for Contract Support Costs and an increase of \$20.0 million for sanitation facilities construction. The IHS budget includes \$65.0 million for health care facility construction including funds for the Fort Defiance hospital, the Winnebago hospital and Parker health center.


The Walker River Paiute Tribe is also disappointed that the Clinton Administration chose not to request funding for the IHS at the levels of need identified by tribal leaders last fall. The WRPT is also concerned about the decisions by the Secretary of Health and Human Services and the Office of Management and Budget to force the IHS and tribal programs to absorb inflation costs. The practice of forcing the IHS and tribes to absorb inflation costs for the past seven years has decreased the purchasing power of Indian health programs, especially Contract Health Care.

The Walker River Paiute Tribe is concerned about efforts to reduce discretionary spending in the Concurrent Resolution on the Budget. Within the Concurrent Resolution on the Budget, Bureau of Indian Affairs funding is contained in Function 300 – natural resources and environment, Function 450 – community and regional development, and Function 500 – education, training, employment and social services. In the FY 2000 budget resolution, the Budget Committees proposed a reduction of 29% in Function 450, which, if applied to BIA programs, would have devastated BIA and tribal government programs.

Indian Health Service Programs are contained in Function 550 – health. Within Function 550, the IHS competes with other Public Health Service programs, Medicaid and Federal employees health benefits for limited funds.

The Walker River Paiute Tribe urges the Senate Committee on Indian Affairs to request that the Budget Committees support the FY 2001 budget requests for the BIA and the IHS and that the Budget Committees provide protections from any discretionary funding reductions for the BIA under Functions 300, 450 and 500 and for the IHS under Function 550.

Sincerely,



Robert W. Quintero  
Tribal Chairman



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## *Memorandum*

March 1, 2000

TO : Senate Committee on Indian Affairs  
Attention: Paul Moorehead

FROM : Roger Walke *RWS*  
Specialist in American Indian Policy  
Domestic Social Policy Division

**SUBJECT : Indian-Related Federal Spending Trends, FY1975-FY2001<sup>1</sup>**

This memorandum responds to your request that the Congressional Research Service (CRS) update its analysis of Indian-related budget authority to include fiscal years 1975-2001. The Committee originally published its own analysis, done by committee staff with CRS assistance, as a "Special Feature" in its *Budget Views and Estimates* for fiscal year 1989.<sup>2</sup> The Committee subsequently published the CRS analyses in the appendices of its *Budget Views and Estimates* for fiscal years 1991-1993.<sup>3</sup> The Committee has also included the CRS analyses in its materials printed in the Senate Budget Committee reports on the concurrent budget resolutions for fiscal years 1995-2000.<sup>4</sup>

The memorandum summarizes trends in major Indian-related areas of the federal budget over the period FY1975-FY2001. "Indian-related" refers to programs provided for American Indian and Alaska Native tribes and their members because of their political status as Indians, not because of their racial classification or simply because they are citizens. The budget items selected in this memorandum have usually accounted for two-thirds to three-quarters or more of total annual Indian-related federal spending (as such spending is calculated by the Office of Management and Budget). For FY1997-FY2001, however, these items account for less than two-thirds of "governmentwide Native American program funding" as estimated in the *Budget of the United States Government, Fiscal Year 2001* ("Budget," p. 132, Table 7-3).

<sup>1</sup>Andorra Bruno, Analyst in American National Government, assisted in gathering data for FY1975-FY1995. Garrine Laney, Analyst in American National Government, and Megan Perry, Intern, assisted in gathering the data for FY1975-FY1991.

<sup>2</sup>S.Prt. 100-116.

<sup>3</sup>S.Prt. 101-89, S.Prt. 102-32, and S.Prt. 102-91, respectively.

<sup>4</sup>S.Rept. 103-238, S.Rept. 104-82, S.Rept. 104-271, S.Rept. 105-27, S.Rept. 105-170, and S.Rept. 106-27, respectively.

CRS-2

The Indian-related spending trends are summarized in **Tables 1-4**, and selected trends are illustrated in graphs 1-26. Both tables and graphs are based on the data in appendix **Tables 1 and 2**. For each budget area, **Tables 1-4** show the following measures:

- the average level of spending in each year over the time period;
- the annual change (i.e., the annual trend) in such spending;
- the ratio of the annual change in spending to the average level of spending (called the "change ratio"); and
- an indicator of the consistency of the annual change.

**Table 1** covers the period FY1975-FY2001, using current dollars. **Table 2** covers the same period using constant, or inflation-adjusted, 1997 dollars. **Tables 3 and 4** present the same current- and constant-dollar data for the period FY1982-FY2001.

The analysis presented here emphasizes constant-dollar figures. Since such figures are adjusted for the effects of inflation, they are better indicators of real changes in spending.

This memorandum is not intended to be a complete analysis of all the Indian-related budget items selected. Rather it compares trends in major programs affecting the nation's Indian population (particularly those programs targeting Indians in federally recognized tribes) with trends in broadly similar aggregates of programs affecting the entire U.S. population. Because it is comparing large-scale trends, the memorandum does not analyze characteristics of programs or of populations served.

The discussion that follows is organized in three parts: methodology and sources; budget trends in education, health, housing, and economic development and employment training; and overall trends.

## Methodology and Sources

The Indian-related budget items chosen for this analysis are the Bureau of Indian Affairs (BIA), the Office of Special Trustee for American Indians, and some BIA components, in the Department of the Interior (DOI); the Indian Health Service (IHS) and the Administration for Native Americans (ANA) in the Department of Health and Human Services (HHS); the Office of Indian Education in the Department of Education; the Indian housing development program, chiefly constructing new housing, in the Department of Housing and Urban Development (HUD);<sup>3</sup> and the Indian and Native American Employment and Training

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<sup>3</sup>HUD's Indian Housing Development program, which funded *new* Indian housing, was consolidated in FY1998, along with most other HUD programs for Indian housing, into a new Native American Housing Block Grant (NAHBG) Program, created by the Native American Housing Assistance and Self-Determination Act of 1996 (P.L. 104-330, 25 U.S.C. 4101 *et seq.*). Under the NAHBG program, recipients (tribes and tribally-designated housing entities) may spend block grants to provide and maintain low-income housing according to their own plans and needs. In 1998 a HUD Office of Native American Programs (ONAP) officer broadly estimated that tribes and housing entities would spend in FY1998 about \$200 million, or one-third of NAHBG funds, on *new* housing development. ONAP is awaiting tribal data and is not yet able to provide actual or estimated spending figures on new housing development for FY1998-2000. To maintain the time-series for this memorandum, we used the one-third proportion in estimating Indian Housing Development spending

(continued...)

Program (INAP)<sup>6</sup> in the Department of Labor. According to figures from the Office of Management and Budget, these agencies accounted for about 68% of total estimated Indian-related spending governmentwide in the period FY1988-FY1999.

The Office of the Special Trustee for American Indians (OST) was created by the American Indian Trust Fund Management Reform Act of 1994 (P.L. 103-412, 25 U.S.C. 4001 *et seq.*) to manage Indian trust funds and to oversee and coordinate the general management of Indian trust assets. These duties and services were previously provided by the BIA. To maintain a consistent time-series in this memorandum for BIA programs, we have combined OST spending with total BIA spending. OST was first listed with separate appropriations for FY1996. Included in OST spending are appropriations for the Indian land consolidation pilot project, which began in FY2000. (For the amounts of OST spending added to BIA spending, see the notes to the appendix tables.)

For the BIA program categories chosen for the analysis — education, economic development, natural resources, and tribal (formerly "Indian") services — the memorandum contains a break in the continuity of the time-series data. The BIA restructured its budget presentation for FY1994, based on recommendations from the Joint Tribal/BIA/DOI Advisory Task Force on Bureau of Indian Affairs Reorganization. The general categories of education, economic development, natural resources, and Indian services, under which specific programs were grouped in previous budget presentations, are not used as general categories in the restructured budget presentation (instead they are used as subcategories within the BIA's new general categories). While the BIA applied this restructured presentation to its FY1993 budget, it did not do so for earlier years. Hence, the time-series data for BIA component programs are internally consistent for FY1975-FY1992 and for FY1993-FY2001 but may not be consistent between the two time periods. In addition, for FY1999 and later years the BIA has moved some programs between different budget categories.

In this memo we re-grouped FY1993-FY2001 data for the relevant BIA programs into the general categories of education, economic development, natural resources, and Indian services.<sup>7</sup> We have maintained consistency in assigning BIA programs to these general categories. We stress that re-grouping data for the BIA components for FY1993-FY2001 means that the figures for the categories for these years are estimates and that they are not necessarily consistent with earlier years. Hence computations and statistics for these BIA categories for the periods FY1975-FY2001 and FY1982-FY2001 are also estimates.

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(...continued)

for FY1999-2001. As ONAP data become available for FY1998-2000, these estimate may need to be revised.

<sup>6</sup>The Indian and Native American Employment and Training Program was authorized by Section 401 of the Job Training Partnership Act (JTPA) of 1982 (P.L. 97-300) and began its expenditures in FY1984. JTPA's predecessor, the Comprehensive Employment and Training Act (CETA), included a similar Indian employment and training program. This memorandum uses CETA Indian program spending for the period FY1975-FY1983 and INAP spending for FY1984 to the present.

<sup>7</sup>The re-grouped figures for FY1993-1994 for these BIA components generally produced budget figures that were markedly higher than figures for FY1992. This suggests that analytical statistics for these BIA components based on the FY1975-FY2001 time series may be skewed, either up or down.

Spending is measured in this memorandum in terms either of appropriations (or budget authority) or of outlays, depending on data availability and on past usage in the Committee's study of FY1989. Indian housing spending data have been available as "use of budget authority," and we include data for both outlays and budget authority in measuring federal spending on housing in general. (Annual outlay and budget authority figures may diverge from each other more in housing, with its multi-year spending patterns, than in other budget areas.)

To adjust for inflation, current-dollar figures were changed into constant dollars. The base year for the constant dollars was 1997, and the inflation index used to compute constant dollars from current-dollar figures was the Chain-Type Price Index for Gross Domestic Product (GDP). The Chain-Type Price Index was introduced in 1995 by the Bureau of Economic Analysis of the Department of Commerce to measure real GDP, essentially replacing the Implicit Price Deflator. We use the Chain-Type Price Index instead of the Consumer Price Index (CPI) because the former accounts for inflation in the entire economy rather than just in consumer purchases, and hence is more appropriate for the full range of Indian budget areas.

### Statistical Measures

The *average*, or mean, *level of spending* during the period FY1975-FY2001 was computed by dividing total spending over the time period by the number of years.

Annual change (annual trend) and trend consistency over the FY1975-FY2001 period were both determined by a time-series linear regression analysis. Such an analysis attempts to find the best straight line illustrating the relationship between a variable (here, a budget item) and time. The *annual change* is the "slope" of such a straight line. The slope, or annual change, shows how much the spending on a budget item changes for every year that passes. (The slope is also known technically as the "coefficient of X" or the "regression coefficient.") *Trend consistency* is the "coefficient of determination," or  $r^2$ , generated by a regression analysis. Here,  $r^2$  can be interpreted as follows: if the  $r^2$  is high (i.e., closer to 1), then the trend, whether up or down, is very consistent; if the  $r^2$  is low (closer to 0), then the trend is very irregular.

*Change ratio* denotes the annual change divided by the average level of spending. This is to control for the fact that the size of a budget item's annual change varies with the total amount of dollars spent by an agency. For instance, an annual change of +\$10 million for an agency whose average spending is \$100 billion a year constitutes a much lower increase, proportionally, than the same \$10 million increase for an agency whose average spending is \$50 million a year. The change ratio allows one agency's annual change to be compared to another agency's annual change while taking relative budget size into account. We stress that the change ratio is *not* a measure of rate of change over time and should not be so cited.

### Sources

Sources for budget data are the respective agencies and the annual *Budget of the United States Government* submitted by the President. Budget data collected included historical



appropriations and outlays and FY2001 budget estimates, by agency and by budget function<sup>8</sup> category. Agencies previously contacted include the BIA, IHS, ANA, HUD, Education Department, Interior Department, and Labor Department. HUD was not able to provide Indian Housing Development Program data for FY1975 and FY1977 because the data had been archived.

U.S. population data came from the Census Bureau's *Statistical Abstract of the United States: 1999* (Table 2, p. 8); "Monthly Estimates of the United States Population" (Internet release date: Dec. 23, 1999); and "Annual Projections of the Total Resident Population as of July 1" (Internet release date [revised date]: February 14, 2000). We used the figures for total U.S. population, including Armed Forces abroad, for 1975-1998, and the figures for resident population for 1999-2001. Indian population estimates and projections, based on that agency's service population, are as of November 1998 and came from the Indian Health Service.

Historical figures for the Chain-Type Price Index for GDP were obtained from the *Economic Report of the President* (February 2000); projections for 2000-2001 came from the U.S. Congressional Budget Office's *The Budget and Economic Outlook: Fiscal Years 2001-2010* (January 2000).

## Education

Education data from Table 1 show that Indian education spending appears to have been growing from FY1975 to FY2001. The annual change for BIA education,<sup>9</sup> for instance, shows an increase of \$15.6 million per year, for a positive change ratio of 4.23. These figures, however, are in current dollars. Inflation has not been taken into account. The constant-dollar figures in Table 2 do take inflation into account. These constant-dollar data show that BIA education has grown by only \$2.3 million a year, for an actual change ratio of 0.47, during the period FY1975-FY2001. This pattern — an increase in current dollars but a much smaller increase, or a decline, in constant dollars — is repeated in most Indian-related budget areas.

Table 2 shows that the U.S. Department of Education budget has averaged \$26.1 billion in constant 1997 dollars during FY1975-FY2001 and has grown at a rate of \$563.2 million a year (2.16 change ratio), with little annual variation ( $r^2$  of .793). In contrast, Office of Indian Education (OIE) programs in the Department of Education, which averaged \$95.8 million a year in constant dollars, fell \$2.5 million a year over the same time period (-2.57 change ratio). The  $r^2$  figure for the OIE in the Education Department (.633) suggests that OIE spending has fallen somewhat consistently over the time-period.

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<sup>8</sup>Budget functions represent classifications of budget expenditures by major objectives and operations, regardless of the agency responsible. Budget functions are further divided into budget subfunctions.

<sup>9</sup>Excludes BIA construction for education. As noted above, the time series for BIA education is not internally consistent because of BIA budget restructuring for FY1993-FY2001. In addition, FY 1991 appropriations for BIA education programs included forward funding of \$208,900,000 for the 1991-1992 school year (July-June). For this analysis, these funds have been included under FY1991.

**Table 4** compares budget trends in constant dollars during the period FY1982-FY2001. The Department of Education has averaged \$27.6 billion during that period, with an increase of \$732.7 million a year (2.66 change ratio). BIA education increased \$12.9 million a year (2.80 change ratio) in FY1982-FY2001, faster than the Education Department as a whole, while the Office of Indian Education in the Education Department fell \$1.6 million a year (-1.85 change ratio).

**Graphs 1-3** illustrate the trends in education in constant dollars for FY1975-FY2001. **Graph 1** shows the generally upward, but fluctuating, trend for the Department of Education budget. **Graph 2** shows a long downward trend and then a recovery for BIA education, while **Graph 3** illustrates that the OIE in the Department of Education had a long-term downward trend, followed by a leveling-off, a sharp fall in FY1996, and a strengthening increase since then.

## Health

Federal health outlays, as measured by the health budget function, averaged \$76.5 billion in constant 1997 dollars during FY1975-FY2001, increasing at a rate of \$4.9 billion a year, for a change ratio of 6.39 (see **Table 2**). Expenditures of the Department of Health and Human Services (HHS) — excluding Social Security payments and Social Security Administration administrative costs (but including other HHS non-health spending) — averaged \$212.3 billion in the same time period, increasing at \$12.1 billion a year (5.70 change ratio). Indian Health Service appropriations, in constant dollars, also increased during FY1975-FY2001, but at a lower rate than those of HHS or the health budget function. IHS's annual increase was \$60 million, a change ratio of 3.93, on an average level of \$1.5 billion.

Spending on the health budget function during FY1982-FY2001, shown in **Table 4**, was at an average level of \$89.7 billion in constant dollars during the period, with an annual increase of \$6.6 billion (7.38 change ratio). HHS outlays averaged \$248.8 billion in FY1982-FY2001, increasing \$14.7 billion annually (5.90 change ratio). IHS spending during the same period had a lower gain than these two measures, showing a change ratio of 4.53, based on annual increases of \$76.5 million and an average spending level of nearly \$1.7 billion per year.

**Graphs 4-6** depict the trends in the HHS, health function, and IHS budgets for the years FY1975-FY2001, in constant dollars. They show that the increase over time was more consistent for HHS ( $r^2$  of .955) than for the federal health budget function ( $r^2$  of .894) or the IHS ( $r^2$  of .897).

## Housing<sup>10</sup>

Federal housing expenditure trends differ for outlays and budget authority during FY1978-FY2001. Outlays have generally risen, on either side of a sudden jump in FY1985, while budget authority fell from FY1978 before roughly leveling off after the FY1985 surge.

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<sup>10</sup>The time period for housing data is shortened from FY1975-FY2001 to FY1978-FY2001 because of missing data for Indian housing development in FY1975 and FY1977.

The trend in new Indian housing development expenditures (as measured in "use of budget authority") differs sharply from that for federal outlays for housing and more closely resembles that for federal housing budget authority, except that Indian housing development has fallen more steeply. **Table 2** shows that outlays for the Department of Housing and Urban Development (HUD) averaged \$25.5 billion in constant dollars from FY1978 to FY2001 and increased at an annual rate of \$433.1 million, for a positive change ratio of 1.70. Outlays for the federal housing assistance subfunction increased even faster, rising \$869.9 million a year on an average level of \$20.4 billion, for a positive change ratio of 4.27. Budget authority for HUD, however, fell \$1.6 billion a year in constant dollars, for a negative -5.11 change ratio on average spending of \$31.2 billion. Budget authority in constant dollars for the housing assistance subfunction showed the same pattern, falling \$1.2 billion a year on average spending of \$24.1 billion for a negative change ratio of -5.04. The Indian housing development program, as measured by annual budget authority for new construction, decreased in constant dollars at an annual rate of \$48.9 million on average spending of \$474.4 million, for a negative change ratio of -10.30, a more steeply declining rate than for federal housing budget authority as a whole. **Graphs 7 and 8** illustrate the trends in both outlays and budget authority for HUD and the housing assistance subfunction. **Graph 9** depicts the trend for the Indian housing development program. **Graph 10** combines HUD and housing assistance subfunction outlays with Indian housing development budget authority.<sup>11</sup>

Housing trends during FY1982-FY2001 are mixed compared with those for the longer period (see **Table 4**). Indian housing development program expenditures in constant dollars decreased less rapidly than in FY1978-FY2001, falling at an annual rate of \$19.5 million (-6.53 change ratio) on an average level of \$299 million. Overall HUD outlays in constant dollars, on the other hand, rose more slowly than in FY1978-FY2001, increasing only \$336.4 million a year (1.26 change ratio) on an average level of \$26.6 billion. Housing assistance subfunction outlays in constant dollars grew faster than HUD spending — a change ratio of 3.18 based on increases of \$717.6 million a year with an average level of \$22.5 billion — but still lagged behind the rate for FY1978-FY2001. Budget authority trends for HUD and the housing assistance subfunction, in constant dollars, were more positive in the FY1982-FY2001 period than in the longer FY1978-FY2001 period. As **Graphs 7 and 8** show, the greatest fall in budget authority for HUD and the housing assistance subfunction occurred before FY1984. (The decline in Indian Housing Development budget authority, as **Graph 9** shows, extended until FY1990.) During FY1982-FY2001, HUD's budget authority in constant dollars declined \$291 million a year on average spending of \$24.5 billion, a negative change ratio of -1.19, while housing assistance subfunction budget authority, in constant dollars, fell less rapidly than in FY1978-FY2001, going down \$33.5 million a year on average spending of \$18.5 billion, for a change ratio of -0.18.

