

**THE PRESIDENT'S FISCAL YEAR 2017 BUDGET
FOR INDIAN COUNTRY**

HEARING

BEFORE THE

**COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE**

ONE HUNDRED FOURTEENTH CONGRESS

SECOND SESSION

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MARCH 9, 2016
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THE PRESIDENT'S FISCAL YEAR 2017 BUDGET FOR INDIAN COUNTRY

WEDNESDAY, MARCH 9, 2016

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

The Committee met, pursuant to notice, at 2:15 p.m. in room 628, Dirksen Senate Office Building, Hon. John Barrasso, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. JOHN BARRASSO, U.S. SENATOR FROM WYOMING

The CHAIRMAN. Good afternoon. I call this hearing to order.

Today the Committee will examine the President's fiscal year 2017 Indian Country budget.

The United States continues to face a Federal deficit and tight budgets. The funding provided to Indian people and Native communities is an important Federal responsibility.

The President's fiscal year 2017 budget request calls for increases for tribal-related programs, including the Bureau of Indian Affairs and the Indian Health Service. Whatever funding is provided for these tribal-related programs, it must be used effectively, efficiently, and be responsible in fulfilling Federal responsibilities.

Let me be clear, funding must reflect performance metrics. It is imperative that the Executive Branch provide Congress with the necessary data to support these funding requests. Today, we will hear from key Federal agencies that serve Indian Country.

Before we hear from the witnesses present today, I want to recognize the Vice Chairman for an opening statement.

STATEMENT OF HON. JON TESTER, U.S. SENATOR FROM MONTANA

Senator TESTER. Thank you, Mr. Chairman.

I want to thank the panelists who are here today, with a special thank you to Mary Smith. I appreciate your endurance from the Committee hearing earlier with Senator Daines and I. Thank you for being here.

I want to commend the Administration for submitting a budget that details how the Federal Government will attempt to support Indian Country's priorities. I am looking forward to hearing from our witnesses today and discussing how we can work together to meet our commitments to tribes.

If there is one thing I think we should all agree on it is that the challenges facing Indian Country cannot be addressed when Native programs are severely underfunded.

It is vital that we address the deficit and I am committed to doing that but I also strongly believe that we cannot balance the budget on the back of Indian Country. We must fulfill our treaty and trust obligations by adequately funding tribal programs.

This year, the Administration has requested modest increases for many Native American programs. Overall, these funds have a significant impact on initiatives that advance tribal sovereignty and invest in the overall well being of tribal communities.

While increased funding is, I believe, a step in the right direction, we all know there are substantial unmet needs in Indian Country. The Department of the Interior has requested \$2.9 billion for Indian affairs, an increase over 2016 enacted levels.

Interior again has focused its attention on Native youth. Among other things, we are proposing \$138 million for school construction. It is good the Administration has continued to focus on this issue but the department needs to provide more details on its plans for using those requested funds.

Adequate funding only helps if the agency has a well thought out plan to use the money. That sounds familiar.

Last month, I introduced the Safety Act which would require the BIA to develop a ten-year plan for school construction. I would love to hear your thoughts on that or any similar plans the department may have.

With health care, even though the IHS has seen a 43 percent over the past eight years, it is still underfunded by nearly 50 percent, in my opinion. IHS will never be successful unless we provide the funds needed to treat people. The Administration's request to continue prioritizing IHS funding is a step forward.

The budget also proposes an increase of over \$100 million for Native American programs at the Department of Justice. We recently heard from tribes about public safety issues affecting their communities. I look forward to hearing more about how the initiatives funded by this increase would assist tribes in dealing with reservation crime.

HUD has requested a \$50 million increase for the Native American housing block grant, an increase more than justified when adjusting for inflation alone. The Block Grant Program has been relatively level for the last 20 years. While I do agree with my colleagues that HUD must release its updated Housing Needs Assessment, one just has to drive through a tribal community to know that more funds are needed.

This increase would help reduce the severe backlog that faces many tribal housing authorities. Overcrowding has devastating ripple effects, so we need to get serious about housing conditions in Indian Country.

I recognize not everyone in this room has the same funding priorities or the same approach to tackling the challenges affecting Indian Country, but I still hope today's hearing will open a discussion on how we can come together and find solutions to fulfill this Country's trust and treaty obligations.

With that, once again, I want to thank the witnesses and I want to thank the Chairman for holding this hearing.

The CHAIRMAN. Thank you, Senator Tester.

Would any other members like to make an opening statement?
[No audible response.]

The CHAIRMAN. Today we will be hearing from: The Honorable Karol Mason, Assistant Attorney General, Office of Justice Programs, U.S. Department of Justice; Mr. Lawrence S. Roberts, Acting Assistant Secretary for Indian Affairs, Office of Assistant Secretary, U.S. Department of the Interior; Ms. Lourdes Castro Ramirez, Principal Deputy Assistant Secretary, Office of Public & Indian Housing, U.S. Department of Housing and Urban Development; Ms. Mary Smith, Principal Deputy Director, Indian Health Service, U.S. Department of Health and Human Services; and The Honorable Aaron Payment, Secretary, National Congress of American Indians.

I would like to remind the witnesses that your full written testimony will be made a part of the official hearing record today. Please try to keep your statements to five minutes so that we may have time for questions.

I look forward to hearing the testimony of each of you beginning with Assistant Attorney General Mason. Please proceed.

STATEMENT OF HON. KAROL V. MASON, ASSISTANT ATTORNEY GENERAL, OFFICE OF JUSTICE PROGRAMS, U.S. DEPARTMENT OF JUSTICE

Ms. MASON. Thank you, Chairman Barrasso, Vice Chairman Tester and distinguished members of the Committee.

I am very pleased to represent the Department of Justice and to have this opportunity to discuss the President's fiscal year 2017 budget request for public safety initiatives in Indian Country.

From the earliest days of this Administration, I have been privileged to work with dedicated employees from the department to help our tribal partners insure the safety and health of their communities.

One of my proudest accomplishments as Deputy Associate Attorney General was leading the team that created our Coordinated Tribal Assistance Solicitation or CTAS which has opened up unprecedented funding opportunities for tribes.

Now, as Assistant Attorney General, I am directly responsible for a full array of programs designed to improve tribal justice and victim services. I am pleased to say, without hesitation, that the Justice Department's commitment to tribes has never been stronger.

Across the public safety landscape, from law enforcement and litigation to funding and the protection of Native resources, our engagement with tribes is dynamic and robust. That commitment is embodied in CTAS which enables tribes to submit a single application for a wide range of tribal-specific government programs covering areas like community policing, substance abuse, correction alternatives and violence against women just to name a few.

Since 2010, the department has awarded more than 1,400 grants totaling over \$620 million to hundreds of tribal communities. I refer you to my written statement for more specific examples of our successes in Indian Country.

Many tribal communities have made great progress very often by adapting traditional methods to contemporary challenges. However, as this Committee is well aware, those challenges remain considerable.

American Indians and Alaska Natives continue to be victimized at high and in some cases, alarming rates. Complex jurisdictional patterns still too often hamper investigations and impede justice. Resources remain scarce.

The report by the Tribal Law and Order Commission noted the need for almost 3,000 tribal law enforcement officers, a 50 percent staffing shortfall. That is why the resources requested in the President's budget are vital.

Excluding funding for prisons, the budget allocates almost \$300 million for public safety activities in Indian Country. This level of funding would be historic and would allow us to build on our progress and make inroads into solving the enduring and intractable problems faced by our tribal partners.

For one thing, the budget would take a page from CTAS and dedicate significant funding to tribal specific initiatives. A flexible tribal grant 7 percent setaside of programs for my office would give tribes reliable access to \$111 million in grant resources.

This would remove some of the unpredictability and anxiety around competition for Federal funding for which under-resourced tribes are often at a distinct disadvantage.

The President's budget proposes to make targeted investments as well. \$25 million from the Crime Victim's Fund would be devoted to meeting the needs of Native American victims who, as I mentioned, remain chronically underserved.

Funds from the department's Office for Community Oriented Policing Services would help hire law enforcement officers, train and equip them to protect their communities and \$56 million from the Office of Violence Against Women would support a variety of efforts aimed at reducing domestic violence, dating violence, sexual assault, sex trafficking and stalking in Indian Country.

A portion of those funds would expand on a ground breaking program that has reversed decades of injustice by giving tribes the authority to adjudicate domestic violence, dating violence and protection against violence cases against non-Indian defendants on tribal lands.

The Justice Department's work extends well beyond funding. Our U.S. Attorney offices have established close working relationships with tribes and an active Subcommittee on Native American Issues composed of U.S. attorneys provides advice and counsel to the Attorney General.

We are training tribal prosecutors and bringing them on to support prosecution in Federal court. We are working to resolve trust mismanagement claims and protect tribal lands and tribal sovereignty. In all these efforts, we closely coordinate our efforts with our Federal partners to make sure we are maximizing resources and meeting every public safety need in Indian Country.

The Department of Justice is working hard across its components and across other agencies to give our tribal partners the resources they need to achieve justice in their communities but there is no

substitute for Federal dollars. Public safety in Indian Country is an investment we cannot afford to forego.

The President's budget request represents a thoughtful and comprehensive strategy for supporting tribal justice, juvenile justice and victim services. The Department of Justice looks forward to working with the Committee to fulfill our share of responsibilities to our tribal partners and to meet our collective goal of safer tribal communities.

I look forward to your questions.

[The prepared statement of Ms. Mason follows:]

PREPARED STATEMENT OF HON. KAROL V. MASON, ASSISTANT ATTORNEY GENERAL,
OFFICE OF JUSTICE PROGRAMS, U.S. DEPARTMENT OF JUSTICE

Chairman Barrasso, Vice-Chairman Tester, and members of the Committee:

Thank you for inviting the Department of Justice to testify regarding the substantial support that the President's FY 2017 Budget requests for the Department of Justice for public safety initiatives in Indian country. I am Karol Mason, Assistant Attorney General for the Department of Justice's Office of Justice Programs (OJP). Among my many responsibilities are overseeing tribal grant programs and other efforts to improve tribal criminal and justice systems and help tribal victims of crime. Tribal justice has been a critical priority for me during my time in the Administration, both in my current service at OJP and in my prior work for the Department's Office of the Associate Attorney General.

The Justice Department's commitment to supporting our tribal partners has never been stronger. From law enforcement to litigation to funding, our engagement with tribes has never been more dynamic or more robust. Resources available through the Tribal Law and Order Act (TLOA) of 2010 and the Violence Against Women Reauthorization Act of 2013, coupled with other substantial public safety investments from across the Department throughout this Administration, have resulted in an unprecedented level of engagement, coordination, and action on behalf of public safety in Indian country.

Current Efforts

Improving public safety among tribal communities continues to be a top priority for the Department and OJP. In FY 2010, as a result of consultation with tribes, the Department launched the Coordinated Tribal Assistance Solicitation (CTAS), which offers a comprehensive, streamlined application process encompassing most of our available tribal government-specific grant programs. Through CTAS, the Department has awarded over 1,400 grants totaling more than \$620 million to hundreds of tribal communities. CTAS grantees invest in a variety of public safety-related purpose areas including community policing; justice systems planning; alcohol and substance abuse; corrections and correctional alternatives; violence against women; tribal youth programs; juvenile justice; and crime victims' assistance.

In addition to CTAS, many DOJ components provide other tribal-specific programs. OJP's Bureau of Justice Assistance's (BJA) Tribal Civil and Criminal Legal Assistance Program (TCCLA) provides grants training, and technical assistance to support federally recognized tribal nations in enhancing their tribal justice systems and improving access to those systems. TLOA reinforced the provisions of TCCLA which authorize the provision of legal defense services to all defendants in tribal court criminal proceedings and prosecution, judicial services for tribal courts, and capacity building to tribes and tribal justice systems. BJA has also invested in tribal-state collaborative efforts such as joint jurisdictional courts. For example, one such court originated in Minnesota between the Leech Lake Band of Ojibwe and Cass County and expanded to Itasca County. This court has been operating for a decade, and an evaluation has shown promising results. Graduates of the joint jurisdictional court in Itasca County between 2007 and 2014 avoided at least 8,000 days in jail, and the total economic value of these positive outcomes is estimated at over \$2 million.

OJP's Office of Juvenile Justice and Delinquency Prevention (OJJDP) worked with the Bureau of Indian Affairs to update the Model Indian Juvenile Code, which helps federally recognized tribes create individual codes focused on juvenile matters. The Code, which was released just last week, specifically addresses issues affecting tribal youth arrested for alcohol and/or drug-related offenses in Indian country. It follows through on one of the recommendations listed in *Ending Violence So Chil-*

dren Can Thrive, the report developed by the Attorney General's Advisory Committee on American Indian/Alaska Native Children Exposed to Violence. OJJDP also stands ready to work with the Committee on appointing a tribal member to the federal Coordinating Council on Juvenile Justice and Delinquency Prevention, as provided for under TLOA.

OJP's Office for Victims of Crime (OVC), through its Vision 21 Initiative, is leading a nationwide effort to expand the vision and impact of the victim assistance field in the 21st century. In FY 2015 OVC funded Vision 21: Tribal Victim Services Resource Mapping Project, which addresses a critical barrier for tribal crime victims from seeking services—a lack of information. Our grantee, the National Center for Victims of Crime (NCVC), is collecting information about services available to American Indian and Alaskan Native crime victims at all levels—tribal, state, regional and federal. NCVC will then use this data to develop a state-of-the-art mapping and referral tool, which will be available to the public and service providers alike.

As this Committee is aware, American Indians and Alaska Natives experience high rates of violence, particularly domestic violence and sexual assault against Native women. Next month, OJP's National Institute of Justice (NIJ) will release a new study about violence against American Indian and Alaska Native women and men. The report provides estimates of sexual violence, physical violence by intimate partners, stalking, and psychological aggression by intimate partners. We will share the findings as soon as they are available, but I am aware that the research confirms what we have long suspected about the high rate of victimization. NIJ is also working on another study, expected for 2017, about domestic violence, sexual assault, and stalking committed against Indian women living in tribal lands and Alaska Native villages. In addition, NIJ is examining Alaska Village Public Safety Officers' response to violence against Indian women.

OJP's Bureau of Justice Statistics (BJS) is addressing how to best measure crime on tribal lands. This task is complicated by federal, state, local and tribal justice systems that have overlapping jurisdiction for these crimes. In order to build a more complete picture of the crime problem on tribal lands, BJS is implementing an expanded set of data collections involving federal, state, local and tribal law enforcement agencies and prosecutor offices. This information will provide decision makers with a far better assessment of crime on tribal lands than has been available to them previously.

In August 2015, OJP's SMART Office worked with the Department's Justice Management Division and Office of Tribal Justice (OTJ) to launch the Tribal Access Program (TAP) which provides federally recognized tribes the ability to access and exchange data with national crime information databases, such as those managed by the Federal Bureau of Investigation, for both civil and criminal purposes. This new program helps fulfill DOJ's obligation to support tribes' implementation of the Sex Offender Registration and Notification Act (SORNA), TLOA and the Violence Against Women Act. TAP is heavily informed and driven by the needs of tribes and the Department's commitment to ensuring tribes' consistent access to critical crime data. The SMART Office also continues to tailor and expand its work with tribal nations working to implement SORNA. To date 99 tribal jurisdictions have substantially implemented SORNA and many more are continuing work towards that goal. In addition, the SMART Office designed and supports a project identifying best practice resources for the treatment, management, and reentry of Native American adults and juveniles who have committed sex offenses. As a result of TLOA, our partners at the Office of Community Oriented Policing Services (COPS Office) have made significant improvements to the Tribal Resources Grant Program (TRGP), eliminating local matches, allowing indirect costs, and expanding allowable costs. The COPS Office also provides publication resources and training and technical assistance to tribal law enforcement—such as the publication, *Successful Tribal Community Policing Initiatives*, which highlights 15 tribes' community policing efforts around alcohol and substance abuse, gangs, partnerships, and other topics.

The Department's Office on Violence Against Women (OVW) has funded several technical assistance projects to support tribal grantees under CTAS, as well as tribal coalitions and sexual assault service providers. For example, to address the shortage of legal representation for American Indian and Alaska Native sexual assault survivors, OVW funded a certification course for lay advocates representing survivors in tribal courts. The course combines distance learning and a week-long trial advocacy institute conducted by the National Tribal Trial College in collaboration with the University of Washington School of Law. Similarly, OVW supports training for advocates on the litigation of civil protection orders for Native survivors of domestic and sexual violence and on addressing the unique legal and service needs of Native victims with disabilities. In 2015, OVW also supported a tribal listening session and site visits with tribal communities receiving Abuse in Later Life Pro-

gram grants to develop a guide to assist tribes in addressing elder abuse, taking into account their unique circumstances and culture.

The Department's other responsibilities in Indian country have also expanded, and the priorities identified by the Attorney General have led to a number of new initiatives and enhancements. Senior Departmental leadership holds regular meetings with tribes through the Tribal Nations Leadership Council and has pursued interagency collaboration with the Departments of the Interior and Health and Human Services to promote compliance with the Indian Child Welfare Act.

Each U.S. Attorney's Office with Indian country jurisdiction has developed a specific plan to address tribal public safety challenges and has assigned at least one Assistant United States Attorney (AUSA) to serve as the Tribal Liaison. The Tribal Liaison exercises an important role in helping to facilitate communication between the United States Attorney's Office, federal law enforcement partners, tribal leaders, tribal law enforcement officers, and members of the tribal communities. AUSAs who serve as Tribal Liaisons are among the most skilled, dedicated and accomplished attorneys in our nation. In addition, the Department's enhanced Tribal Special Assistant U.S. Attorney (SAUSA) Program fosters coordination between federal prosecutors and their tribal counterparts. The Tribal SAUSA program, serves as an important tool, contributing to improved collaboration. Tribal SAUSAs, who are cross-deputized tribal prosecutors, receive training in federal criminal law, procedure, and investigative techniques and are able to prosecute crimes in both tribal court and federal court as appropriate. Moreover, OVV has funded four tribal prosecutors through its Violence Against Women Tribal SAUSA Pilot Project, who serve as Tribal SAUSAs specially dedicated to prosecuting cases of domestic violence and sexual assault in both tribal and federal courts. The Tribal SAUSAs strengthen a tribal government's ability to fight crime and increase the USAO's coordination with tribal law enforcement personnel. The work of Tribal SAUSAs also helps to accelerate a tribal criminal justice system's implementation of TLOA and VAWA 2013.

FY 2017 Budget Request

The FY 2017 President's Budget for the Department of Justice requests \$420 million in total resources to address public safety in Indian country, or \$297 million excluding funding for the Bureau of Prisons. If enacted, this budget would represent a historic level of funding for tribal communities.

The Budget's investments support activities across many Department of Justice components and address a range of criminal and civil justice issues facing Native American communities. The Budget includes significant and versatile grant funding totaling \$230 million, an increase of 87 percent over FY 2016 enacted levels.

I am proud that the FY 2017 Budget request for OJP includes \$111 million in discretionary resources for Indian country that would build on CTAS by providing a consistent source of significant, tribal-specific grant funding flexibly directed at tribes' most important criminal justice priorities. As in previous budget requests made during this Administration, this funding would come via the Flexible Tribal Grant seven percent set-aside from all OJP programs (excepting the Crime Victims Fund and the Public Safety Officers' Benefits programs).

OJP also requests \$25 million from the Crime Victims Fund to support tribal assistance for victims of violence, who, despite our long-standing efforts, remain chronically underserved. The funding would further expand OVC's efforts to develop evidence-based, culturally appropriate victims' services programs for the nation's tribal communities.

The Budget also includes \$38 million for the COPS TRGP Program, an \$8 million increase over the FY 2016 level. The Indian Law and Order Commission's (ILOC) Report noted a nearly 3,000 officer shortfall when tribal law enforcement agencies are compared to national averages. The Budget will also address the high demand for equipment, including vehicles, radios, laptops, and communications and records systems.

Within the \$8 million increase, \$3 million would facilitate tribal access to national crime information databases. This increase supports the Department's TAP Program for National Crime Information, which, as noted, allows tribes to more effectively serve and protect their tribal members by ensuring the exchange of criminal data across systems, such as those managed by the Criminal Justice Information Services Division of the Federal Bureau of Investigation.

The FY 2017 President's Budget for the Office on Violence Against Women (OVW) includes approximately \$56 million in total funding to support programs and initiatives that work to prevent and address domestic violence, dating violence, sexual assault, sex trafficking, and stalking in Indian country, including \$39 million in set-asides from seven OVW grant programs for the Grants to Indian Tribal Governments Program. This program is part of CTAS and funds tribes to develop a com-

prehensive, multi-faceted response to violence against Indian women, including strengthening tribal criminal justice systems, improving services for victims, and creating community education and prevention campaigns. With increased funding, OVW awards could support more tribes in their efforts to provide holistic services to victims and to hold people who commit crimes accountable.

OVW is requesting approximately \$7 million, through set-asides, for the Tribal Domestic Violence and Sexual Assault Coalitions Grant Program, which supports the development and operation of nonprofit, nongovernmental tribal coalitions to provide technical assistance to member Indian service providers and enhance the federal, state, and tribal response to violence against Indian women. These funds allow tribal coalitions to participate more fully in coordinated efforts to address violence against native women and help communities develop culturally appropriate responses.

OVW's request includes a \$3.5 million set-aside from its Sexual Assault Services Program to support direct services for victims of sexual assault and their families in Indian country and Alaska Native villages, including intervention, advocacy, and accompaniment to places such as courts, medical facilities, and police departments.

OVW is also requesting \$5 million, a \$2.5 million increase over FY 2016, for the Tribal Special Domestic Violence Criminal Jurisdiction Program, which would support tribal efforts to exercise "special domestic violence criminal jurisdiction" over non-Indians who commit violence against their Indian spouses, intimate partners, or dating partners, or who violate protection orders, in Indian country. In FY 2016, Congress first appropriated \$2.5 million for this new Tribal Jurisdiction Program. OVW is currently developing a solicitation for the program but expects that tribal demand will far exceed available funding, and that, in this first year of funding, at least 50 tribes may apply. Currently, 45 tribes participate in the Inter-Tribal Technical-Assistance Working Group (ITWG) on Special Domestic Violence Criminal Jurisdiction. OVW expects that all or most ITWG members are candidates for the new funding, in addition to some number of tribes that have not yet joined the ITWG. Moreover, tribes wishing to exercise this new jurisdiction will need grant funding to address a host of new activities, including updating criminal codes, providing counsel for indigent defendants, expanding jury pools, and addressing increased costs for law enforcement, pre-trial services, prosecution, courts, probation, incarceration, parole and victim services. With additional funding in FY 2017, the Department expects that even more tribes will be able to replicate the successes of the first "pilot project" tribes, each of which has demonstrated the ability of tribal criminal justice systems to hold people who commit crimes accountable and keep their communities safe. In addition, the OVW's request also includes language that would authorize the Attorney General to use \$3.9 million in funds previously appropriated to create tribal sex offender and protection order registries to support the TAP Program. The proposal to use these funds for the Tribal Access Program was developed after consultation with tribal leaders, who stated that facilitating tribal access to federal databases would be more valuable than creating separate tribal registries for sex offenders and protection orders.

In addition to new grant funding, the Environment and Natural Resources Division is requesting an increase of \$1.5 million for an additional four attorneys to support environmental enforcement on tribal lands. This request will promote increased federal and tribal litigation of environmental violations in Indian country, particularly in response to the rapid expansion of oil and gas extraction on Indian lands in the last decade and its impact on public health and surface and drinking water quality.

Also, OTJ requests \$240,000 in new resources for one additional attorney position to ensure that the Department meets its Indian country consultation and coordination responsibilities.

In addition to the Department's efforts to consistently consult with tribal leaders to craft and implement policies that work for tribes and empower tribal governments, investments in federal agents, prosecutors, and grant programs remain critically important to protecting tribal communities. Appropriators must consider many competing priorities for scarce taxpayer dollars, but public safety in Indian country is an investment that we cannot afford to forgo.

The FY 2017 President's Budget request for the Department of Justice represents a major commitment to addressing the public safety issues afflicting tribal communities, and maintains the federal government's promise to fulfill its trust responsibility to Indian country.

The Department thanks the Committee for its interest in these critical issues and for its support of our tribal partners.

The CHAIRMAN. Thank you very much for your testimony.

Mr. ROBERTS.

