



**U.S. House of Representatives Committee on Appropriations,  
Subcommittee on Interior, Environment, and Related Agencies  
Public Witness Hearings on American Indian/Native Alaskan Issues**

**Jefferson Keel, President, National Congress of American Indians  
March 27, 2012**

On behalf of the National Congress of American Indians (NCAI), thank you for the opportunity to testify on tribal programs in the FY 2013 budget under the Interior-Environment Appropriations bill. This testimony will address programs in the Department of Interior, Environmental Protection Agency, and Indian Health Service. Full funding of the federal government's trust, treaty and statutory obligations to tribes remains a bipartisan goal for Indian Country.

In preparation for the President's budget, some agencies have consulted with tribes about programs in the budget. Recommendations from Indian Country that were included in the President's FY 2013 proposal include increases for contract support costs, some natural resource and environmental protection programs, public safety initiatives, and contract health services. While the Administration's budget proposal maintains support for many critical programs, some cuts proposed represent significant setbacks to progress in Indian Country, such as for education construction. NCAI looks forward to working with this subcommittee to ensure that the federal programs that fulfill the trust responsibilities to tribes receive bipartisan support in the appropriations process.

Indian Country recognizes the state of the economy, the pressures on government at all levels, and the related challenges for job seekers. Tribes take the responsibility to manage federal funds as seriously as we do the federal trust responsibility to provide them, and we propose the following general recommendations for the FY 2013 budget.

- 1) Continue to promote the successful and efficient initiatives in Indian Country that work, such as Self-Determination programs. Critical to implementing these policies are the Bureau of Indian Affairs (BIA) funding streams for Tribal Priority Allocations, Contract Support Costs at BIA and the Indian Health Service (IHS), and Tribal Grant Support Costs for tribal schools.
- 2) Tribes urge Congress to support legislation that will fully restore the Secretary of the Interior's authority to take land into trust for tribes (Carcieri).

NCAI has compiled recommendations on many specific programs and agencies that affect Indian Country, but, in general, NCAI urges Congress to at least hold Indian programs harmless in the FY 2013 appropriations process and exempted from across-the-board rescissions.

**Public Safety and Justice**

Although they have taken various forms, the public safety problems that plague tribal communities are not new. They are the result of decades of gross underfunding for tribal criminal justice systems, a painfully complex jurisdictional scheme, and a centuries-old failure by the federal government to fulfill its public safety obligations on American Indian and Alaska Native lands.

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**NCAI supports the Department of Interior's Protecting Indian Country Initiative and the Priority Goal to reduce violent crime in Indian communities.** Last year, the Department of the Interior launched the Safe Indian Communities Initiative, a two-year program that included targeted community policing on four reservations, and the program has achieved successful and encouraging results. Since its inception, there has been a 35 percent overall decrease in violent crime across the four tribal communities. With an initial target of reducing violent crime by at least 5 percent, the initiative far exceeded this goal, achieving a 68 percent decrease in violent crime at the Mescalero Reservation in New Mexico, a 40 percent reduction at Rocky Boy in Montana, and a 27 percent reduction in violent crime at Standing Rock in North and South Dakota. The successful program is now being expanded to two additional reservations: the Rosebud Sioux Reservation in South Dakota and the San Carlos Apache Reservation in Arizona. Indian Country would like to see it expanded even further—to reach even more tribes—and we would like to see Congress appropriate adequate funding to ensure the Initiative's continued success. This Initiative has been a proven success, and these are the types of efforts that can make a real difference on the ground level, provided there is funding available to pursue them.

### **Indian Health Service**

The President's budget request demonstrates the Administration's ongoing commitment to Indian Country and the recognition of the trust responsibility for providing health care in perpetuity to all American Indian and Alaska Native people. The increase of \$116 million in the Indian Health Service (IHS) budget request was a confirmation of that commitment. Tribal leaders annually, through the National IHS Tribal Budget Formulation Workgroup, provide IHS with tribal leader priorities for the upcoming Fiscal Year. We applaud the Administration for including targeted funding increases that have long been a priority for the Workgroup, such as for Contract Health Services, staffing, and contract support costs.

While these increases are much needed, we must be clear that the IHS budget remains woefully short of providing full funding to the IHS system; and only full funding will ensure that parity is achieved in our healthcare system. Providing funding increases that addresses population growth and inflation so that current services can still be provided is vitally important.

Tribal leaders provided Congress and the Administration a blueprint to bring parity to Indian people. The Indian Health Care Improvement Act (IHCIA) includes programs and services designed to bring the IHS into the 21<sup>st</sup> century. However, authorization only creates the program, appropriations are needed to fulfill its promise. Currently, there are twenty-three unfunded provisions in the IHCIA.

### **Education**

The FY 2013 budget request for the Construction program is a reduction of \$17.7 million below FY 2012. The request cuts \$17.8 million, eliminating new school construction funding. Indian Affairs will focus on improving existing school facilities as part of the Department's strategic approach to not fund new construction in FY 2013. The total FY 2013 request for Education Construction is \$52.9 million. NCAI urges funding for new school construction to be restored. All students in America deserve a safe, secure, and culturally appropriate environment in which to attend school. As cited in the draft No Child Left Behind School Facilities and Construction Negotiated Rulemaking Committee Report, numerous research studies have noted the link between inadequate facility conditions and poor performance by students and teachers. The Report also underscored the fact that the quality of the school environment impacts student behavior, test scores, and teacher retention, among other issues. As of December 31, 2009, an

estimated \$1.34 billion was needed to bring 64 schools ranked in “poor” condition, meaning in significant need of repair, up to “fair” condition. Continued inadequate support for school facilities will cause the unmet need for construction and repair funds to balloon. Equally disconcerting is that the FY 2013 budget directives could result in the continued elimination of funding for replacement school and replacement facilities. Delaying the replacement and repair of existing facilities not only jeopardizes student and staff safety, but also increases the amount of school funds that must be diverted to emergency repairs and other facilities maintenance—accounts which are also extremely underfunded.