### **Economic Development and Employment and Training**

Economic development spending, in constant dollars, has declined during the period FY1975-FY2001 in both the overall U.S. budget and the Indian-related budget. Here we compare the U.S. community and regional development budget function with the BIA

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<sup>11</sup>Budget authority data for HUD and the housing assistance subfunction were not included in **Graph 10** because they caused scaling problems in the graph.

economic development program<sup>12</sup> and with the Administration for Native Americans, which provides funding for social and economic development projects to Indian tribal governments and non-governmental Indian organizations. Measured in constant dollars, all three economic development programs have lost ground, but the Indian-related ones have fallen faster. Table 2 shows that the U.S. community and regional development function has declined at an annual rate of \$288.3 million, for a change ratio of -2.45, while averaging \$11.75 billion a year in spending during this period. ANA expenditures, with an average level of \$46.3 million, have decreased by \$1.7 million a year, for a negative change ratio of -3.57. The BIA economic development program has fallen most rapidly, declining by \$4 million a year — a negative change ratio of -4.79 — on an average spending level of \$82.6 million. Graphs 11-13, and the respective  $r^2$ s for the community and regional development function (.277), BIA economic development (.660), and ANA (.613), all show that the decline during FY1975-FY2001 has been more consistent for the Indian-related programs.

Economic development spending during the FY1982-FY2001 period, measured in constant dollars, continued to decline for Indian and national economic development, as shown in Table 4, although not as steeply as in the longer period. The federal community and regional development function rose during this period by \$29.7 million a year (a change ratio of 0.30) on average spending of \$9.8 billion. ANA spending fell by a negative change ratio of -0.73 (\$0.3 million a year) on an average spending level of \$37.5 million. BIA economic development went down the fastest, being reduced by a change ratio of -2.72 (\$1.7 million a year) on average spending of \$62.6 million. The downward trends during this period were inconsistent for all the economic development measures.

Employment and training expenditures, in constant dollars, also declined during FY1975-FY2001 for both general U.S. programs and Indian-related programs, as can be seen in Table 2. The federal training and employment subfunction fell at an annual rate of \$393.6 million, producing a negative change ratio of -4.10 on average spending of \$9.6 billion. The U.S. Department of Labor fell at a slower rate, its larger annual decrease (-\$725.6 million) generating a smaller change ratio (-1.84) on higher average spending (\$39.5 billion). The Indian and Native American Employment and Training Program (INAP) in the Labor Department had the largest negative change ratio, -7.91, based on an annual decrease of \$10.1 million and average spending of \$127.4 million.<sup>13</sup> Graphs 14-16 depict these declines in employment and training expenditures.

The FY1982-FY2001 period saw an increase in spending in constant dollars for the training and employment subfunction and a lessening of the rates of decline for the Labor Department and INAP, as Table 4 shows. The Labor Department's negative change ratio shrank to -1.00 because its annual decrease in constant dollars was only \$360.5 million on average spending of \$36 billion. The training and employment subfunction showed a positive change ratio of 0.08, based on an annual increase of \$5.6 million and average spending of \$7.1 billion, both in constant dollars. INAP fell at a far higher rate than the Labor Department or the training and employment subfunction during FY1982-FY2001,

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<sup>12</sup>As noted above, the time series for BIA economic development is not internally consistent because of BIA budget restructuring for FY1993-FY2001.

<sup>13</sup>As noted above, the time series used here includes CETA Indian programs for FY1975-FY1983 and the INAP proper for FY1984-FY2001.

losing \$2.9 million in constant dollars annually in spending for a negative change ratio of -3.97, based on average spending of \$71.9 million.

### Overall Budget Areas

This section compares trends over the time period for the total BIA and OST budgets, overall Indian-program spending,<sup>14</sup> and the federal non-defense budget<sup>15</sup> as a whole, using both current and constant dollars. For the BIA and OST, **Table 1** and **Graph 17** indicate an increase in spending in current dollars during FY1975-FY2001, with spending going up by \$49.1 million a year (change ratio of 3.76) with an average spending level of \$1.3 billion. **Table 2** and **Graph 18**, however, show that in constant dollars the increase in the BIA-OST budget was actually only \$2.2 million a year (0.13 change ratio), on an average spending level of \$1.7 billion. A steady increase ( $r^2$  of .887) in current dollars becomes, when corrected for inflation, a slight and very uneven increase ( $r^2$  of .007) in constant dollars. As **Graph 18** shows, the unevenness results from a lengthy decline (in constant dollars) followed by an uneven rise. In all previous versions of this memorandum, BIA-OST spending in constant dollars showed a decline over the period since FY1975; it is the large BIA increase proposed for FY2001 – depicted in **Graph 18** – that lifts the spending trend for the full time period above a negative trend.

Overall federal non-defense spending for FY1975-FY2001, however, differs from the pattern for Indian-related spending. Federal spending as a whole in current dollars went up during the period FY1975-FY2001, at a rate of \$42 billion a year (5.87 change ratio) with an average level of \$715.4 billion (see **Table 1**). In constant dollars, federal spending still went up, at a rate of \$25 billion (2.86 change ratio) on an average level of \$872.7 billion (see **Table 2**). **Graphs 19** and **20** illustrate these upward trends in current and constant dollars. As the graphs show, the upward trend in federal spending was very consistent, both in current ( $r^2$  of .984) and constant dollars ( $r^2$  of .960).

The overall Indian-related budget follows the same pattern as the BIA-OST budget. Current-dollar spending during the FY1975-FY2001 period, as shown in **Table 1**, went up at a rate of \$120.8 million a year, a change ratio of 3.93, on an average spending level of \$3.1 billion. Constant-dollar spending, however, is shown in **Table 2** to have gone up at a rate of only \$15.2 million a year (0.39 change ratio) on an average spending level of \$3.9 billion. The small size of the positive change ratio in constant dollars, and the inconsistency of the related trend ( $r^2$  of .032), result from the same pattern as for the BIA-OST budget — a long fall followed by a recent uneven upward trend, capped by a large proposed increase for FY2001. **Graphs 21** and **22** demonstrate the two trends.

Population data can be used to get a simple comparison of per-capita federal spending between the overall U.S. population and the Indian population. **Table 1** includes population data similar to the budget data. The data (which include projections for 2000 and 2001) show that overall United States population increased at a rate of 2,383,232 people a year

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<sup>14</sup>"Overall Indian-program spending" means here the six major Indian programs covered in this memorandum, not all Indian-related spending by the federal government.

<sup>15</sup>The federal non-defense budget used here excludes both national defense expenditures and net interest payments on the national debt.

(0.97 change ratio) during the period 1975-2001, with an average level of 246,172,778 people. The Indian population (as measured by the IHS service population) is much smaller, with an average level of 1,087,221, but it has grown much faster, increasing at an annual rate of 37,360 persons, for a change ratio of 3.44.

To get a measure of per-capita federal spending for each of the two groups, for each year in the FY1975-FY2001 period we divided the overall federal non-defense budget by the total U.S. population, and divided the overall Indian budget by the Indian population. **Graphs 23A and 23B** illustrate the resulting trends for current and constant dollars, respectively. They show that during the first ten years of the period the federal government spent more per capita on Indians than on the population as a whole. After 1985, however, Indians received less expenditure per capita, under major Indian-related programs, than the population as a whole. Throughout the 1975-2001 period, per-capita spending in constant dollars on the U.S. population as a whole consistently increased, whereas per-capita spending in constant dollars on Indians through major Indian-related programs began to fall after 1979, leveling out only after 1990. **Graphs 23C and 23D** display the two populations' growth trends over the 1975-2001 period.

## Summary

The data show that Indian-related spending, corrected for inflation, went down for much of the FY1975-FY2001 period but now, on the strength of the increase proposed for FY2001, shows a slightly positive trend. Among the Indian-related budget items examined for this period, the IHS, the BIA-OST, and three BIA program areas (natural resources, tribal services [including the BIA's Housing Improvement Program], and education)<sup>16</sup> display growth in constant dollars, although only the IHS, with an annual change of 3.93, shows a robust upward trend.

Overall trends in federal Indian spending are not obvious if one looks only at current-dollar data. The tables and graphs show that, in constant dollars, overall Indian spending tended to go down for most of the FY1975-FY2001 period, while overall federal non-defense spending went up. The latter years of this period, after 1990, have seen an uneven upward trend in overall Indian spending in constant dollars, a trend that has now brought the annual change and change ratio for the entire FY1975-FY2001 period to positive numbers.

When one looks not only at overall Indian spending but also at its major components – BIA-OST, IHS, Office of Indian Education in the Education Department, Indian housing development program in HUD, ANA, and INAP – one sees from **Table 2** and **Graph 24** that, in constant dollars, all major programs except IHS and BIA have declined during the period FY1975-FY2001. Moreover, a comparison in constant dollars of overall Indian spending and its major components, on the one hand, with comparable budget items in the full federal budget, on the other, indicates that most Indian-program spending areas have lagged behind their equivalent federal spending areas. (See **Graph 25**.) This is true even of IHS.

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<sup>16</sup> As noted above, the time series for BIA natural resources and tribal services is not internally consistent because of BIA budget restructuring for FY1993-FY2001.

## CRS-11

If BIA-OST spending and overall Indian spending were both to grow in constant dollars at the same rates of annual change during the period FY2001-2006 as they did during FY1975-FY2001 (\$2.2 million and \$15.2 million, respectively, in constant dollars), as shown in **Graph 26**, then by FY2006 overall Indian-program spending in 1997 dollars would have grown from a proposed \$5.05 billion in FY2001 to \$5.12 billion in FY2006. BIA-OST spending in 1997 dollars would have grown from a proposed \$2.167 billion in FY2001 to \$2.179 billion in FY2006.

If you have any questions, or if I can be of further assistance, please call me at 707-8641.

## CRS-12

**Table 1. Trends in Selected Elements of the Federal Budget in Current Dollars, FY1975-FY2001\***  
(dollar figures in millions)

	Average level (A)	Annual change (B)	Change ratio (B/A)	Trend consistency (r <sup>2</sup> )
<b>Education:</b>				
U.S. Department of Education	\$21,136.5	\$1,112.6	5.26	0.958
Education function	\$38,638.6	\$1,680.9	4.35	0.910
Indian Education Office (U.S. Department of Education)	\$70.3	\$0.7	1.05	0.190
BIA education <sup>b</sup>	\$370.0	\$15.6	4.23	0.801
<b>Health:</b>				
U.S. Department of Health & Human Services (excluding Social Security Administration)	\$183,173.0	\$15,002.0	8.19	0.952
Health function	\$66,698.1	\$5,924.5	8.88	0.914
Indian Health Service	\$1,275.0	\$86.3	6.77	0.954
<b>Housing:</b>				
U.S. Dept. of Housing & Urban Development (outlays) <sup>c</sup>	\$21,445.4	\$955.1	4.45	0.836
U.S. Dept. of Housing & Urban Development (B.A.) <sup>c</sup>	\$23,476.2	-\$296.1	-1.26	0.077
Housing assistance subfunction (outlays) <sup>c</sup>	\$17,755.8	\$1,171.7	6.60	0.880
Housing assistance subfunction (B.A.) <sup>c</sup>	\$18,167.8	-\$182.9	-1.01	0.036
Indian Housing Development Program in HUD (B.A.) <sup>c</sup>	\$326.1	-\$22.0	-6.76	0.560
<b>Economic Development and Training and Employment:</b>				
Community and regional development function	\$8,613.8	\$120.8	1.40	0.169
Administration for Native Americans (HHS)	\$33.1	\$0.2	0.52	0.122
BIA economic development <sup>b</sup>	\$57.5	-\$0.6	-0.98	0.116
U.S. Department of Labor	\$29,460.0	\$531.3	1.80	0.337
Training and employment subfunction	\$6,766.9	-\$6.7	-0.10	0.001
Indian and Native Amer. Training & Employment (DOL) <sup>d</sup>	\$81.9	-\$3.5	-4.32	0.316
<b>Natural Resources:</b>				
U.S. Department of the Interior	\$5,490.2	\$208.1	3.79	0.951
Natural resources function	\$16,401.1	\$631.1	3.85	0.950
BIA natural resources <sup>b</sup>	\$114.2	\$3.7	3.20	0.588
<b>Overall:</b>				
BIA-OST Total	\$1,306.9	\$49.1	3.76	0.882
BIA tribal services <sup>b</sup>	\$358.4	\$21.3	5.94	0.940
Overall Indian budget	\$3,075.9	\$120.8	3.93	0.848
Federal non-defense budget <sup>e</sup>	\$715,352.2	\$41,969.8	5.87	0.984
<b>Population:</b>				
U.S. population	246,172,778	2,383,232	0.97	0.999
Indian population (IHS estimates)	1,087,221	37,360	3.44	0.990

\* See Appendix Table 1 for data used to calculate these figures.

<sup>b</sup> Inconsistent time series from FY1993 on, because of BIA budget restructuring. "BIA education" excludes BIA education construction.

<sup>c</sup> Covers only FY1978-FY2001. B.A. = budget authority.

<sup>d</sup> FY1975-FY1983: CETA Indian program. FY1984-FY2001: Indian and Native American Training and Employment Program.

<sup>e</sup> Excludes national defense outlays and net interest payments on national debt



## CRS-13

**Table 2. Trends in Selected Elements of the Federal Budget in Constant 1997 Dollars, FY1975-FY2001<sup>a</sup>**  
 (constant dollars based on chain-type price index for GDP)  
 (dollar figures in millions)

	Average level (A)	Annual change (B)	Change ratio (B/A)	Trend consistency (r <sup>2</sup> )
<b>Education:</b>				
U.S. Department of Education	\$26,131.7	\$563.2	2.16	0.793
Education function	\$49,093.1	\$432.4	0.88	0.211
Indian Education Office (U.S. Department of Education)	\$95.8	-\$2.5	-2.57	0.633
BIA education <sup>b</sup>	\$474.8	\$2.3	0.47	0.037
<b>Health:</b>				
U.S. Department of Health & Human Services (excluding Social Security Administration)	\$212,298.8	\$12,098.8	5.70	0.955
Health function	\$76,495.0	\$4,890.2	6.39	0.894
Indian Health Service	\$1,525.0	\$60.0	3.93	0.897
<b>Housing:</b>				
U.S. Dept. of Housing & Urban Development (outlays)	\$25,516.7	\$433.1	1.70	0.374
U.S. Dept. of Housing & Urban Development (B.A.) <sup>c</sup>	\$31,170.6	-\$1,592.2	-5.11	0.445
Housing assistance subfunction (outlays) <sup>d</sup>	\$20,388.7	\$869.9	4.27	0.687
Housing assistance subfunction (B.A.) <sup>e</sup>	\$24,141.4	-\$1,215.6	-5.04	0.356
Indian Housing Development Program in HUD (B.A.) <sup>f</sup>	\$474.4	-\$48.9	-10.30	0.594
<b>Economic Development and Training and Employment:</b>				
Community and regional development function	\$11,750.2	-\$288.3	-2.45	0.277
Administration for Native Americans (HHS)	\$46.3	-\$1.7	-3.57	0.613
BIA economic development <sup>g</sup>	\$82.6	-\$4.0	-4.79	0.660
U.S. Department of Labor	\$39,504.3	-\$725.6	-1.84	0.358
Training and employment subfunction	\$9,601.2	-\$393.6	-4.10	0.429
Indian and Native Amer. Training & Employment (DOL) <sup>h</sup>	\$127.4	-\$10.1	-7.91	0.460
<b>Natural Resources:</b>				
U.S. Department of the Interior	\$7,024.6	\$30.9	0.44	0.126
Natural resources function	\$21,010.8	\$86.6	0.41	0.108
BIA natural resources <sup>b</sup>	\$145.2	\$0.6	0.43	0.025
<b>Overall:</b>				
BIA-OST Total	\$1,686.3	\$2.2	0.13	0.007
BIA tribal services <sup>b</sup>	\$438.4	\$12.3	2.80	0.794
Overall Indian budget	\$3,947.5	\$15.2	0.39	0.032
Federal non-defense budget <sup>i</sup>	\$872,738.6	\$24,972.5	2.86	0.960

<sup>a</sup> See Appendix Table 2 for data used to calculate these figures.

<sup>b</sup> Inconsistent time series from FY1993 on, because of BIA budget restructuring. "BIA education" excludes BIA education construction.

<sup>c</sup> Covers only FY1978-FY2001. B.A. = budget authority.

<sup>d</sup> FY1975-FY1983: CETA Indian program. FY1984-FY2001: Indian and Native American Training and Employment Program.

<sup>e</sup> Excludes national defense outlays and net interest payments on national debt.

## CRS-14

**Table 3. Trends in Selected Elements of the Federal Budget in Current Dollars, FY1982-FY2001<sup>a1</sup>**  
(dollar figures in millions)

	Average level (A)	Annual change (B)	Change ratio (B/A)	Trend consistency (r <sup>2</sup> )
<b>Education:</b>				
U.S. Department of Education	\$24,658.0	\$1,241.9	5.04	0.950
Education function	\$43,236.1	\$2,141.2	4.95	0.961
Indian Education Office (U.S. Department of Education)	\$72.6	\$0.6	0.83	0.078
BIA education <sup>b</sup>	\$411.1	\$21.5	5.23	0.836
<b>Health:</b>				
U.S. Department of Health & Human Services (excluding Social Security Administration)	\$228,325.9	\$18,305.9	8.02	0.976
Health function	\$83,291.6	\$7,765.7	9.32	0.966
Indian Health Service	\$1,535.5	\$103.3	6.73	0.967
<b>Housing:</b>				
U.S. Dept. of Housing & Urban Development (outlays) <sup>c3</sup>	\$23,510.3	\$887.5	3.77	0.737
U.S. Dept. of Housing & Urban Development (B.A.) <sup>c</sup>	\$21,211.1	\$310.3	1.46	0.096
Housing assistance subfunction (outlays) <sup>c</sup>	\$20,235.6	\$1,121.2	5.54	0.798
Housing assistance subfunction (B.A.) <sup>c</sup>	\$16,204.5	\$402.0	2.48	0.188
Indian Housing Development Program in HUD (B.A.) <sup>c</sup>	\$246.8	-\$8.9	-3.62	0.380
<b>Economic Development and Training and Employment:</b>				
Community and regional development function	\$8,582.4	\$259.5	3.02	0.523
Administration for Native Americans (HHS)	\$32.6	\$0.6	1.87	0.743
BIA economic development <sup>b</sup>	\$53.5	\$0.0	-0.01	0.000
U.S. Department of Labor	\$31,275.7	\$504.0	1.61	0.168
Training and employment subfunction	\$6,213.7	\$166.6	2.68	0.808
Indian and Native Amer. Training & Employment (DOL) <sup>d4</sup>	\$60.8	-\$0.8	-1.29	0.498
<b>Natural Resources:</b>				
U.S. Department of the Interior	\$6,169.6	\$219.1	3.55	0.947
Natural resources function	\$18,336.3	\$720.6	3.93	0.960
BIA natural resources <sup>b</sup>	\$132.9	\$1.0	0.75	0.092
<b>Overall:</b>				
BIA-OST Total	\$1,446.6	\$61.8	4.27	0.886
BIA tribal services <sup>b</sup>	\$422.9	\$25.4	6.01	0.939
Overall Indian budget	\$3,394.9	\$156.6	4.61	0.910
Federal non-defense budget <sup>e5</sup>	\$851,709.3	\$46,437.7	5.45	0.983
<b>Population:</b>				
U.S. population	254,354,300	2,448,941	0.96	0.999
Indian population (IHS estimates)	1,216,296	37,550	3.09	0.983

<sup>a</sup> See Appendix Table 1 for data used to calculate these figures.

<sup>b</sup> Inconsistent time series from FY1993 on, because of BIA budget restructuring. "BIA education" excludes BIA education construction.

<sup>c</sup> Covers only FY1978-FY2001. B.A. = budget authority.

<sup>d</sup> FY1975-FY1983: CETA Indian program. FY1984-FY2001: Indian and Native American Training and Employment Program.

<sup>e</sup> Excludes national defense outlays and net interest payments on national debt.