STATEMENT OF LAWRENCE S. ROBERTS, ACTING ASSISTANT SECRETARY—INDIAN AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR

Mr. ROBERTS. Good afternoon, Chairman Barrasso, Vice Chairman Tester, and members of the Committee. I want to thank you for the opportunity to testify today. It is an honor for me to be here before you all as Acting Assistant Secretary for Indian Affairs.

I want to begin by thanking each and every one of you on the Committee for your dedication to Indian Country. I know that you work every day to educate your colleagues on the challenges faced by tribes and the importance of upholding trust and treaty obligations.

I want to begin by reflecting on our collective work and how it has, particularly with tribal leadership, made a difference in Indian Country.

In fiscal year 2008, appropriations for Indian Affairs was \$2.9 billion, a \$17 million decrease from fiscal year 2007. Budgets were steadily shrinking for Indian Affairs and tribes and career employees were being asked to do more with less.

There is no doubt that today's budget climate remains difficult. The Washington Post reported that the President's budget increased discretionary spending overall by less than one percent.

Unlike the rest of the discretionary budget, the President's budget request for Indian Affairs reflects a 4.9 percent increase over 16 enacted levels.

When compared with 2008 to today, Indian Affairs' proposed budget of \$2.9 billion, a nearly \$138 million increase over fiscal year 2016, I think we can collectively agree that strong bipartisan support for budgets is there to foster self-determination in strong tribal communities.

The increase in appropriations and successes in Indian Country is due in large part to the work of tribal leaders. Since 2008, our career staff has decreased by approximately 1,600 employees. That is nearly 17 percent of Indian Affairs' work force.

We have seen that whether it is a direct service tribe or a self-governance tribe, tribal leadership has proven that with increased funding, they can deliver results. We have seen the reduction in violent crime through focused resources in certain communities. We have seen it in the reduction in recidivism and we have seen progress in the TIWAHE Program.

The President's proposed budget builds on Indian Country's work through careful coordination with the tribes through our Tribal Interior Budget Council. The President's budget includes full funding for contract support costs and proposes that it be mandatory for funding beginning in fiscal year 2018.

The 2017 budget proposes a \$21 million increase to support TIWAHE objectives including \$12.3 million for social services, a \$3.4 million increase for Indian Child Welfare Act programs and an additional \$1.7 million to improve access to suitable housing.

The President's budget reflects the need to invest in Indian families and promote safe communities at the outset that provide an environment that removes those barriers to success for our Native

youth and young adults. The fiscal year 2017 budget includes investments in education through scholarships and increased funding for Haskell, SIPI, United Tribes Technical College and the Navajo Technical University.

It proposes a \$1.1 billion budget for BIE. The BIE is focused on serving as a capacity builder and service provider to support tribes and schools in educating their youth and delivering a world class and culturally appropriate education across Indian Country. The budget proposes full funding of tribal grant support costs for tribes that choose to operate BIE-funded schools to serve their students.

Finally, the budget provides \$138 million for education construction programs to replace and repair schools and facilities in poor condition and to address deferred maintenance needs at the 183 campuses in the BIE school system. The 2017 request for BIE school construction continues the momentum launched with the fiscal year 2016 appropriation and provides funding stability necessary to develop an orderly construction pipeline.

The President's budget continues the funding in fiscal year 2016 for the Indian Energy Service Center. The Center will expedite leasing, permitting and reporting for conventional and renewable energy projects on Indian lands and provide the resources to ensure that development occurs safely and appropriately manages risk.

The department is working with tribes to promote cooperative management. The President's budget requests a \$2 million increase to address subsistence management in Alaska. The funding will target areas across the State that promote tribal cooperative management for fish and wildlife and improve access to subsistence resources on Federal lands and waters.

I will close by saying in this difficult fiscal climate, the fiscal year 2017 budget proposes increases for Indian Affairs. At nearly \$138 million above the 2016 enacted levels, Indian Affairs is the second largest total requested budget increase of any bureau within the Department of Interior.

I know with your bipartisan support and leadership the Federal budget for Indian Country will continue to foster self-determination.

I am happy to appear before you today and I am happy to answer any questions you may have.

[The prepared statement of Mr. Roberts follows:]

PREPARED STATEMENT OF LAWRENCE S. ROBERTS, ACTING ASSISTANT SECRETARY—
INDIAN AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR

Good afternoon Chairman Barrasso, Vice Chairman Tester, 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 Indian Affairs for Fiscal Year (FY) 2017. The FY 2017 budget request for Indian Affairs programs totals \$2.9 billion, which is \$137.6 million more than the FY 2016 enacted level.

Within Indian Affairs, our funding priorities are guided by careful coordination with tribes through a regional-to-national planning process through the Tribal Interior Budget Council. These and other sources of tribal input have informed legislative and programmatic initiatives and funding priorities in the FY 2017 budget, including full funding for contract support costs and a proposal to fund contract support costs through a mandatory account beginning in FY 2018.

The Indian Affairs budget provides significant increases across a wide range of Federal programs that serve tribes and supports improved tribal access to Federal program and resources. Indian Affairs plays a unique and important role in carrying

out the Federal trust responsibility and in serving tribes. The budget makes the most out of each dollar dedicated to Indian Country programs by proposing further development of a one-stop shop approach for facilitating tribal access to Federal funds and programs across the U.S. government.

Supporting Indian Families and Protecting Indian Country

Supporting Indian families and ensuring public safety are top priorities for the President and tribal leaders. As part of the President's commitment to protect and promote the development of prosperous tribal communities, BIA will continue to expand the Tiwahe initiative. Tiwahe, which means family in the Lakota language, promotes a comprehensive, integrated and community-based approach to support child welfare, family stability, and strengthening tribal communities as a whole. The initiative directly supports the President's Generation Indigenous initiative launched in 2014 to address barriers to success for Native youth by leveraging BIA programs in concert with other Federal programs supporting family and community stability and cultural awareness.

Children living in poverty are far more likely to be exposed to violence and psychological trauma, both at home and in the surrounding community. Many Indian communities face high rates of poverty, substance abuse, suicide, and violent crime, leading to serious and persistent child abuse and neglect issues. Child maltreatment often leads to disrupted extended family support networks and broken families when children are placed outside the community. Solutions lie in addressing the interrelated problems of poverty, violence, and substance abuse faced by many communities to help improve the lives and opportunities of Indian families. This requires tribally-initiated coordination of social service programs; steps to maintain family cohesiveness; preparation of family wage earners for work opportunities; and rehabilitative alternatives to incarceration for family members with substance abuse issues.

Currently, four tribal communities (the Ute Mountain Ute Tribe, Colorado; the Spirit Lake Tribe, North Dakota; the Association of Village Council Presidents (AVCP), Alaska; and the Red Lake Nation, Minnesota) are participating in the Tiwahe initiative as the initial pilot sites. The BIA will be adding two additional sites in FY 2016.

The Ute Mountain Ute Tribe has developed a "Tour de Ute" concept—a "one stop" Tiwahe Center that centralizes services at Ute Mountain Ute. The Center will provide culturally relevant services which incorporate tribally specific practices, traditions and approaches for intervention and prevention. The Ute Mountain Ute's Tiwahe team also supported production of a short film entitled "Escape," which was made by Ute Mountain Ute youth and which discusses serious issues faced by tribal youth, such as bullying, identity, and suicide. The film premiered in Durango, Colorado in October of 2015 and was also screened later in the fall at the LA SKINS FEST, a film festival in Los Angeles, California.

Further, the BIA Division of Human Services, through a partnership with selected Schools of Social Work, is creating a Center for Excellence. The Center will provide opportunities for learning, cross-training, and information sharing for tribes in the areas of leadership, best practices, research, support and training. Additionally, the Center for Excellence will allow Tiwahe tribes the opportunity to train other tribes and tribal organizations on a comprehensive approach for a coordinated service delivery model. Tiwahe tribes will also be able to share best practices and lessons learned from implementation of year one and two of the Tiwahe Initiative.

The FY 2017 budget proposes \$21.0 million in program increases to support Tiwahe objectives, including \$12.3 million for social services programs to provide culturally-appropriate services with the goal of empowering individuals and families through health promotion, family stability, and strengthening tribal communities as a whole. The budget also includes increases of \$3.4 million for Indian Child Welfare Act programs that work with social services programs and the courts to keep Indian children in need of foster care in Indian communities where possible; an additional \$1.7 million to improve access to suitable housing for Indian families with children; and a \$1.0 million increase for job training and placement. The budget includes an additional \$2.6 million for tribal courts to implement a comprehensive strategy to provide alternatives to incarceration and increase treatment opportunities across Indian Country.

As a Departmental priority goal, the BIA Office of Justice Services (OJS) works to support rehabilitation and reduce recidivism by promoting alternatives to incarceration. The BIA OJS, responding to concerns raised by tribes, law enforcement and tribal courts about high rates of alcohol- and drug-related offenses, in 2014 created the Diversion and Re-entry Division (DRD). The DRD is transforming institutional practices to focus on recidivism reduction and solution-focused sentencing ini-

tiatives. These initiatives are intended to create alternatives to incarceration that build onto existing treatment services in tribal communities.

As part of DRD's efforts to reduce recidivism, three reservations were selected to implement a pilot initiative, with the goal of reducing recidivism in a pre-identified cohort of 150 repeat offenders at these sites by three percent by September 30, 2015. At the end of FY 2015, the three tribes participating in the pilot experienced a combined average reduction in recidivism of 46 percent.

The BIA OJS will continue pilot programs at five sites that seek to lower rates of repeat incarceration, with the goal of reducing recidivism by a total of three percent within these communities by September 30, 2017. The pilot programs will continue to implement comprehensive alternatives to incarceration strategies that seek to address the underlying causes of repeat offenses—including substance abuse and social service needs—through alternative courts, increased treatment opportunities, probation programs, and interagency and intergovernmental partnerships with tribal, Federal, and State stakeholders. These efforts will promote public safety and community resilience in Indian Country.

In FY 2017, the BIA OJS will continue to provide technical assistance and training to tribes to amend tribal legal codes to reflect provisions in the Tribal Law and Order Act and reauthorization of the Violence Against Women Act, both of which expanded tribal court jurisdiction and responsibilities in all states. Updated codes will provide stronger protections and safety for vulnerable populations and will expand the jurisdiction of tribal law enforcement and justice systems over domestic violence altercations in Indian Country. The FY 2017 budget proposes \$1.8 million to build on the work with Indian tribes and tribal organizations to assess needs, consider options, and design, develop, and pilot tribal court systems for tribal communities subject to full or partial State jurisdiction of law enforcement activities under Public Law 83–280. The BIA is also implementing training for its law enforcement staff in the areas of law enforcement, social services, victim services, and courts. The BIA is making this training available to tribes operating these programs under self-determination contracts and self-governance funding agreements.

Creating Opportunities for Native Youth

The FY 2017 budget includes key investments to support Generation Indigenious, which takes an integrative, comprehensive, and culturally-appropriate approach to help improve lives of and opportunities for Native American youth. The FY 2017 budget maintains President Obama's vision for a 21st century Indian education system, grounded in both high academic standards and tribal values and traditions. The proposal invests in improving educational opportunities and quality from the earliest years through college so as to afford Native American youth world-class opportunities in today's global economy.

The Interior budget proposes \$1.1 billion in Indian education programs to support the implementation of the comprehensive transformation of the Bureau of Indian Education (BIE). The BIE is focused on serving as a capacity builder and service provider to support tribes and schools in educating their youth and delivering a world-class and culturally-appropriate education across Indian Country. As part of the transformation, the BIE has invested in areas that promote educational self-determination for tribal communities. The BIE issued the first Tribal Education Department grants in 2015 and Sovereignty in Education awards in 2014 and 2015 to foster the capacity of tribes to determine the educational needs of their youth and improve the operation of tribally managed school systems. Furthermore, the budget proposes full funding of Tribal Grant Support Costs for tribes which choose to operate BIE-funded schools to serve their students. The FY 2017 budget request builds upon this progress with increased program investments totaling \$49.3 million to improve opportunities and outcomes in the classroom; expand multi-generational programs to advance early childhood development; provide improved instructional services and teacher quality; and promote enhanced native language and cultural programs. The budget also proposes investments to further enhance broadband and digital access and support tribal control of student education.

The budget provides \$138.3 million for education construction programs to replace and repair school facilities in poor condition and address deferred maintenance needs at the 183 campuses in the BIE school system. The FY 2016 enacted appropriation funds replacement of the remaining two BIE school campuses on the priority list created in 2004 and supports planning for schools on the 2016 list. Finalization of the 2016 replacement school construction list is expected soon, once the rigorous process created through negotiated rulemaking is completed. The FY 2017 request for BIE school construction continues the momentum launched with the FY 2016 appropriation and provides the funding stability necessary to develop an orderly construction pipeline.

Post-secondary education is a priority for tribes which see advanced education as the path to economic development and a better quality of life for their communities. The FY 2017 budget continues recognition of the important role tribal post-secondary schools play in empowering Indian students and tribal communities. The budget includes an increase of \$2.0 million for the BIE-operated Haskell Indian University and Southwestern Indian Polytechnic Institute. The budget also includes an additional \$500,000 for tribal technical colleges—United Tribes Technical College and Navajo Technical University—which were forward funded for the first time in FY 2016. In addition, the BIE budget includes \$6.8 million in increases for tribally-controlled scholarships for post-secondary education, with a focus on recipients seeking degrees in the fields of science, technology, engineering, and mathematics.

To foster public/private partnerships to improve student experiences at BIE-funded schools, the FY 2017 budget proposes appropriations language enabling the Secretary to reactivate the National Foundation for American Indian Education. The proposed bill language will initiate a foundation focused on fundraising to create opportunities for Indian students in and out of the classroom. The budget also includes an increase of \$3.6 million for Johnson O'Malley grants to provide additional resources to tribes and organizations to meet the unique and specialized educational needs of American Indian and Alaska Native students.

Further supporting Native youth, the budget reflects an additional \$2.0 million to support youth participation in natural resources programs focused on the protection, enhancement, and conservation of natural resources through science, education, and cultural learning. Tribal youth will benefit from the mentoring and positive role models provided by tribal personnel who work to manage and protect tribal trust resources. Programs aimed at tribal youth help to open future job opportunities, instill respect for resources, and develop an appreciation of the importance of natural resources to tribal cultures and livelihoods. Funds will support approximately 60 new tribal youth projects and training programs throughout Indian Country and supplement existing training programs within the forestry, water, and agriculture programs.

Tribal Nation-Building

Programs run by tribes through contracts with the Federal government support tribal nation-building and self-determination. The FY 2017 budget continues the Administration's commitment to fully fund contract support costs with an increase of \$1.0 million above the FY 2016 enacted level to fully fund estimated requirements for FY 2017. The budget also includes a legislative proposal to fully fund BIA and Indian Health Service (IHS) contract support costs as mandatory funding, beginning in FY 2018. Indian Affairs will continue to work with tribes and consult on policies to address long-term programmatic and funding goals to advance tribal self-determination.

Tribes and tribal organizations have expressed long-standing concerns about the need for accurate, meaningful, and timely data collection in American Indian/Alaska Native communities. Tribal leaders and communities need access to quality data and information as they make decisions concerning their communities, economic development, and land and resource management. It is also critical that the Federal government collect and analyze quality data to ensure that Federal agencies and programs are delivering effective services to meet tribal needs and deliver on Federal responsibilities.

The FY 2017 BIA budget supports this effort with an increase of \$12.0 million to enable the Department of the Interior to work with tribes to improve data quality and availability for the benefit of tribes and programs, create a reimbursable support agreement with the Census Bureau to address data gaps in Indian Country, and to create an Office of Indian Affairs Policy, Program Evaluation, and Data to support effective, data-driven, tribal policy making and program implementation.

To implement an all-of-government approach to delivering programs and funding to Indian Country, the BIA budget proposes an increase of \$4.0 million to continue development of a Native American One-Stop website to make it easier for tribes to find and access the hundreds of services available to tribes across the Federal government. The funding will also support efforts at the regional and local levels to assist tribes to find services and receive consistent information about programs available to them. The website and support center will reduce costs by eliminating duplication of outreach efforts and services by Federal government agencies. The Native One-Stop website currently has a portal focused on programs that serve Native American youth, in support of the Generation Indigenous initiative.

Sustainable Stewardship of Trust Resources

The BIA's trust programs assist tribes in the management, development, and protection of Indian trust land and natural resources on 56 million surface acres and 60 million acres of subsurface mineral estates. These programs assist tribal landowners to optimize sustainable stewardship and use of resources, providing benefits such as revenue, jobs, and the protection of cultural, spiritual, and traditional resources. To facilitate management of trust resources, the budget includes a total increase of \$6.9 million for Trust Real Estate Services activities to expand capacity to address the probate backlog, land title and records processing, geospatial support needs, and database management.

The Indian Energy Service Center received initial funding in FY 2016. Income from energy is one of the larger sources of revenue generated from trust lands, with royalty income of \$826 million in 2015. The Center will expedite the leasing, permitting, and reporting for conventional and renewable energy on Indian lands and provide resources to ensure that development occurs safely, protects the environment, and manages risks appropriately. Technical assistance will be provided to support assessment of the social and environmental impacts of energy development. The Center includes staff from BIA, Office of Natural Resources Revenue (ONRR), Bureau of Land Management (BLM), and the Office of the Special Trustee (OST)—all of which have responsibilities related to tribal energy advancement. Working with the Department of Energy's Office of Indian Energy, the Center will provide a full suite of energy development-related services to tribes nationwide. The Center will coordinate and enhance BIA's ability to process leases, BLM's responsibility to approve and monitor Applications for Permits to Drill, and the ONRR responsibilities for royalty accounting; and will institute streamlined processes, standardized procedures, and best practices for development of conventional and renewable energy at various locations.

The BIA has taken several steps to help tribes proactively steward Indian resources to support economic stability, promote tribal cultural heritage, and protect the environment in Indian country. The Department is requesting a \$2.0 million increase to address subsistence management in Alaska. Alaska Native communities, among the most under-resourced in the country, are also at the highest risk of negative impacts to their basic cultural practices due to environmental changes, including climate change. The Department is committed to helping Alaska Native leaders build strong, prosperous and resilient communities. The funding will target areas across the state that promote tribal cooperative management of fish and wildlife and improve access to subsistence resources on Federal lands and waters. The budget also invests in stewardship of assets maintained by the BIA for the benefit of tribes. The budget proposes an additional \$2.0 million for the Safety of Dams program. The program is currently responsible for 136 high or significant-hazard dams located on 42 Indian reservations in 13 States. The program maintains and rehabilitates dams to protect communities in the floodplain downstream and to maintain the functions for which the dam was built. The program contracts with tribes to perform many aspects of the program. The budget also includes \$1.0 million for deferred maintenance needs at regional and agency facilities to address safety, security, and handicap accessibility issues.

Increasing Resilience of Natural Resources in Indian Country

Tribes throughout the U.S. are already experiencing the impacts of a changing climate including drought, intensifying wildfires, changes in plants and animals important to subsistence and cultural practices, impacts to treaty and trust resources, and coastal erosion and sea-level rise. Executive Order 13653, *Preparing the United States for the Impacts of Climate Change*, called on the Federal government to partner with tribes across the U.S. in planning, preparing for, and responding to the impacts of climate change.

With input from hundreds of tribal leaders, the budget provides a \$15.1 million increase over FY 2016 across eight BIA trust natural resource programs to support tribal communities in preparing for and responding to the impacts of climate change. Funds will provide support for tribes to develop and access science, tools, training, and planning and to build resilience into resource management, infrastructure, and community development activities. Funding will also be set aside to support Alaska Native villages in the Arctic and other critically vulnerable communities in improving the long-term resilience of their communities.

Tribal lands, particularly in the West and Alaska, are by their geography and location on the frontline of climate change, yet many of these communities face immense challenges in planning for and responding to the far-reaching impacts of climate change on infrastructure, economic development, food security, natural and cultural resources, and local culture. Some communities are already experiencing in-

creasingly devastating storms, droughts, floods, sea-level rise, and threats to subsistence resources. The budget supports climate change adaptation and resilience by funding training, studies, scenario planning, natural resource and infrastructure projects, public awareness and outreach efforts, capacity building, and other projects.

Indian Settlements

The FY 2017 budget request for Indian water rights settlements continues the Administration's strong commitment to resolve tribal water rights claims and ensure that tribes have access to use and manage water to meet domestic, economic, cultural, and ecological needs. Many of the projects supported in these agreements bring clean and potable water to tribal communities, while other projects repair crumbling irrigation and water delivery infrastructure on which tribal economies depend. These investments not only improve the health and well-being of tribal members and preserve existing economies but, over the long term, also bring the potential for jobs and economic development.

The FY 2017 Departmental budget for authorized settlements and technical and legal support involving tribal water rights totals \$215.5 million, an increase of \$4.6 million from the FY 2016 enacted level. In FY 2016, the Department completed funding for the Taos Pueblos water settlement and, in FY 2017, will complete the funding requirements for the BIA portion of the Aamodt water rights settlement.

To strengthen the Department's capacity to meet its trust responsibilities and more effectively partner with tribes on water issues, the FY 2017 budget includes a \$13.7 million increase across the operating budgets of BIA, Reclamation, BLM, the Fish and Wildlife Service, and the U.S. Geological Survey. This funding will support a robust, coordinated, Interior-wide approach to working with and supporting tribes in resolving water rights claims and supporting sustainable stewardship of tribal water resources. Funds will strengthen the engagement, management, and analytical capabilities of the Secretary's Indian Water Rights Office; increase coordination and expertise among bureaus and offices that work on these issues; and increase support to tribes.

The FY 2017 budget request also continues the Administration's strong commitment to honor enacted land settlements. The budget includes \$10.0 million to provide the Yurok Tribe in Northern California funds to acquire lands as authorized in the Hoopa-Yurok Settlement Act. The Act authorizes funding for the purpose of acquiring land or interests in land within, adjacent to, and contiguous with the Yurok Reservation from willing sellers. This one-time funding satisfies the Federal contribution. This funding for land acquisition supports efforts by the Yurok Tribe and partners in conservation to conserve 47,097 acres of the Klamath-Siskiyou ecoregion which will be managed as a salmon sanctuary and sustainable community forest. The conservation will ensure the health of the ecoregion and assist the Yurok community to revitalize its cultural heritage and develop a natural resource-based economy that supports and employs tribal members.

Summary

This FY 2017 budget 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 FY 2017 budget 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, expands access to education, and assists in supporting community resilience in the face of a changing climate.

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

The CHAIRMAN. Thank you very much, Mr. Roberts.
Ms. RAMIREZ.

STATEMENT OF LOURDES CASTRO RAMIREZ, PRINCIPAL DEPUTY ASSISTANT SECRETARY, OFFICE OF PUBLIC AND INDIAN HOUSING, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Ms. RAMIREZ. Chairman Barasso, Vice Chairman Tester, and members of the Committee, thank you very much for your partner-

ship over the years and for this opportunity to discuss HUD's fiscal year 2017 budget request.

Specifically, it proposes investments in Native American, Alaska Native and Native Hawaiian communities. As you know, Native American people hold a special place in our Country's history. They have made lasting contributions to every aspect of our Nation's life, our commerce, our culture, our character and more. However, the sad truth is that far too many members of this community face significant barriers to decent and affordable housing.

Studies show that Native people are more than three times as likely to live in overcrowded conditions. I witnessed these challenges firsthand when I travel to the Pine Ridge Reservation in South Dakota. I met families who were struggling to get by.

When I asked them what one thing would make their lives better, a young girl from the community said, a house. She wanted to know why her family could not find a decent place to rent, a place she could call home.

She explained that she has lived her entire life with her extended family in a small, overcrowded house and that her mother has been on the housing waiting list for nearly a decade. In her tribal community and in many others, it is all too common to see three or four families living together in a single, overcrowded home.

She clearly recognized what we all do, that safe, affordable housing provides a foundation that every American needs to achieve their dreams.

We have requested \$700 million for the Indian Housing Block Grant Program, the largest single source of funding for affordable housing under the Native American Housing Assistance and Self Determination Act. We expect this eight percent funding increase to support block grants to 567 tribes in 34 States.

HUD also requests \$5.5 million for the Indian Housing Loan Guarantee Program to assist Native Americans across the income spectrum in buying a home and building wealth. We want to help local leaders surround this housing with the assets that every community needs to thrive such as jobs, roads and infrastructure.

