

**STATEMENT
OF
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BEFORE THE
SENATE COMMITTEE ON INDIAN AFFAIRS
ON THE PRESIDENT’S FISCAL YEAR 2019 BUDGET**

“THE PRESIDENT’S FY2019 BUDGET REQUEST FOR INDIAN PROGRAMS”

April 11, 2018

Good afternoon Chairman Hoeven, Vice Chairman Udall, and members of the Committee. Thank you for the opportunity to provide a statement on behalf of the Department of the Interior on the President’s Budget Request for Fiscal Year 2019, presented to Congress on February 5, 2018. The 2019 Budget Request for Indian Affairs is \$2.4 billion.

The Department of the Interior upholds the Federal government’s unique trust responsibilities by fostering government-to-government relationships between the Federal government and federally recognized Tribes, American Indians, and Alaska Natives. The 2019 budget addresses Federal responsibilities and tribal needs related to education, social services, infrastructure, and stewardship of land, water, and other natural resources. The budget prioritizes support for programs that serve the broadest service population rather than initiatives that are more narrowly focused. The President’s budget maintains the Administration’s strong support for the principle of tribal self-determination and efforts to strengthen tribal communities across Indian Country. The budget calls for full funding for Contract Support Costs and Tribal Grant Support Costs which Tribes incur from managing Federal Indian programs.

As the Principal Deputy Assistant Secretary for Indian Affairs, I have the responsibility to oversee the numerous programs within the Bureau of Indian Affairs and the Bureau of Indian Education, along with other programs within the immediate Office of the Assistant Secretary for Indian Affairs. Indian Affairs plays an important role in carrying out Federal trust, treaty, and other responsibilities to 573 federally recognized Indian Tribes. Our programs serve more than two million American Indians and Alaska Natives in tribal and native communities. The BIA provides direct services and funding for compacts and contracts for Tribes to deliver Federal programs for a wide range of activities necessary for community development including natural resource management, law enforcement, and social service programs, among many others in Indian Country. The BIE manages a school system with 169 elementary and secondary schools and 14 dormitories providing educational services to 47,000 individual students in 23 States and supports 33 BIE-funded tribal colleges and universities. Indian Affairs’ programs are built on strong and productive government-to-government relations with Tribes.

Infrastructure Investment

Public Lands Infrastructure Fund – Roughly 47,000 American Indian students and their families rely on Interior to deliver a quality education in a safe environment, but many of our schools are

in poor condition. Some schools have structural issues, lack basic features like functional doors and windows, or are infested with mold.

A major component of the 2019 budget is the Public Lands Infrastructure Fund legislative proposal, which will provide up to \$18 billion to address Interior's deferred maintenance backlog in Bureau of Indian Education-funded schools, as well as national parks and national wildlife refuges. Although many of the schools in the BIE system are operated by Tribes, BIE is still responsible for oversight and the maintenance of the school facilities. The estimated deferred maintenance backlog for BIE schools is \$634 million, which does not include the cost of replacement for the schools in the worst condition.

The Department is taking action to increase revenue from Federal energy leasing and development over 2018 budget projections and will keep 50 percent of additional revenue that is not allocated for other purposes, for Department infrastructure needs. The proposal complements the President's national infrastructure investment initiative and recognizes the strategic importance of long-term investment in America's treasures. This is why the Bureau and the Department strongly support this proposal and look forward to engaging further with the Congress on it.

Construction – The 2019 request proposes \$133.3 million in new funding for Bureau of Indian Affairs Construction activities. The request also assumes the cancellation of \$21.4 million in prior year unobligated balances, for a net request of \$111.9 million. The proposed budget includes \$28.3 million for dam safety and maintenance, \$6.5 million for irrigation projects, \$72.9 million for Education Construction, \$10.4 million for Public Safety and Justice projects, and \$12.0 million for facilities improvements related to regional and agency offices serving tribal programs operations in Indian Country including construction program management.

Indian Country Roads – The BIA maintains nearly 29,000 miles of paved, gravel and earth surface roads; and more than 900 bridges. The 2019 budget request includes a \$28.3 million infrastructure investment in Road Maintenance.

Promote Tribal Self-Determination

The 2019 proposed budget provides \$291.5 million for programs that support Tribal Government activities. Within this, the request includes \$157.8 million for self-governance compact activities for self-governance tribes and \$72.6 million to support Consolidated Tribal Government Programs for tribes operating under P.L. 93-638 contracts.

New Tribes Funding – The budget requests \$1.1 million to support new tribes. This includes \$960,000 to provide initial Federal support for six Virginia Tribes federally recognized by an Act of Congress in January 2018.