## CRS-15

**Table 4. Trends in Selected Elements of the Federal Budget in Constant 1997 Dollars, FY1982-FY2001\***  
 (constant dollars based on chain-type price index for GDP)  
 (dollar figures in millions)

	Average level (A)	Annual change (B)	Change ratio (B/A)	Trend consistency (r <sup>2</sup> )
<b>Education:</b>				
U.S. Department of Education	\$27,575.8	\$732.7	2.66	0.860
Education function	\$48,404.3	\$1,228.7	2.54	0.889
Indian Education Office (U.S. Department of Education)	\$84.4	-\$1.6	-1.85	0.330
BIA education <sup>b</sup>	\$459.1	\$12.9	2.80	0.582
<b>Health:</b>				
U.S. Department of Health & Human Services (excluding Social Security Administration)	\$248,813.9	\$14,680.2	5.90	0.975
Health function	\$89,702.7	\$6,620.7	7.38	0.963
Indian Health Service	\$1,690.9	\$76.5	4.53	0.939
<b>Housing:</b>				
U.S. Dept. of Housing & Urban Development (outlays) <sup>c</sup>	\$26,598.7	\$336.4	1.26	0.192
U.S. Dept. of Housing & Urban Development (B.A.) <sup>c</sup>	\$24,489.0	-\$291.0	-1.19	0.064
Housing assistance subfunction (outlays) <sup>c</sup>	\$22,534.5	\$717.6	3.18	0.490
Housing assistance subfunction (B.A.) <sup>c</sup>	\$18,554.1	-\$33.5	-0.18	0.001
Indian Housing Development Program in HUD (B.A.) <sup>c</sup>	\$299.0	-\$19.5	-6.53	0.572
<b>Economic Development and Training and Employment:</b>				
Community and regional development function	\$9,789.9	\$29.7	0.30	0.009
Administration for Native Americans (HHS)	\$37.5	-\$0.3	-0.73	0.325
BIA economic development <sup>b</sup>	\$62.6	-\$1.7	-2.72	0.376
U.S. Department of Labor	\$36,031.1	-\$360.5	-1.00	0.068
Training and employment subfunction	\$7,101.0	\$5.6	0.08	0.003
Indian and Native Amer. Training & Employment (DOL) <sup>d</sup>	\$71.9	-\$2.9	-3.97	0.818
<b>Natural Resources:</b>				
U.S. Department of the Interior	\$6,992.0	\$74.2	1.06	0.637
Natural resources function	\$20,705.3	\$304.7	1.47	0.790
BIA natural resources <sup>b</sup>	\$153.9	-\$2.5	-1.62	0.311
<b>Overall:</b>				
BIA-OST Total	\$1,629.5	\$29.0	1.78	0.585
BIA tribal services <sup>b</sup>	\$469.6	\$16.9	3.60	0.860
Overall Indian budget	\$3,813.3	\$81.4	2.13	0.697
Federal non-defense budget <sup>e</sup>	\$949,377.7	\$29,233.9	3.08	0.966

\* See Appendix Table 2 for data used to calculate these figures.

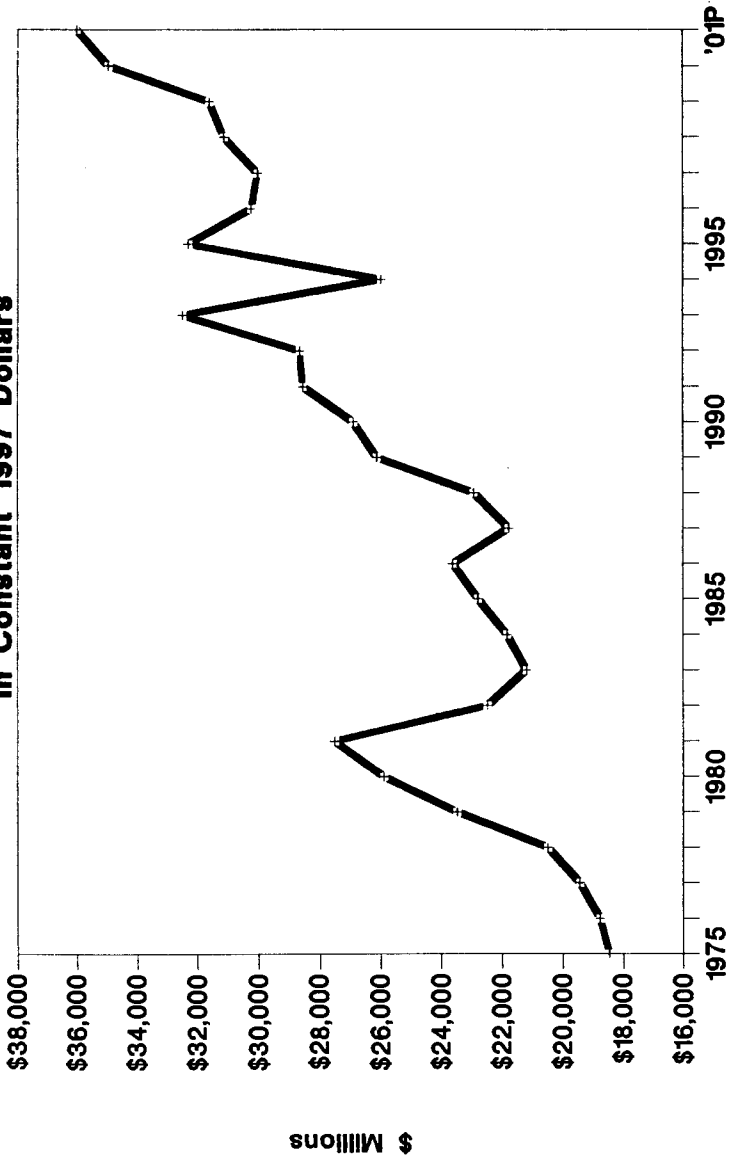
<sup>b</sup> Inconsistent time series from FY1993 on, because of BIA budget restructuring. "BIA education" excludes BIA education construction.

<sup>c</sup> Covers only FY1978-FY2001. B.A. = budget authority.

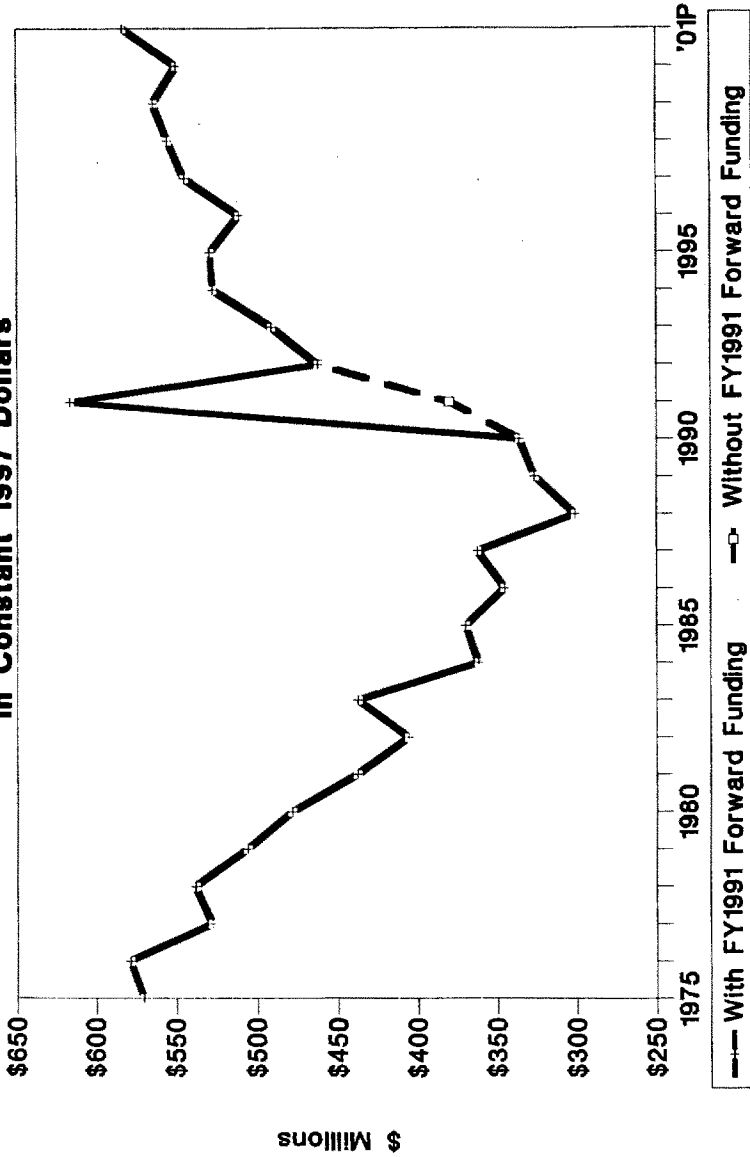
<sup>d</sup> FY1975-FY1983: CETA Indian program. FY1984-FY2001: Indian and Native American Training and Employment Program.

<sup>e</sup> Excludes national defense outlays and net interest payments on national debt.

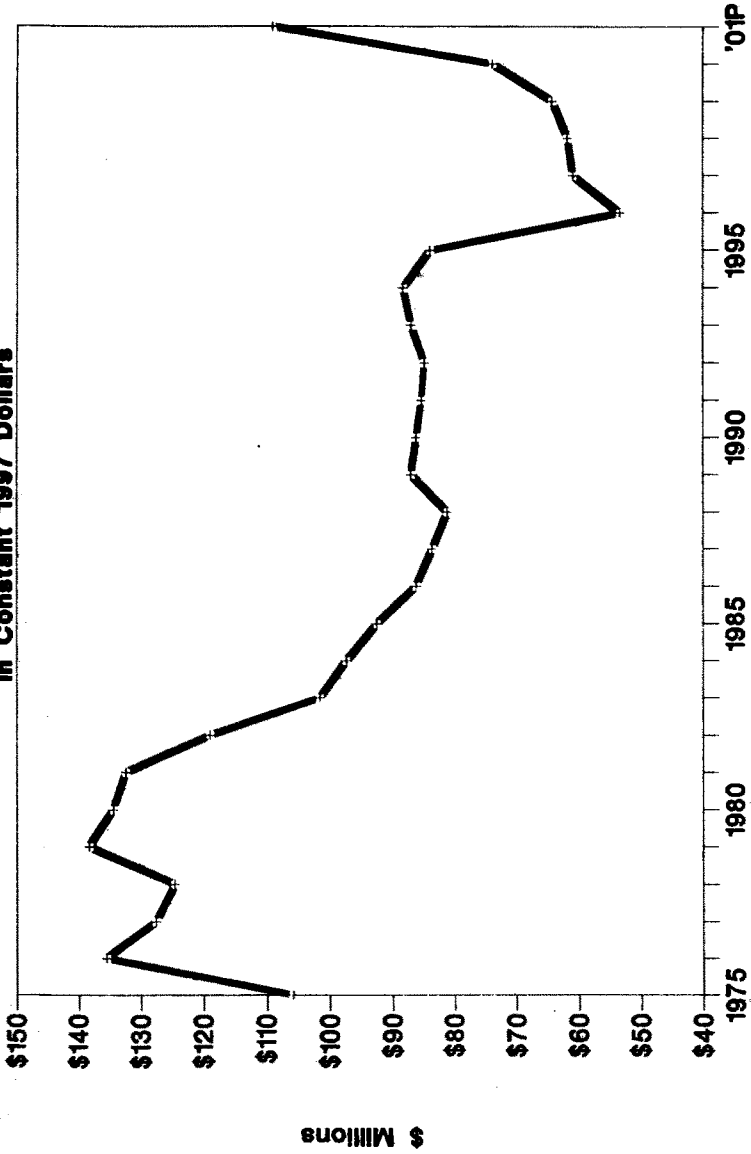
**Graph 1**  
**U.S. Education Dept. Budget, FY1975-2001**  
**In Constant 1997 Dollars**



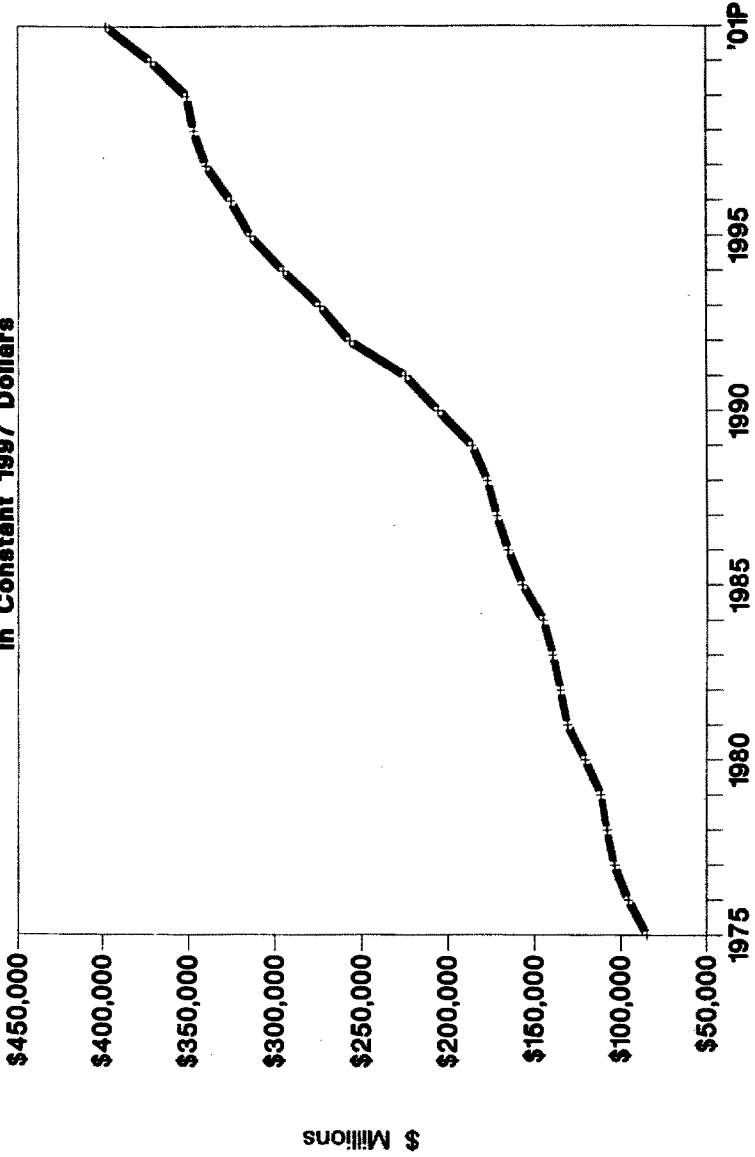
**Graph 2**  
**BIA Education Budget, FY1975-2001**  
**In Constant 1997 Dollars**



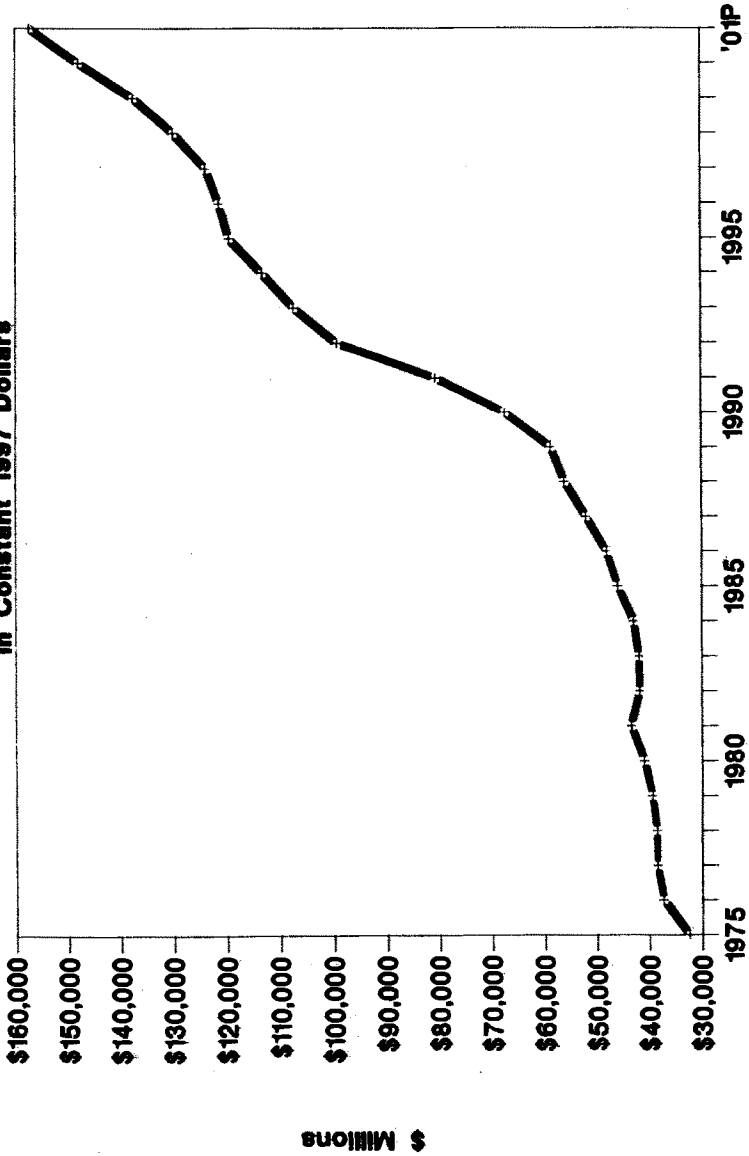
**Graph 3**  
**Indian Educ. Office in Educ. Dept., FY1975-2001**  
In Constant 1997 Dollars