We are seeking \$80 million for the Indian Community Development Block Grant Program, an increase of \$20 million to spark economic development in tribal lands. I saw the impact of this funding during a recent visit with the Pascua Yaqui Nation in Arizona.

The tribe leveraged IHBG and ICDBG funds to finance and build 122 new affordable housing units including elderly housing and a community park in the town of Guadalupe. We want opportunity to reach every segment of society whether they are young or elderly, a family or a veteran returning from service overseas.

That is why I request authorization of the President's commitment to Native American youth by dedicating \$20 million to further generation indigenous of government-wide initiatives to improve the lives and opportunities for Native youth. It is also why we are working to ensure that every veteran has a home.

I thank members of this Committee for helping to create the tribal-HUD-VASH demonstration to assist brave Native Americans who served our Country and are now experiencing homelessness.

HUD and the VA awarded \$5.9 million in rental assistance to 26 tribes to assist 500 veterans. HUD is working closely with the VA and tribal partners to ensure that this demonstration succeeds in Indian Country. In fiscal year 2017, HUD requests \$7 million to renew tribal-HUD-VASH.

We recognize the right of Indian self-determination and tribal self-governance. We have fostered relationships that provide tribes the flexibility to design and implement place-based housing programs according to their local needs and customs.

We strongly support the reauthorization of NAHASDA. The tribes have made great strides even in very challenging budgetary environments. HUD looks forward to working with this Committee and with Congress on this vital piece of legislation.

Finally, HUD's fiscal year 2017 budget represents the Administration's strong commitment to Indian Country and recognizes the positive results that have been achieved through our Native American programs.

We are proud of the strong and growing capacity that our tribal partners have demonstrated in putting their limited resources to work and increasing their ability leverage Federal dollars.

Thank you again for the invitation to discuss our budget proposal. I look forward to the conversation today.

[The prepared statement of Ms. Ramirez follows:]

PREPARED STATEMENT OF LOURDES CASTRO RAMIREZ, PRINCIPAL DEPUTY ASSISTANT SECRETARY, OFFICE OF PUBLIC AND INDIAN HOUSING, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Thank you Chairman Barrasso, Vice Chairman Tester, and Members of the Committee, for this opportunity to discuss the Administration's Fiscal Year (FY) 2017 Budget Request for HUD, and how it addresses the housing and economic development needs in Indian Country. I also wish to acknowledge and thank the Committee's staff, not only for coordinating this hearing, but also for their ongoing engagement with HUD staff on the many issues that impact Native American communities across our nation.

The FY 2017 budget reflects the Administration's overall commitment to ending homelessness, helping families and individuals secure quality housing, building stronger communities, and increasing economic mobility. This budget is built on evidence of what works and invests in strategies proven to pay dividends for families and communities. The funding requests for HUD's Native American housing programs recognize the substantial need for decent, affordable housing and the significant economic hardship that exists in many Native American communities.

As the Principal Deputy Assistant Secretary for Public and Indian Housing, I have had the opportunity to visit Native communities to learn first-hand about the issues and challenges the tribes face, see how tribal communities have successfully put HUD programs and funding to work in addressing their needs and priorities, and to hear directly from tribal leaders on what we need to do to strengthen and improve HUD's policies and programs for Native Americans. Far too many Native American communities struggle with severely overcrowded housing, substandard living conditions, and significant barriers to economic opportunity.

The FY 2017 Budget not only significantly increases funding in Native American housing programs, but proposes key initiatives to address the needs of Native youth and Veterans, expand housing and economic opportunity, and revitalize communities.

HUD recognizes the right of Indian self-determination and tribal self-governance and has fostered relationships that provide tribes the flexibility to design and implement appropriate, place-based housing programs according to local needs and customs. HUD's budget provides a total of \$798 million to directly support housing and economic development in American Indian, Alaska Native, and Native Hawaiian communities nationwide. This is an increase of \$80 million above the FY 2016 enacted level and is expected to support \$698 million in block grants to 567 tribes in 34 states. For the Indian Housing Block Grant (IHBG) program, the requested in-

crease of \$50 million is long overdue. In the program's 19-year funding history, annual appropriations have ranged from \$600 million to \$700 million, but the average annual appropriation has only been \$639 million. Flat funding of this account has resulted in a significant decline in the program's buying power over the years, due to inflation and the soaring costs of new home construction. The net effect has been a decline in unit production by program grantees, even though program expenditure rates are at 95 percent. For example, in the last 5 years, production of new units steadily declined from 2,679 units produced in FY 2011, to 933 units in FY 2016.

Today, the U.S. Census reports that one out of every four Native Americans lives in poverty—including more than one-third of all Native American children. Far too many families live in unacceptable circumstances and face a future that lacks educational and economic opportunity. In the last 14 years (2003–2016), the number of low-income families in the Indian Housing Block Grant (IHBG) formula areas grew by almost 44 percent, and now exceeds 322,000 families. The number of overcrowded households, or households without adequate kitchens or plumbing, grew by 23 percent, to over 111,000 families. Finally, the number of families with severe housing costs grew by 58 percent, to over 66,000 families.¹

To put these numbers in greater perspective, American Indian and Alaska Native people living in tribal areas in 2006–2010 had a poverty rate and an unemployment rate that were at least twice as high as those rates for non-Indians nationally. American Indian and Alaska Native people in large tribal areas were more than 3 times as likely to live in housing that was overcrowded, and more than 11 times as likely than the national average to live in housing that did not have adequate plumbing facilities.²

I saw this for myself when I traveled to the Pine Ridge reservation in South Dakota to meet with tribal leadership, youth, housing officials, and senior representatives from several federal agencies. When asked by representatives of several federal agencies what one thing would make her life better, a young girl from a reservation got right to the point: “a house.” When many of us hear this, we assume she was echoing the American Dream of owning a home. But this young girl's request was even simpler: she just wanted to know why her family could not find a decent place to rent—a place that she could call home. “My mom has been on the waiting list for nine years,” she matter-of-factly informed the group. She explained that she has lived her entire life with extended family in a small, overcrowded house. On her reservation and many others like it across Native American communities, it is all too common to see three or four families living together in a two-bedroom home.

In further support of this funding request increase, it is important to highlight the strong and growing capacity that our tribal partners have demonstrated in putting their limited federal resources to work. As you are aware, there is a unique relationship between the Federal Government and tribal governments, established by long-standing treaties, court decisions, statutes, Executive Orders and the United States Constitution. Each of the 567 federally recognized tribes has its own culture, traditions, and government. HUD recognizes the importance of tribal sovereignty and our government-to-government relationships with tribes in the administration of Native American programs, which are designed to provide flexibility to the tribes to allow them to decide how best to address their individual housing needs and economic priorities.

Tribes have developed many innovative approaches that have improved the affordable housing, infrastructure, and public facilities available to eligible low-income families. In fact, HUD has implemented a process for collecting and sharing best practices by recipients of IHBG and Indian Community Development Block Grant (ICDBG) funds through the Office of Native American Program's (ONAP) website, CodeTalk (www.hud.gov/codetalk). For example:

- The Cherokee Nation in Oklahoma developed an automated tracking system for its housing programs, and has shared a description of how its environmental office uses i-Pads and wireless communications to access their system while in the field.
- The Tagiugmiullu Nunamiullu Housing Authority on the on the Northern Slope of Alaska collaborated with the Cold Climate Housing Research Center to design and build 24 modern, super energy-efficient, affordable homes. Their “best practices” as described on the Codetalk website, feature not only the design of

¹ HUD's Indian Housing Block Grant Formula, http://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/ih/codetalk/onap/ihbgformula

² *Continuity and Change: Demographic, Socioeconomic, and Housing Conditions of American Indians and Alaska Natives*, HUD-PD&R, January 2014, pp. 60–61.

the new homes, but how the housing entity leveraged its Indian Housing Block Grant and a Title VI loan to obtain additional funds to complete the project.

- The Sault Ste. Marie Tribe of Chippewa Indians Housing Authority, in Michigan, describes its complicated, but successful efforts to finance the provision of water and sewer service to an existing subdivision. The tribe used some of its own money, and was also awarded grants from USDA-Rural Development, the Environmental Protection Agency, the Indian Health Service, and funding from HUD's Indian Community Development Grant and Indian Housing Block Grant.
- The Pascua Yaqui Tribe in Arizona has successfully built 122 new affordable housing units including a five-plex for the elderly within the Town of Guadalupe and leveraged IHBG funds with ICDBG funds to finance the construction of a community park to serve their affordable housing units. They have also built a maintenance warehouse and expanded their administrative building.

This Administration's FY 2017 Budget recognizes the critical needs in Indian Country, and is committed to expanding opportunities for individuals, families, and communities.

Program Funding

IHBG and Title VI Loan Guarantee Programs—For FY 2017, the Administration is requesting \$700 million for the two programs authorized by the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA), the aforementioned IHBG program, and the Title VI loan guarantee program. This is an increase of \$50 million compared to the FY 2016 enacted funding. The IHBG program is the principal means by which HUD fulfills its trust obligations to low-income American Indians and Alaska Natives who live on Indian reservations or in other traditional Indian areas. The grant recipients are eligible tribal government entities or their designated housing entities (TDHEs), which deliver housing assistance to families in need. The Title VI loan guarantee program provides guaranteed loans for IHBG recipients that are in need of additional funds to engage in eligible affordable housing activities. Recipients leverage private market financing by pledging a portion of their IHBG grants as security to HUD in exchange for a 95 percent guarantee of any unpaid principal and interest due on a lender's loan.

With this requested \$700 million in funding, HUD will distribute \$698 million in block grant funds to approximately 369 recipients, representing tribes in 34 states. Combined with prior-year grant awards, this will allow tribal grantees to build, acquire, or substantially rehabilitate more than 5,000 affordable units in FY 2017. The funding will also allow grantees to operate and maintain approximately 40,000 older, affordable "HUD units," which were funded before NAHASDA was enacted. Other eligible uses for IHBG funds include, but are not limited to, the provision of housing counseling, crime prevention and safety activities for low-income residents, down payment assistance, tenant-based rental assistance, management of affordable housing properties, utility subsidies, energy auditing, loan making and processing, the acquisition of land on which to develop affordable housing, and administrative expenses.

The \$2 million in requested credit subsidy for the Title VI loan guarantee program can support up to \$18 million in loans. IHBG recipients may use this program to borrow from private lenders up to five times the amount of the "need portion" of their annual IHBG program to fund larger, longer term housing developments. About five loans each year are guaranteed, but the size of the projects and the loans vary widely from tribe to tribe.

The block grant and the Title VI loan guarantee program often work together, allowing grantees to leverage other sources of funds to maximum effect. For example, the Pojoaque Housing Corporation, in New Mexico, constructed a 30-unit rental housing development funded with: its IHBG; a 20-year, Title VI guaranteed loan originated by Century Bank; grant funds from HUD's Rural Housing and Economic Development program; a Federal Home Loan Bank Affordable Housing Program Grant; and Low Income Housing Tax Credits. The Siletz Tribe, in Oregon, invested almost \$70,000 of its block grant funds along with a \$1.4 million Title VI loan to construct seven new, energy-efficient homes to be sold to tribal members.

Indian Community Development Block Grant (ICDBG) Program—HUD's FY 2017 request also includes \$80 million for the ICDBG program, which is funded through the CDBG program and awarded competitively. This funding request represents an increase of \$20 million in comparison to the FY 2016 enacted level. ICDBG funding is used for many different types of housing and community development activities, such as economic development activities, addressing imminent threats to a community's health and safety, projects that make communities more resilient to weather

and climate change, projects that support at-risk Native youth, and mold remediation and prevention. For example, the Kickapoo Traditional Tribe of Texas used ICDBG funds to construct a community wellness center for tribal members. The Wellness Center has a gymnasium, computer lab, physical therapy pool, a cafeteria and dining area, and hosts various enrichment programs for children, teens, and the elderly.

Of the \$80 million for ICDBG, up to \$20 million will be set aside to assist tribes in addressing the needs of Native American youth. This initiative is part of President Obama's Government-wide effort, Generation Indigenous, to improve the lives and opportunities for Native American youth, who are the future of Indian Country. Under this proposal, tribes will be able to compete for funding for community projects that will help to improve outcomes for Native youth, such as construction or renovations of community centers, health clinics, transitional housing, pre-school/Head Start facilities and teacher housing to attract and retain high-quality teachers.

Indian Housing Loan Guarantee Program—The Department is also requesting \$5.5 million for the Indian Housing Loan Guarantee program (also known as the Section 184 program). The request will support up to \$1.3 billion in loan guarantees. To meet anticipated program demand with a funding level of \$5.5 million, HUD is planning to implement a modest 10 basis point increase in the annual fee. HUD will conduct outreach to tribes in advance of this fee increase.

The program provides an incentive for private lenders to market loans to American Indians and Alaska Natives by guaranteeing 100 percent repayment of the unpaid principal and interest due in the event of a default. HUD approved lenders receive a loan guarantee in exchange for making market-rate mortgage loans to American Indians and Alaska Native families, Indian tribes, and tribally-designated housing entities to purchase, construct, refinance or rehabilitate single-family homes on trust or restricted land and in tribal areas of operations. The program makes homeownership a realistic option for tribal members across the income spectrum. Tribes can use the program to diversify the type of housing on native lands by developing housing for homeownership or as long-term rentals without affordability restrictions.

Native Hawaiian Housing Block Grant (NHHBG): The Department requests \$500,000 for FY 2017 for the NHHBG program, which was not funded in FY 2016 due to the existing amount of carryover funding to support program activities. Since its inception in FY 2002, the Department of Hawaiian Home Lands, which is the sole grantee, has built, acquired, or rehabilitated 601 affordable homes on Hawaiian home lands, using NHHBG funds. In addition, 325 lots had been improved with infrastructure development to support construction of new homeownership units. Three community centers have been rehabilitated, which provide services to affordable housing residents. And, more than 1,600 individuals and families have received housing services, such as pre-and post-homebuyer education, financial literacy training, and/or self-help home repair training to sustain safe, decent homeownership housing. In FY 2016, the infrastructure for 278 more lots is scheduled to be completed, and it is expected that 30 new homes and their related infrastructure will be built each year in FY 2016 and FY 2017.

Key Initiatives

In addition to the increased funding for HUD's Native American programs, the Budget includes several proposals that would replicate successful public housing and voucher initiatives in Indian Country. These initiatives have been modified where necessary to meet the specific needs and unique circumstances of Indian Country.

Tribal HUD-VASH—HUD's FY 2017 Budget also provides funding to support the Tribal HUD-Veterans Affairs Supportive Housing (VASH) demonstration program. Since FY 2008, HUD has partnered with the Department of Veterans Affairs (VA) to provide rental assistance and supportive services to homeless veterans. This successful program has assisted over 151,000 homeless veterans. However, until FY 2015, this program was unable to reach Native American veterans in tribal communities because tribes or their designated housing entities were not eligible to manage housing choice vouchers.

Recognizing the need to extend this successful program to the brave Native Americans who served our country in the Armed Forces and are now experiencing homelessness or are at-risk of homelessness on or near a reservation or other Indian areas, Congress authorized and funded the Tribal HUD-VASH demonstration in FY 2015. Under this demonstration, \$5.9 million in rental assistance from HUD has been made available to 26 tribes. Combined with case management services through the VA, this demonstration is expected to assist approximately 500 homeless Native American veterans.

For FY 2017, HUD is requesting \$7 million to renew the Tribal HUD–VASH rental assistance. We are working closely with the VA, the United States Interagency Council on Homelessness, and our tribal partners to ensure that the Tribal HUD–VASH demonstration meets the needs of homeless veterans in Indian Country as effectively as it has in the rest of the country. HUD is further proposing that any funds that remain available after the renewal funds (and associated administrative fees) are used to provide additional rental assistance to eligible recipients under the Tribal HUD–VASH demonstration so that we can increase the number of veterans served, in addition to sustaining the existing program.

Jobs-Plus Pilot for Indian Country—HUD is requesting funding in FY 2017 to support the Jobs-Plus Initiative, an evidence-based strategy for increasing the employment opportunities of public housing residents through a three-pronged program of employment services, rent-based work incentives, and community support for work. Of the \$35 million requested, HUD is proposing that up to \$5 million would be made available for tribes and tribally designated housing entities (TDHEs). The program would be tailored to the specific needs of tribal communities; however, core components of Jobs-Plus would remain the same—financial incentives, job promotion and training activities for tribal members and clients of the TDHEs, community support for work, and connections to employment opportunities.

ConnectHome—On July 15, 2015, President Obama and HUD Secretary Castro announced the selection of 27 cities and one tribal nation, the Choctaw Nation of Oklahoma, to participate in ConnectHome. Under this pilot, eight Internet service providers are partnering with the participating jurisdictions to bridge the gap in digital access by providing discounted broadband Internet service to families that reside in HUD-assisted housing. The Choctaw Nation, Cherokee Communications, Pine Telephone, Suddenlink Communications, and Vyve Broadband are working together to ensure that over 425 tribal housing residents have access to low-cost, high-speed Internet. Best Buy is also offering computer training and technical support to expand the impact of broadband access for the Choctaw Nation.

HUD is requesting \$5 million in 2017 to support this pilot. The requested funding will be used to award competitive grants that increase broadband access and adoption, such as grants to hire and train program coordinators. The coordinator would serve as the primary link between the public housing authority or the tribally-designated housing entity, the Internet Service Provider, and federal, State, and local partners. On February 24th, 2016, HUD provided guidance to all tribal government and tribal housing leaders on using IHBG, Title VI, and ICDBG funds to expand broadband connectivity in their low-income communities.

Choice Neighborhoods—HUD is requesting \$200 million for Choice Neighborhoods for FY 2017. Tribes and tribally-designated housing entities are eligible to apply for Choice Neighborhoods funding. The Choice Neighborhoods program provides competitive grants to transform neighborhoods of concentrated poverty into sustainable, mixed-income communities, with a focus on improved housing, successful residents, and vibrant neighborhoods. Building on the success of the HOPE VI program, Choice Neighborhoods leverages significant funds and fosters partnerships, giving communities the ability to address persistent violent crime, create connections to job opportunities, and improve schools in order to change the trajectories of families living in those neighborhoods. Choice Neighborhoods provides two kind of grants: (1) Implementation Grants, which allow communities to put their plans for neighborhood revitalization into effect; and (2) Planning and Action Grants that support the development of comprehensive strategies along with critical community improvement projects.

Collaborative Initiatives

Tribal Consultation Policy—While cross-agency collaboration and coordination between Federal agencies and local stakeholders is essential to effectively address the needs of Indian Country, at its core, HUD’s most important partner in this endeavor remains the tribes and their housing entities. Tribal leaders must be empowered to develop their own solutions to the challenges that may face their communities. HUD is finalizing a Tribal Consultation Policy that will give tribes a stronger voice in shaping HUD’s work in Native communities.

Negotiated Rulemaking—HUD participated in a negotiated rulemaking committee with 24 tribal representatives concerning the Indian Housing Block Grant (IHBG) funding formula. This committee last met in January 2016 to finalize the last set of proposed changes to the regulations governing the IHBG formula. The Department is currently finalizing a draft of the proposed rule for review by the Office of Management and Budget as a precursor to a Federal Register publication of the proposed rule for general public comment.

HUD also strongly supports the reauthorization of NAHASDA, which authorizes the single largest source of Federal funding for housing in Indian Country. The tribes have made great strides under this seminal piece of legislation, even in very challenging budgetary environments.

Place-Based Initiatives—HUD has also been an active participant in the ongoing interagency efforts to address the significant housing, capacity, and infrastructure needs on the Pine Ridge reservation, which has been designated as one of the Administration’s Promise Zones. The Promise Zone is a 10-year designation, and HUD is partnering with over a dozen Federal agencies to help on-going efforts to spark growth and increase opportunities for the residents of Pine Ridge.

Environmental Reviews—HUD is teaming up with other federal partners to bring the benefits of interagency collaborative initiatives to our Native American stakeholders. A GAO report in March 2014 identified differing environmental review requirements among agencies as a challenge that delays projects and increases costs when tribes combine funding sources. Subsequently, HUD was directed by the Senate Report accompanying the FY 2015 Transportation and Housing and Urban Development and Related Agencies Appropriations Bill to lead a working group of Federal agencies to develop a coordinated environmental review process for housing and housing-related infrastructure in Indian Country. HUD worked with the Council on Environmental Quality, the Environmental Protection Agency, the Department of Agriculture, the Department of the Interior’s Bureau of Indian Affairs, and other Federal agencies to complete a report to Congress with findings and recommendations on streamlining the Federal environmental review process, entitled “Coordinated Environmental Review Process Final Report.” HUD wishes to recognize and thank all the tribal leaders who helped with this process—their insights and participation throughout the process have been invaluable, and almost all of the report recommendations stem directly from their feedback. HUD continues to lead the group as it works to implement the report’s recommendations.

Technical Assistance—HUD recognizes the importance of assisting tribes and their housing entities to increase their capacity and technical expertise. The FY 2017 budget proposes that Native American technical assistance be funded through transfers into the Department-wide Research and Technical Account managed by HUD’s Office of Policy, Development and Research (PD&R). Program transfers for these purposes reflect the Department’s commitment to the progress made toward cross-programmatic, better-targeted technical assistance and capacity building. HUD intends to allocate \$5 million in program transfers to Native American technical assistance activities. While PD&R will manage the funding award process, ONAP will continue to seek input from tribes on the needs and will retain decision-making authority on the awards.

Comprehensive Housing Needs Study—Finally, HUD’s Office of Policy Development and Research is close to completing the most comprehensive national housing survey of American Indians and Alaska Natives on tribal lands. The study’s objective is to provide clear, credible, and consistent information to assess the housing needs and conditions in Native American communities. The study will also present information on how tribes are using NAHASDA funds and will analyze the successes and barriers to Section 184 mortgage lending in Indian Country. The study will inform policy, allow HUD to serve tribes more effectively, and provide comprehensive data that the tribes can use in assessing the needs of their communities and formulating the strategies they will employ to best address those needs.

In closing, this Budget represents the Administration’s strong commitment to Indian Country, and recognizes not only the immense challenges facing tribes, but also positive results that have been achieved to-date through HUD’s Native American programs. Since 1998, IHBG recipients have built or acquired more than 38,000 affordable homes and supported more than 78,000 rehabilitation projects in Indian Country. The Section 184 program has guaranteed more than 31,000 loans for more than \$5.2 billion. American Indian and Alaska Native communities have increased their capacity to responsibly administer housing programs that are a good fit for their respective populations, geographies, and circumstances, investing more than \$13 billion in HUD funds since 1998 to build their communities. Through a combination of increased funding for Native American programs and new initiatives for Indian Country, this Budget request builds toward a future where all Americans, including the First Americans, have the opportunity to achieve and sustain economic mobility.

The CHAIRMAN. Thank you, Ms. Ramirez.
Ms. SMITH.

**STATEMENT OF MARY SMITH, PRINCIPAL DEPUTY DIRECTOR,
INDIAN HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH
AND HUMAN SERVICES**

Ms. SMITH. Good afternoon, Chairman Barrasso. Thanks so much for this opportunity today.

I am Mary Smith, Principal Deputy Director of the Indian Health Service. I have only been in my job as Principal Deputy Director for a little over a week, although I have been at the agency for slightly longer. I served approximately five months in the role of Deputy Director.

It has become quite clear to me that while the IHS is firmly committed to the mission of providing quality health care for American Indians and Alaska Natives, we face steep operational and quality of care challenges. This situation is unacceptable.

I do want to thank this Committee. I know it was little over a month ago that this Committee held an oversight hearing on the Indian Health Service. We appreciate the opportunity and the leadership that you have shown to shine a light on these issues. I firmly believe that if we are not talking about them, then we are not addressing them.

I appear before you today to underscore my commitment to fixing these challenges including the Great Plains and the more systemic issues we face as an agency such as staffing and housing.

We are committed to fixing these issues not simply in the short term but so that the changes are sustainable over time. I and the rest of the team at IHS are committed to creating a culture of quality, leadership and accountability. It is far from business as usual at the Indian Health Service.

With that preamble, I am pleased to provide testimony on the President's proposed fiscal year 2017 budget for IHS, which will allow us to continue to make a difference in addressing our agency mission to raise the physical, mental, social and spiritual health of American Indians and Alaska Natives. I am committed to working with our partners, including this Committee, to provide access to quality health care to Native Americans.