Contract Support Costs – The 2019 requested funding for Contract Support Costs is \$231.0 million. The request fully supports estimated needs assuming BIA program funding at the 2019 request. The 2019 budget continues to request funding for CSC in a separate indefinite appropriations account to ensure full funding for this priority.

Tribal Grant Support Costs – The 2019 request includes \$74.0 million to fully fund estimated Tribal Grant Support Costs for tribes which choose to operate BIE-funded schools.

Protect Indian Country

Public Safety Programs - The 2019 budget includes a request of \$350.1 million for Public Safety and Justice Activities, of which \$326.6 million directly supports 190 law enforcement programs and 96 corrections programs run both by Tribes and by the BIA as direct services. The request also includes \$22.1 million for Tribal Courts and \$1.4 million for fire protection activities.

Within this request is an increase of \$2.5 million to address the opioid crisis in Indian country. Funding will provide for the hiring of 17 additional drug enforcement officers who will be instrumental in addressing the rising epidemic in Indian communities directly and will allow us to strengthen the Indian Country presence within Federal drug task force efforts to keep drugs from entering reservation areas to begin with.

Support Indian Communities

Support Economic Opportunities – In support of the Administration’s domestic energy dominance and economic development goals, the 2019 budget request funds the Community and Economic Development activity at \$35.8 million and features investments in Indian energy activities, including resource management on tribal lands.

Indian Guaranteed Loan Program – The 2019 budget request for the Indian Guaranteed Loan Program is \$6.7 million which will guarantee or insure \$108.6 million in loan principal to support Indian economic development.

Human Services Programs – Sustaining families is critical to fostering thriving Indian communities. The Human Services activity request includes \$115.4 million for programs providing social services which includes \$65.8 million for Welfare Assistance, and \$46.6 million for Socials Service and Indian Child Welfare Act protections.

Manage Trust Resources and Lands

Natural Resource Programs – The 2019 budget request proposes \$153.4 million for natural resource management programs which include agriculture, forestry, water resources, and fish, wildlife and parks activities.

The BIA helps to support the management of Indian forest lands by 300 Tribes across 18.7 million acres. The budget request includes \$48.9 million for Forestry programs to support development, maintenance, and enhancement of forest resources in accordance with sustained yield principles included in forest management plans. The proposed budget includes \$28.0 million for BIA’s Agricultural and Range program to continue support for multiple use and sustained yield management on over 46 million acres of Indian trust land dedicated to crop and livestock agriculture. The request also includes \$11.4 million for Fish, Wildlife and Parks and \$8.6 million for Water Resources management activities.

Real Estate Services Programs – To meet our fiduciary Trust responsibilities, the 2019 budget proposes \$105.5 million for real estate services programs. The requested funding supports the processing of Indian trust-related documents such as land title and records and geospatial data to support land and water resource use, energy development, and protection and restoration of ecosystems and important lands. The proposed budget includes \$11.0 million for probate services to determine ownership of Indian trust assets essential to economic development and accurate payments to beneficiaries.

Foster Tribal Student Success

The BIE serves as a capacity builder and service provider to support Tribes in delivering culturally appropriate education with high academic standards to allow students across Indian Country to achieve success.. The 2019 budget request includes a total of \$741.9 million for BIE programs. Funding includes \$625.9 million for Elementary and Secondary programs, \$92.7 million for Post-Secondary programs, and \$23.3 million for Education Management. The budget prioritizes funding for core BIE school operations while giving lower priority to activities that do not directly support BIE-funded education programs or facilities.

Land and Water Claims Settlements

The 2019 budget request prioritizes funding to meet Indian Settlement commitments, and proposes \$45.6 million. Interior is committed to honoring enacted Indian land and water rights settlements. Settlements often end decades of controversy and contention among tribes and neighboring communities. Securing tribal and individual Indian rights to historic land and ensuring permanent access to a clean and reliable water supply is important to tribal nationhood, quality of life, economic security, and sustained fundamental cultural values. This request provides sufficient funding to complete those payments for the Navajo Trust Fund and the Navajo-Gallup Water Supply Project, both of which have enforceability dates in 2019 for BIA.

Conclusion

This 2019 budget request maintains strong and meaningful relationships with Native communities, strengthens government-to-government relationships with federally recognized tribes, promotes efficient and effective governance, and supports nation-building and self-determination. The request delivers community services, restores tribal homelands, fulfills commitments related to water and other resource rights, executes fiduciary trust responsibilities, supports the stewardship of energy and other natural resources, creates economic opportunity, and expands access to education.

Thank you for the opportunity to appear before you today. I am happy to answer any questions the Committee may have.