**Graph 4**  
**U.S. HHS Dept. Budget, FY1975-2001**  
In Constant 1997 Dollars

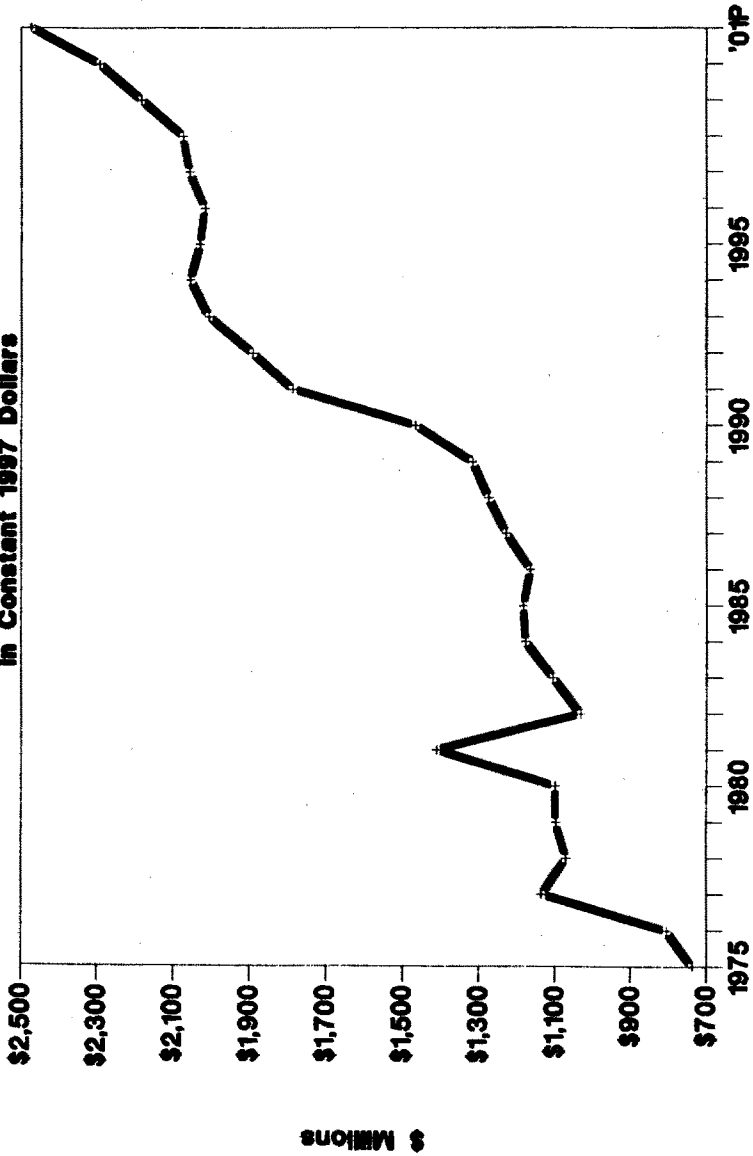


**Graph 5**  
**U.S. Health Function Spending, FY1975-2001**  
In Constant 1997 Dollars

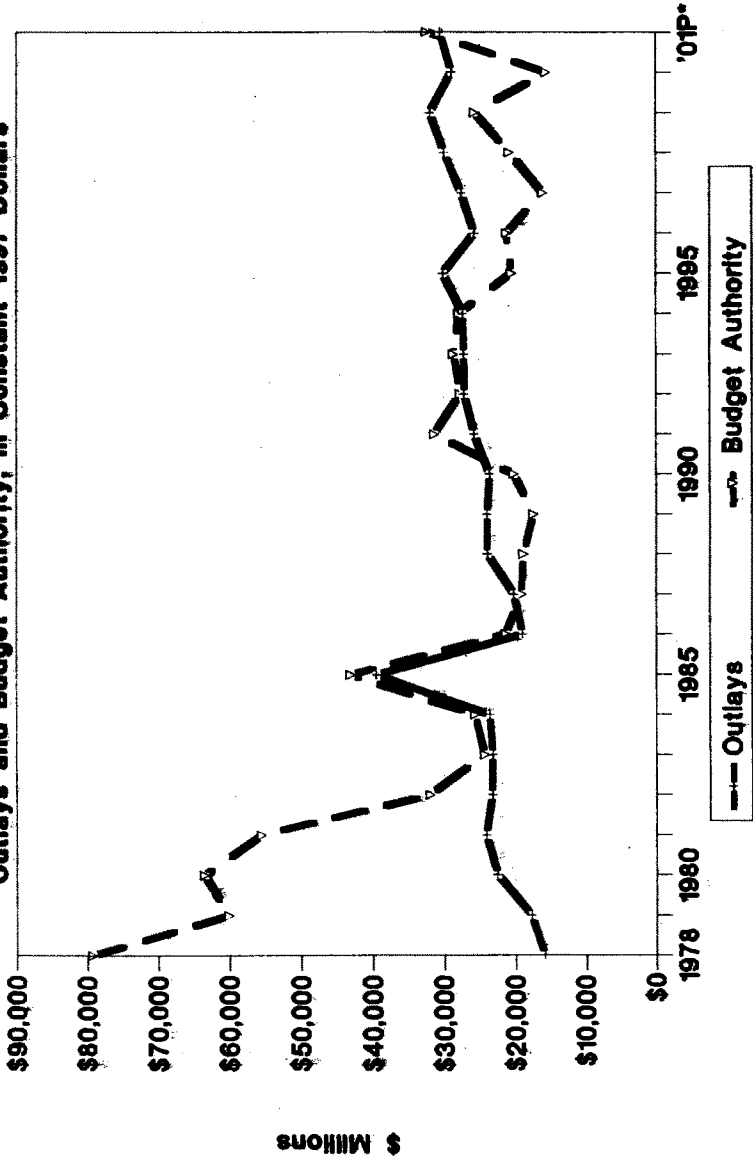




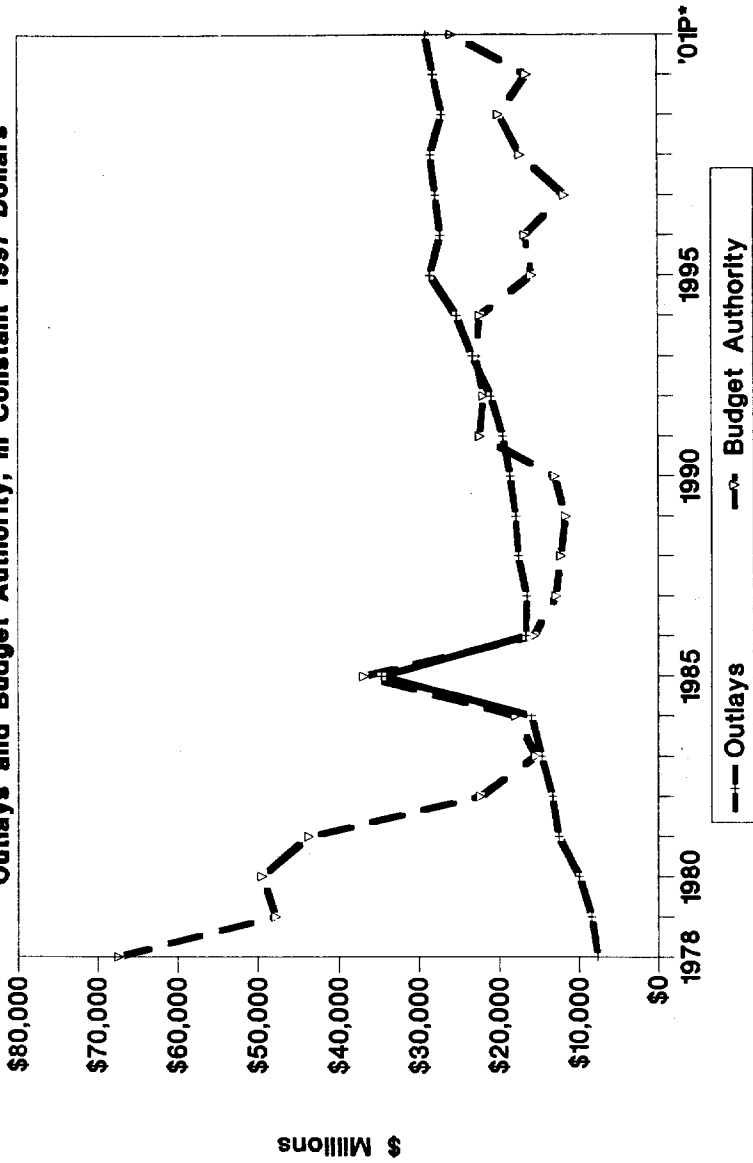
**Graph 6**  
**Indian Health Service Budget, FY1975-2001**  
in Constant 1997 Dollars



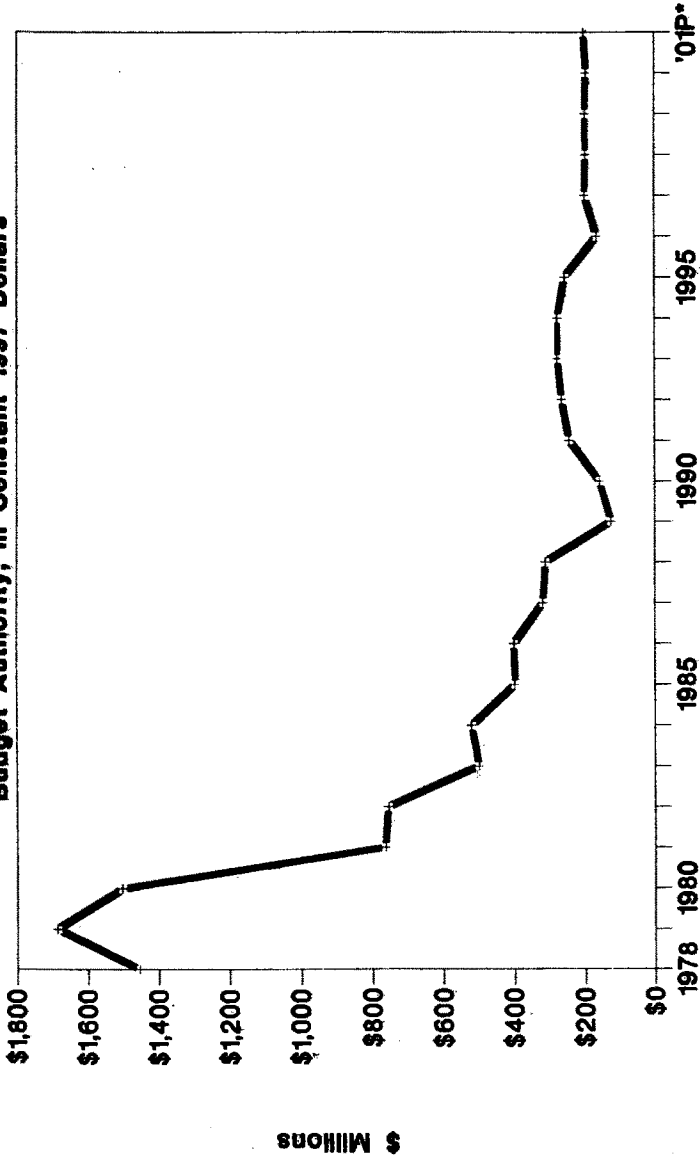
**Graph 7**  
**U.S. HUD Dept. Budget, FY1978-2001:**  
**Outlays and Budget Authority, in Constant 1997 Dollars**



**Graph 8**  
**Housing Assistance Subfunction, FY1978-2001:**  
Outlays and Budget Authority, in Constant 1997 Dollars

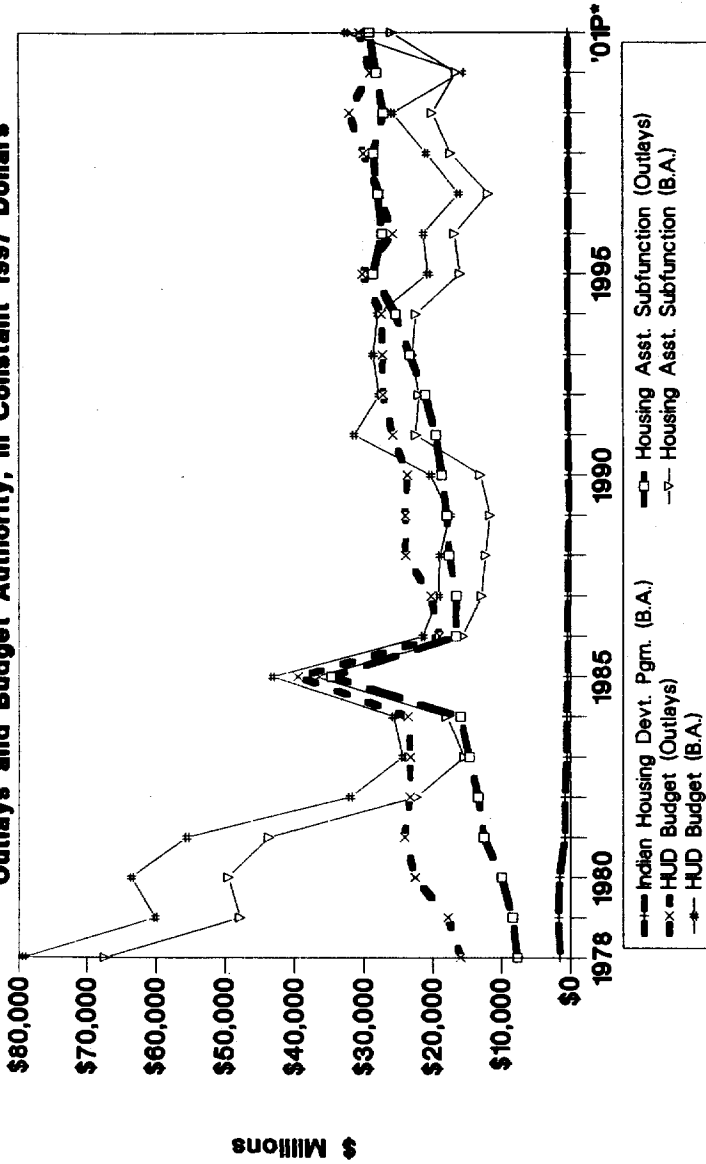


**Graph 9**  
**Indian Housing Devt. Pgm. in HUD, FY1978-2001:**  
**Budget Authority, in Constant 1997 Dollars**



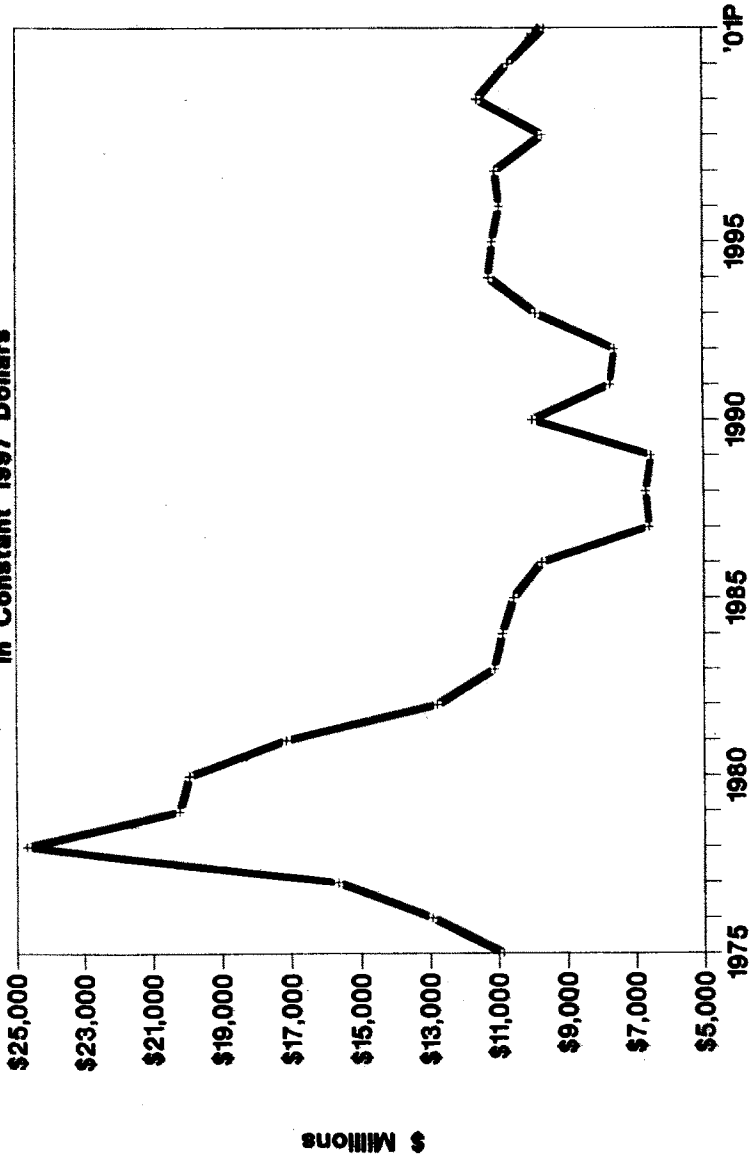
\*FY1998: HUD est. of Development/HOME portion of block grant.  
\*FY1999-2001: CRS est. of Development/HOME portion of block grant.

**Graph 10**  
**Indian Housing vs. HUD & Housing Asst., FY78-01**  
**Outlays and Budget Authority, in Constant 1997 Dollars**

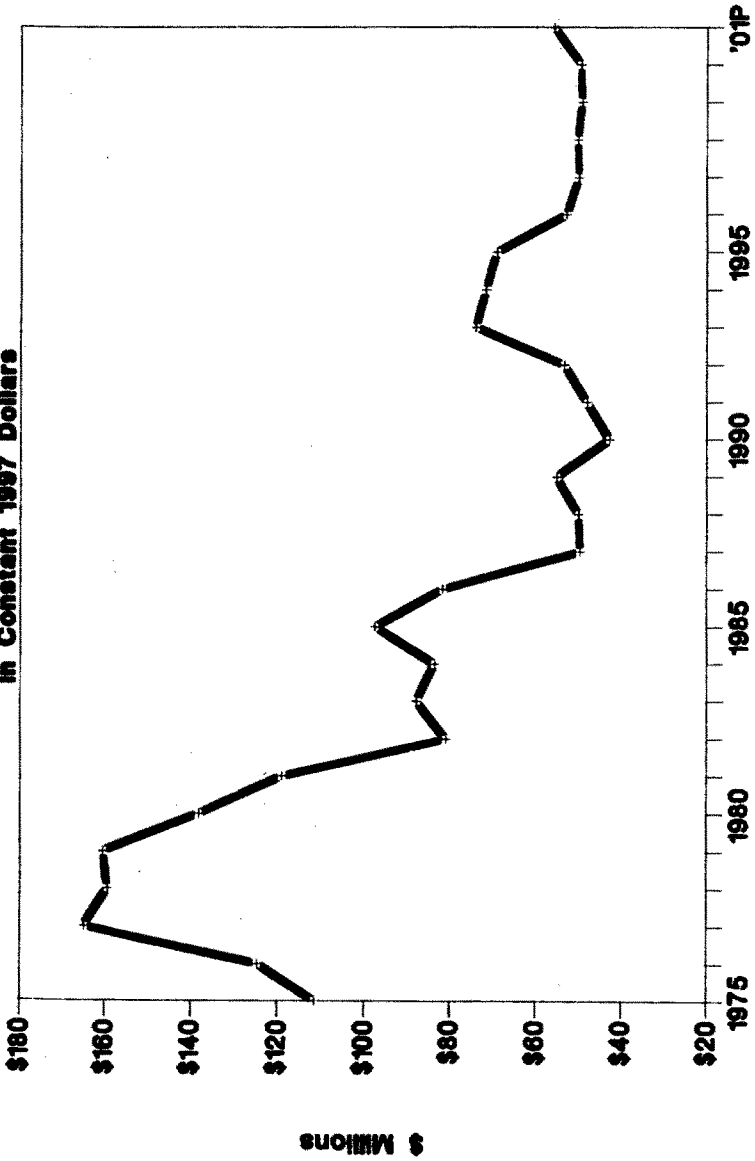


\*FY1998: HUD est. of Devt./HOME portion of Indian block grant.  
 \*FY1999-2001: CRS est. of Devt./HOME portion of Indian block grant.