The President's fiscal year 2017 budget proposes to increase the total IHS program budget to \$6.6 billion, which will add \$402 million to the fiscal year 2016 enacted level and if appropriated, this funding level would represent a 53 percent increase in funding for the Indian Health Service since fiscal year 2008.

The overall funding increases proposed in the President's budget are consistent with tribal priorities and will continue to address longstanding health disparities among Alaska Natives and American Indians.

Specific investments include expanding behavioral and mental health services; improving health care quality, capacity and work force; supporting self-determination by fully funding contract support costs; and ensuring health care access through addressing critical health care facility infrastructure needs.

The President's budget proposal includes for pay costs, inflation and population growth increases that are critical to maintaining the budgets of IHS and tribal hospitals.

The budget includes program increases of \$49 million of which \$46 million will be focused on critical behavioral health services,

including generation indigenous substance abuse and suicide prevention projects, increasing the number of child and adolescent behavioral professionals, continued integration between medical, behavioral health and tribal community organizations and domestic violence prevention programming.

I am pleased to report that the budget includes a new proposal, a two-year, mandatory proposal to address mental and behavioral health. This proposal includes a new \$15 million tribal crisis response fund which would allow IHS to expeditiously assist tribes experiencing behavioral health crises and an additional \$10 million to increase the number of behavioral health professionals through the American Indians into Psychology programs, IHS scholarships and loan repayment programs.

The budget also includes funds for infrastructure that are critical to health care delivery and to fund newly constructed facilities. I do want to acknowledge that we are aggressively working to address quality of care issues at all three of our facilities in the Great Plains area, Omaha-Winnebago, Rosebud and Pine Ridge.

The challenges there are longstanding, especially around recruitment and retention of providers but the deficiencies cited by CMS are unacceptable. We have an intense effort underway right now and have deployed Commissioned Corps Officers from throughout HHS.

The Acting Deputy Secretary is convening an Executive Council on Quality that will bring to bear all the resources of the department to assist IHS. We have also established a new deputy position to focus on quality of care.

We look forward to working in partnership with you to enact the President's budget. I want to emphasize we take these challenges to delivering high quality care very seriously. You have my commitment that we will work tirelessly to make meaningful, measurable progress.

[The prepared statement of Ms. Smith follows:]

PREPARED STATEMENT OF MARY SMITH, PRINCIPAL DEPUTY DIRECTOR, INDIAN HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Chairman and Members of the Committee:

Good morning. I am Mary Smith, Principal Deputy Director of the Indian Health Service (IHS). Accompanying me today are Elizabeth Fowler, Deputy Director for Management Operations, and Gary Hartz, Director of the Office of Environmental Health and Engineering. I am pleased to provide testimony on the proposed FY 2017 President's Budget for the IHS, which will allow us to continue to make a difference in addressing our agency mission to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives (AI/ANs) to the highest level.

The IHS is an agency within the Department of Health and Human Services (HHS) that provides a comprehensive health service delivery system for approximately 2.2 million AI/ANs from 567 federally recognized Tribes in 36 states. The IHS system consists of 12 Area offices, which are further divided into 170 Service Units that provide care at the local level. Health services are provided through facilities managed directly by the IHS, by Tribes under authorities of the Indian Self-Determination and Education Assistance Act, through services purchased from private providers, and through Urban Indian health programs.

As an agency we are committed to ensuring a healthier future for all AI/AN people, and the IHS budget is critical to our progress in accomplishing this. From FY 2008 through FY 2016, IHS appropriations have increased by 43 percent thanks in part to your committee, and these investments are making a substantial impact in the quantity and quality of health care we are able to provide to AI/ANs. The FY

2017 President's Budget proposes to increase the total IHS program level to \$6.6 billion, which will add \$402 million to the FY 2016 enacted funding level, and if appropriated, this funding level would represent a 53 percent increase in funding for the IHS since FY 2008.

The overall funding increases proposed in the President's Budget are consistent with tribal priorities and would continue to address long-standing health disparities among AI/AN, compared to other Americans. Specific investments include expanding behavioral and mental health services, improving health care quality, capacity, and workforce, supporting self-determination by fully funding Contract Support Costs (CSC) of Tribes who manage their own programs, and ensuring increased health care access through addressing critical health care facilities infrastructure needs.

Prioritizing Health Care Services

More specifically, the President's Budget proposal includes funding for pay costs, inflation and population growth increases totaling \$159 million, which are critical to maintaining the budgets of our IHS and Tribal hospitals, clinics and other programs at current year levels, and ensure continued support of services that are vital to improving health outcomes.

The Budget also includes program increases of \$49 million to grow health care services by targeting funding increases to help close the gap in health disparities experienced by AI/AN and improve their overall health and well-being. Of the \$49 million, \$46 million will be focused on critical behavioral health services, including \$15 million for Generation Indigenous substance abuse and suicide prevention projects to increase the number of child and adolescent behavioral professionals; \$21 million to fund continued integration between medical care, behavioral health, and Tribal community organizations to provide the entire spectrum of prevention to impact health outcomes; \$4 million to fund implementation of pilot projects for the Zero Suicide Initiative in IHS, Tribal, Urban (I/T/U) organizations; \$2 million to fund a youth pilot project to provide a continuum of care for AI/AN youth after they are discharged and return home from Youth Regional Treatment Centers; and \$4 million for domestic violence prevention to fund approximately 30 additional I/T/U organizations. And \$3 million to expand services provided through the Catastrophic Health Emergency Fund and Urban Indian Health Programs.

Improving the Quality of Health Care Delivery

The Budget includes funding increases intended to strengthen the provision of high-quality care. The Budget proposes an additional \$20 million for health information technology (IT) to fund improvement, enhancement, modernization, and security of health IT systems used for patient care data. And an additional \$2 million for the IHS Quality Consortium, which will coordinate quality improvement activities among the 27 IHS Hospitals, Critical Access Hospitals and over 200 Outpatient Ambulatory Clinics to reduce hospital acquired conditions, avoidable readmissions, support the IHS Quality Consortium Work Plan with associated buildup of professional Quality staff and development of a National Quality Manager Council. Additionally, this funding would help to address recent standard of care issues at three of our Great Plains Area hospitals.

Increasing Access to Quality Health Care Services through Improved Infrastructure

The Budget includes funds for infrastructure that is critical to health care delivery. Funding increases totaling \$43 million are proposed as follows: \$33 million to fund additional staff for five newly-constructed facilities opening between 2016 and 2017, including three Joint Venture facilities where Tribes funded the construction and equipment costs; \$9 million for Tribal clinic leases and maintenance costs, specifically where Tribal space is ineligible for IHS Maintenance and Improvement funds, such as Village Built Clinics in Alaska; \$.5 million to provide additional funds in reducing the maintenance backlog of \$473 million at Federal and Tribal facilities.

In addition, a total budget of \$133 million is proposed, (1) to complete construction of the Phoenix Indian Medical Center Northeast Ambulatory Care Center (\$53 million), (2) to begin design of the White River Hospital (\$15 million), (3) to continue construction of the Rapid City Health Center (\$28 million), (4) to continue construction of the Dilkon Alternative Rural Health Center (\$15 million), (5) to fund the Small Ambulatory Grants Program (\$10 million), and (6) to fund the replacement and addition of new staffing quarters in isolated and remote locations to enhance IHS recruitment and retention of health care professionals (\$12 million).

Public and private collections represent a significant portion of IHS and Tribal health care delivery budgets and are critical to support the IHS priority to improve the quality of and access to care. Third party collections from Medicare, Medicaid,

the Veterans Health Administration, and private insurance allows IHS and contracting tribes to provide additional health care services, purchase new equipment, hire necessary medical staff, and make essential building improvements. IHS estimates that in FY 2017 it will collect approximately \$1.2 billion in funds from Medicare, Medicaid, private insurance companies, and the Department of Veterans Affairs.

Supporting Indian Self-Determination

The Budget supports self-determination by continuing the separate indefinite appropriation account for CSC through FY 2017. Additionally, the Budget proposes to reclassify CSC as a mandatory, 3-year appropriation in FY 2018, with sufficient increases year over year to fully fund the estimated need for both the IHS and the Bureau of Indian Affairs. This funding approach continues the policy to fully fund CSC and helps to support self-determination.

Mandatory Funding Proposal for Mental Health Initiatives

The Budget includes a HHS-wide 2-year mandatory proposal to address mental and behavioral health. For the IHS, the proposal includes a new \$15 million Tribal Crisis Response Fund, which would allow the IHS to expeditiously assist Tribes experiencing behavioral health crises, and an additional \$10 million to increase the number of AI/AN behavioral health professionals through the American Indians into Psychology program and IHS scholarships and loan repayment programs.

Legislative Proposals

I would also like to highlight two of our legislative proposals. First, IHS is seeking a consistent definition of “Indian” in the Affordable Care Act (ACA). Currently, the ACA includes different definitions of “Indian” when outlining eligibility requirements for certain coverage provisions. These definitions are not consistent with eligibility requirements used for delivery of other federally supported health services to AI/AN under Medicaid, the Children’s Health Insurance Program, and the IHS. The Budget proposes to standardize ACA definitions to ensure all AI/ANs will be treated equally with respect to the Act’s coverage provisions, including access to qualified health plans with no cost sharing.

IHS is also seeking permanent reauthorization of the Special Diabetes Program for Indians (SDPI). The SDPI grant program provides funding for diabetes treatment and prevention to approximately 301 I/T/U health programs. Most recently, the SDPI has been reauthorized through September 2017. Reauthorization of the SDPI beyond FY 2017 will be required to continue progress in the prevention and treatment of diabetes in AI/AN communities. Permanent reauthorization allows the programs more continuity and the ability to plan more long term interventions and activities.

Great Plains Hospitals

Finally, I want to acknowledge that we are working aggressively with the full support of the HHS to address quality of care issues at three of our facilities in the Great Plains Area—Winnebago, Rosebud, and Pine Ridge. The challenges there are long-standing, especially around recruitment and retention of providers, but the deficiencies cited in the reports by the Centers for Medicare and Medicaid Services (CMS) are unacceptable. We have an intense effort underway right now through our corrective action plans to address the problems cited by CMS at these three hospitals. We brought in independent third-party reviewers to advise us on addressing the specific deficiencies found by CMS. The equipment identified in the CMS findings has already been replaced or procurement actions are underway. To further assist with addressing and implementing corrective actions, additional U.S. Public Health Service officers are supplementing IHS personnel in the Great Plains Area. I am also pleased to report that as part of our continuing workforce improvement efforts we recently received approval for an emergency department physicians’ pay package. At the same time, we are working to improve communications with the Tribes impacted. More broadly, we are redoubling their efforts to ensure that sustained, quality care is delivered consistently across IHS facilities. The HHS Secretary established the Executive Council on Quality Care, in which IHS is an active participant, and we are partnering with CMS to establish an agreement that will address systemic issues. As part of these longer-term efforts to make sustained change, we transformed our Hospital Consortium into a Quality Consortium and I have a new Deputy Director, Dorothy Dupree, who will work across the IHS to solely focus on quality improvement. We are also developing a strategic framework and sustainability plan for the Great Plains Area, in consultation with the Tribes, that is agile and will be used to evaluate and ensure quality across the entire system.

I close by emphasizing that even with all the challenges we face, I know that, working together throughout HHS, with our partners across Indian Country and in Congress, we can improve our Agency to better serve Tribal communities. I appreciate all your efforts in helping us provide the best possible health care services to the people we serve, and in helping to ensure a healthier future for American Indians and Alaska Natives.

Thank you and I am happy to answer any questions you may have.

The CHAIRMAN. Thank you, Ms. Smith.

Mr. PAYMENT.

**STATEMENT OF AARON PAYMENT, RECORDING SECRETARY,
NATIONAL CONGRESS OF AMERICAN INDIANS**

Mr. PAYMENT. Chairman Barrasso and members of the Committee, on behalf of the National Congress of American Indians, I would like to thank you for holding this important hearing.

The Federal budget for Indian programs is one of the key measures of how and whether the Federal Government is fulfilling its trust responsibility toward tribal governments. Respect for tribal self-determination is essential for the ability of tribal governments to meet the basic public needs of our citizens.

Due to historical underfunding, inconsistent Federal budgets and recent fluctuations in Federal funding, tribes have faced continued emergencies in meeting the health, education and public safety needs of our citizens.

NCAI's written testimony calls for equitable funding for tribal governments across the board and then addresses specific proposals in the Administration's budget. NCAI, in collaboration with tribal partners, has developed many more recommendations in the fiscal year 2017 Indian Country budget request. We ask that the document be entered into the record.

Overall, we appreciate the cross-agency coordination in this budget request and encourage Congress to recognize that the budgetary needs of Indian Country must be addressed across Federal agencies to be successful. It is not enough to boost funding for education and public safety without also addressing the need for housing for teachers and law enforcement personnel. A great example of collaboration is the TIWAHE initiative which is a pilot program that addresses family and community well being.

We have to tackle the interrelated problems of poverty, violence, substance abuse and unemployment in Indian Country in a holistic manner. In the last few years, we have seen tremendous progress in the Federal budget in the Congress' support for Indian Country and self-determination.

The fiscal year 2016 Omnibus included substantial increases for the BIA, BIE, IHS, and other core tribal government programs that we are hopeful the fiscal year 2017 budget will build upon and those investments made in Indian Country.

Although tribes have made some progress, there are key examples of egregiously underfunded services. I am appalled by what happened in Flint. Over 200 of members of my tribe were affected by this.

I am glad that Congress and the rest of the Nation are paying closer attention to what can happen when community infrastructure breaks down. I am equally appalled that no one is paying

enough attention to the infrastructural needs in Indian Country which lag far behind the rest of the Country.

Our citizens have been living under comparable conditions for decades with no plan for addressing the infrastructure problems in Indian Country. I ask you to consider this when the U.S. Commission on Civil Rights issues its updated report on the "Quiet Crisis" later this year.

This independent, bipartisan commission is undertaking a congressionally requested review of the Federal funding of unmet needs and obligations in Indian Country. We call on Congress to consider that long term prioritization of core tribal programs is necessary to reverse the trends and historical underfunding that have had longstanding, detrimental impacts on the Nation's first people.

BIA provides the funding for core tribal governmental services such as law enforcement and tribal courts, Indian child welfare, social services, education, roads and energy development. NCAI urges Congress to adopt at least a five percent increase for the BIA's budget to counteract the historical underfunding of this agency.

Fiscal year 2013 BIA funding has increased by about 24 percent. We are grateful for that but when adjusted for inflation, the fiscal year 2016 enacted level is below the fiscal year 2013 level by about 5 percent.

IHS faces major funding disparities as well compared to other Federal health care programs. The Administration's budget proposes an eight percent increase for IHS overall for a total of \$5.2 billion. We are grateful for that, yet the IHS Tribal Budget Formulation Work Group requested \$6.2 billion to maintain current services and provide for program expansions in the areas of preventative and behavioral medicine. This would be a great step toward meeting the \$30 billion overall need in IHS.

Lastly, I want to address a few of the legislative proposals in the fiscal year 2017 budget request that we urge this Committee to support.

Those items are reclassification of contract support costs as mandatory which we have been working on, and I am grateful, permanently authorizing the special diabetes program for Indians and a Carcieri fix, including language and appropriations bills or passing legislation in these areas would provide great benefits to Indian Country.

Congress must answer the moral and legal call to action so that Native people can look forward to improved prosperity and progress for future generations. Where tribes exercise self-determination, success stories abound but we need you in partnership with tribal governments to pass a Federal budget in Indian Country that reflects and honors the trust responsibility of the United States.

I want to thank you and I am happy to answer any questions that you may have.

[The prepared statement of Mr. Payment follows:]

PREPARED STATEMENT OF AARON PAYMENT, RECORDING SECRETARY, NATIONAL
CONGRESS OF AMERICAN INDIANS

Introduction

On behalf of the National Congress of American Indians (NCAI), I'd like to thank you for holding this important hearing on the President's Fiscal Year 2017 Indian Country Budget. NCAI is the oldest and largest American Indian organization in the United States. Tribal leaders created NCAI in 1944 as a response to termination and assimilation policies that threatened the existence of American Indian and Alaska Native tribes. Since then, NCAI has fought to preserve the treaty rights and sovereign status of tribal governments, while also ensuring that Native people may fully participate in the political system. As the most representative organization of American Indian and Alaska Native tribes, NCAI serves the broad interests of tribal governments across the nation. As Congress considers the FY 2017 budget and beyond, leaders of tribal nations call on decision-makers to ensure that the promises made to Indian Country are honored in the federal budget.

Due to fluctuations in federal funding and the uncertain budget process, many tribes have faced continued emergencies in meeting the public service needs of their citizens.¹ Effective tribal governments that can meet the essential needs of their citizens require the fulfillment of the federal trust responsibility and respect for tribal self-determination. This testimony calls for equitable funding for tribal governments across the board, and then addresses specific proposals in the Administration's FY 2017 budget, including the Bureau of Indian Affairs, natural resources and environment, health care, human services, and public safety and justice; however, NCAI, in collaboration with national, regional and issue specific tribal organizations, has developed comprehensive recommendations included in the FY 2017 Indian Country Budget Request, and we request for the document to be entered into the record.²

Overall, we appreciate the cross-agency coordinated aspect of this budget and encourage Congress to see the trust responsibility upheld across departments. We also support efforts to address interrelated issues when possible. For instance, the Tiwahe initiative is a holistic approach to addressing family and community well-being. We have to tackle the inter-related problems of poverty, violence, substance abuse, and unemployment in Indian Country. We have seen tremendous progress in the last few years with Congress's support for Indian Country and self-determination in the Federal budget. The Omnibus included substantial increases for BIA, BIE, IHS, and other core tribal government programs and we are hopeful that the FY 2017 budget will build on the investments made in Indian Country in the Omnibus.

Remember the Promises

The relationship between tribal nations and the federal government is unique and founded on mutual promises. The obligations to tribes and their citizens funded in the federal budget reflect the trust responsibility. This solemn commitment is the result of treaties negotiated and agreements made between Indian tribes and the United States in exchange for land and resources. The trust responsibility commits the federal government to the protection of Indian lands; protection of tribal self-governance; and, provision of social, medical, and educational services for tribal citizens.

The authority to fund programs that fulfill this responsibility is founded in the Constitution. In the course of American history, Indian tribes lost millions of acres of land through treaties and agreements, causing devastating losses through displacement and disruption of culture and religion. Tribal nations, however, continue to remember their treaties and agreements that made the United States what it is today. Moreover, tribes continue to defend their treaty-guaranteed rights and assert their powers of government, which emanate from the U.S. Constitution, treaties, acts of Congress, and presidential executive orders.

Respect for Tribal Governments

As a part of tribes' responsibility to their people, tribal governments provide a range of governmental services on tribal lands, including education, law enforcement, judicial systems, health care, environmental protection, natural resource management, and basic infrastructure such as housing, roads, bridges, sewers, public buildings, telecommunications, broadband and electrical services, and solid waste treatment and disposal. Tribes are assuming greater levels of government responsibility to meet their citizens' needs in culturally appropriate ways, but receive exceptionally inadequate federal funding for roads, schools, police and public services promised by treaty and the federal trust responsibility. A growing body of literature indicates that sound governance institutions are critical to improved tribal economies, and a lack of federal funding of trust and treaty obligations undermines the progress made in the Indian Self-Determination era.⁴¹

After federal policies, such as removal, relocation, forced assimilation, allotment, and termination, the continuing viability of tribal cultures and governments reflects the determination of Indian tribes to endure as distinct peoples. Indeed, understanding the role of tribes as governing entities is central to understanding the resilience of Indian Country and Native people today. Efforts to disband and assimilate tribes have drawn on the view of American Indians/Alaska Natives as ethnic or racial groups, as opposed to self-governing entities. In addition to military efforts against Native people, many iterations of federal policy attempted to destroy traditional tribal governments and eliminate tribal culture, most recently during the Indian termination era of the 1950s. Despite such efforts, hundreds of tribes remain and millions of American Indian/Alaska Native people survived, carrying the cultures and lifeways of their forebears, even if some wounds remain to heal.

Importance of Federal Treaty and Trust Obligations to Tribal Governments

Tribes' abilities to govern effectively remain a defining challenge for the revitalization of Indian Country. Indian Country continues to face tremendous economic need, the result of adverse policies, which affects not only employment, income, and poverty, but also the ability of tribes to raise revenues to finance their government services.

Many tribal nations face the under provision of basic public goods and services, such as public safety and justice, due to inadequate federal funding, weak tax bases, and dual taxation. Publicly provided services, such as education, sanitation, basic infrastructure, social services and natural resource management, have suffered due to the confluence of these barriers to tribal revenue. State governments provide few services on Indian reservations, but impose taxes on natural resources, retail sales, and increasingly on property such as wind generation facilities. Dual taxation exacerbates problems posed by weak tax bases: if tribes impose a tribal government tax, then the resulting dual taxation drives business away. Often, non-Indian businesses make up the bulk of a reservation's economy. Dual taxation causes many tribes to collect no taxes, leading to inadequate roads, schools, police, courts and health care. Reservation economies funnel millions of tax dollars into the treasuries of state and local governments who spend the funds outside of Indian Country. This fundamentally unfair dilemma undermines the Constitution's promise of respect for tribal sovereignty, and keeps Indian reservations the most

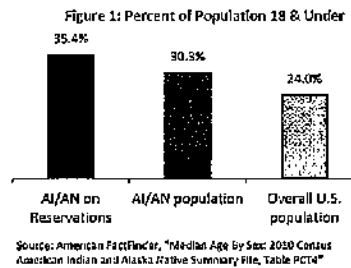
underserved communities in the nation. While tribal leaders pursue solutions for tribal authority to provide government revenue, the fulfillment of trust and treaty obligations remains of utmost importance to the well-being of American Indian and Alaska Native people.

Federal Funding for Core Tribal Governmental Services

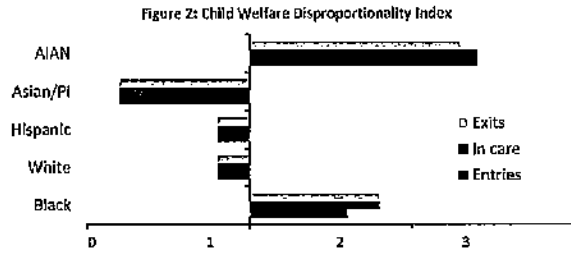
Funding decisions by the Administration and Congress are an expression of our nation's policy priorities, and the federal budget for tribal governmental services reflects the extent to which the United States honors its obligations to Indian people. As a consequence of federal actions and sequestration, Indian tribes across the nation have been forced to spend large amounts of scarce tribal funds to support the services that should have been provided or paid for by the United States. Tribal leaders as part of the Tribal Interior Budget Council have requested more information and detail on the Native American cross cut¹⁴ of federal funding for Indian tribes and their citizens.¹⁵ Specifically, tribal representatives identified the need for data on the most highly accessed and important programs that tribes depend on as "base funding," the number of tribes accessing the programs and funding opportunities, whether tribes must compete with other entities such as state and local governments, whether the funding passes through states, whether a match is required, and whether indirect costs are allowed. Other questions include why tribes have challenges accessing new funding opportunities and what action agencies could take to address those challenges.

Status of Indian Country

Trends throughout Indian Country reveal vast improvements in health, education, and social welfare since the beginning of the Indian self-determination era. While encouraging, addressing gaps in opportunity remains a pressing need, given the young population of Indian Country. Thirty-five percent of the Native population in the United States is 18 years old or younger, compared to 24 percent of the overall population. The median age on reservations is 27, ten years younger than for the overall U.S. population.