## **Natural Resources**

The vitality and sustainability of natural resources is integral to the health of American Indian and Alaska Native peoples, communities, cultures, and economies. It also has demonstrable positive impacts on surrounding communities. The ecological practices tribal peoples have cultivated for millennia are inherently sustainable and practical.

### Environmental Protection Agency

Although the Environmental Protection Agency’s (EPA) FY 2013 budget decreased approximately \$105 million overall from FY 2012, much of the tribal set asides received increased funding. Recognizing tribes and states as the primary implementers of environmental programs the EPA continued funding its State and Tribal Assistance Grants program, which accounts for 40 percent of the EPA’s budget request and is the largest percentage of the EPA’s budget request. Tribes received an increase of approximately \$29 million over FY 2012 appropriations to the Tribal General Assistance Program. These additional funds will assist tribes in capacity building and promote protections for the environment and human health. **NCAI strongly supports the increased proposed for the Tribal General Assistance Program.**

### Bureau of Indian Affairs, Natural Resources

Tribes have voiced support for increased funding for natural resources programs in the Bureau of Indian Affairs through the Tribal Interior Budget Council, which provides input to the Department of Interior on tribal budget concerns. The President’s FY 2013 budget includes some of the recommendations for natural resources. Under trust land management, the FY 2013 budget would provide increases in Trust Natural Resources of \$3.5 million for the Rights Protection Implementation program and \$2 million for the Tribal Management and Development program to support fishing, hunting, and gathering rights on and off reservations. The budget request would provide program increases of \$1 million for the Forestry program and \$500,000 for the Invasive Species program. An increase of \$800,000 supports greater BIA and tribal participation in the Landscape Conservation Cooperatives, for a total of \$1 million. **NCAI urges Congress to retain these proposed increases in the final FY 2013 appropriations bill.**

## **Supporting Tribal Governments**

### Bureau of Indian Affairs

The FY 2013 President's budget includes \$2.5 billion in current appropriations for Indian Affairs, which is \$4.6 million or 0.2 percent below the FY 2012 enacted level. The budget proposes a total of \$897.4 million in Tribal Priority Allocations. Critical to implementing the Indian Self-Determination policy is the Bureau of Indian Affairs (BIA) funding streams for Tribal Priority Allocations, Contract Support Costs at BIA, and Tribal Grant Support Costs for tribal schools. NCAI supports the programmatic increases in Indian Affairs, which follow the recommendations from tribes. However, NCAI would note that the President’s budget includes rather large reductions due to streamlining measures in the BIA. These reductions include \$19.7 million in

streamlining measures and \$13.8 million in administrative savings. Although tribes appreciate that the Administration is proposing increases to programs, NCAI would urge caution when cutting so deeply into BIA functions. **NCAI would encourage the BIA to consult with tribes on the how the proposed streamlining and administrative reductions would impact the delivery and operation of Indian programs.**

## **Economic Development**

### Indian Guaranteed Loan Program

The FY 2013 proposed budget would provide \$5 million for the Indian Guaranteed Loan program, a reduction of \$2.1 million from the 2012 enacted level. The Department of Interior's Office of Indian Energy and Economic Development (OIEED) Division of Capital Investment oversees the Indian Loan Guarantee Program that is the only federal guarantee program that enables eligible borrowers to obtain conventional lender financing to develop Native businesses and eligible construction, while also enabling other companies to obtain supplemental surety bond guarantees. In the last several years, significant tightening of the credit markets made loans more difficult to obtain, reducing demand for loan guarantees. The revolving credit facility of the OIEED Loan Guarantee Program can greatly assist Native borrowers seeking guarantees for lines of credit for: working capital, payrolls for hiring new employees, and assurances sufficient for sureties to provide performance bonds to tribal- and other Native-owned contractors. The OIEED's Loan Guarantee Program is the most appropriate and urgently needed source of financing for business, energy, and other economic development in Indian Country. With the promises of a broadband-enabled economy in Indian Country looming on the horizon, an expanded investment in the OIEED Loan Guarantee Program would enable operating businesses to build their technological capacity as well as to provide seed financing for new businesses to begin operations. **NCAI encourages Congress to restore funding for the Indian Guaranteed Loan Program.**

### Transportation

NCAI urges an increase for the BIA roads maintenance program in FY 2013, which services 29,000 miles of Indian Affairs-owned roads. As of 2011, the backlog in deferred maintenance was approximated to be \$285 million, yet the funding level for BIA roads maintenance has been at about \$25 million for the last ten years.

## **Conclusion**

We look forward to working with members of Congress to continue to build upon our successes. Tribal leaders urge Congress to uphold its solemn promises to tribes, even as policymakers seek to reduce the deficit through spending reductions and revenue generation. The obligations to tribal citizens funded in the federal budget are the result of treaties negotiated and agreements made between tribes and the United States in exchange for land and resources, known as the trust responsibility. The fulfillment of this trust responsibility is a solemn historic and legal duty.