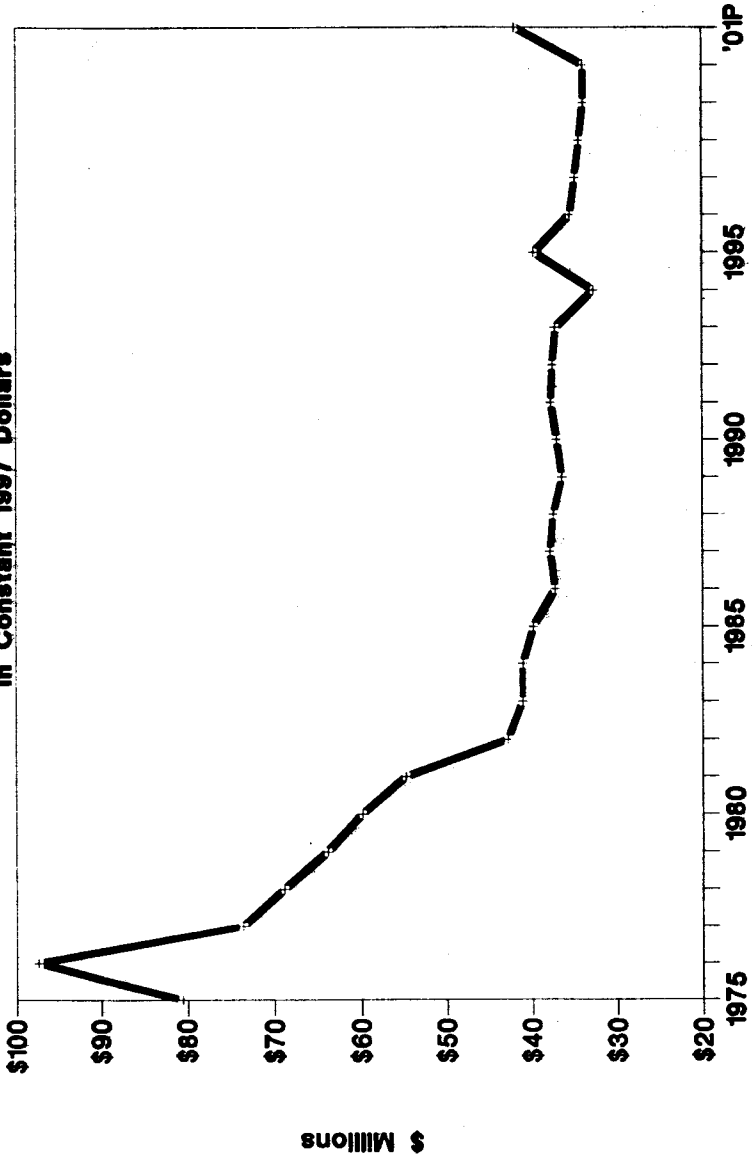
**Graph 11**  
**U.S. Economic Devt. Function, FY1975-2001**  
In Constant 1997 Dollars



**Graph 12**  
**BIA Economic Development Budget, FY1975-2001**  
in Constant 1997 Dollars

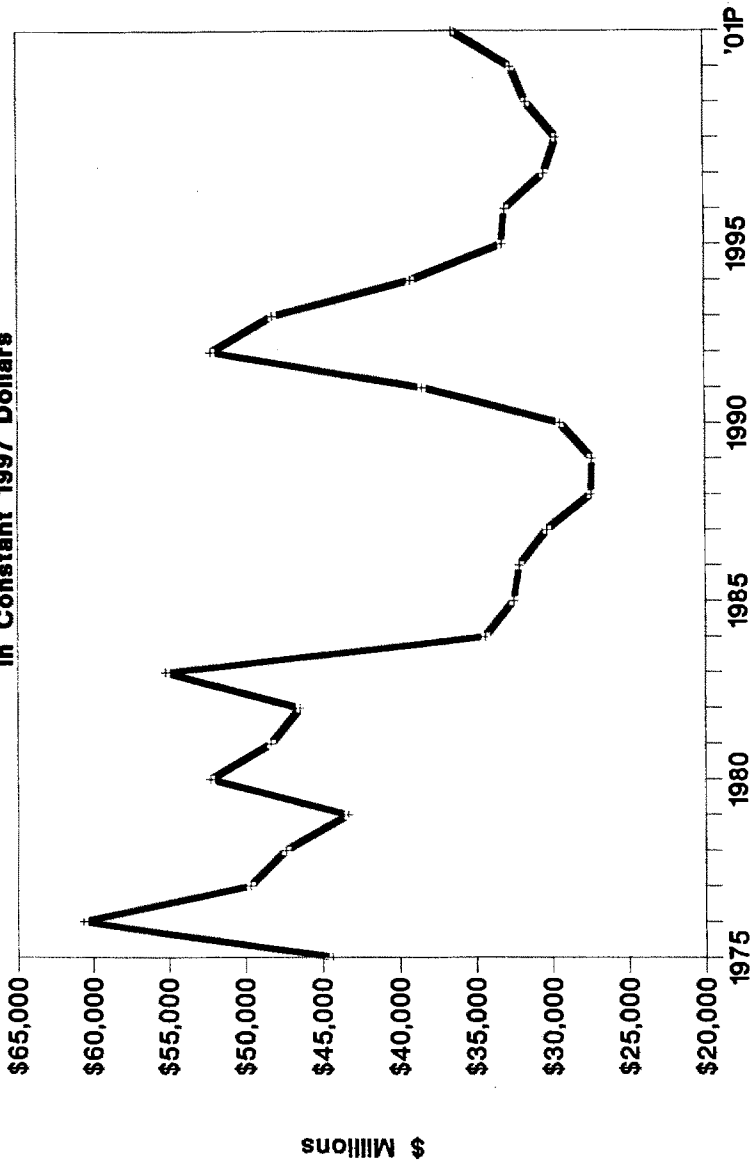


**Graph 13**  
**ANA Budget, FY1975-2001**  
In Constant 1997 Dollars

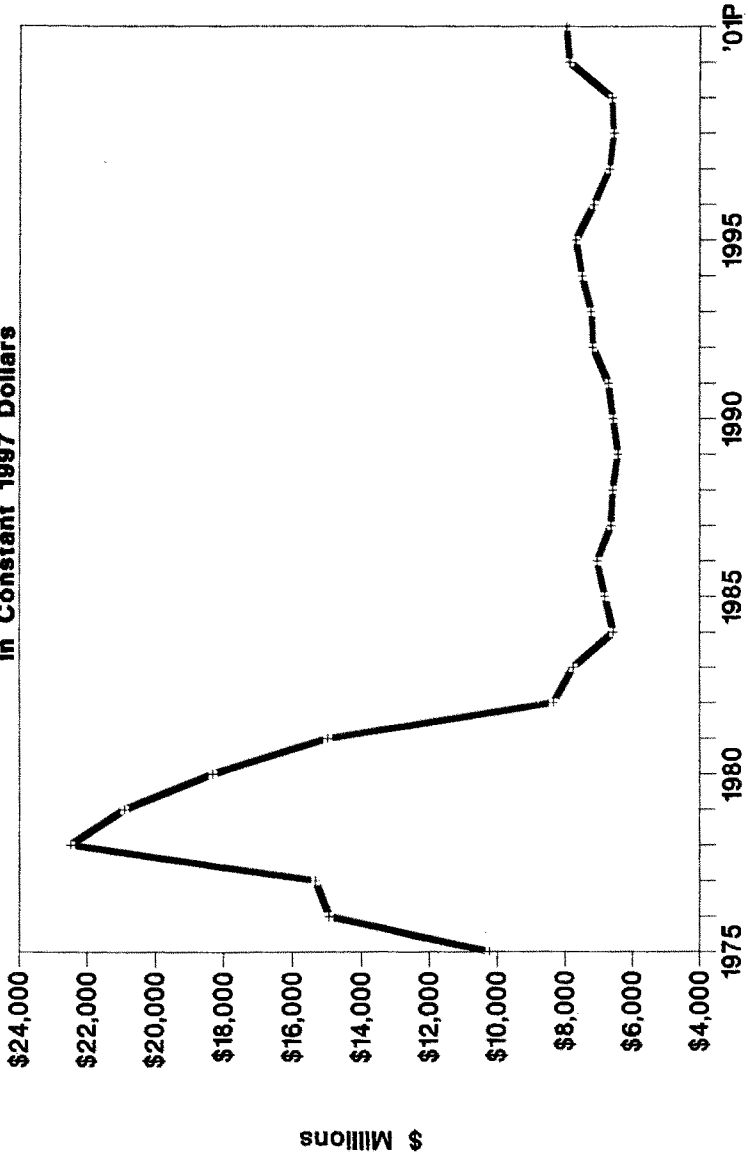




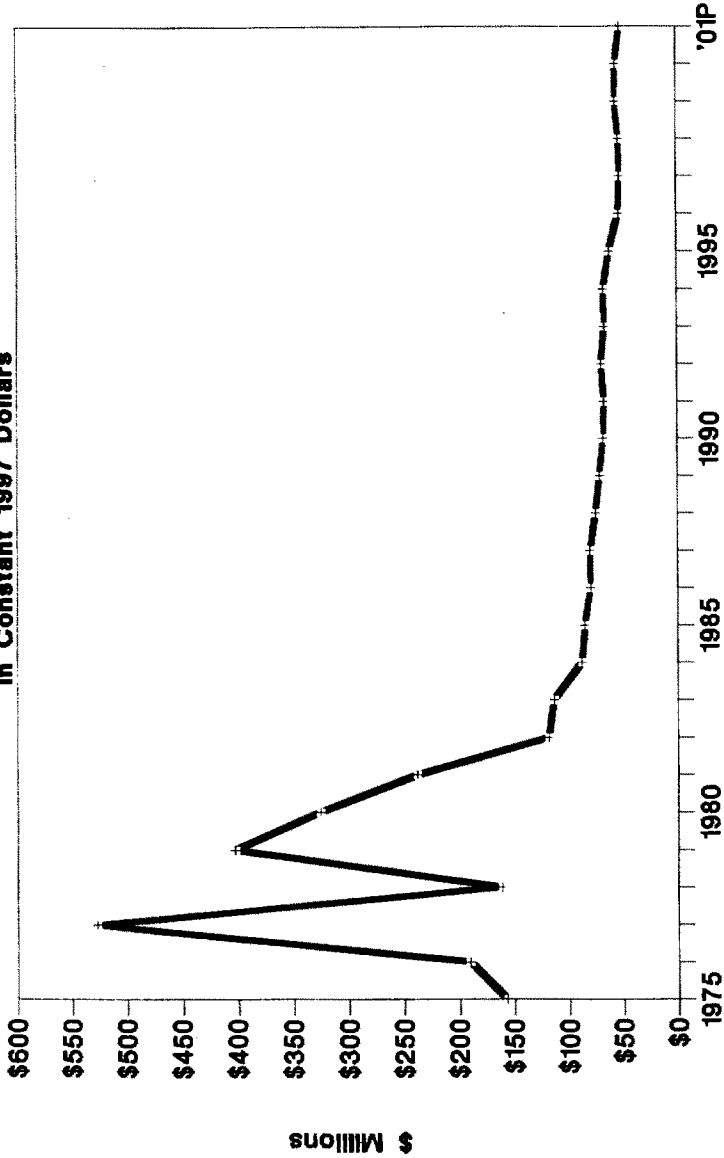
**Graph 14**  
**U.S. Labor Dept. Budget, FY1975-2001**  
In Constant 1997 Dollars



**Graph 15**  
**Employment & Training Subfunction, FY75-2001**  
In Constant 1997 Dollars

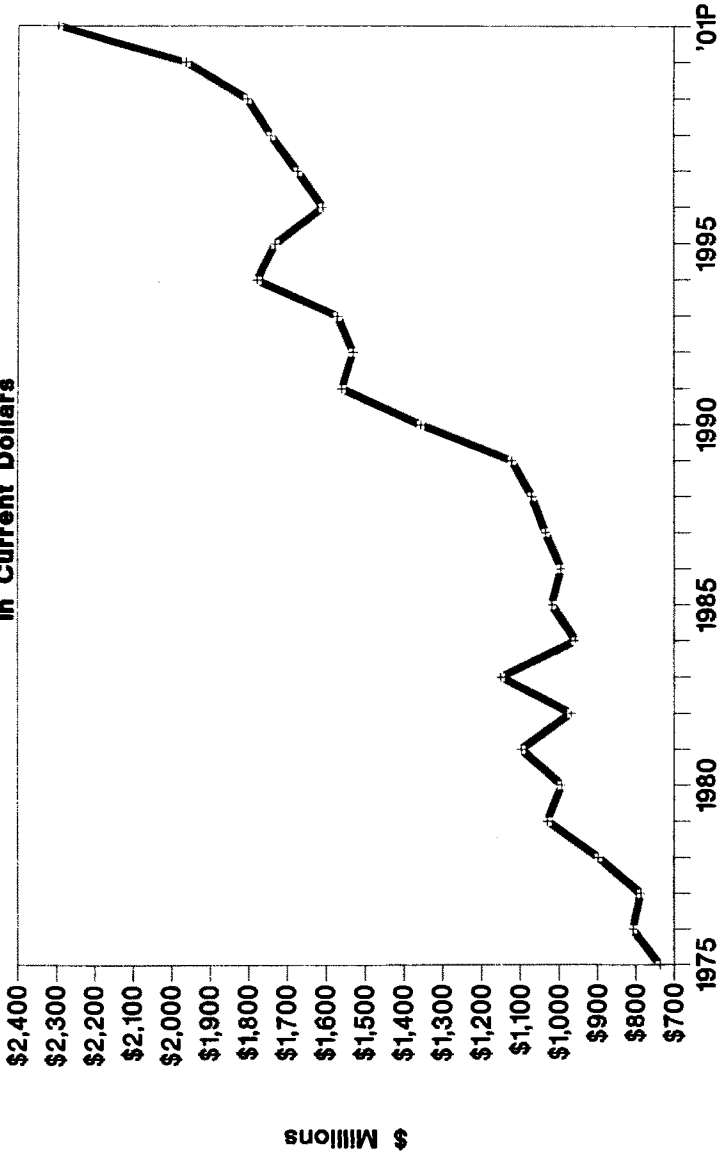


**Graph 16**  
**Indian Training & Employment Budget\*, FY75-2001**  
In Constant 1997 Dollars



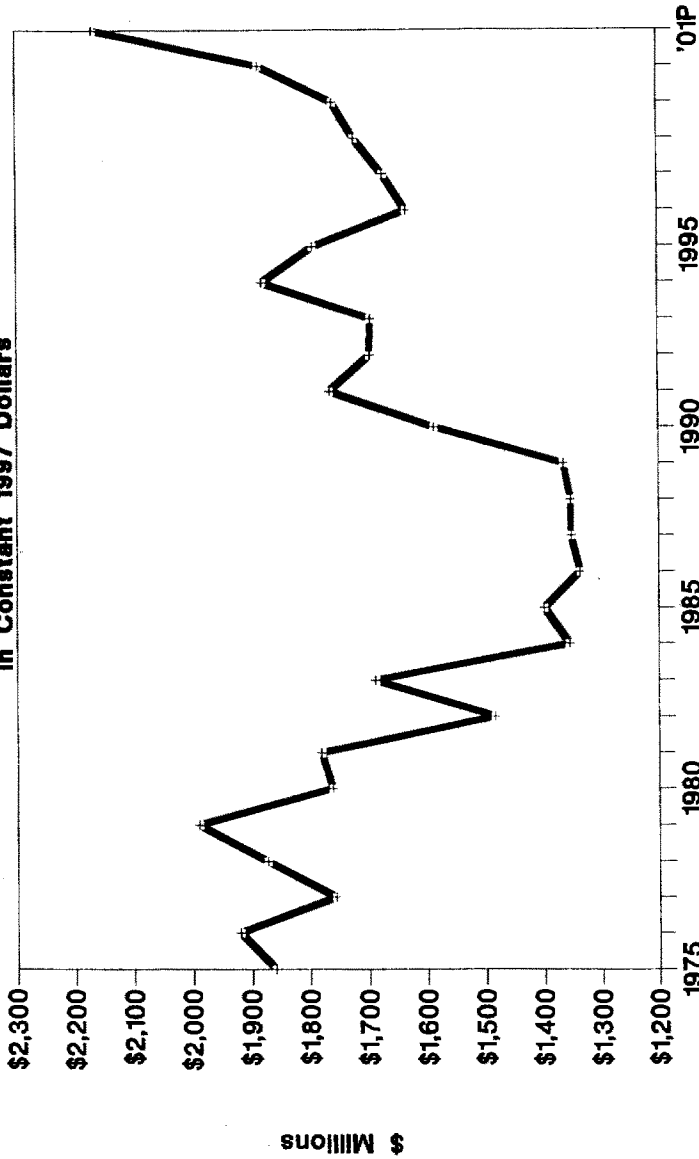
\* FY1975-1983: CETA Indian programs. FY1984-2001: INAP.

**Graph 17**  
**BIA+OST Total Budget, FY1975-2001**  
In Current Dollars



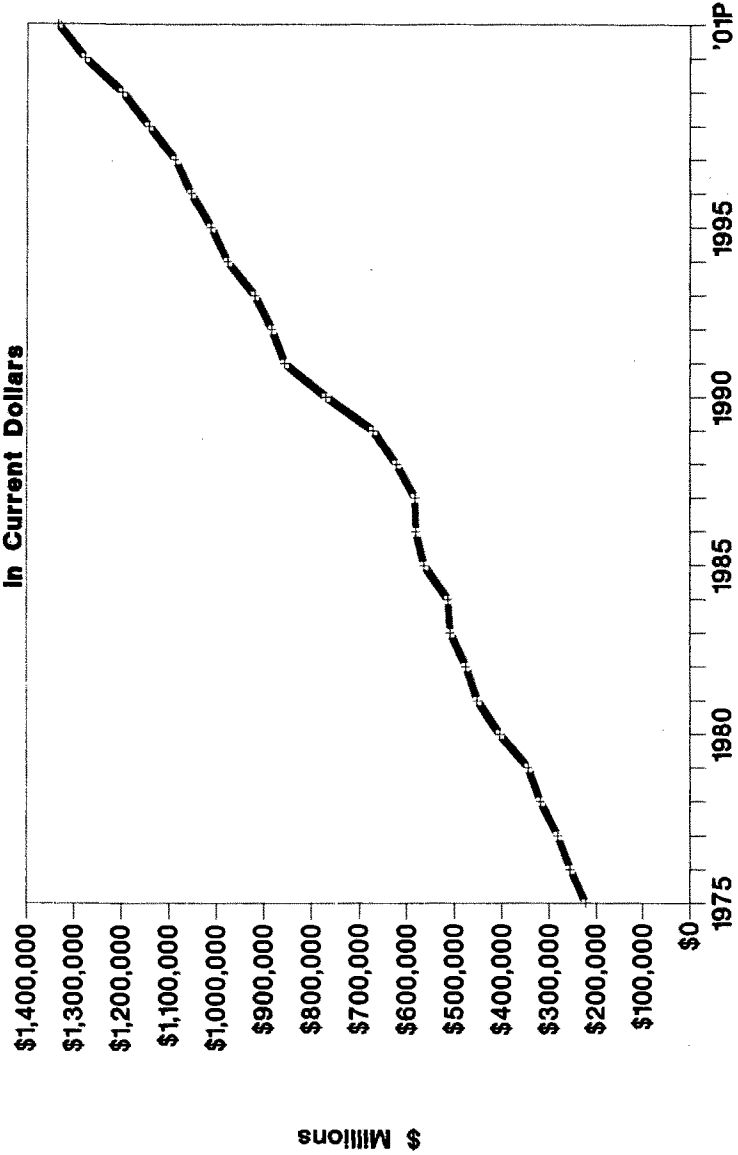
FY1991 includes Forward Funding for BIA Education (\$208.3 million).  
OST = Office of Special Trustee for American Indians

**Graph 18**  
**BIA+OST Total Budget, FY1975-2001**  
In Constant 1997 Dollars



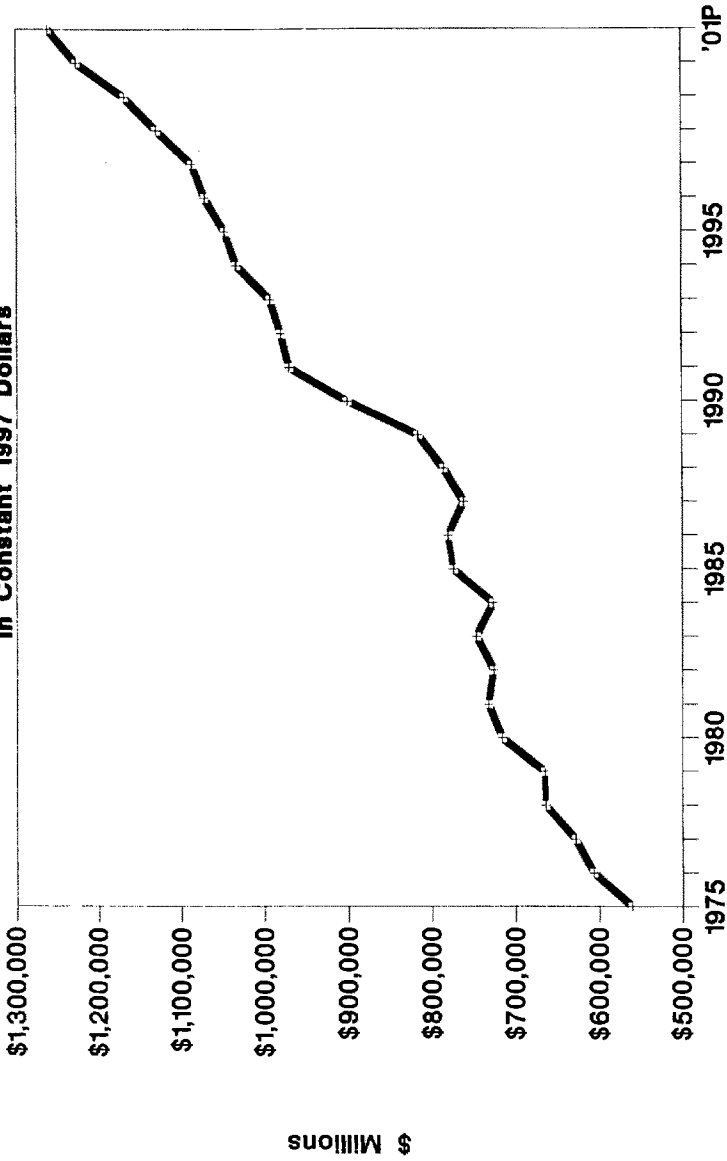
FY1991 includes Forward Funding for BIA Education  
OST = Office of Special Trustee for American Indians