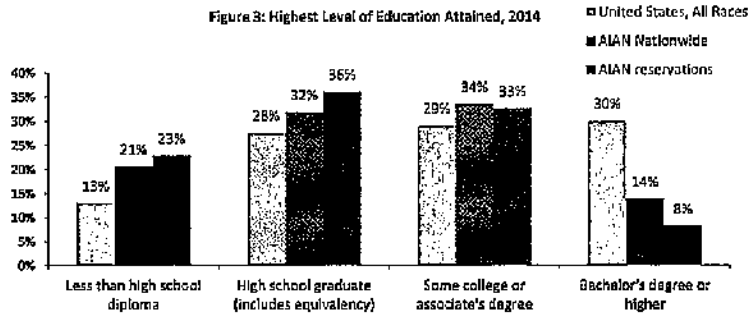


Child and Family Welfare: Ensuring tribal governments have the resources to meet the interrelated needs of their children, families, and communities are essential. Although Indian Country has much hope for our Native youth, our children are over represented in the foster care system, two and a half times their share of the population (Figure 2).^{16, 18} The Tiwahe Initiative, which tribes have undertaken in coordination with the Bureau of Indian Affairs, represents a promising approach to addressing the interrelated problems of poverty, violence, and substance abuse in Indian communities. Tribes are expanding and integrating job training and social services programs to address child and family welfare, job training, and incarceration issues to promote family stability. However, recent reports on reducing children's exposure to violence call for directing "sufficient funds to bring funding for tribal criminal and civil justice systems and tribal protection systems into parity with the rest of the United States."¹⁹ Tribal courts, Indian Child Welfare Act programs, and social services are critical funding streams addressing child and family welfare.



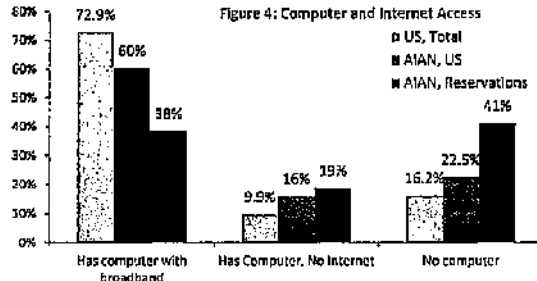
National Council of Juvenile and Family Court Judges (NCJFCJ), Disproportionality Rates for Children of Color in Foster Care, 2012

Opportunity: Education contributes to economic growth, while also expanding opportunities for individual advancement. For tribal communities, an educated citizenry serves as a catalyst to boost economic productivity and growth through a more highly-skilled workforce. In addition, investments in education strengthen the human capital across all sectors of society by attracting new businesses, reducing unemployment, and stimulating reservation economies through direct spending. However, low rates of educational attainment among American Indians and Alaska Natives continues to limit opportunity for economic success. In 2014, less than one in ten American Indians on reservations had a bachelor's degree or higher. Tribal leaders and our federal partners must work to promote educational success to nurture the next cadre of young people to lead tribal governments, strengthen tribal economies, while carrying forward their cultures. Funding and tribal control are key factors that must be addressed.



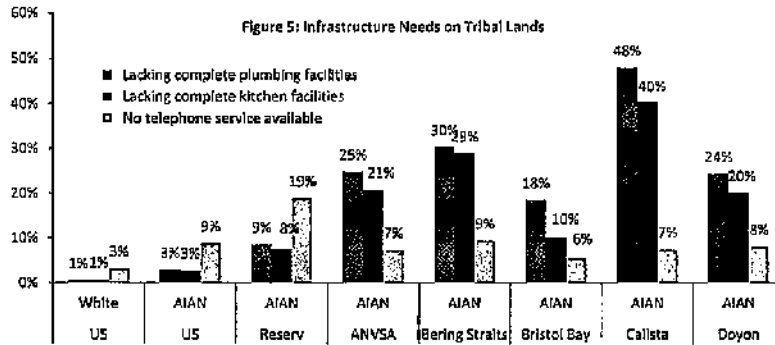
Source: U.S. Census Bureau, 2014 American Community Survey

Infrastructure: Tribal communities still lag behind the rest of the United States in access to radio, wireless, and broadband services. This disparity underscores the critical opportunity to ensure the advancement of telecommunications access throughout Indian Country. According to recent data, only 2 out of 5 Native households on reservations have a computer and broadband compared to 73 percent of all US households. Only 4 out of 10 Native households had a computer and broadband, compared to 7 out of 10 among the total population.



Source: U.S. Census Bureau, 2013 American Community Survey, Table B28009C

Tribal citizens have witnessed progress in addressing basic infrastructure disparities, but much work remains. Nationally, about 1 percent of households lack plumbing and kitchen facilities; but ten percent of AI/AN households are still missing basic necessities like plumbing and kitchen facilities. In Alaska, a quarter of AI/AN households lack complete plumbing and one-fifth lack kitchen facilities, still. Addressing these infrastructure gaps remain important



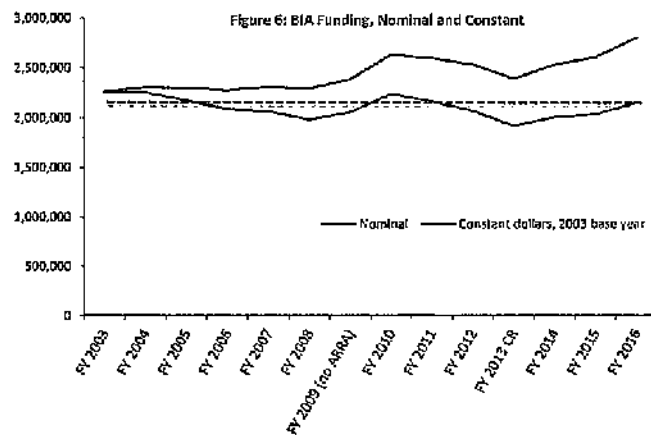
Likewise, the more than 160,000 miles of roads in Indian Country comprise the most underdeveloped roadway network in the nation. Critical 21st century infrastructure, such as broadband access, is also severely underdeveloped in Native communities. Undeniably, the lack of basic housing, transportation, and broadband infrastructure continues to pose significant challenges for tribal health, safety, and economic security.

Bureau of Indian Affairs

BIA provides the funding for core tribal governmental services, such as law enforcement and tribal courts, Indian child welfare programs, social services, Indian education, road maintenance, and energy development. The FY 2017 budget for Indian Affairs would be \$2.9 billion, an increase of \$137.6 million

above the FY2016 level, an increase of about 5 percent. Increases include \$49 million for the Bureau of Indian Education’s transformation, \$15 million for tribal climate resilience, \$12.9 million for Indian water rights, and \$21 million for the Tiwahe Initiative. NCAI urges Congress to adopt at least the 5 percent increase for BIA’s budget to counteract the historic underfunding of the agency. For instance, since FY 2003, BIA funding has increased in nominal dollars by about 24 percent, but when adjusted for inflation, the FY 2016 enacted level is below the FY 2003 level by about 5 percent.

Tribes are eligible for other grants, state pass-through funding, and set-asides, but BIA provides the stable base funding for governmental services for self-governance tribes, 638 contracting tribes, as well as direct service tribes. Other agencies provide important funding, such as the Department of Justice, but often are time-limited and may be competitive, so that the neediest tribes may not win grant funding.



Bureau of Indian Education

The BIE school system is one of only two federally-run school systems, the other being Department of Defense Schools. The Department of Defense schools serve approximately 78,000 students in 181 schools located in 12 foreign countries, seven states, Guam and Puerto Rico. Funding for BIE schools is derived primarily from federal sources (about 75% from the Department of the Interior; 24% from the Department of Education and 1% from the Department of Agriculture and other federal agencies). In comparison, public schools nationwide receive about 9 percent of their funding from federal sources and rely mostly on state and local funding. Currently, 620,000 or 92% of Indian students attend public schools and approximately 48,000 or 7% attend BIE schools

A major issue for BIE schools is the condition of BIE schools. According to prior testimony by the BIE, of the 184 BIE schools, 34 percent (63 schools) are in poor condition, and 27 percent are now over 40 years old. These substandard conditions are not conducive to educational success and impact the quality of education that the students receive. It is worth noting that a significant disparity exists in the treatment of BIE schools when compared to Department of Defense school funding. Despite demonstrated need, the Department of the Interior has consistently proposed low levels of funding for replacement school funding when compared with Department of Defense schools. At a 2014 Senate hearing where the

Department of Defense testified, it was noted that the fiscal year budget request for replacement of Department of Defense schools was \$315 million compared to a budget request of \$2 million increase for BIE schools. This is despite a demonstrated need of \$1.3 billion to clear the construction backlog at BIE schools. The FY 2016 Omnibus appropriations bill includes \$138 million total for education construction, which the explanatory statement notes is to "begin to restore the education construction budget which has declined significantly in recent years."

In the FY 2017 Budget Request, Education would see an increase of \$72 million for BIE activities and construction. Increases include:

- \$24.6 million for Elementary and Secondary Education
- \$2.1 million to fully fund Tribal Grant Support Costs
- \$8 million for Education Program Management
- \$6.5 million for the Indian School Equalization Program
- \$16.8 million for education information technology to enhance broadband and digital access
- \$6.6 million for scholarship and adult education and an increase of \$250,000 for Special Higher Education Scholarships
- \$3.6 million for Johnson O'Malley

Education Construction would receive a total of \$138.3 million. The increase includes \$25.3 million for replacement school construction to complete construction on the final two schools on the 2004 replacement school priority list. Tribal leaders as part of the Tribal Interior Budget Council have strongly supported education in Indian Country, specifically scholarships and adult education as well as Johnson O'Malley. We urge Congress to retain these increases for education programs.

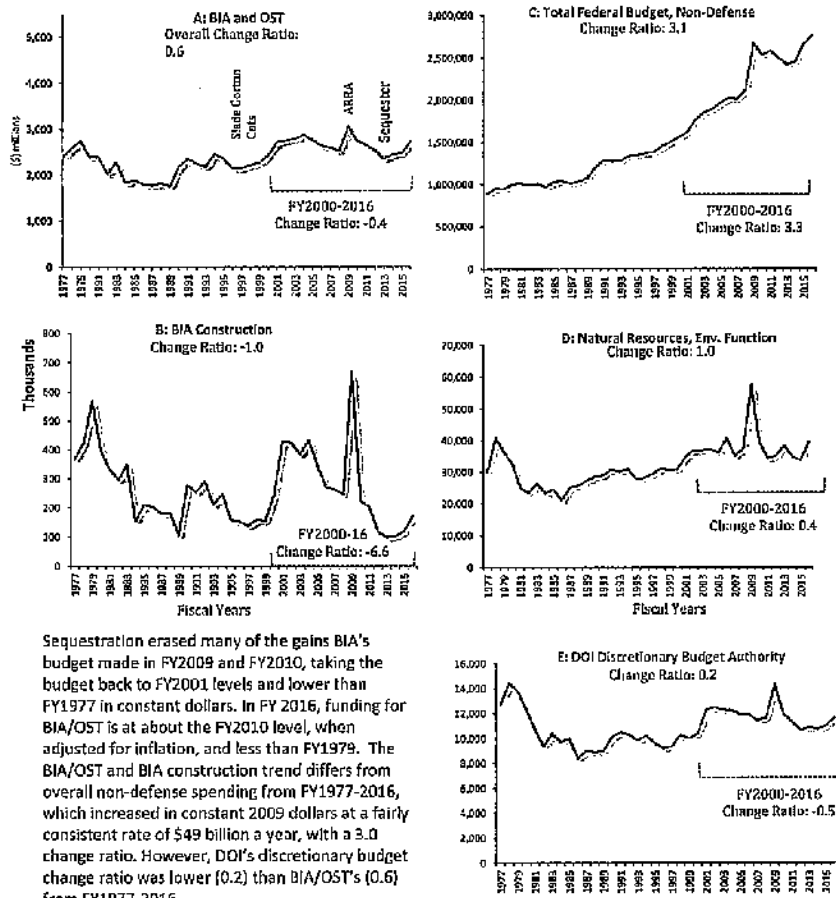
The President's budget also proposes \$4 million in the BIA's budget to establish a One-Stop Shop approach to support Tribes in accessing hundreds of services across the Federal government and build on the "Native One-Stop" effort launched in 2015. Ensuring that other bureaus and agencies outside of BIA and IHS meet their trust responsibility to Indian tribes will benefit all of Indian Country, so long as the major base funding for tribes continues to receive support from Congress and the Administration.

BIA's FY 2017 budget includes a propose data Initiative of \$12 million to enable the DOI to work with tribes to improve Federal data quality and availability, to create a reimbursable agreement with Census to address data gaps in Indian Country, and to create an Office of Indian Affairs Policy, Program Evaluation, and Data. This initiative would support data-driven, tribal policy-making and program implementation. This committee has been asking for data on tribal programs for years. We hope this office will provide the opportunity to improve program evaluation and justification as well as helping this committee in oversight. Many tribes however caution against funding for this initiative affecting tribal funding in BIA's budget.

Trends in BIA Funding

The line graphs in Figure 7 show the BIA/OST budget from FY1977 to FY2016 (President's budget, which is slightly more than FY 2016 enacted), adjusted for inflation, followed by the trend for the BIA construction account, the total federal budget (excluding defense and payments on the national debt), and the Natural Resources Budget function. From FY1977 to the levels proposed in the FY2016 President's budget, BIA and OST's budget trend has been irregular, with declines in the mid-1980s, gains in the early 1990s, reductions again in the mid-1990s, and high points in FY2004 and FY2010 (excluding one-time Recovery Act funds in FY2009).

Figure 7: FY1977-2016 BIA Trends in Inflation Adjusted Dollars

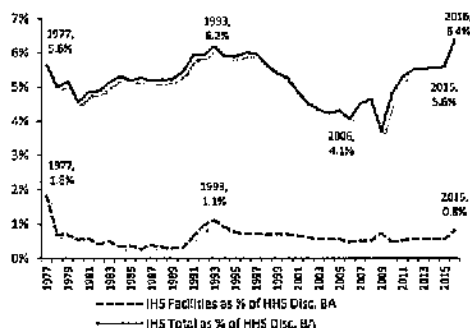


Sequestration erased many of the gains BIA's budget made in FY2009 and FY2010, taking the budget back to FY2001 levels and lower than FY1977 in constant dollars. In FY 2016, funding for BIA/OST is at about the FY2010 level, when adjusted for inflation, and less than FY1979. The BIA/OST and BIA construction trend differs from overall non-defense spending from FY1977-2016, which increased in constant 2009 dollars at a fairly consistent rate of \$49 billion a year, with a 3.0 change ratio. However, DOI's discretionary budget change ratio was lower (0.2) than BIA/OST's (0.6) from FY1977-2016.

Indian Health Service

The Indian Health Service budget (IHS) request for FY 2017 of \$5.185 billion in budget authority is an increase of \$377.4 million (nearly 8 percent) above the FY 2016 enacted level. This FY 2017 Budget includes a long-term proposal to fully fund Contract Support Costs (CSC), which is done by the reclassification of IHS CSC to mandatory funding beginning in FY 2018. The Budget also proposes to provide increased resources to purchase health care services outside of IHS when services are not available at an IHS-funded facility. The President's budget would extend the 100 percent Federal Medical Assistance Percentage (FMAP) for services that are provided to AI/AN through IHS under the Medicaid program. This expansion would include the entire Indian health system, including Urban Indian Health Programs (UIHP), bringing the federal match to UIHPs in line with current law for IHS and other tribally-operated programs. For FY 2017, the [Tribal Budget Formulation Workgroup](#) requested \$6.2 billion for IHS. NCAI appreciates the bipartisan support for the Indian Health Service budget in Congress and we look forward to ongoing support for the IHS budget in providing much needed increases for the IHS budget.

Figure 8: IHS as % of HHS Discretionary Budget



Substance Abuse and Mental Health Services Administration (SAMHSA)

For FY 2017, the Department of Health and Human Services (HHS) includes a department-wide Tribal Health and Well-Being Coordination Plan that calls on several HHS agencies—the Indian Health Service, Administration for Children and Families, SAMHSA, Health Resources and Services Administration, and the Centers for Disease Control and Prevention—to collaborate to improve health outcomes for AI/AN populations. NCAI welcomes the department-wide focus on tribal health and well-being, which will help address urgent behavioral and health disparities throughout Indian Country.

Tribal Behavioral Health Grants

The FY 2017 Budget Request is \$30 million, the same as the FY 2016 enacted budget. This request includes \$15 million in the Mental Health appropriation and \$15 million in the Substance Abuse Prevention appropriation. This funding will promote mental health and prevent substance use activities for high-risk AI/AN youth and their families. As a braided activity, SAMHSA will track separately any amounts spent or awarded under Tribal Behavioral Health Grants through the distinct appropriations and ensure that funds are used for purposes consistent with legislative direction and intent of these

appropriations. The Tribal Behavioral Health Grants program addresses the Administration's multi-agency Native Youth priority to reduce teen suicide, in support of the HHS Tribal Health and Well-Being Coordination. NCAI thanks for Congress for its support of the Tribal Behavioral Health Grants in FY 2016, and urges further increases now and in future appropriations.

Administration for Children and Families (ACF)

Within HHS, ACF provides the largest amount of funding to American Indians/Alaska Natives outside of the funds provided by the Indian Health Service. Out of a budget of \$50 billion, ACF awards on average \$617 million to Native Americans from Head Start, Child Care, TANF, LIHEAP, Child Support and the Administration for Native Americans, to name a few. NCAI's recommendations on many of these programs are available in the [Human Services](#) section of the NCAI FY17 budget request.

The FY 2017 Budget Request includes proposals designed to improve tribes' capacity to operate effective title IV-E programs, which NCAI has called for in the Native Children's Agenda, such as providing start-up funding for tribal title IV-E programs.

- **Provide start-up funding for tribes approved to operate title IV-E programs:** This re-proposal from the FY 2016 Budget allows Indian tribes, tribal organizations, or consortia that are approved to operate a title IV-E program under section 479B of the Social Security Act to apply for start-up funding, at the time of plan approval, to assist with the implementation of the program requirements in title IV-E of the Social Security Act. This includes time-limited enhanced FFP for administration and a temporary waiver of cost allocation requirements.
- **Increase IV-E match for tribal child welfare workforce:** This new proposal would amend title IV-E in order to develop the tribal child welfare workforce by increasing the match rate for case management and other case work activities performed by tribal casework staff and increasing FFP to 90 percent for training tribal caseworkers.

Increasing Tribal Access to Promoting Safe and Stable Families (PSSF): the FY 2017 budget requests a \$20 million increase in the discretionary PSSF appropriation from the FY 2016 enacted level to increase the capacity of tribes to administer child welfare services. American Indian and Alaska Native children are disproportionately represented at two times their population in state child welfare systems nationally. The PSSF proposal aims to address disproportionality, where in some states AI/AN children are overrepresented by as much as 10 times their population rate, by investing in tribal child welfare systems and culturally appropriate services to tribal families.

Tribal Court Improvement: A \$2.75 million increase is proposed for this program to allow ACF to fund a total of 25 tribal court improvement grants. The expansion of the Tribal Court Improvement Program would continue to strengthen the tribal court's capacity to exercise jurisdiction in Indian Child Welfare Act cases and to adjudicate child welfare cases in tribal court.

Department of Energy

In FY 2017, the Department of Energy again requests that Office of Indian Energy Policy and Programs (IE) be moved out of the Departmental Administration (DA) account and be established as a new stand-alone office with a separate appropriation under Energy Programs. The Energy Efficiency and Renewable Energy's Tribal Energy Program and the DA's Office of Indian Energy Policy and Programs would be consolidated under the new IE appropriation to promote alignment of the Department's Indian energy policies and financial assistance programs. Consolidation would result in more efficient and effective administration and management of Tribal activities and programs via a single program office.

The IE is requesting to double its FY 2016 budget to \$6 million to Indian tribes, Alaska Native Villages, Regional Corporations, and Tribal Energy Resources Development Organizations to meet the increased demand. Further, the office will provide \$12 million in grants for the deployment of innovative energy systems and technologies and for efficient delivery of technical assistance through the intertribal technical assistance networks.

For FY 2017, the Office of Indian Energy Policy & Programs would receive \$4.8 million and the Tribal Energy Programs would receive \$18.130 million, for a total of approximately \$23 million for the Office of Indian Energy Policy & Programs.

Environmental Protection Agency

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 the largest percentage of the EPA's budget request at 39.7 percent, or \$3.3 billion. Further, for the third year in a row, EPA requests an increase of \$31 million for the Tribal General Assistance Program. These additional funds will assist tribes in capacity building and promote protections for the environment and human health. This reflects an increase in base funding available for GAP grants, which will: (1) increase the average size of grants made to eligible tribes while providing tribes with a stronger foundation to build tribal capacity; and (2) further the EPA's partnership and collaboration with tribes to address a wider set of program responsibilities and challenges. As the largest single source of the EPA's funding to tribes, the Tribal GAP grants assist tribes to establish the capacity to implement programs to address environmental and public health issues in Indian Country. NCAI continues to support increased funds for Tribal GAP grants.

Department of Justice

The President's FY 2017 Budget request for the Department of Justice is \$29 billion. This includes \$420.3 million for the Department of Justice (DOJ) public safety initiatives in Indian Country, an increase of more than \$105 million over FY 2016 enacted levels. DOJ's request provides tribes with more flexibility in how they spend their DOJ grant dollars. Tribal justice systems are chronically under-resourced. There are three proposals that have repeatedly been made in the appropriations process that would begin to address this deficit in funding:

1. Direct 10% from across Office of Justice Programs (OJP) programs to create a flexible tribal program to support tribal criminal justice systems. This proposal, which has been included in the Senate Commerce-Justice-Science appropriations bill and the White House budget request for the past several years at the 7% level, would consolidate tribal public safety funding at DOJ and allow DOJ to move away from its current competitive grant funding model to provide more sustainable, base-funding for tribal criminal justice systems.
2. Direct 10% of the disbursements from the Crime Victims Fund to tribal governments. Unfortunately, victims in tribal communities, who experience the highest rates of criminal victimization in the country, have largely been left out of the annual disbursements from the Crime Victims Fund. While Congress has tripled disbursements over the past two-year to \$3 billion in FY 16, none of this funding has been directed to tribal governments. This must be remedied so that tribal governments can build the crime victims services infrastructure that is taken for granted in most of the rest of the country. (10% would be over \$250M)

3. Fund the program authorized in VAWA 2013 for SDVCI implementation at the authorized level of \$5 million. Congress appropriated \$2.5 million for this program for the first time in FY 2016.

Housing and Urban Development

Native American Housing Block Grant

The President has requested \$700 million for the Native American Housing Block Grants, a \$50 million increase over enacted appropriations level for FY 2016. Included in the increase is \$20 million to address the President's initiative on Native youth by increasing housing for teachers in tribal areas. HUD acknowledges that having decent, safe, and affordable housing is critical for stable families and communities.

Indian Housing Loan Guarantee Program (Section 184)

HUD has requested \$5.5 million for Section 184 Program for FY 2017, a decrease of \$2.3 million over FY 2016 enacted funding level.

Indian Community Development Block Grant

The budget request for Indian Community Development Block Grant for FY 2017 is \$80 million, a \$20 million increase from enacted FY 2016. The \$20 million increase is proposed to further the President's priority on Native Youth by funding construction and renovations of community centers, health clinics, transitional housing, pre-school and Head Start, and teacher housing.

Conclusion

Thank you for this opportunity to share our concerns on programs that fulfill treaty and trust obligations in the federal budget. We look forward to working with this Committee on a bipartisan basis once again this year.

¹ See NCAI Resolution ATL-14-084: Recommendations for Addressing the State of Emergency in Federal Underfunding of the Trust Responsibility

² National Congress of American Indians. (January 2014). Fiscal year 2015 Indian Country Budget Requests: An honorable budget for Indian country. Washington, DC: Author.

³ "Reloading the Dice: Improving the Chances for Economic Development on American Indian Reservations," Chapter One of What Can Tribes Do? Strategies and Institutions in American Economic Development, edited by Stephan Cornell and Joseph P. Kalt.

⁴ Native American Crosscut, FY 2016 Federal Funding for Programs Serving Tribes and Native American Communities, accessed at <http://www.doi.gov/budget/budget-data.cfm>

⁵ Tribal Interior Budget Council. (2015). Action Tracking Document, Motion passed on May 22, 2014 for a subgroup to work with QMB on Crosscut Document

⁶ National Council of Juvenile and Family Court Judges (NCJFCJ). Disproportionality Rates for Children of Color in Foster Care, 2012

⁷ These calculations require (1) the child population (by race) for any given state or jurisdiction, available from the 2010 census data; and (2) the number of children in the child welfare system (by race), available from the National Data Archive on Child Abuse and Neglect's Adoption and Foster Care Analysis and Reporting System (AFCARS).

⁸ U. S. Department of Justice, Office of Justice Programs, Office of Juvenile Justice and Delinquency Prevention. (2014). *Attorney General's Advisory Committee on American Indian/Alaska Native Children Exposed to Violence: Ending violence so children can thrive* (p. 51). Retrieved from <http://www.justice.gov/sites/default/files/defendingchildhood/pages/attachments/2014/11/16/finalalanreport.pdf>

The CHAIRMAN. Thank you very much, Mr. Payment. We appreciate your comments.

Ms. Smith, I would like to start with you because I agree with your comments about the challenges, the situation being unacceptable and that if we are not talking about the problems we are not addressing them and focusing on quality, leadership, accountability, and aggressively working, specifically in the Great Plains area.

As you know, members of this Committee had the hearing a couple of weeks ago where even members in the Senate who were not members of the Committee, such as Senator Thune, were here be-

cause of the concern we have regarding the conditions of the Indian Health Service and the Great Plains area specifically.

In fiscal year 2016 and I know you have only been on the job a short period of time, Congress appropriated \$2 million specifically to help address some of these emerging issues. Despite how dire the conditions are in the Great Plains area, it took the Administration several months to even figure out what to do with the \$2 million in appropriated funds. I know you were not there at the time.

Meanwhile, the facilities in the area have lost their Medicare provider status or are on the verge of losing it and patients and facilities ultimately pay the price. I know the funds would not have solved all of the problems in the area, but they were appropriated for the specific purpose and I think they could have made a difference.

Do you know why it takes the Administration so long to figure out what to do with the funds?

Ms. SMITH. First of all, I do want to thank the Senators for this funding. I think the funding you are referring to was allocated to any facility that had received a notice of deficiency from the Centers for Medicare and Medicaid. That was \$2 million and we are greatly appreciative.

I will let you know that we have decided to use that funding to replace equipment, some of the needs cited by CMS. We started replacing that equipment and getting the procurements in process before we were able to apportion the money.

I will tell you it was a process and it was a thoughtful process because we wanted to make sure the funds were distributed equitably. We had three facilities that were eligible for the funding.

We agreed for the first million, we would divide them equally. We wanted to make sure all the tribal communities had access to the funds.

The second million, we wanted to make sure we went with the Senate's intent for that money to replace possible lost billings. The second million would be allocated according to past collections.

Then we went through what equipment was needed. However, I would make it clear that the equipment at Rosebud cited by CMS, we had already either replaced that equipment or put it in procurement. That is money on top of the \$2 million.

We have decided with the \$2 million we will replace at each facility the central monitoring unit which is a unit that pretty much holds the entire hospital together. I understand those funds will be available to the area this week.

Thank you again.

The CHAIRMAN. Looking at the entire funding issue, the Health and Human Services Acting Deputy Secretary, Mary Wakefield, testified in this Committee in February that under the Administration, funding for the Indian Health Service actually increased by 43 percent over the past number of years. We continue to hear that the Service is underfunded.

To me, a big problem seems to be issues related to transparency and accountability. You used some of those words in your testimony. People do not always seem to know exactly where the money is going. I am hoping you can help us get a better understanding. You may have to get back to us with this.

For the last fiscal year and prior years under this Administration, what percentage of the appropriated funds was used for patient care? That is what we heard about a lot in the discussion, that less is being used for patient care whereas a larger percentage is used for administrative and other purposes.

If you could get that to us in terms of the percentages and actual dollar figures, we are all looking for this accountability and getting an understanding. May I have your agreement?

Ms. SMITH. Certainly, Senator. We will get that to you.

The CHAIRMAN. You raised the issue of the Great Plains. The Committee received a letter this past week from the Great Plains Tribal Chairmen's Association about the situation in the Great Plains. You are familiar with the situation, obviously. It asks that we take swift action to ensure that the Indian Health Service and the Department of Health and Human Services is working to address the immediate needs of Indian people in the Great Plains.

It goes on to say that the crisis in the Great Plains continues to escalate even after the hearing last month. An example is the impact of diverting patients from the Rosebud Indian Health Service emergency room. People are dying in transit to non-Indian hospitals in surrounding communities. The other hospitals are becoming overwhelmed with about a 67 percent spike in patients.

They report to us that the Indian Health Service is not even communicating with the hospitals where the patients are going to in order to ensure patient safety.

The tribes continue to be outraged. I think they have a right to be. This is a bipartisan issue of trying to help. We need real swift action, no bad dates and no more recycled plans to make plans.

Could you help us talk specifically about what exactly the Indian Health Service is going to do to make these things right in the Great Plains area?

Ms. SMITH. We have seen the letter as well and I agree with you. I perfectly understand the frustration of the tribe and the situation is unacceptable.

There is an urgency at the Indian Health Service and we are working urgently. As I said, I have only been in this position for a week but there is no more important thing that we need to work on than getting those three hospitals on track.

One of the major challenges with those hospitals is the staffing levels. We have a three pronged approach we are working on to address those staffing issues. In the short term, we are doing deployments of Commissioned Corps Officers to try to get the emergency department specifically at Rosebud back in operation and running.

We are also working on a contract for providers and to manage the emergency departments at the hospitals. We are also working on long term strategies for permanent hires. In fact, I have one bit of good news. One of the challenges we face is the salary we are able to pay versus the private sector and other government agencies, even the VA.

Just this week, we got approval for a pay package so that we are now able to provide line doctors and emergency room doctors \$300,000 and we are able to pay supervisors \$325,000, so that will help in our permanent hires. We are attacking it on many levels.

The CHAIRMAN. Thank you, Ms. Smith.

Senator Cantwell?

**STATEMENT OF HON. MARIA CANTWELL,
U.S. SENATOR FROM WASHINGTON**

Senator CANTWELL. Thank you, Mr. Chairman.

I want to thank the Vice Chairman for allowing me to proceed.

I wanted to ask you, Ms. Ramirez, about the low income housing tax credit as it is used in Indian Country. I know you described the President's budget and the \$50 million increase for Indian housing after years of stagnant funding.

As a member of the Finance Committee, I have actually been to Montana with my colleagues where we saw low income housing projects being used. I am wondering how you think that tax credit could be better used to leverage housing development in Indian Country?

Ms. RAMIREZ. You are absolutely correct. Tribes are leveraging the low income housing tax credit program. As we all know, it is a financing resource that enables tribes to be able to building affordable housing or mixed income housing.

During my testimony, I referenced that I had an opportunity to visit the Yaqui Nation. They have been successful with securing five low income housing tax credit designations. We are very focused on increasing the public and private partnerships.

To that point, we are working closely with tribal leaders and Senator Heitkamp on pulling together a housing forum that will enable tribes to understand other private sector funding resources that are available to be able to continue to address the growing need of affordable housing.

Senator CANTWELL. So you would say it is a valued tool?

Ms. RAMIREZ. It is a very valuable tool, yes.

Senator CANTWELL. Thank you.

Mr. Roberts, Senator Tester and I have also introduced the Safety Act which is about facilitating tribal school construction improvements. I am pleased to see that the \$138 million that was in the 2016 levels were maintained but it is clearly not enough to deal with the shortfall.

One of the issues seems to be the Facility Condition Index. For example, the Yakama Nation operates a tribal school that is at capacity and has two modular units and yet when you apply for the construction, they did not think they actually qualified because they had only operated it for 37 years but the building was over 50 years old.

I feel as though there is always a lot of mystery here in what gets funded. I am seeing nods. It should not be a mystery. How is BIA fixing the Facility Condition Index?

Mr. ROBERTS. I will say that in terms of the process, we are going to address new school construction for campus-wide facilities. The rules are clearly laid out through the negotiated rulemaking that tribes were a part of in that process.

I will say that having observed that process, come into that process a little late in the game, I think there are ways we can work with tribes for future funding in terms of better addressing and making comments and choices for construction.

Let me give you an example. The Facility Condition Index is key. As part of this process for those ten schools that were invited by the Committee to present, we reached out to all the tribes to say we need to make sure that all the tribal schools make sure that the Facility Condition Indexes were up to date.

We did a lot of outreach over the course of the last year to reach each of those schools to offer technical assistance. Also, we have contractors visit each of those schools every three years to do a Facility Condition Index.

Having said all of that, moving forward, for schools quite frankly I think we need to take a look at how many students are the schools serving. I do not think that was a metric within the proposed rulemaking or the negotiated rulemaking that resolved. I do know that the Facility Condition Index was 85 percent of the total scoring, so there was a 15 percent scoring for those top ten schools to decide where construction would move forward.

I hope that answers your question. I think the Facility Condition Index is vitally important.

Senator CANTWELL. I am not sure it does. Here would be my goal. It reminds me of transportation funding, at least in our State. You have projects and you have a certain degree where you are on the list and when funding meets a certain level, you might actually get funded.

Here, I think there are people who feel they have been on the list for decades and never know when they are going to get funding. It just seems to be a mystery. I get you want to have an index. I think the index is great, but I think we need to have predictability for Indian Country and when their project is likely to be funded or if ever, or if it is going to be a constant thing because of project populations.

That gives us policymakers the ability to look at these policies as well and maybe make some suggestions or changes if in fact people are falling through the cracks.

Mr. ROBERTS. Thank you, Senator. That gets to one of the statements that Senator Tester made in his opening statement. That is that while we are completing the school construction for the schools on the 2004 list, we are now selecting the five schools for the 2016 list, the department is going to be internally working at a long term program to lay out for this Committee and for tribes generally.

This will be sort of here is where we are, here is the funding that is needed and here is how we propose to move forward.

Senator CANTWELL. My time has expired. Thank you.

The CHAIRMAN. Thank you, Senator Cantwell.

Senator Daines?

**STATEMENT OF HON. STEVE DAINES,
U.S. SENATOR FROM MONTANA**

Senator DAINES. Thank you, Mr. Chairman.

In Montana, tribes are getting hit with massive fines because of the Obamacare employer mandate. For example, the Blackfeet Tribe is going to face \$1.1 million in penalties. The Crow Tribe will be hit with a \$1.6 million penalty unless something changes.

I have introduced the Tribal Employment and Jobs Protection Act which will exempt tribes and tribal employers from the Obamacare employer mandate and prevent these unreasonable, I would argue, outrageous fines.

The National Congress of American Indians and the National Indian Health Board have endorsed this bill. While the President recognizes the impact of Obamacare on many and has requested changes to other related provisions like the Cadillac tax, he fails to be concerned with the employer mandate's heavy impact on tribes in Indian Country.

Secretary Payment, could you speak to the burden that the employer mandate places on tribes and the need for this legislation to exempt them from this mandate?

Mr. PAYMENT. That question is tailored to me because I have been echoing this and speaking loudly on this issue.

For my tribe in particular, as an example, I am here to speak for NCAI but I do have an example. The cost for full implementation of the employer mandate is likely to be about \$3 million for my tribe.

We are beginning to see some of the gains under the Affordable Care Act and the reauthorization of the IHS under Affordable Care Act, so we are grateful for the Affordable Care Act and IHS permanent reauthorization, but we are seeing some of the gains we received be erased because of the consequences of the employer mandate.

Probably more importantly in a broader sense, we have met with representatives from the White House, is that we need to understand the full impact and the unintended consequences before implementation, not afterward. We have asked for that.

There is diversity to the way the funding gets to Indian tribes, through direct service tribes, through self-governance tribes, and also tribes have insurances and some tribes do not have insurance. There is a complex maze to figure out the unintended consequence will be.

I would venture the negative consequence of implementation of the employer mandate in Indian Country is probably over \$50 million. I would ask that this be put on hold until after we do consultation with tribes and fully appreciate what the full costs are going to be.

Senator DAINES. Thank you, Secretary Payment.

I want to shift gears and talk about wildfires. In 2015, Montana experienced one of its worst fire seasons. Montana tribal reservations were no exception. In fact, the fires on the Blackfeet Reservation were so severe that the tribe opened a separate facility for elders and those with special health needs who had been displaced by area wildfires.

Here is one of the challenges. Oftentimes, these fires start on Federal lands and then spread to tribal lands. The Tribal Forest Protection Act of 2004 did attempt to address that problem in a proposal passed in the House to provide tribes more freedom to protect tribal trust resources from wildfires through active management.

My question is to Mr. Roberts. Do you support increasing tribal authority to more actively manage tribal trust forest lands and the neighboring Federal forest lands?

Mr. ROBERTS. Personally, I am not familiar with that Act but I am generally supportive of obviously greater tribal self-determination and tribal sovereignty. I understand that the Act particularly focuses on the Department of Agriculture. I understand it does provide deadlines for certain types of funding to be provided to tribes. I think generally we are supportive of deadlines.

I would like to talk more with my colleagues at the Department of Agriculture and maybe circle back with your staff on questions we might have.

Senator DAINES. We saw some very clear examples where there was proper forest treatment and active management and we could actually stop some of these fires from spreading, but as you know, wildfires are not a respecter of boundaries. That interface is very important.

I would like to have your commitment to work with me and the USDA to address these tribal forest resources?

Mr. PAYMENT. Absolutely.

Senator DAINES. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator Daines. Senator Heitkamp?

**STATEMENT OF HON. HEIDI HEITKAMP,
U.S. SENATOR FROM NORTH DAKOTA**

Senator HEITKAMP. Thank you so much, Mr. Chairman, and the Vice Chairman for letting me go first.

I think when we usually do these hearings in other committees there is one agency head sitting in front of us who we can hold accountable for outcomes. One of our great challenges is the siloing of services for the tribes whether it is health care with IHS, which is really HHS, whether it is really housing in HUD, whether it is all of the issues that fall in all of the above with the Department of Interior and obviously, the Department of Justice. I want to say I applaud this Administration for doing the most that I have ever seen to try and coordinate among all of you to try and build relationships across the agencies to change outcomes.

With that said, we continue to see incredible challenges, whether it be housing, Indian education, Indian health care, law enforcement, respect for sovereignty and respect for consultation. I will start at that juncture. I will be kind of rapid fire here because there is so much to discuss.

Ms. Mason, obviously we have extended invitations to Director Comey to come to North Dakota and even Montana to see what is happening with the lack of law enforcement personnel and the lack of protection for a very vulnerable population. He has not responded. I hope you will go back and ask him once again, given that you have primary jurisdiction in many of our States.

Ms. MASON. I will share that information with the Director but I would also like to point out that in partnership with the Department of Interior, the Office for Victims of Crime and the Office on Violence Against Women, we have been working collaboratively to provide services for victims.

Senator HEITKAMP. It has not stopped drugs from coming onto the reservation, trust me. We are debating right now an opioid bill, a heroin bill. Let me tell you, if you want to see children born under conditions that they should not be born, come to any one of my reservations.

There are people operating there with impunity. That crosses over to the problems that we have at Indian Health and the problems we have in housing. I want to applaud the great work of Secretary Castro. We have had a number of meetings. Thank you for mentioning our efforts to get a major summit.

I am curious about the report, when you expect it to be done and when we will be seeing you all in North Dakota or even maybe Montana. I have offered to maybe share the responsibility but we know we have a housing crisis.

Ms. MASON. Thank you very much, Senator. We very much appreciate the opportunity to continue to do what we can to foster public and private partnerships.

With regards to the housing needs study report, it will be completed this year. We are looking at the preliminary.

Senator HEITKAMP. Can you narrow it?

Ms. MASON. Yes, I definitely can.

In July of this year, we will release the preliminary findings stemming from the report. At that time, the report will be made available to the tribes for further tribal consultation. We welcome the opportunity to present to this Committee the findings of the report.

The final report will be completed no later than December 2016.

Senator HEITKAMP. Terrific. I think that is critically important, that we look beyond NAHASDA and look beyond what we are doing right now. Obviously, it is not getting the job done as it relates to Indian housing. That exacerbates all of these problems whether it is locating law enforcement, where the crimes are being committed or whether it is getting medical personnel into critical jobs.

My last question would be for Ms. Smith, recognizing that you have not been at it very long. To follow up on the Chairman's comment, we are being asked to provide more resources and most of you know that I am in that camp. The resources we are currently providing are not adequate to meet treaty obligations or fulfill our responsibility, but we need to make sure that what is being spent is being spent appropriately.

We look forward to hearing the outcome of what Deputy Secretary Wakefield told us was the new structure for analyzing these problems and working across the lines but I will encourage you and so many members actually qualify for Medicaid and could provide a third party reimbursement funding source that would, in fact, satisfy some of my hospital's concerns that IHS does not pay the bills.

That happens, so I want to continue to encourage you to encourage tribal members to enroll in Medicare and Medicaid. I know it is a great concern that somehow that is an abrogation or inappropriate given the treaty obligation.

I hope the National Congress can work with us to get out the message. Maybe we can fashion a program that could make Indian

people more comfortable with getting health care through a third party fee-for-payment service.

Ms. SMITH. We are working very hard on encouraging people to sign up for Medicaid. I actually spoke to tribal leaders in Bismarck, North Dakota two months ago about Medicaid expansion. That is exactly the topic we discussed. We are collaborating closely with CMS.

Senator HEITKAMP. I will tell you that tribal leaders get it. Unfortunately, many tribal members do not. Somehow, we are missing that. I think the more advocacy that we can get out there, the better the opportunity to expand services and give Native American people a choice in where they get their health care.

Thank you, Mr. Chairman. I am sorry I went over.

The CHAIRMAN. Thank you, Senator Heitkamp.
Senator Murkowski?

**STATEMENT OF HON. LISA MURKOWSKI,
U.S. SENATOR FROM ALASKA**

Senator MURKOWSKI. Thank you, Mr. Chairman.

Thank you each for the work that you do.

I want to begin my questions this afternoon with a general comment about consultation. Over the past few months, I cannot tell you the number of conversations I have had with Alaska Native people, both here in Washington, D.C. and in Alaska, who are expressing more concern about the processes and the policies around consultation.

We all know the imperative behind consultation. The Federal Government has a duty to consult with tribes and do so in a way that is meaningful, not just a check the box exercise.

In terms of responsibilities that you all have with your respective agencies, I look at it and say it has to be one of our top responsibilities.

I am urging all of you within your agencies and departments that as you develop your budgets, as you update your procedures, in your day-to-day operations, keep these consultations as a very high priority because I think some of you are doing a better job than others. I will not single out anyone, but I will put it front and center that when you are doing all that you do on a daily basis, do not forget the consultation part of that.

I did have an opportunity to spend a fair amount of time with you, Ms. Smith, in the Appropriations Committee this morning. I thank you for that. I also thank you for your willingness to come to the State and see for yourself some of the issues that we have discussed.

Ms. Ramirez, I would also invite you to come to rural Alaska to see some of the housing issues that you speak very informed about but knowing that we have some concerns and some issues that are perhaps a little unique.

I want to ask you specifically about this comprehensive housing needs study. You said this is close to completion and the results of the study are intended to be used to be the driving policy and strategy at HUD.

This concerns me. It concerns me because I am told that out of the 229 federally-recognized tribes in Alaska, there were only three

that were included in your household survey. That was Chickaloon, Unalakleet and King Cove.

What you have then is a sampling rate that is vastly lower for Alaska tribes than tribes in the lower 48. This has been brought to the attention of HUD and your contractors. Know that I am very concerned about this very important study upon which you are going to be basing future decisions.

I want to make sure that Alaska and Alaska tribes are not underrepresented or misrepresented. I need to know that this has clearly been brought to your attention.

Ms. RAMIREZ. I wanted to provide some context. The housing study being conducted by HUD, essentially by our Policy Department, is a national study. It is using a statistically valid sample.

We have engaged in substantive tribal consultation. This is one of the reasons why there has been a delay. We are working very closely with the Alaska tribes. In fact, we held two tribal consultation sessions but I will definitely follow up. I note your concern and I will follow up.

Senator MURKOWSKI. I appreciate that because it is 3 out of 229 tribes and these are very small communities for the most part.

I want to ask you a question Mr. Roberts regarding tribal courts. As you know, I have made tribal courts in Alaska a priority as well as other P.L. 280 States. We had language included in the omnibus in 2015 that directed a study of the budgetary needs of tribal courts. Then last year in the omnibus, there was \$10 million for BIA to pilot systems for tribal communities in the P.L. 280 States.

We are making some progress. As I keep saying, we have our foot in the door. The question to you is whether or not you have an update for me on how this pilot system may move forward and also, the fiscal year 2017 budget request plans to cut the funding that we had included, the \$10 million, by \$8 million from the 2016 enacted level.

The question is on the pilot and then any explanation for the proposed decrease?

Mr. ROBERTS. Thank you so much for that funding.

Senator MURKOWSKI. It is important.

Mr. ROBERTS. It is extremely important. I heard from a number of tribal leaders in Alaska when they were here for NCAI about that funding.

One of the things we are going to do is it is very important to get that funding out as quickly as possible but I think it is also important to consult with the tribes in the P.L. 280 States. To move forward, we are going to have telephonic consultations within the next 30 to 35 days. We will have a couple of days of telephonic consultations with those tribes in the P.L. 280 States on how that funding should be utilized.

I have heard a number of different things from tribes in Alaska and elsewhere in P.L. 280 States. I think it is very important to have court assessments but I have also heard it is very important from those tribes that we actually implement some of that money in the tribal courts themselves. That is going to be part of the consultation with tribes given that it is \$10 million.

As you mentioned, the fiscal year 2017 request had a bump up from \$15 million of about \$2 million. We really appreciate all the

support. Because the 2016 budget was passed in the closing days of the year, we were not able to necessarily maintain that funding for the 2017 request but I know I will be talking with tribal leaders as part of our tribal Interior Budget Council in a couple of weeks.

I am really hopeful that we can build off the great work that you did for the fiscal year 2018 budget. I agree with you 100 percent. It is very much needed and we are going to try to make the best use of those dollars that we can.

Senator MURKOWSKI. I appreciate that. We really want to try to make a success of this.

I do want to add, Mr. Chairman, I was prepared to kind of jump on Mr. Roberts this afternoon about some payments as they relate to compact funding that were due to the Bristol Bay Native Association, the second largest employer within this region. They were looking at having to lay off or furlough some of their employees because they have not received their fiscal year 2016 compact funds.

I received notice this afternoon that the issue has been resolved and the remaining funds will go out today. I can tell you that Ralph Anderson and some of the others at BBNA are most appreciative. They have been waiting since December. They are very appreciative that this has been resolved.

Thank you.

The CHAIRMAN. Thank you, Senator Murkowski.
Senator Franken?

**STATEMENT OF HON. AL FRANKEN,
U.S. SENATOR FROM MINNESOTA**

Senator FRANKEN. Thank you, Mr. Chairman and Vice Chairman, for holding this hearing.

Mr. Roberts, ever since I first came to the Senate, I have been raising alarm about the Bug-O-Nay-Ge-Shig School on the Leech Lake Reservation in Minnesota. I have been pushing very hard every year to get construction money to rebuild the school.

I was very pleased that Secretary Jewell came to the Leech Lake Reservation and had an opportunity not just to see the school but to spend some real time there and see firsthand the deplorable conditions and what the teachers and students have to deal with every day. This is disgraceful, the school. Have you had a chance to go to the school?

Mr. ROBERTS. I have not yet, Senator.

Senator FRANKEN. It is drafty, it is cold and structurally it is not sound enough so that if the wind blows hard, they have to leave the school. In Minnesota, it gets really cold. If the wind is blowing more than a certain amount, they have to leave and run to another building. It is a deplorable condition.

I have been trying to get this thing rebuilt every year. What is the status? Can you tell me?

Mr. ROBERTS. Yes. As you mentioned, Secretary Jewell has been out there. My predecessor, Kevin Washburn, had visited.

Everyone I talk to within the department notes the horrible condition of the building. It is a building that was never really intended for educational purposes at the outset. There were some questions by your colleagues about BIA campus-wide replacement.

The Bug School does not fit in that category because it is a single building essentially.

We do have appropriations. I am hoping that within the next 30 days or so I will have an answer for you on how we are moving forward with the Bug School. That is my hope. I am meeting with the chairwoman of Leech Lake I believe later this month but I am also meeting internally with the team because everything I have heard from our facilities folks is that there is not a building in worse condition there.

I do not have anything for you today except that I am very well aware of it and focused. I appreciate you championing this issue. I have been to some of the schools on the campus-wide construction list. The process we have for school replacement right now, we need a lot more resources.

Senator FRANKEN. Usually when we have these budget meetings, it becomes abundantly clear. I just want to say to my colleagues on this Committee again, I believe it is our job to go to our caucuses and tell them because we are the only ones that hear this testimony from Indian Country about our Native people.

We are not honoring our moral obligations or our treaty obligations. I think it is something all of us on both sides of the aisle need to be telling our caucuses. When we have this hearing reporting on the budget, it becomes especially apparent.