**Graph 19**  
**Overall Federal Govt. Budget\*, FY1975-2001**  
**In Current Dollars**



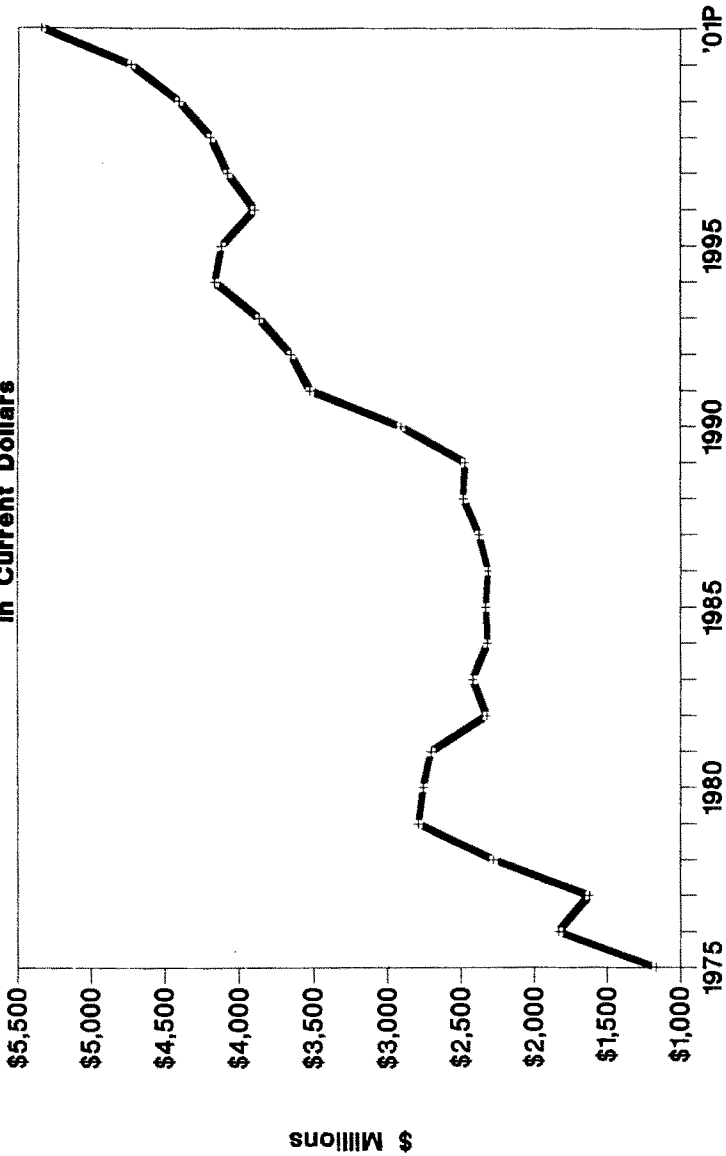
\* Excluding Defense and Net Interest

**Graph 20**  
**Overall Federal Govt. Budget\*, FY1975-2001**  
In Constant 1997 Dollars



\* Excluding Defense and Net Interest

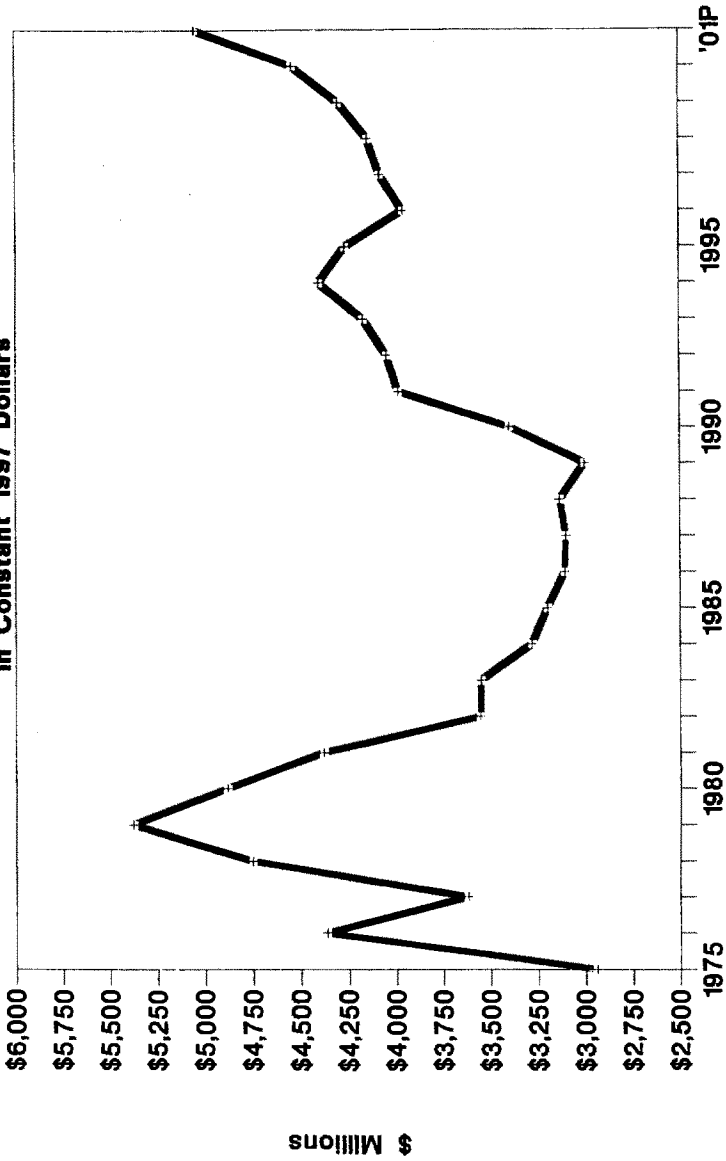
**Graph 21**  
**Overall Indian Budget, FY1975-2001**  
In Current Dollars



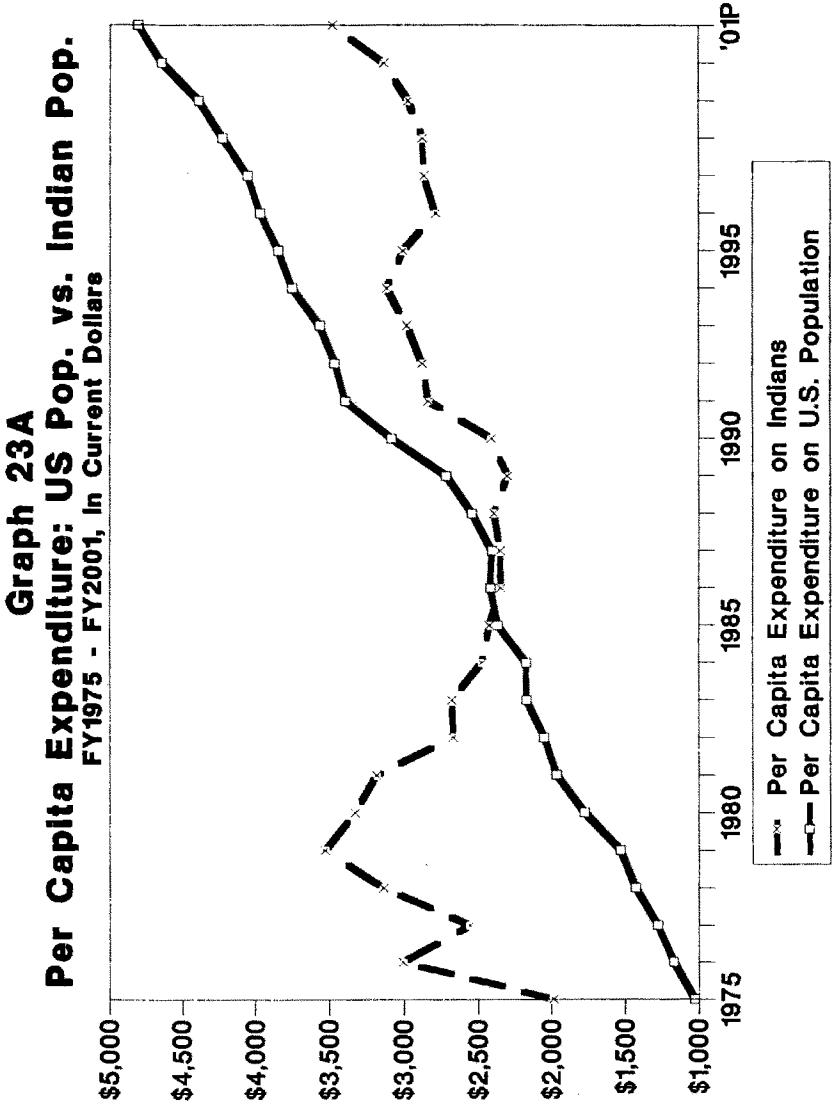
FY1991 includes Forward Funding for BIA Education (\$208.9 million).



**Graph 22**  
**Overall Indian Budget, FY1975-2001**  
in Constant 1997 Dollars

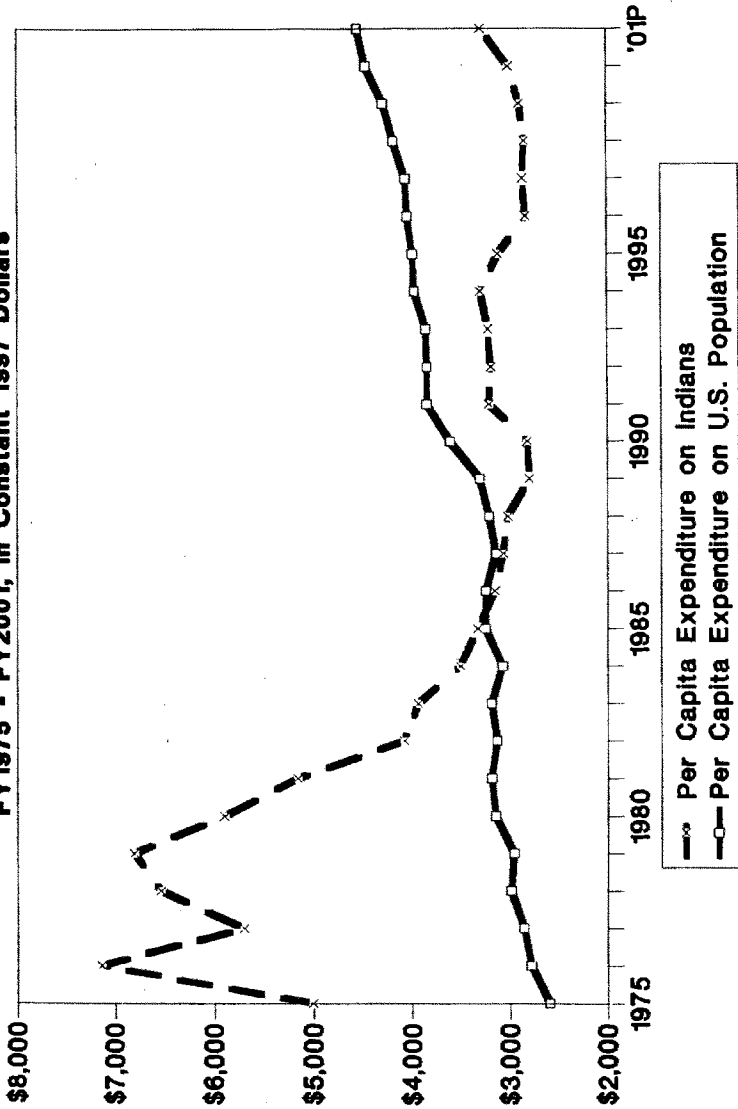


FY1991 includes Forward Funding for BIA Education



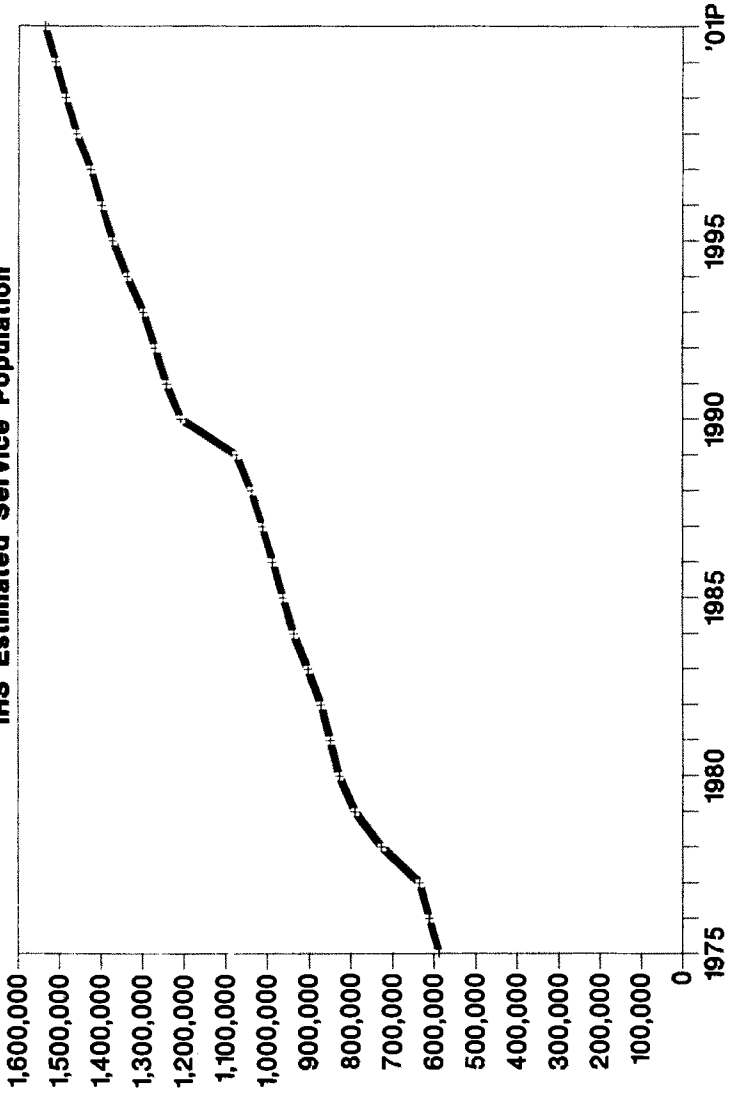
Note: FY75 & FY77 Indian per-capita expend. do not include Indian Housing Devt

**Graph 23B**  
**Per Capita Expenditure: US Pop. vs. Indian Pop.**  
FY1975 - FY2001, in Constant 1997 Dollars



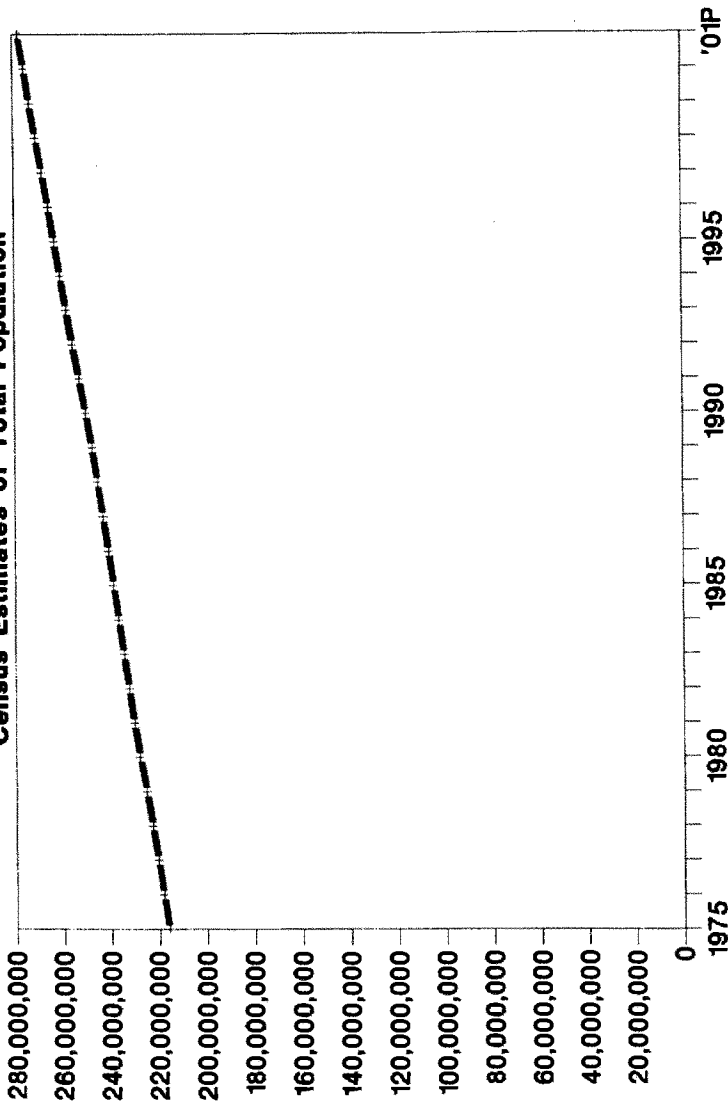
Note: FY75 & FY77 Indian per-capita expends. do not include Indian Housing Devt.

**Graph 23C**  
**Indian Population, 1975-2001**  
IHS Estimated Service Population



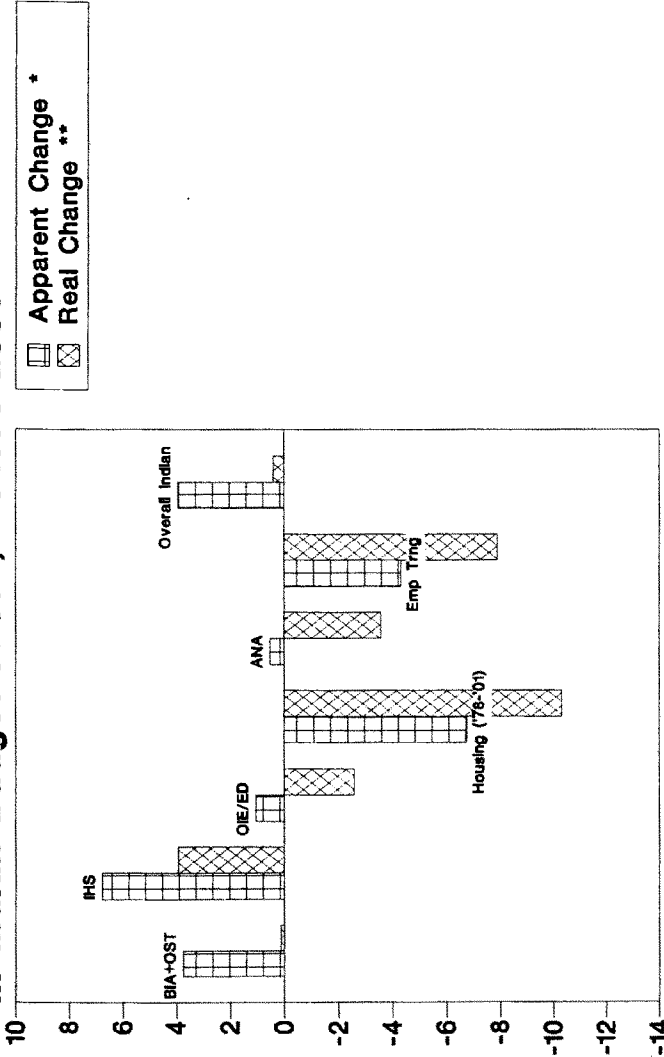
Source: Indian Health Service.

**Graph 23D**  
**United States Population, 1975-2001**  
Census Estimates of Total Population



Source: Bureau of the Census.