I want to talk about opioid use. It has become epidemic in Indian Country in Minnesota and in urban settings. While American Indian infants in Minnesota make up only three percent of kids born in public assistance programs, they make up 28 percent of the infants born with Neonatal Abstinence Syndrome.

I know, Ms. Smith, the TIWAHE Initiative is intended to, in part, address this. Are you hearing similar rates of opioid abuse across Indian Country as I am hearing in Minnesota? How will the TIWAHE Initiative or other programs in the budget fight this rapidly increasing problem in my State and around the Country?

Ms. SMITH. Thank you, Senator, for your leadership on that topic.

Unfortunately, there is a very real problem with opioid abuse in Indian Country. We are working on it. In our budget, we included \$15 million additional funding for our substance abuse initiative.

On an operational basis, we are attacking it on a three-pronged basis. We have a policy that goes out to our providers as to how to prescribe correct dosages. We have mandatory training for all our providers. In terms of treatment, we utilize what is called the MAT, Medication Assisted Treatment, to ensure that we are trying to address this epidemic.

Senator FRANKEN. That is methadone?

Ms. SMITH. It is not a solution but it is one of the things that helps with the problem. We are cooperating with the Bureau of Indian Affairs. We have provided Naloxone to Bureau of Indian Affairs law enforcement for anecdotes. We rolled that out in Oklahoma in the fall and we are going to move that to other areas.

Senator FRANKEN. For ODS.

I am out of time. I just want to say that epidemic is very much tied to the poor housing, poor health care, the job situation and

sense of hopelessness that the people get when they live in those conditions.

Thank you.

The CHAIRMAN. Thank you, Senator Franken.
Senator Hoeven?

**STATEMENT OF HON. JOHN HOEVEN,
U.S. SENATOR FROM NORTH DAKOTA**

Senator HOEVEN. My questions are for Deputy Director Mary Smith.

In your testimony, you note the challenges of recruiting and retaining quality health care professionals specifically in the Great Plains region.

Recently, I was informed of the credential process required under IHS and I have heard this process is cumbersome because it must be renewed every year. I am concerned that this may disqualify qualified professionals who are in good standing with the State medical boards from working in some of these underserved areas.

I wanted to get your thoughts on that. What is the purpose of the credentialing particularly having to go through it every single year? Do you think it does have an impact on attracting and retaining qualified staff?

Ms. SMITH. Thanks for your question about attracting and retaining staff. We do have a number of challenges there.

In terms of credentialing, obviously credentialing is necessary to ensure that we are providing quality health care and the providers are credentialed. With respect to our credentialing system, I do think there are improvements that can be made.

We have a new quality consortium that is going to look at a lot of these quality standards. One area they are looking at is a more uniform credentialing process that would allow more flexibility for providers.

I appreciate your question.

Senator HOEVEN. Is that a change you anticipate you will be making or is that something you are just looking into?

Ms. SMITH. I think we will make changes. I do not know specifically what changes. One of the things we are looking at is a different software package for credentialing. I do not have an answer today on whether that will go forward but we definitely will make changes to streamline the process.

Senator HOEVEN. Do you have any estimate on a timeline for that?

Ms. SMITH. I hope we would be able to do at least some changes this year.

Senator HOEVEN. Something this year?

Ms. SMITH. Yes.

Senator HOEVEN. As you know, there have been serious problems at the IHS facilities in the Great Plains region. Many of the problems, in some cases, were due to lack of funding. There is no question about it. In other cases, it is a lack of accountability.

In your opinion, how does the President's budget leverage resources to empower IHS facilities and hold them accountable? One of the things we talked about was trying to leverage IHS resources to address the resource issue.

How do you do that? How do you get accountability, make sure that you have accountability for performance on the part of IHS?

Ms. SMITH. It is not easy sometimes but I think it is creating a culture of quality and accountability. I think it starts at the top and I think you need key leadership positions. One of the things we are doing and there is money for this in the budget, there is \$2 million for our quality consortium.

As I mentioned, we have created a new position, Deputy Director of Quality. We are going to be setting up a quality system which is essentially a compliance system with training. We are going to be working to ensure that the systems are in place and people are held accountable. I think that was one of the reasons why those problems arose in the Great Plains.

That is one of the top priorities we will be addressing this year.

Senator HOEVEN. I think there are other service providers you can partner with to leverage your resources but as part of that, going to accountability, is reimbursement to hospitals, clinics, doctors and others that do provide services either on or off the reservation.

They have a real problem with backlog in accounts receivable or collecting those receivables from IHS. Anything you can do to make sure IHS, working with the tribes, gets payment out to those health care providers on a timely basis is not only important for the service providers and health care providers, but will help generate more services both on and off the reservation for Native people.

Ms. SMITH. Yes, I agree about leveraging the resources and ensuring prompt payment. I actually was talking to the person who runs our purchase referred care program yesterday about the process she is putting in place to try to streamline those payments.

Senator HOEVEN. Anything you can do, because we really hear from the health care providers that they have a real problem collecting those receivables. Any help in that area would be much appreciated.

Thank you.

The CHAIRMAN. Thank you, Senator Hoeven.

Senator Tester?

Senator TESTER. I want to thank the panelists for being here today. I am going to start with you, Karol.

The grant fund to implement VAWA is \$5 million. Last year, I believe it was \$2.5 million. Correct me if I am wrong. Is \$5 million going to be adequate?

Ms. MASON. As you know, in March 2015, we went into full implementation of the expanded ability to prosecute non-Native offenders for domestic violence. We have 45 tribes who are participating in our voluntary intertribal working group, so we expect the five that have been exercising it since 2014 plus the others who will now implement it, we expect we will have many more people applying for the money than we have available.

Senator TESTER. Is \$5 million going to be adequate?

Ms. MASON. We will make it adequate, but the need exceeds that.

Senator TESTER. That is all I need to know.

The DOJ appendix to the President's budget mentions allocating \$1 million for research on violence against Native women?

Ms. MASON. Yes.

Senator TESTER. It is in the same section as the VAWA implementation. Is that \$1 million coming out of the \$5 million or is it separate?

Ms. MASON. No, that is a separate funding source.

Senator TESTER. That is good news.

Now I will go to you, Larry. You have heard this before. We will come in and talk to you about different issues in Indian Country, and they have a lot. We often say to you, you have to fight harder during the budget process to make sure this budget meets the needs of Indian Country. Does this budget meet the needs of Indian Country?

Mr. ROBERTS. I do think the budget reflects the President's commitment to Indian Country. As I said earlier, the discretionary funding across Federal agencies is less than 1 percent increase.

Senator TESTER. I got you, but that was not my question.

Mr. ROBERTS. I know. What I will say is tribes still have not regained their footing from sequestration. That was \$142 million. I know this Congress, many of you, for the 2016 budget helped us.

Senator TESTER. What I hear you saying is, this is the best you could do but it still is not adequate?

Mr. ROBERTS. I think everyone knows there are still additional needs in Indian Country.

Senator TESTER. Okay. I want to go back to what the Chairman said when he opened. If you have metrics you can bring to this Committee that justify these increases in budget, it would be very, very helpful.

Quite frankly, I do not think there is anyone on this Committee who does not understand that some or all of the programs within the BIA are in trouble. Sequester, the Obama Administration has done a pretty good job but it was so bad, they had a long ways to go.

Mr. ROBERTS. Some of the metrics that we can provide tomorrow are the great work that we have done in Indian Country with tribes on preventing violent crimes and reducing recidivism.

Senator TESTER. I got it. Otherwise we just bring you in and hammer you. That is why it is important. We have an obligation.

The loan guarantee program, we have heard from tribes, tribal organizations and entities that do business in Indian Country that the BIA Loan Program is a great economic development tool. God knows in my neck of the woods, they need economic development and in Indian Country.

This is level funded. Is that because the requests for the BIA Loan Guarantee Program have been flat?

Mr. ROBERTS. It is a great program. We could use more. We cannot always bump up everywhere across the budget, so we focus on schools, youth and social services. It is a great program. We are doing the most we can that leverages dollars for Indian Country.

Senator TESTER. All right. I want to go to Ms. Ramirez.

This year's budget proposes a \$50 million increase in the Native Housing Block Grant Program, which is good. I have had previous

questions about the housing but it has been stagnant for almost 20 years.

I appreciate the advocacy for a bump up. Number one, do you feel that these additional dollars would be able to get out the door?

Ms. RAMIREZ. Yes, Senator, I definitely believe the dollars will be able to get out the door and that the tribes will be able to invest and make use of these dollars.

Senator TESTER. Do you think this program is critically important when it comes to housing needs in Indian Country? Is this one of the big programs or is this just kind of an ancillary program and there are others out there that can fulfill this need?

Ms. RAMIREZ. Senator, this is the core program of NAHASDA. This is the single source of funding that provides tribes the opportunity to develop affordable housing and renovate.

Senator TESTER. Can I ask you a question? If this is the primary one, have you done an assessment on the standards of housing in Indian Country like what percentage is substandard? Have you been able to do any of that?

Ms. RAMIREZ. We have, Senator. I mentioned earlier that we are in the process of completing a housing needs study that speaks to the conditions of housing.

Senator TESTER. What has that study shown? Are they 80 percent substandard, 50 percent substandard or 10 percent substandard?

Ms. RAMIREZ. In 2014, we released some preliminary results using the Census and American Community Survey. A few key statistics that were included were that there is a severe overcrowding problem in Indian Country, three or four times that of the national average.

We also know, Senator, that tribes are having to use more of their IHGB funding to rehabilitate and renovate existing stock and less is going to the creation of new and affordable housing.

Senator TESTER. Thank you for the courtesy, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Tester.

I am going to start a second round. Would you like to start, Senator Heitkamp?

Senator HEITKAMP. Thank you, Mr. Chairman.

I have a couple things that do not go necessarily to this budget but the potential for change. One, obviously, is something we have been working on in this Committee. That is looking across the board on trauma, making sure that we have trauma-informed health care professionals, making sure that we have trauma-informed and trauma-based folks in our Department of Justice and the Bureau of Indian Education, making sure that everybody understands this kind of new brain research that is going on.

I will kind of warn you that I will continue to be a broken record as it relates to trauma as a potential path forward for change.

The other thing we obviously have been talking a lot about this week has been opioid abuse and heroin abuse. I met yesterday with a number of folks. It is that time of the year.

One of the meetings that sparked a great deal of interest in me was when I met with the women representing the OB-Gyns. They believe that there are prescription medications that are dispensed in a different way. I cannot speak to all the options out there that

would actually provide treatment that is not methadone treatment for women who are addicted and who are pregnant.

I am wondering whether Indian Health has taken an active look at other kinds of treatment options available for addiction, especially with pregnant women.

Ms. SMITH. Yes, we are working on a multi-pronged approach with opioid dependence. We have a Division of Behavioral Health. I talked yesterday with Dr. Cotton who heads that division about the opioid crisis.

I know we are looking at a number of different things. If we are doing anything specifically with respect to pregnant women, I can get you that information.

Senator HEITKAMP. We have been looking at it, but in the meantime, this has basically ballooned into a full-blown, absolute, horrible crisis, especially in Indian Country but across the Country, but especially in Indian Country in North Dakota.

So if we are not pursuing state-of-the-art treatment options, then we are going to fail. If we are not offering help when people come in who desperately need help in dealing with their addiction come in, obviously from the standpoint of many of those who provide services to pregnant women, there is a big incentive for women to look at addiction and change behavior. To me there is a real option to get this done.

One of the frustrations I have with Indian Health is you continue to do what you have always done over and over and over again and expect a different result in Indian Country. It is not going to happen. We have to change how we approach it and we have to look at a system that really treats the family, a system that treats the individual and does not just say, okay, here is your diabetes, and expect people to be compliant when they are addicted.

It just is not going to happen. We will continue to spend dollar after dollar without really treating the individual. So I would appreciate any information on the structure you plan on pursuing, especially for addicted pregnant women, which has become a crisis.

In fact, we have heard reports of women in Three Affiliated, that 50 percent of the babies are born from women who are addicted. I have heard the same kind of information up at Turtle Mountain. That is not a formula for a successful society in any case.

It falls on your shoulders and we expect to know what we are doing about it.

Thank you, Ms. Smith.

The CHAIRMAN. Thank you, Senator Heitkamp.

Ms. Ramirez, in the President's budget, your office proposes to raise the Indian Housing Loan Guarantee Program, the annual fee, from 15 basis points to 25 basis points. The impact on the budget request equates to about an \$11 increase of a tribal homebuyer's monthly mortgage about \$130 per year.

This increase is now going to be assessed to I think some of the people who are most at risk as homeowners. Further on in the proposed budget, you stated tribal consultation will take place prior to implementation of this change in the policy raising it from 15 basis points to 25 basis points.

Currently, you use a negotiated rulemaking to conduct truly meaningful tribal consultation. Despite a few recent concerning ex-

amples, this appears to be a successful model for tribal consultations.

Are you going to be open to using this negotiated rulemaking to implement this increase in the 184 Program annual fee and how do you plan to go ahead with that?

Ms. RAMIREZ. As you stated, the Loan Guarantee Program is a critical program in Indian Country. We know that this is a program that works and enables the opportunity for homeownership.

With regard to the modest annual fee increase, this modest annual fee increase is driven by the Credit Reform Act of 1990. It is not a program of NAHASDA, hence, it is not subject to a negotiated rulemaking.

However, Mr. Chairman, you have our full commitment that as we begin to have further discussions with tribes, we will engage in tribal consultation on the changes to the 184 Program, and also on the opportunities for the department to be able to improve the program in general.

The CHAIRMAN. Thank you.

Mr. Roberts, the BIA Road Maintenance Program is responsible for maintaining almost 29,700, almost 30,000, miles of BIA-owned roads and 931-owned bridges constructed with Federal funds.

The Administration's requested funding level for this current fiscal year provides a level of need to maintain only 16 percent of the roads and 62 percent of the bridges in acceptable condition. The funds are used to simply maintain the current conditions.

Far too many public roads and bridges on Indian reservations are in poor or failing conditions as I drive the Wind River Reservation. If only 16 percent of the BIA roads and 62 percent of the bridges are going to be in acceptable condition, how can we safely get kids to school and drive someone to the hospital if they do not have safe roads on which to drive?

Is the funding level of the President's budget too low given the importance of roads in tribal communities?

Mr. ROBERTS. It is of incredible importance in Indian Country. We hear about it all the time. The Department of Transportation takes the lead on those funding issues.

I will say the President's budget, as you said, Mr. Chairman, reflects maintaining the roads you identified as in moderate or acceptable condition. It is extraordinarily challenging to improve infrastructure in this fiscal climate. I share your concern about the issue.

The CHAIRMAN. In addition to transportation, I want to go to education. In the President's fiscal year 2017 budget request, the education funding request is increased. We all understand the urgent need to fix the broken school systems.

I would like to bring to your attention the request for \$24.8 million for "education management." Can you discuss what type of services "education management" provides?

Mr. ROBERTS. Absolutely, Mr. Chairman. Basically, the President's budget requests an \$8 million plus up for \$24 million overall for that line. The plus up is for essentially 15 positions for contracting, acquisitions, construction, construction budget planning, and IT education specialists.

It is the 15 positions that we need for BIE to address those services under the reorganization. It is looking at human resource specialists, recruiters, budget planning and those types of things. I am more than happy to provide additional information to your staff on that funding.

The CHAIRMAN. Secretary Mason, I want to talk about the Vision 21 Project that focuses on current crime victimization, underserved and unserved communities, enhancing partnerships and improving integration of crime victims' rights.

It is intended to facilitate the ability of networks to meet current and future crime victim needs, organizational flexibility, stronger collaboration, things you have talked about previously, collaboration of further crime victims' rights and services.

The President's budget request includes a project grant for tribal victims of violence. Can you talk about how the development of these grants will be tailored for tribal communities and incorporate tribal consultation prior to actually announcing the grants?

Ms. MASON. The \$25 million request in the President's fiscal year 2017 budget is designed to give us more flexibility than we currently have with the VOCA funding. We have a history at the Office of Victims of Crime of consulting with the tribes. This request is as a result of having numerous conversations with our tribal partners.

The CHAIRMAN. Senator Tester, do you have any additional questions?

Senator TESTER. I do. Thank you, Mr. Chairman.

I want to go back to you, Larry. There is a request in here and I think you discussed it in your testimony, of \$4 million for the Native One-Stop Initiative. Is there more to it than an Internet site?

Mr. ROBERTS. Absolutely, Senator. Basically, all of the different agencies across the Federal Government feed their information into this Internet site to provide information to tribes and individuals.

They can access the programs. Say they have a housing issue, they can access that site and see HUD has a program and we have a program.

Senator TESTER. Let me refine my question.

Mr. ROBERTS. Sure.

Senator TESTER. Is there funding for a physical site to go to or is it all an internet site?

Mr. ROBERTS. My understanding is it is all internet at this point.

Senator TESTER. This must be one hell of an internet site for \$4 million. That is a lot of dough for an internet site.

Mr. ROBERTS. Fair enough but when you have a number of different Federal agencies across the government working in Indian Country, there is quite a bit of data to compile.

Senator TESTER. I have no doubt about that.

Broadband is pretty deficient in Indian Country. Are we building something they will not have access to? I will preface this by saying I think it is a great idea but if they do not have Internet service, how are they going to access the website?

Mr. ROBERTS. The President's budget does support additional broadband access to BIE schools, so there are increases. I am not sure what the other Federal agencies have for broadband but I do

not think this internet site is going to be something that needs the highest capabilities.

I think tribes will be able to access it. It is something tribes have been asking us for, sort of a one-stop where they can find and identify those programs that serve them. I think it is well worth the small investment. Hopefully, it saves tribes a lot of money as they go through that process.

Senator TESTER. Your testimony also talks about an Office of Justice Services to assist tribes in adopting and updating the tribe court codes and the same thing for uniform commercial codes. Is any of that work being done now?

Mr. ROBERTS. I believe it is. I would have to get more information for you on that.

Senator TESTER. Once again, I think it is a great idea. My next question would be do you have the infrastructure to do this?

Mr. ROBERTS. We have a great team in OJS. I just do not have the details on that for you right now, Senator.

Senator TESTER. Okay.

I have one last question for Ms. Ramirez if I might, Mr. Chairman, that has to do with the Home Loan Guarantee Program.

This is one of the programs we saw cut from last year's budget. Quite frankly, when I listen to Native Americans, they want this expanded to even include Native Americans who live off reservation.

I have two questions for you. One, would you support that if this program was expanded to be able to use these loan guarantees for homes outside of the reservation borders?

Ms. RAMIREZ. In principle, Senator, yes, I would support it. I would need to look into the technical requirements behind the Loan Guarantee Program because I know it was designed for Indian Country, but yes, I think anything we can do to expand and increase homeownership opportunities.

Senator TESTER. The second thing is kind of the same question I asked others about different programs. This is a pretty doggone good program and it is being cut. What is the justification? Is it simply dollars? You had to cut somewhere, so this is the one that got the axe?

Ms. RAMIREZ. Our request for \$5.5 million for fiscal year 2017 takes into account carryover funds that we are projecting from prior years.

Senator TESTER. How much carryover do you have?

Ms. RAMIREZ. Close to \$1 million. We are projecting close to \$1 million of carryover funds.

Senator TESTER. On one hand, that is good. We will just leave it at that.

Thank you, Mr. Chairman. I appreciate it.

I appreciate all of your testimony. I grilled Mary pretty hard this morning, so I told her I would let her off the hook this afternoon. Aaron, I am sorry. I will get you next time.

Thank you.

The CHAIRMAN. Thank you, Senator Tester.

Following up on what Senator Tester discussed with Mr. Roberts on broadband deficiency in Indian Country. If you put all this effort into a state-of-the-art website where all this information can be in-

tegrated, can you talk a little bit about how the needs are because there is some infrastructure lack in communities?

Mr. ROBERTS. I testified earlier about some of the hard infrastructure, when you think of infrastructure like pipes, Indian Country is largely neglected with that. In Indian Country, we have built basically what we do have.

In my tribe's case, we were recognized late, in 1972, so we have had to acquire everything we have. Most of what we were able to acquire was old swampland, so we are in rural communities and old swampland where we have to build the infrastructure ourselves.

Broadband is certainly a critical need in Indian Country. We are not as rural as most other tribal communities, so we do have some access but our access is limited.

We have council meetings in the districts and find that we do not have the ability to connect. Our tribal staff at those sites looks at us and kind of laughs because we cannot connect. They live with that day to day and try to do their jobs day to day.

I would say absolutely, the program we are talking about is a wonderful concept which is to connect across agencies. We talked about that recently at STAC, to try to get some permanency across agencies.

If that is going to work, tribes have to have access. Otherwise, we are building a structure that is not going to be used by Indian people.

The CHAIRMAN. That means not the best use of resources, a loss of opportunity to use the resources there?

Mr. ROBERTS. I do not want to get in the middle of a fight.

The CHAIRMAN. If there are no more questions for today, members may also submit written follow up questions for the record. The hearing record will be open for two weeks.

I want to thank all of you for being here, for your time and your testimony today.

This hearing is adjourned.

[Whereupon, at 3:52 p.m., the Committee was adjourned.]

A P P E N D I X

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JAMES LANKFORD TO
MARY SMITH

Question 1. For much of the last century, the Bureau of Indian Affairs has served as the federal government's lead agency for programs serving American Indians and Tribes. However, there are also whole federal departments, such as the Department of Justice or the Department of Housing and Urban Development, that serve as subject matter experts for their service area. These departments often have greater resources and abilities to provide a service but they sometimes lack BIA's ability to communicate on a government-to-government level with tribal governments. How can we maximize the impact of federal services by pairing the abilities of both sides?

Answer. Tribal Consultation is a valuable tool in maximizing the impact of federal services to American Indian and Alaska Native (AI/AN) peoples. The United States has a government-to-government relationship with AI/AN Tribes that is based on treaties, law, Presidential executive orders, and numerous court decisions. In this federal policy era of Self-Determination, Tribal Consultation is considered an essential element for a sound and productive relationship with AI/AN Tribes and tribal organizations. Tribal Consultation has been affirmed by Executive Orders 12866, 13084, and 13175, and through Presidential Memoranda in 1994, 2004, and 2009. Federal agencies maximize impact when they commit to regular and meaningful consultation and collaboration with eligible tribal governments. Further, tribal consultation has enhanced federal government services and programs in Indian Country within a framework of tribal self-determination.

Like the Bureau of Indian Affairs (BIA), the Indian Health Service (IHS) has experienced much success through Tribal Consultation. In 1997, the IHS Director promulgated the first comprehensive Tribal Consultation and Participation Policy in the federal government. The policy established a minimum set of expectations for IHS staff with respect to consulting and working with tribal leaders. The IHS Tribal Consultation Policy has been revised and updated several times. The current policy from 2006 can be referenced at IHS Circular No. 2006-01. The IHS conducts a variety of consultation activities with Tribal leaders and representatives of Tribal governments, including national meetings, regional inter-tribal consultation sessions, meetings with delegations of leaders from individual Tribes, Area consultation sessions, and tribal advisory workgroups. In recent years, tribal leaders and representatives have carried out significant roles in the IHS budget formulation and setting health priorities at the national and regional levels.

The increased involvement of Tribes in advising and participating in the decision-making process of the Agency has resulted in stronger collaborations between the federal government and tribal governments; innovations in the management of programs; and important issues being brought forward for consideration by IHS, the Administration, and Congress in a timely fashion.

In 2011, the IHS, BIA and DOJ addressed issues such as substance abuse through the Indian Alcohol and Substance Abuse Agreement between the U.S. Department of Health and Human Services, the U.S. Department of Interior, and the U.S. Department of Justice, which is referenced at the Internet address: <https://www.justice.gov/sites/default/files/tribal/legacy/2014/02/06/tloa-iasa-memo-aug2011.pdf>. These Agencies agreed to establish a framework for the coordination of Tribal Consultation activities as necessary, relating to the federal activities to be developed and implemented in accordance with the memorandum of agreement (MOA). IHS, BIA, and DOJ have also partnered in a number of other interagency initiatives, such as in the area of domestic violence. The leadership for these Agencies, as well as those from the Department of Housing and Urban Development can continue to collaborate on critical issues in Indian Country (i.e., sanitation and housing shortages) to maximize the impact of federal services, and share best practices (i.e., Tribal Consultation) and their respective resources.