**Graph 24  
Apparent Vs. Real Change Ratios  
In Indian Budget Areas, FY1975-2001**

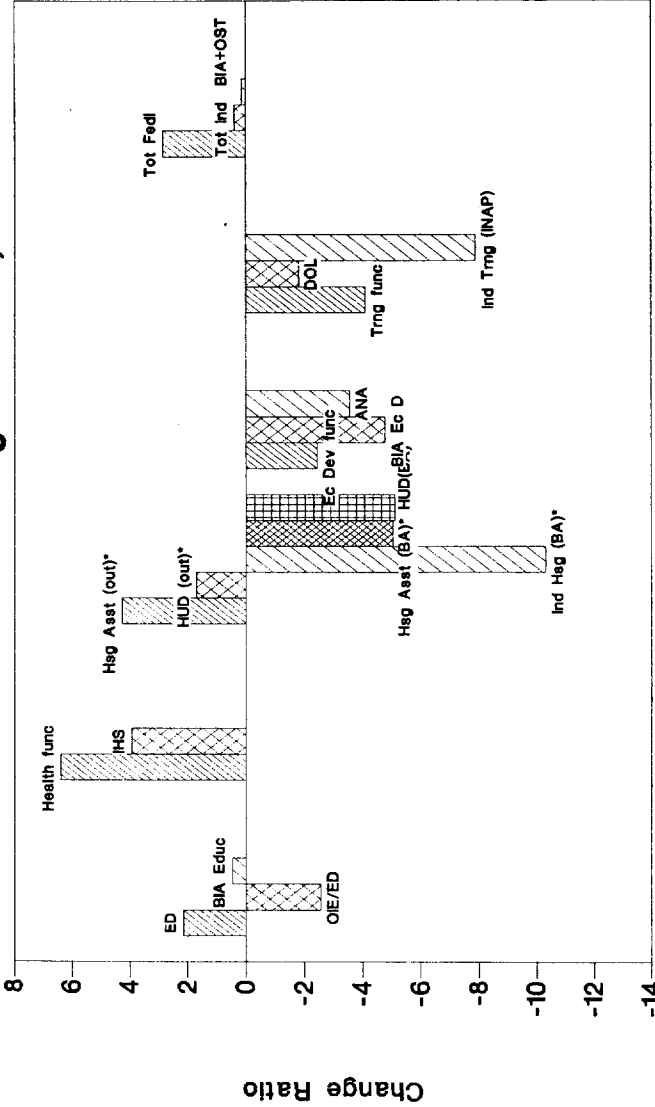


Change Ratio = Ratio of Annual Change to Average Spending (see text).

\* Change Ratio based on Current Dollars

\*\* Change Ratio based on Constant 1997 Dollars

**Graph 25  
Comparison of Real\*\* Change Ratios  
in Federal and Indian Budget Areas, FY1975-2001**

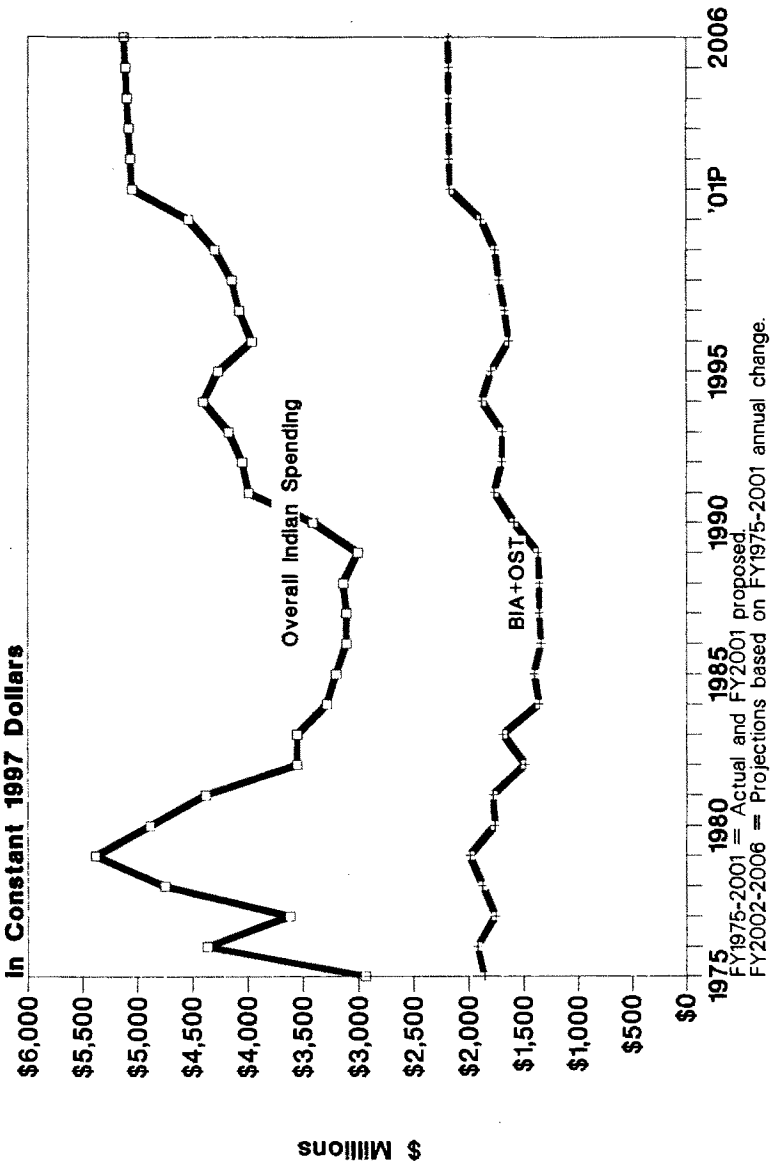


Change Ratio = Ratio of Annual Change to Average Spending (see text).

\*\* Based on Constant 1997 Dollars

\* All housing ratios based on FY1978-2001.

**Graph 26: BIA+OST and Overall Indian Spending, Actual and Projected, FY1975-2006**





CBS-45  
Appendix Table 1. Budget Data for Selected Elements in the Federal Budget, in Current Dollars, FY1975-FY2001  
[Dollar amounts in thousands, except per capita figures]

Fiscal Year	Bureau of Indian Affairs and OST* (Approps.)	Indian Health Service (Approps.)	Indian Education Office in Educ. Dept. (Approps.)	Indian Housing Devt. Perm. in HUD (B.A., New Construction)	Admin. for Native Americans (Approps.)	Indian & Native American E&T in Labor Dept. (Approps.)	Overall Indian Budget
1975	\$738,236	\$293,103	\$42,634	N/A	\$32,000	\$62,304	\$1,167,677
1976	\$808,095	\$338,926	\$57,055	\$511,200	\$41,000	\$80,198	\$1,836,474
1977	\$787,359	\$509,055	\$57,212	N/A	\$33,000	\$236,525	\$1,623,151
1978	\$897,740	\$513,267	\$59,732	\$696,900	\$33,000	\$77,160	\$2,277,799
1979	\$1,031,195	\$569,153	\$71,735	\$874,300	\$33,100	\$208,684	\$2,788,167
1980	\$994,227	\$620,871	\$75,900	\$847,900	\$33,800	\$183,835	\$2,756,533
1981	\$1,098,447	\$869,762	\$81,680	\$471,500	\$33,800	\$146,817	\$2,702,006
1982	\$970,360	\$676,157	\$77,852	\$494,300	\$28,000	\$77,436	\$2,324,105
1983	\$1,149,902	\$752,916	\$69,185	\$340,600	\$28,000	\$77,355	\$2,417,958
1984	\$957,593	\$832,407	\$68,780	\$368,100	\$29,000	\$62,243	\$2,318,123
1985	\$1,019,411	\$862,203	\$67,404	\$290,200	\$29,000	\$62,243	\$2,330,461
1986	\$995,693	\$867,177	\$64,187	\$299,500	\$27,742	\$59,567	\$2,313,866
1987	\$1,036,253	\$940,750	\$64,036	\$245,000	\$28,989	\$61,484	\$2,376,512
1988	\$1,071,406	\$1,008,818	\$64,234	\$247,800	\$29,679	\$59,713	\$2,481,650
1989	\$1,122,966	\$1,081,993	\$71,553	\$102,699	\$29,975	\$58,996	\$2,468,182
1990	\$1,355,720	\$1,251,970	\$73,620	\$136,099	\$31,709	\$58,193	\$2,907,311
1991	\$1,558,541	\$1,577,569	\$75,364	\$216,083	\$33,375	\$59,624	\$3,520,556
1992	\$1,529,954	\$1,705,954	\$76,570	\$239,797	\$33,920	\$63,000	\$3,649,195
1993	\$1,569,967	\$1,858,630	\$80,583	\$257,610	\$34,502	\$61,871	\$3,863,163
1994	\$1,777,653	\$1,943,070	\$83,500	\$263,000	\$30,984	\$63,895	\$4,162,102
1995	\$1,730,970	\$1,960,074	\$81,041	\$248,006	\$38,382	\$59,787	\$4,118,260
1996	\$1,606,998	\$1,983,963	\$52,497	\$163,000	\$34,933	\$52,502	\$3,893,893
1997	\$1,672,960	\$2,057,000	\$60,993	\$200,000	\$34,933	\$52,502	\$4,078,388
1998	\$1,741,826	\$2,098,712	\$62,600	\$200,000 <sup>2</sup>	\$34,869	\$53,815	\$4,191,822
1999	\$1,803,407	\$2,240,345	\$66,000	\$204,600 <sup>2</sup>	\$34,858	\$57,815	\$4,407,025
2000E	\$1,964,077	\$2,390,728	\$77,000	\$204,600 <sup>2</sup>	\$35,420	\$58,436	\$4,730,261
2001P	\$2,296,085	\$2,620,459	\$115,500	\$214,500	\$44,420	\$55,000	\$5,345,934

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Appendix Table 1. Budget Data for Selected Elements in the Federal Budget, in Current Dollars, FY 1975-FY2001 — continued  
[Dollar amounts in thousands, except per capita figures]

Fiscal Year	BIA Education Program <sup>1</sup> (Approps.)	BIA Tribal Services Program <sup>2,4</sup> (Approps.)	BIA Economic Devt. Program <sup>5</sup> (Approps.)	BIA Natural Resources Program <sup>6</sup> (Approps.)	U.S. Dept. of Education (Outlays)	U.S. Dept. of HHS (except Soc. Sec. Admin.) (Outlays)	U.S. Dept. of HUD (Outlays)	U.S. Dept. of HUD (B.A.)
1975	\$226,495	\$98,703	\$44,223	\$31,337	\$7,331,000	\$3,751,000	\$7,512,000	N/A
1976	\$243,590	\$137,616	\$52,441	\$36,012	\$7,897,000	\$40,261,000	\$7,026,000	\$29,200,000
1977	\$236,700	\$159,118	\$73,966	\$45,536	\$8,717,000	\$46,493,000	\$5,808,000	\$33,818,000
1978	\$238,203	\$189,086	\$76,422	\$76,907	\$9,828,000	\$51,252,000	\$7,650,000	\$37,994,000
1979	\$262,242	\$205,198	\$83,162	\$75,338	\$12,167,000	\$57,820,000	\$9,220,000	\$31,142,000
1980	\$270,033	\$201,128	\$77,971	\$74,237	\$14,612,000	\$68,255,000	\$12,715,000	\$35,852,000
1981	\$270,183	\$227,249	\$73,365	\$85,711	\$16,973,000	\$80,821,000	\$14,880,000	\$34,220,000
1982	\$265,606	\$235,315	\$52,884	\$84,743	\$14,707,000	\$88,408,000	\$15,232,000	\$30,911,000
1983	\$298,143	\$277,865	\$59,821	\$119,241	\$14,433,000	\$95,008,000	\$15,814,000	\$16,561,000
1984	\$255,754	\$254,355	\$59,009	\$99,657	\$15,424,000	\$102,375,000	\$16,663,000	\$18,148,000
1985	\$269,644	\$241,807	\$71,602	\$124,101	\$16,596,000	\$114,271,000	\$28,720,000	\$31,398,000
1986	\$257,299	\$254,152	\$60,810	\$135,179	\$17,377,000	\$122,943,000	\$14,139,000	\$15,928,000
1987	\$277,783	\$275,367	\$38,025	\$144,428	\$16,670,000	\$131,414,000	\$15,484,000	\$14,657,000
1988	\$238,434	\$340,025	\$39,543	\$146,010	\$18,145,000	\$140,039,000	\$18,938,000	\$14,949,000
1989	\$268,503	\$315,973	\$45,299	\$181,696	\$21,468,000	\$152,699,000	\$19,680,000	\$14,347,000
1990	\$287,384	\$322,629	\$36,496	\$125,719	\$22,972,000	\$175,531,000	\$20,167,000	\$17,315,000
1991	\$544,545	\$364,060	\$42,408	\$139,694	\$25,196,000	\$198,110,000	\$22,751,000	\$27,694,000
1992	\$416,859	\$432,045	\$48,072	\$139,932	\$25,832,000	\$231,560,000	\$24,470,000	\$24,956,000
1993	\$454,694	\$454,705	\$68,440	\$137,662	\$30,109,000	\$253,835,000	\$25,181,000	\$26,468,000
1994	\$498,675	\$527,999	\$67,614	\$148,338	\$34,557,000	\$278,901,000	\$25,845,000	\$26,322,000
1995	\$510,968	\$538,285	\$66,622	\$150,321	\$39,727,000	\$303,081,000	\$29,044,000	\$19,800,000
1996	\$502,483	\$499,437	\$51,862	\$128,626	\$39,727,000	\$319,803,000	\$29,044,000	\$20,821,000
1997	\$544,696	\$524,312	\$49,959	\$127,648	\$30,009,000	\$339,335,000	\$27,527,000	\$16,091,000
1998	\$561,532	\$590,312	\$50,756	\$131,726	\$31,498,000	\$350,570,000	\$30,227,000	\$21,022,000
1999	\$578,573	\$621,977	\$50,482	\$126,704	\$32,436,000	\$359,701,000	\$32,734,000	\$26,344,000
2000E	\$572,731	\$665,285	\$51,631	\$134,045	\$36,444,000	\$387,339,000	\$30,076,000	\$16,290,000
2001P	\$617,485	\$721,854	\$59,144	\$131,981	\$38,155,000	\$421,395,000	\$32,277,000	\$34,249,000

CRS-47  
Appendix Table 1. Budget Data for Selected Elements in the Federal Budget, in Current Dollars, FY1975-FY2001 — continued  
[Dollar amounts in thousands, except per capita figures]

Fiscal Year	U.S. Dept. of Interior (Outlays)	U.S. Dept. of Labor (Outlays)	Education Function (Outlays)	Health Function (Outlays)	Housing Assistance Subfunction (Outlays)	Housing Assistance Subfunction (B.A.)	Economic Development Function (Outlays)	Training & Employment Subfunction (Outlays)
1975	\$2,221,000	\$17,610,000	\$16,022,000	\$12,930,000	\$2,058,000	N/A	\$4,322,000	\$4,063,000
1976	\$2,413,000	\$25,526,000	\$18,910,000	\$15,734,000	\$2,495,000	\$19,421,000	\$5,442,000	\$6,288,000
1977	\$3,213,000	\$22,269,000	\$21,104,000	\$17,502,000	\$2,968,000	\$28,629,000	\$7,021,000	\$6,877,000
1978	\$3,874,000	\$22,712,000	\$26,710,000	\$18,524,000	\$3,677,000	\$32,300,000	\$11,841,000	\$10,784,000
1979	\$4,168,000	\$22,459,000	\$30,223,000	\$20,494,000	\$4,367,000	\$24,780,000	\$10,480,000	\$10,833,000
1980	\$4,472,000	\$29,510,000	\$31,843,000	\$23,169,000	\$5,632,000	\$27,932,000	\$11,252,000	\$10,345,000
1981	\$4,456,000	\$29,821,000	\$33,709,000	\$26,866,000	\$7,752,000	\$26,927,000	\$10,568,000	\$9,241,000
1982	\$3,944,000	\$30,387,000	\$27,029,000	\$27,445,000	\$8,738,000	\$14,608,000	\$8,347,000	\$5,464,000
1983	\$4,547,000	\$37,604,000	\$26,606,000	\$28,641,000	\$9,998,000	\$10,498,000	\$7,560,000	\$5,295,000
1984	\$4,943,000	\$24,292,000	\$27,579,000	\$30,417,000	\$11,270,000	\$12,671,000	\$7,673,000	\$4,644,000
1985	\$4,820,000	\$23,699,000	\$29,342,000	\$33,542,000	\$25,263,000	\$26,879,000	\$7,680,000	\$4,972,000
1986	\$4,785,000	\$23,941,000	\$30,585,000	\$35,936,000	\$12,383,000	\$11,643,000	\$7,233,000	\$5,257,000
1987	\$5,046,000	\$23,253,000	\$29,724,000	\$39,867,000	\$12,656,000	\$9,864,000	\$5,051,000	\$5,084,000
1988	\$5,143,000	\$21,743,000	\$31,938,000	\$44,487,000	\$13,906,000	\$9,698,000	\$5,294,000	\$5,215,000
1989	\$5,207,000	\$22,549,000	\$36,674,000	\$48,390,000	\$14,715,000	\$9,568,000	\$5,362,000	\$5,292,000
1990	\$5,790,000	\$25,215,000	\$38,755,000	\$57,716,000	\$15,891,000	\$11,135,000	\$8,532,000	\$5,619,000
1991	\$6,088,000	\$33,954,000	\$43,354,000	\$71,183,000	\$17,175,000	\$19,721,000	\$6,813,000	\$5,934,000
1992	\$6,539,000	\$47,078,000	\$45,248,000	\$89,497,000	\$18,904,000	\$19,736,000	\$6,841,000	\$6,479,000
1993	\$6,784,000	\$44,651,000	\$50,012,000	\$99,415,000	\$21,542,000	\$21,170,000	\$9,149,000	\$6,700,000
1994	\$6,900,000	\$37,047,000	\$46,307,000	\$107,122,000	\$23,884,000	\$21,109,000	\$10,625,000	\$7,097,000
1995	\$7,378,000	\$32,092,000	\$54,263,000	\$115,413,000	\$27,520,000	\$15,322,000	\$10,749,000	\$7,430,000
1996	\$6,725,000	\$32,492,000	\$52,001,000	\$119,378,000	\$26,754,000	\$16,430,000	\$10,745,000	\$7,030,000
1997	\$6,770,000	\$30,458,000	\$53,008,000	\$123,843,000	\$27,798,000	\$11,746,000	\$11,055,000	\$6,681,000
1998	\$7,274,000	\$30,007,000	\$54,954,000	\$131,442,000	\$28,741,000	\$17,486,000	\$9,776,000	\$6,636,000
1999	\$7,815,000	\$32,461,000	\$56,402,000	\$141,079,000	\$27,677,000	\$20,402,000	\$11,870,000	\$6,781,000
2000E	\$8,397,000	\$33,986,000	\$63,397,000	\$154,227,000	\$29,221,000	\$17,134,000	\$11,115,000	\$8,214,000
2001P	\$8,496,000	\$38,604,000	\$67,544,000	\$166,686,000	\$30,676,000	\$27,269,000	\$10,177,000	\$8,450,000

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Appendix Table 1. Budget Data for Selected Elements in the Federal Budget, in Current Dollars, FY (975-FY2001) — continued  
[Dollar amounts in thousands, except per capita figures]

Fiscal Year	Natural Resources Function (Outlays)	Total Federal Non-Defense Budget <sup>a</sup> (Outlays)	U.S. Total Population	Indian Population (HHS data)	Overall U.S. Per Capita Expenditure	Indian Per Capita Expenditure	Chain-Type Price Index for GDP (1996=100)	Chain-Type Price Index for GDP (1997=100)
1975	\$7,346,000	\$222,579,000	215,973,000	587,468	\$1,051	\$1,988	40.4	39.7
1976	\$8,184,000	\$255,446,000	218,035,000	611,296	\$1,172	\$3,004	42.8	42.1
1977	\$10,032,000	\$282,076,000	220,239,000	635,313	\$1,281	\$2,555	45.6	44.8
1978	\$10,983,000	\$318,793,000	222,585,000	726,551	\$1,432	\$3,135	48.7	47.9
1979	\$12,135,000	\$345,054,000	225,055,000	790,486	\$1,533	\$3,527	52.7	51.8
1980	\$13,858,000	\$404,414,000	227,726,000	828,609	\$1,776	\$3,327	57.4	56.5
1981	\$13,568,000	\$451,962,000	229,966,000	849,315	\$1,965	\$3,181	62.7	61.7
1982	\$12,998,000	\$475,402,000	232,188,000	871,167	\$2,047	\$2,668	66.5	65.4
1983	\$12,672,000	\$508,654,000	234,307,000	902,701	\$2,171	\$2,679	69.2	68.1
1984	\$12,593,000	\$513,338,000	236,348,000	936,942	\$2,172	\$2,474	71.8	70.6
1985	\$13,357,000	\$564,171,000	238,466,000	961,881	\$2,366	\$2,423	74.1	72.8
1986	\$13,639,000	\$581,038,000	240,651,000	986,551	\$2,414	\$2,345	75.7	74.4
1987	\$13,363,000	\$583,471,000	242,804,000	1,011,837	\$2,403	\$2,349	77.8	76.6
1988	\$14,606,000	\$622,290,000	245,021,000	1,038,121	\$2,540	\$2,391	80.5	79.1
1989	\$16,182,000	\$671,094,000	247,342,000	1,073,886	\$2,713	\$2,298	83.6	82.2
1990	\$17,080,000	\$769,487,000	249,948,000	1,207,236	\$3,079	\$2,408	86.8	85.4
1991	\$18,559,000	\$856,629,000	252,639,000	1,242,745	\$3,391	\$2,833	89.8	88.3
1992	\$20,025,000	\$883,961,000	255,374,000	1,269,332	\$3,461	\$2,875	91.7	90.2
1993	\$20,239,000	\$919,690,000	258,083,000	1,297,865	\$3,564	\$2,977	94.2	92.6
1994	\$21,026,000	\$977,303,000	260,599,000	1,337,548	\$3,750	\$3,112	96.1	94.6
1995	\$21,915,000	\$1,011,602,000	263,044,000	1,371,448	\$3,846	\$3,003	98.2	96.6
1996	\$21,524,000	\$1,053,729,000	265,463,000	1,398,801	\$3,969	\$2,784	100.0	98.4
1997	\$21,227,000	\$1,086,761,000	268,008,000	1,428,904	\$4,055	\$2,862	101.7	100.0
1998	\$22,300,000	\$1,143,002,000	270,561,000	1,459,691	\$4,225	\$2,872	102.9	101.2
1999	\$23,968,000	\$1,198,432,000	273,131,000	1,485,508	\$4,388	\$2,967	104.3	102.6
2000E	\$24,479,000	\$1,278,612,000	275,306,000	1,511,135	\$4,644	\$3,130	106.0	104.3
2001P	\$24,973,000	\$1,335,519,000	277,803,000	1,536,599	\$4,807	\$3,479	107.7	105.9

CRS-49  
Appendix Table 2. Budget Data for Selected Elements in the Federal Budget, in Constant 1997 Dollars, FY 1975-FY2000  
[Dollar amounts in thousands, except per capita figures]

Fiscal Year	Bureau of Indian Affairs and OSI* (Approps.)	Indian Health Service (Approps.)	Indian Education Office in Educ. Dept. (Approps.)	Indian Housing Dept. Pgm. in HUD (B.A., New Construction)	Admin. for Native Americans (Approps.)	Indian & Native Am. E&T in Labor Dept. (Approps.)	Overall Indian Budget
1975	\$1,859,031	\$738,094	\$105,850	NA	\$80,583	\$156,894	\$2,940,452
1976	\$1,920,312	\$805,405	\$135,582	\$1,214,787	\$97,430	\$190,578	\$4,364,094
1977	\$1,756,097	\$1,135,378	\$127,604	NA	\$73,602	\$527,537	\$3,620,218
1978	\$1,872,471	\$1,070,552	\$124,587	\$1,453,567	\$68,830	\$160,937	\$4,750,945
1979	\$1,989,586	\$1,098,123	\$138,405	\$1,686,873	\$63,863	\$402,635	\$5,379,485
1980	\$1,761,163	\$1,099,804	\$134,448	\$1,501,961	\$59,873	\$325,643	\$4,882,892
1981	\$1,780,707	\$1,409,983	\$132,413	\$764,355	\$54,794	\$238,007	\$4,380,257
1982	\$1,483,187	\$1,033,501	\$118,996	\$755,534	\$42,798	\$118,360	\$3,552,375
1983	\$1,688,560	\$1,105,611	\$101,594	\$500,150	\$41,116	\$113,591	\$3,550,623
1984	\$1,355,834	\$1,178,586	\$97,384	\$521,184	\$41,060	\$98,128	\$3,282,178
1985	\$1,399,505	\$1,183,681	\$92,536	\$398,403	\$39,813	\$85,451	\$3,193,388
1986	\$1,337,679	\$1,165,022	\$86,233	\$402,368	\$37,270	\$80,026	\$3,108,598
1987	\$1,353,359	\$1,228,631	\$83,632	\$319,973	\$37,860	\$80,299	\$3,103,754
1988	\$1,353,705	\$1,274,626	\$81,159	\$313,092	\$37,499	\$75,446	\$3,135,527
1989	\$1,366,213	\$1,316,364	\$87,052	\$124,945	\$36,468	\$71,775	\$3,002,817
1990	\$1,387,085	\$1,465,630	\$86,184	\$159,325	\$37,120	\$68,124	\$3,403,469
1991	\$1,765,166	\$1,786,716	\$85,355	\$244,730	\$37,800	\$67,529	\$3,987,296
1992	\$1,696,130	\$1,891,246	\$84,887	\$265,843	\$37,604	\$69,843	\$4,045,552
1993	\$1,694,837	\$2,006,460	\$86,992	\$278,100	\$37,246	\$66,792	\$4,170,427
1994	\$1,879,719	\$2,054,634	\$88,294	\$278,100	\$32,763	\$67,564	\$4,401,074
1995	\$1,792,142	\$2,029,342	\$83,905	\$256,770	\$39,738	\$61,900	\$4,263,798
1996	\$1,633,674	\$2,016,897	\$53,368	\$165,706	\$35,513	\$53,374	\$3,938,532
1997	\$1,672,960	\$2,057,000	\$60,993	\$200,000	\$34,933	\$52,502	\$4,078,388
1998	\$1,721,505	\$2,074,228	\$61,870	\$197,667 <sup>2</sup>	\$34,462	\$53,187	\$4,142,919
1999	\$1,757,423	\$2,183,220	\$64,317	\$199,383 <sup>2</sup>	\$33,969	\$56,341	\$4,294,653
2000E	\$1,883,854	\$2,293,079	\$73,855	\$196,243 <sup>2</sup>	\$33,973	\$56,049	\$4,537,054
2001P	\$2,167,620	\$2,473,817	\$109,038	\$202,499 <sup>2</sup>	\$41,935	\$51,923	\$5,046,830

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Appendix Table 2. Budget Data for Selected Elements in the Federal Budget, in Constant 1997 Dollars, FY1975-FY2000 — continued  
[Dollar amounts in thousands, except per capita figures]

Fiscal Year	BIA Education Program* (Approps.)	BIA Tribal Services Program* (Approps.)	BIA Economic Dev't Program** (Approps.)	BIA Natural Resources Program* (Approps.)	U.S. Dept. of Education (Outlays)	U.S. Dept. of IHS (except Sec. Admin.) (Outlays)	U.S. Dept. of HUD (Outlays)	U.S. Dept. of HUD (B.A.)
1975	\$570,361	\$248,555	\$111,363	\$78,913	\$18,460,973	\$84,991,991	\$18,916,768	NA
1976	\$578,854	\$327,023	\$124,618	\$85,577	\$18,765,989	\$95,673,989	\$16,696,194	\$69,389,247
1977	\$527,927	\$354,891	\$164,971	\$101,562	\$19,442,085	\$103,696,323	\$12,953,955	\$75,426,456
1978	\$538,590	\$394,588	\$159,598	\$160,535	\$20,498,861	\$107,942,313	\$15,956,073	\$79,246,410
1979	\$505,969	\$395,909	\$160,453	\$145,357	\$23,474,990	\$111,557,814	\$17,789,053	\$60,085,324
1980	\$478,333	\$356,276	\$138,117	\$131,503	\$25,883,532	\$120,906,139	\$22,558,636	\$63,307,829
1981	\$437,997	\$368,396	\$118,933	\$138,947	\$27,515,152	\$131,019,979	\$24,122,162	\$55,474,489
1982	\$405,977	\$359,677	\$80,833	\$129,529	\$22,479,531	\$135,130,917	\$23,281,989	\$31,962,295
1983	\$437,805	\$408,028	\$87,843	\$175,098	\$21,193,973	\$139,513,409	\$23,221,887	\$24,318,811
1984	\$362,116	\$360,136	\$83,550	\$141,102	\$21,838,494	\$144,950,453	\$23,592,766	\$25,695,344
1985	\$370,182	\$331,966	\$97,476	\$170,373	\$22,783,921	\$156,877,648	\$39,428,429	\$43,104,938
1986	\$345,672	\$341,444	\$81,696	\$181,608	\$23,614,085	\$165,169,623	\$18,995,252	\$21,398,711
1987	\$362,788	\$359,633	\$49,661	\$186,625	\$21,771,226	\$171,628,305	\$20,222,295	\$19,142,223
1988	\$301,258	\$429,616	\$49,962	\$184,481	\$22,925,935	\$176,937,171	\$23,927,878	\$18,887,837
1989	\$326,664	\$384,416	\$55,111	\$221,053	\$26,118,201	\$185,775,255	\$23,942,901	\$17,454,715
1990	\$336,429	\$377,688	\$42,724	\$147,174	\$26,892,371	\$205,486,889	\$23,608,674	\$20,269,955
1991	\$616,738	\$412,326	\$48,030	\$158,214	\$28,536,379	\$224,374,583	\$25,767,231	\$31,297,598
1992	\$462,136	\$478,972	\$53,293	\$155,131	\$28,637,744	\$256,710,901	\$27,127,810	\$27,677,683
1993	\$490,859	\$490,871	\$73,884	\$148,611	\$32,503,780	\$274,024,276	\$27,183,821	\$28,573,186
1994	\$527,307	\$558,315	\$71,496	\$156,855	\$25,966,971	\$294,914,455	\$27,328,923	\$27,833,311
1995	\$529,025	\$557,308	\$68,976	\$155,633	\$32,307,774	\$313,791,776	\$30,070,405	\$20,499,725
1996	\$510,824	\$507,728	\$52,723	\$130,761	\$30,220,468	\$325,111,730	\$25,654,918	\$21,166,629
1997	\$544,696	\$524,312	\$49,959	\$127,648	\$30,009,000	\$339,535,000	\$27,327,000	\$16,091,000
1998	\$554,981	\$583,425	\$50,164	\$130,189	\$31,130,534	\$346,480,130	\$29,874,361	\$20,776,730
1999	\$563,820	\$606,118	\$49,195	\$123,473	\$31,608,932	\$350,529,176	\$31,899,333	\$25,672,268
2000E	\$549,338	\$638,111	\$49,522	\$128,570	\$34,955,447	\$371,518,159	\$28,847,547	\$15,624,636
2001P	\$582,937	\$681,466	\$55,835	\$124,597	\$38,020,237	\$397,818,055	\$30,471,110	\$32,339,777

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Appendix Table 2. Budget Data for Selected Elements in the Federal Budget, in Constant 1997 Dollars, FY 1975-FY 2000 — continued  
[Dollar amounts in thousands, except per capita figures]

Fiscal Year	U.S. Dept. of Interior (Outlays)	U.S. Dept. of Labor (Outlays)	Education Function (Outlays)	Health Function (Outlays)	Housing Assistance Subfunction (Outlays)	Housing Assistance Subfunction (B.A.)	Economic Development Function (Outlays)	Training & Employment Subfunction
1975	\$5,592,937	\$44,345,618	\$40,346,706	\$32,560,411	\$5,182,469	NA	\$10,883,689	\$10,231,473
1976	\$5,781,645	\$60,658,559	\$44,936,667	\$37,389,398	\$5,938,484	\$46,150,978	\$12,932,065	\$14,942,452
1977	\$7,181,773	\$49,667,980	\$47,069,606	\$38,589,761	\$6,619,721	\$63,853,977	\$15,659,387	\$15,938,215
1978	\$8,080,239	\$47,371,808	\$55,710,681	\$38,636,640	\$7,669,344	\$67,370,086	\$24,697,498	\$22,492,849
1979	\$8,041,732	\$43,332,358	\$58,312,207	\$39,541,090	\$8,425,683	\$47,810,492	\$20,220,095	\$20,901,173
1980	\$7,921,650	\$52,273,682	\$56,406,332	\$41,041,306	\$9,976,461	\$49,478,430	\$19,931,666	\$18,325,017
1981	\$7,223,680	\$48,343,213	\$54,646,100	\$43,552,823	\$12,566,868	\$43,651,711	\$17,131,923	\$14,980,706
1982	\$6,028,372	\$46,446,285	\$41,313,609	\$41,949,462	\$13,355,963	\$22,328,210	\$12,758,322	\$8,351,680
1983	\$6,676,990	\$55,219,163	\$39,069,276	\$42,057,548	\$14,681,449	\$15,415,668	\$11,101,395	\$7,775,382
1984	\$6,998,682	\$34,394,495	\$39,048,484	\$43,066,744	\$15,956,939	\$17,940,583	\$10,864,028	\$6,575,335
1985	\$6,617,167	\$32,535,319	\$40,282,346	\$46,048,342	\$34,682,466	\$36,901,001	\$10,543,535	\$6,825,841
1986	\$6,428,480	\$32,163,897	\$41,089,878	\$48,278,760	\$16,636,128	\$15,641,964	\$9,717,283	\$7,062,596
1987	\$6,590,138	\$30,368,705	\$38,819,911	\$52,197,395	\$16,528,892	\$12,882,506	\$6,596,668	\$6,639,767
1988	\$6,498,103	\$27,471,954	\$40,353,183	\$56,208,655	\$17,570,022	\$12,253,277	\$6,688,889	\$6,899,074
1989	\$6,334,893	\$27,433,357	\$44,617,985	\$58,871,798	\$17,902,428	\$11,640,532	\$6,523,467	\$6,438,304
1990	\$6,778,114	\$29,518,159	\$45,638,877	\$67,565,737	\$18,602,937	\$13,035,284	\$9,988,060	\$6,577,931
1991	\$6,895,121	\$38,455,477	\$49,101,689	\$80,620,140	\$19,451,989	\$22,335,927	\$7,716,239	\$6,726,705
1992	\$7,249,234	\$52,191,379	\$50,162,614	\$99,217,721	\$20,957,259	\$21,879,627	\$7,584,036	\$7,182,717
1993	\$7,323,579	\$48,202,407	\$53,989,805	\$107,322,172	\$23,255,386	\$22,853,798	\$9,876,684	\$7,232,898
1994	\$7,296,172	\$39,174,100	\$48,965,775	\$113,272,545	\$25,255,330	\$22,321,000	\$11,235,048	\$7,504,483
1995	\$7,638,736	\$33,226,120	\$56,180,635	\$119,496,831	\$28,492,547	\$15,863,474	\$11,128,866	\$7,692,574
1996	\$6,836,635	\$33,031,367	\$52,864,217	\$121,359,675	\$27,198,116	\$16,702,738	\$10,923,367	\$7,446,698
1997	\$6,770,000	\$30,458,000	\$53,008,000	\$123,843,000	\$27,798,000	\$11,746,000	\$11,055,000	\$6,681,000
1998	\$7,189,139	\$29,656,928	\$54,312,888	\$129,908,553	\$28,405,698	\$17,282,002	\$9,661,950	\$6,538,582
1999	\$7,615,729	\$31,633,294	\$54,963,836	\$137,481,702	\$26,971,279	\$19,881,780	\$11,567,333	\$6,608,095
2000E	\$8,054,025	\$32,597,844	\$60,807,553	\$147,927,606	\$28,027,470	\$16,434,163	\$10,661,008	\$7,878,500
2001P	\$8,020,651	\$36,444,116	\$63,764,930	\$157,359,960	\$28,959,685	\$25,743,306	\$9,607,599	\$7,977,225

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Appendix Table 2. Budget Data for Selected Elements in the Federal Budget, in Constant 1997 Dollars, FY1975-FY2000 — continued  
[Dollar amounts in thousands, except per capita figures]

Fiscal Year	Natural Resources Function (Outlays)	Total Federal Non-Defense Budget* (Outlays)	Overall U.S. Per Capita Expenditure	Indian Per Capita Expenditure
1975	\$18,498,746	\$560,499,904	\$2,595	\$5,005
1976	\$19,448,000	\$607,027,591	\$2,784	\$7,139
1977	\$22,375,014	\$629,132,211	\$2,857	\$5,698
1978	\$22,907,915	\$664,926,064	\$2,987	\$6,539
1979	\$23,413,249	\$665,746,624	\$2,958	\$6,805
1980	\$24,547,905	\$716,374,407	\$3,146	\$5,893
1981	\$21,995,262	\$732,681,501	\$3,186	\$5,157
1982	\$19,867,338	\$726,648,133	\$3,130	\$4,078
1983	\$18,608,053	\$746,927,136	\$3,188	\$3,933
1984	\$17,830,145	\$726,823,692	\$3,075	\$3,503
1985	\$18,337,240	\$774,525,643	\$3,248	\$3,326
1986	\$18,323,520	\$780,604,243	\$3,244	\$3,151
1987	\$17,452,243	\$762,020,322	\$3,138	\$3,067
1988	\$18,454,461	\$786,254,057	\$3,209	\$3,020
1989	\$19,687,196	\$816,460,221	\$3,301	\$2,796
1990	\$19,994,850	\$900,806,638	\$3,604	\$2,819
1991	\$21,019,473	\$970,197,239	\$3,840	\$3,208
1992	\$22,200,016	\$979,972,467	\$3,837	\$3,187
1993	\$21,848,749	\$992,839,390	\$3,847	\$3,213
1994	\$22,233,234	\$1,033,416,091	\$3,966	\$3,790
1995	\$22,689,468	\$1,047,351,658	\$3,982	\$3,109
1996	\$21,881,298	\$1,071,220,901	\$4,035	\$2,830
1997	\$21,227,000	\$1,086,761,000	\$4,055	\$2,862
1998	\$22,039,841	\$1,129,667,347	\$4,175	\$2,838
1999	\$23,356,853	\$1,167,873,822	\$4,276	\$2,891
2000E	\$23,479,157	\$1,226,387,160	\$4,455	\$3,002
2001P	\$23,575,767	\$1,240,797,044	\$4,538	\$3,284



SOURCES for Appendix Tables: See "Sources" section in text.

NOTES to Appendix Tables:

1. From FY 1996 on, total includes appropriations for Office of the Special Trustee for American Indians (OST), which also includes the Indian land consolidation pilot program in FY2000-FY2001; see text for discussion. OST and land consolidation appropriations amounts, in thousands of dollars, are: FY 1996, \$18,586; FY 1997, \$34,120; FY 1998, \$38,557; FY 1999, \$56,979; FY 2000, \$95,023; and FY 2001 P, \$95,129.
2. FY 1998 = HUD estimate of "Development/HOME" portion of budget authority for Native American Housing Block Grant program. (Block grant recipients may spend more or less than HUD estimate.) FY 1999-FY 2001 = CRS estimates; see text for discussion.
3. Inconsistent time series from FY 1993 on, because of BIA budget restructuring. "BIA Education Program" excludes BIA education construction.
4. Includes Tribal Services (with Housing Improvement Program) and Navajo-Hopi Settlement programs.
5. Includes Road Maintenance program.
6. Excludes national defense outlays and net interest payments on national debt.



N/A	Not Available.
E	Estimate.
P	Proposed amounts and projections.
B.A.	Budget authority
HUD	Department of Housing and Urban Development
E&T	Employment and Training
GDP	Gross Domestic Product
OST	Office of the Special Trustee for American Indians