Question 2. What actions do you take at a leadership level to ensure your department is not duplicating a tribal service provided by another department?

Answer. The Division of Environmental Health Services (DEHS) collaborates with other Federal programs such as the Housing and Urban Development (HUD), Food and Drug Administration (FDA), Center for Disease Control and Prevention (CDC), the Environmental Protection Agency (EPA), and the Bureau of Indian Affairs (BIA). Through these collaborations, the IHS DEHS program has knowledge of services provided by other federal departments and can ensure that we are not duplicating services. The collaborations enhance the ability of each department to address their program missions.

Collaboration examples include:

- DEHS is an active participant of the HUD Healthy Homes Working Group.
- DEHS is supporting the FDA/Center for Food Safety and Applied Nutrition (CFSA) by serving on an objective review committee for a grant supporting Native American Tribes outreach, education, and training to enhance food safety and Food Safety and Modernization Act compliance.
- Supporting an IHS Injury Prevention Liaison position within the CDC National Center for Injury Prevention and Control. This interagency agreement focuses on injury issues impacting AI/AN.
- Supporting regional integrated pest management initiatives through agreements with the EPA in several IHS Area Offices.
- Ongoing local collaboration with BIA/Bureau of Education regarding school and correctional facilities environmental health and safety inspections.

The Division of Facilities Planning and Construction is the headquarters focal point for the planning of new and replacement health care facilities. The Indian Health Service follows a publically available, congressionally adopted health facilities construction priority list that is not duplicated by another department. It is not uncommon for multiple departments to collaborate with tribes in developing health care facility projects, always being aware of respective contributions to preclude duplication.

The Division of Sanitation Facilities Construction (DSFC) on behalf of the Department of Health and Human Services (HHS) has been participating since 2007 in the Infrastructure Task Force (ITF). The goal of the ITF is to reduce the number of tribal homes lacking access to safe drinking water and basic sanitation. In addition to HHS the ITF includes federal representatives from Environmental Protection Agency, the Department of Housing and Urban Development, the Department of the Interior, and the Department of Agriculture. The multi-agency task force was created to coordinate federal activities in delivering water and waste infrastructure that provides safe drinking water and basic sanitation to tribal communities. More information about the ITF can be found here: <https://www.epa.gov/tribal/federal-infrastructure-task-force-improve-access-safe-drinking-water-and-basic-sanitation>

Question 3. Please provide a complete list of all programs and funding opportunities offered by your department for tribes and individual American Indians, their individual funding level, the metrics used by the department to gauge the program's effectiveness, and how the program meets these metrics.

Answer. Under the Indian Self-Determination and Education Assistance Act, Tribes have the opportunity to contract or compact any of the line items, or parts thereof, shown on the FY 2017 Crosswalk, Budget Authority, Estimated Distribution table shown on page CJ-14 of the IHS FY 2017 President's Budget. This table also shows the total estimated amounts the tribes get in each budget line item of which an example of further breakout is the Self-Governance Funded Compacts on pages CJ-235 through CJ-237 (FY 2015 data).

IHS also provides grants to Tribes and Urban Indian Organizations through limited competition grant announcements. Included in these grants are:

- a) Domestic Violence grants (page CJ-59)
- b) Behavioral Health grants (pages CJ-91, 97, 99-100)
- c) Tribal specific grants (pages CJ-147, 155)
- d) Special Diabetes Program for Indians grants (page CJ-192)
- e) Urban Indian Organization grants (page CJ-131)

To assist in the recruitment and retention of medical professionals, IHS also offers scholarships and a loan repayment program (pages CJ-140, 142-143).

Following are summary tables of current, active programs with descriptions,

CFDA number, number of funded actions, and obligated amounts for FY2015 and FY2016 respectively.

Fiscal Year 2015 Summary and Detail Report

Grant Program Description	CFDA	# Funded Actions	Obligated Amount
Children & Youth Projects (CYP)	93.933	0	\$0.00
Dental Preventive Clinical Support (TDCP)	93.933	5	\$1,250,000.00
Development Grants for IHS or Facilities (TMD)	93.228	14	\$1,164,442.00
Diabetes - Community Directed (SDPIP)	93.237	241	\$67,168,145.00
Diabetes - Prevention/Healthy Heart Initiatives (SDPI-DPHHI)	93.442	57	\$19,067,846.00
Diabetes - Prevention/Healthy Heart Initiatives Federal (SDPI-DPHHIF)	93.442	12	\$4,400,500.00
Diabetes - Self Governance (SDPIS)	93.237	83	\$38,240,654.00
Diabetes- Federal Service Units (SDPIF)	93.237	29	\$11,555,887.00
Domestic Violence Prevention Initiative (DVPI)	93.933	47	\$5,832,680.00
Epidemiology and Disease Prevention (EP1)	93.231	12	\$9,789,577.00
Health Professional Recruitment Program (HPR)	93.970	1	\$25,000.00
Healthy Lifestyles in Youth (HLY)	93.933	2	\$1,250,000.00
HIV National Program (OCPS-HIV)	93.933	6	\$496,000.00
Indians into Medicine (InMed)	93.970	3	\$1,097,364.00
Indians into Psychology (InPsy)	93.970	3	\$715,077.00
Injury Prevention Program (IPP)	93.284	24	\$1,242,398.00
Meth & Suicide Prevention-Urban (METHU)	93.933	6	\$599,846.00
Methamphetamine and Suicide Prevention Initiative (MSPI)	93.231	103	\$11,009,467.00
National Council of Urban Indian Health (UIHP3)	93.933	2	\$1,233,089.00
National Indian Health Outreach and Education I - Policy/Budget/Diabetes	93.933	1	\$782,429.00
National Indian Health Outreach and Education II - MSPI and HIV/AIDS	93.933	2	\$250,000.00
National Indian Health Outreach and Education III - Health Reform	93.933	2	\$500,000.00
Native American Research Centers for Health (NARCH)	93.933	21	\$9,903,538.00
Nursing Schools (NU)	93.970	5	\$1,466,973.00
Public Health Nursing (PHN)	93.933	10	\$1,500,000.00
Tribal Self Governance-Negotiation (TSGN)	93.444	2	\$96,000.00
Tribal Self Governance-Planning (TSGP)	93.444	5	\$599,423.00
Urban Indian Health Program (4-in-1) (UIHP2)	93.193	36	\$8,278,461.00
Urban Indian Health Program (Title V HIV/AIDS) (UIHP1)	93.193	11	\$100,000.00
Overall - Total		745	\$199,614,796.00

Fiscal Year 2016 to date Summary and Detail Report

Grant Program Description	CFDA	# Funded Actions	Obligated Amount
Dental Preventive Clinical Support (TDCP)	93.933	0	\$0.00
Development Grants for IHS or Facilities (TMD)	93.228	0	\$0.00
Diabetes - Community Directed (SDPIP)	93.237	169	\$66,801,152.00
Diabetes - Prevention/Healthy Heart Initiatives (SDPI-DPHHI)	93.442	0	\$0.00
Diabetes - Self Governance (SDPIS)	93.237	92	\$52,656,246.00
Diabetes- Federal Service Units (SDPIF)	93.237	16	\$16,670,365.00
Domestic Violence Prevention Initiative (DVPI)	93.933	1	\$140,000.00
Epidemiology and Disease Prevention (EP1)	93.231	7	\$470,000.00
Health Professional Recruitment Program (HPR)	93.970	0	\$0.00
Healthy Lifestyles in Youth (HLY)	93.933	0	\$0.00
Indians into Medicine (InMed)	93.970	1	\$700,000.00
Injury Prevention Program (IPP)	93.284	0	\$0.00
Methamphetamine and Suicide Prevention Initiative (MSPI)	93.231	9	\$764,332.00
National Council of Urban Indian Health (UIHP3)	93.933	0	\$0.00
National Indian Health Outreach and Education II - MSPI and HIV/AIDS	93.933	1	\$36,000.00

Fiscal Year 2016 to date Summary and Detail Report—Continued

Grant Program Description	CFDA	# Funded Actions	Obligated Amount
Native American Research Centers for Health (NARCH)	93.933	0	\$0.00
Nursing Schools (NU)	93.970	0	\$0.00
Public Health Nursing (PHN)	93.933	0	\$0.00
Urban Indian Health Program (4-in-1) (UIHP2)	93.193	13	\$727,533.00
Urban Indian Health Program (Title V HIV/AIDS) (UIHP1)	93.193	0	\$0.00
Overall - Total		309	\$138,965,628.00

Program effectiveness is evaluated by the respective Program staff/officials, as are any established metrics to evaluate program effectiveness. The purview of the Division of Grants Management (DGM) at IHS is primarily administrative (compliance with terms of award, timely submission of required progress and financial reports, etc.). DGM is responsible for managing the grants that support the programs. Continued funding is based upon the satisfactory progress and the availability of funds, whereas satisfactory progress is evaluated predominantly by the respective program staff, with input provided to DGM staff for consideration.

The Special Diabetes Program for Indians (SDPI) grant program has provided funds to AI/AN communities for diabetes treatment and prevention since FY 1998. It is currently funded at \$150 million per year through FY 2017. SDPI has just completed a competitive application process for a new five year grant cycle and has awarded funds to 301 IHS/Tribal/Urban grantees in 35 states.

Since the inception of SDPI, many clinical indicators have shown significant improvement, importantly:

- Slowing of the rise of diabetes prevalence: From 2001–2005, there was a relative increase in age-adjusted diabetes prevalence in AI/AN adults of 2.2 percent per year on average, while from 2006–2013, diabetes prevalence increased only 0.8 percent per year on average.¹
- Childhood obesity rates have levelled off: Rates of obesity in AI/AN children and youth aged 2–19 years remained nearly constant from 2006–2013.¹
- Improved blood sugar control: Average blood sugar (as measured by the A1C test) in AI/AN patients with diabetes decreased from 9.0 percent in 1996 to 8.1 percent in 2015, nearing the A1C goal for most patients of less than 7 percent.²
- Improved blood lipid levels: Average LDL cholesterol in AI/AN patients with diabetes decreased 22 percent from 118 mg/dL in 1998 to 94 mg/dL in 2015, well below the target of 100 mg/dL.²
- Reduced kidney failure: From 2000 to 2011, the rate of new cases of kidney failure due to diabetes leading to dialysis declined 43 percent in AI/AN people. This is a much larger decline than in any other racial group in the U.S.³

While there is no way to determine how much of this tremendous progress can be attributed to SDPI, no other program has provided significant and consistent funding to address diabetes in AI/AN communities. Diabetes is a costly disease to prevent and treat and many of the services needed to do this are either poorly reimbursed or not reimbursed at all by whatever third party insurance patients may have. However, not providing these services results in far greater costs in the long run. As noted above, there have been remarkable improvements in many important diabetes measures since SDPI started in FY 1998. Without SDPI, it would be difficult to expect any further improvements and much of what has been achieved could be reversed. SDPI is one of the most successful programs ever established to improve the health of AI/AN people.

The Substance Abuse and Suicide Prevention program, formerly known as the Methamphetamine and Suicide Prevention Initiative (MSPI), is a nationally-coordinated program focusing on providing much-needed substance abuse and suicide prevention and intervention resources for Indian Country. This initiative began in 2010 and continues today as a \$13.5 million grant program to promote the use and development of evidence-based and practice-based models that represent culturally-appro-

¹ IHS National Data Warehouse

² IHS Diabetes Care and Outcomes Audit

³ United States Renal Data System

appropriate prevention and treatment approaches to substance abuse disorders and suicide prevention from a community-driven context. From 2009–2015, MSPI resulted in over 12,200 individuals entering treatment for methamphetamine abuse; more than 16,560 substance use and mental health disorder encounters via telehealth; over 16,250 professionals and community members trained in suicide crisis response; and more than 690,590 encounters with youth provided as part of evidence-based and practice-based prevention activities.

The Domestic Violence Prevention Program (DVPP), formerly known as the Domestic Violence Prevention Initiative (DVPI) is a \$8.967 million congressionally mandated, nationally coordinated grant and federal award program for Tribes, Tribal organizations, federally operated programs, and Urban Indian organizations to provide violence prevention and treatment services. The DVPP promotes the development of evidence-based and practice-based models that represent culturally appropriate prevention and treatment approaches to domestic and sexual violence from a community-driven context. The DVPP expands outreach and increases awareness by funding projects that provide victim advocacy, intervention, case coordination, policy development, community response teams, sexual assault examiner programs, and community and school education programs. From 2010–2015, the DVPI resulted in over 78,500 direct service encounters including crisis intervention, victim advocacy, case management, and counseling services. More than 45,000 referrals were made for domestic violence services, culturally-based services, and clinical behavioral health services. In addition, a total of 688 forensic evidence collection kits were submitted to federal, state, and tribal law enforcement.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN MCCAIN TO
MARY SMITH

Question 1. As you know, the Indian Health Service faces very real challenges in the State of Arizona, largely due to failing infrastructure. I'm pleased to see the significant commitment to the Phoenix Indian Medical Center and other Arizona projects in the IHS construction budget. Can you commit to finishing construction on the PIMC project in FY 2017 as well as other Arizona facilities, even if Congress provides level funding for the construction budget?

Answer. A comprehensive master planning study for the proposed replacement of the Phoenix Indian Medical Center (PIMC) began in 2000. This study was developed in partnership with the 39 Tribes in Arizona, Nevada, and the tribes in Utah. The Phoenix Area Indian Health Service and Tribal Leadership along with the congressional appropriation committees defined a multi-facility approach to addressing the healthcare needs overloading PIMC as the PIMC System. This PIMC System, comprised of three outlying ambulatory care centers (ACC), located in Gila River Southwest ACC at Komatke, Gila River Southeast ACC at Chandler, and PIMC NE ACC at Scottsdale and a central downtown Phoenix facility. The concept for the plan was that the outpatient workload would remain at these three outlying locations thus reducing the workload in the Phoenix central facility. The construction of the Gila River Southwest ACC facility has been completed and has been in service since January 2009. The Gila River Southeast ACC facility is currently under construction and the PIMC NE ACC facility is under design.

The Phoenix Area IHS will conduct an analysis of the workload in all four locations after the last outlying facility is in service for at least one year. This will establish the workload baseline for planning for the downtown Phoenix facility consisting of an ambulatory care center and inpatient facility. Finishing construction of this PIMC system will not be completed in FY 2017. However, the Indian Health Service is committed to completing the entire PIMC System once the workload parameters are in place to plan, design and construct PIMC Central.

Design funds have been requested in the President's FY2017 budget for the proposed replacement *Whiteriver Hospital* in Whiteriver, AZ. The Phoenix Area IHS is currently updating the planning documents.

The proposed 7,088 square meter replacement facility for the *Fort Yuma health clinic* is fully funded for construction and is expected to be providing health care services in the summer of 2017.

The proposed 14,000 square meter replacement healthcare facility for the *Dilkon health center* in Dilkon, AZ. has been funded to begin infrastructure work including a 39-mile waterline with design of the facility beginning in FY 2017.

The proposed replacement facility for *Bodaway Gap* health clinic in Bodaway Gap, AZ., is scheduled for funding after FY 2017.

The proposed replacement for the *Sells Hospital* in Sells, AZ., is the last project on the current priority list of outpatient clinics and is scheduled for funding after FY 2017.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JAMES LANKFORD TO
LAWRENCE S. ROBERTS

Question 1. For much of the last century, the Bureau of Indian Affairs has served as the federal government's lead agency for programs serving American Indians and Tribes. However, there are also whole federal departments, such as the Department of Justice or the Department of Housing and Urban Development, that serve as subject matter experts for their service area. These departments often have greater resources and abilities to provide a service but they sometimes lack BIA's ability to communicate on a government-to-government level with tribal governments. How can we maximize the impact of federal services by pairing the abilities of both sides?

Answer. The Administration seeks to bring an "all-of-government approach" to Indian Affairs by pairing Interior's relationship with tribal governments with the subject matter experts from other agencies. Through this effort we work closely with other federal agencies to enhance our own efforts and minimize duplication of services. The Department is also developing the Native One Stop site (www.NativeOneStop.gov) to allow tribes to view program opportunities available to them across all agencies.

In addition, we are engaged in a concentrated effort with HUD, DOJ, USDA, and ED in coordination with the Office of Management and Budget, to develop inter-agency budget metrics around Native youth. This year we are setting baselines and beginning measure progress in six areas: educational outcomes; teacher housing; access to Internet; ICWA; teen suicide; and criminal justice. This effort is designed to better gauge the impact of our programs in these specific areas.

Question 2. What actions do you take at a leadership level to ensure your department is not duplicating a tribal service provided by another department?

Answer. The Department makes every effort to partner and work closely with other federal agencies and the White House Council on Native Affairs to ensure all of the programs are working together to reach common goals and not duplicating services.

Question 3. Please provide a complete list of all programs and funding opportunities offered by your department for tribes and individual American Indians, their individual funding level, the metrics used by the department to gauge the program's effectiveness, and how the program meets these metrics.

Answer. The attached Indian Affairs' Comprehensive Table is a listing of all available programs. For performance metrics, we have 45 different performance measures that we use for both BIE and BIA. These include:

- 9 measures within Justice Services
- 13 measures within Indian Services
- 21 measures within Trust Services
- 1 measure within Indian Education
- Highlights for Quarter 1 of FY2016 include:
 - Participants Earnings Gain: \$10.09 per hour
 - Violent Crime per 100,000: 148.68 crimes
 - Loss Rates on DOI Guaranteed and Insured Loans: 2.44%
 - Roads in acceptable condition: 14.7%

All programs and their corresponding measures and/or results data are included in the program section of Indian Affairs' budget justification to Congress. Performance metrics and achievements are also outlined in the *DOI Annual Performance Plan and Report*.

The Department also provides input into the *Native American Crosscut* each fiscal year, which is a list of programs that benefit tribes and individuals across all federal agencies prepared by the Office of Management and Budget.

Question 4. How does BIA work with to assist tribes in developing their own environmental rules for enforcement within the reservation or tribal boundaries?

Answer. The BIA encourages tribes to develop their own environmental programs by providing information on federal laws and regulations and grant programs available to tribes. The BIA is also available to answer questions, provide training, and encourages tribes to attend training provided to BIA environmental personnel that might benefit their personnel. BIA environmental personnel are also available to assist and provide expertise and technical assistance.

Question 5. If a tribe establishes their own environmental rules, can they be enforced in place of federal environmental rules on the tribal reservation or within the tribal boundaries, including both land held in trust and not held in trust?

Answer. Several federal environmental statutes contain provisions under which federally recognized tribes may be treated in a “similar manner as a state” (TAS) for implementing and managing certain environmental programs on trust and restricted lands, including the Clean Water Act (CWA), the Safe Drinking Water Act (SDWA), and the Clean Air Act (CAA). To obtain TAS, a tribe must submit an application to EPA demonstrating that it meets the applicable statutory and regulatory requirements. Under these statutes, tribes must develop standards that are at least as protective as federal standards. For example, tribes that seek TAS to administer a Water Quality Standards program under the CWA must develop water quality standards at least as stringent as federal water quality standards.

Question 6. Can a tribe elect to not enforce federal environmental rules on a reservation or on land held in trust? If so, how does this impact the issuance of permits by the federal government for mineral development?

Answer. If a tribe does not have TAS to administer applicable federal environmental laws or where TAS is not available to tribes under certain statutes, the EPA or the appropriate regulatory federal agency implements and enforces federal laws.

Question 7. Is land held in trust different than “public land” as defined in 43 U.S.C 1702(e)?

Answer. Yes, public lands are held for the benefit of US citizens, tribal trust lands are held in trust for the beneficial use of a particular group of people: tribes. Tribal restricted fee lands are held in fee by the Tribe subject to federal restrictions on alienation. Congress specifically excluded lands held for the benefit of Indians, Aleuts, and Eskimos from the “public land” definition and provisions of the Federal Land Management and Policy Act (43 U.S.C 1701 et seq.).

The Secretary of the Interior has delegated primary administrative responsibilities to the Bureau of Indian Affairs for lands held in either trust or restricted status. Other Interior bureaus may also have responsibilities on trust or restricted land delegated by the Secretary. For example, the Bureau of Land Management regulates operations on mineral leases, and the Office of Natural Resource Revenue collects royalties on such leases.

Question 8. Are federal actions on land held in trust different than “public lands” as defined by 43 USC 1702(e)?

Answer. Yes. Federal actions on public lands are governed by applicable statutes, along with Secretarial authorities to lease/permit. Federal actions on land held in trust are also governed by applicable statutes and regulations, as well as different authorities to lease/permit. Landowner (individual Indians and Indian tribes) consent and compensation is usually required, as well as consideration for the best interests of the landowners.

“Public lands” lay within the jurisdiction of the federal government for public use. Trust lands are different because the Federal government is the “trustee” for the lands which are held for use by the tribes or tribal individuals. Federal actions are taken as a trustee for the tribes, not the public at large.

Question 9. What is the status of the Johnson O’ Malley program and when will an updated count of students be put in place?

Answer. The Johnson O’Malley (JOM) program continues to disburse funds based on the 1995 JOM student count of 271,884 students. BIE staff conducted an updated self-reported student count in 2012 and 2014. In 2012 the student count was 321,273, and in 2014 the count was 341,126. During tribal consultations that took place in December 2015, the question of funding methodology was brought forward and there was no consensus on which methodology was preferable. The Department requests guidance from the Congress regarding a funding methodology that will allow additional students and new contractors to be included.

In order to change the funding methodology, Congressional action is needed to address two statutory requirements. JOM is considered Tribal Priority Allocation (TPA) funding, as such sections 450j-1(b)(2) and 458cc(g)(3) of Title 25 of the United States Code prohibit a reduction in the amount of TPA funding in subsequent years unless one of five statutory conditions is met. Without Congress’s concurrence, the Bureau would be required to fund all tribal contracts receiving funds based on their 1995 student count, regardless of the 2012 and/or 2014 counts. This could result in multi-tier funding with 1995 count contractors held harmless and the “new” (2014) contractors governed by a new methodology. The number of tiers could grow each year as new contractors were identified.

Secondly, the current distribution methodology was set in statute during the 1989 appropriation process and congressional action is needed to change the methodology.

Pub. L. 100-446, Title I, Sept. 27, 1988, 102 Stat. 1795 provides: "That notwithstanding any other provision of law, the amounts available for assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall be distributed on the basis of the formula recommended by the Assistant Secretary of Indian Affairs in a letter to the Committees on Appropriations dated June 27, 1988, except that for the fiscal year ending September 30, 1989, the minimum weight factor shall be 1.1 rather than 1.3 and for the fiscal year ending September 30, 1990, the minimum weight factor shall be 1.2 rather than 1.3."

RESPONSE TO THE FOLLOWING QUESTIONS WAS NOT AVAILABLE AT THE TIME THIS HEARING WENT TO PRINT

Questions to HUD

Question 1. For much of the last century, the Bureau of Indian Affairs has served as the federal government's lead agency for programs serving American Indians and Tribes. However, there are also whole federal departments, such as the Department of Justice or the Department of Housing and Urban Development, that serve as subject matter experts for their service area. These departments often have greater resources and abilities to provide a service but they sometimes lack BIA's ability to communicate on a government-to-government level with tribal governments. How can we maximize the impact of federal services by pairing the abilities of both sides?

Question 2. What actions do you take at a leadership level to ensure your department is not duplicating a tribal service provided by another department?

Question 3. Please provide a complete list of all programs and funding opportunities offered by your department for tribes and individual American Indians, their individual funding level, the metrics used by the department to gauge the program's effectiveness, and how the program meets these metrics.

Questions to DOJ

Question 1. For much of the last century, the Bureau of Indian Affairs has served as the federal government's lead agency for programs serving American Indians and Tribes. However, there are also whole federal departments, such as the Department of Justice or the Department of Housing and Urban Development, that serve as subject matter experts for their service area. These departments often have greater resources and abilities to provide a service but they sometimes lack BIA's ability to communicate on a government-to-government level with tribal governments. How can we maximize the impact of federal services by pairing the abilities of both sides?

Question 2. What actions do you take at a leadership level to ensure your department is not duplicating a tribal service provided by another department?

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Question 4. Please provide documentation on how DOJ allocates the funding authorized by 42 USC 10601(g).

Question 5. If DOJ does not fully allocate the funding authorized by 42 USC 10601(g), please explain why and what steps DOJ is taking to ensure the funding is fully utilized.