



NATIONAL CONGRESS OF AMERICAN INDIANS

Testimony before the U.S. Senate Committee on Indian Affairs Hearing on the President's Fiscal Year 2015 Budget for Tribal Programs

March 26, 2014

EXECUTIVE COMMITTEE

PRESIDENT

Brian Cladoosby
Swinomish Indian Tribal Community

FIRST VICE-PRESIDENT

Michael O. Finley
Confed. Tribes of Colville Reservation

RECORDING SECRETARY

Robert Shepherd
Sisseton Wahpeton Oyate

TREASURER

Dennis Welsh
Colorado River Indian Tribes

REGIONAL VICE-PRESIDENTS

ALASKA

Jerry Isaac
Tanana Chiefs Conference

EASTERN OKLAHOMA

S. Joe Crittenden
Cherokee Nation

GREAT PLAINS

Leander McDonald
Spirit Lake Tribe

MIDWEST

Aaron Payment
Sault Ste. Marie Tribe of Chippewa Indians

NORTHEAST

Randy Noka
Narragansett Tribe

NORTHWEST

Fawn Sharp
Quinault Indian Nation

PACIFIC

Rosemary Morillo
Soboba Band of Mission Indians

ROCKY MOUNTAIN

Ivan Posey
Eastern Shoshone Tribe

SOUTHEAST

Ron Richardson
Haliwa-Saponi Indian Tribe

SOUTHERN PLAINS

Steven Smith
Kanva Tribe of Oklahoma

SOUTHWEST

Manuel Heart
Ute Mountain Ute Tribe

WESTERN

Arlan Melendez
Reno Sparks Indian Colony

EXECUTIVE DIRECTOR

Jacqueline Johnson Pata
Tlingit

NCAI HEADQUARTERS

1516 P Street, N.W.
Washington, DC 20005
202.466.7767
202.466.7797 fax
www.ncai.org

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 2015 Budget for Tribal Programs. 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 2015 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.

This testimony calls for equitable funding for tribal governments across the board, and then addresses specific proposals in the Administration's FY 2015 budget, including the Bureau of Indian Affairs, natural resources and environment, health care, education, 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 2015 Indian Country Budget Request, and we request for the document to be entered into the record.ⁱ

Introduction

Annual funding decisions by Congress are an expression of our nation's moral priorities. Numerous treaties, statutes, and court decisions have created a fundamental contract between tribal nations and the United States: tribes ceded millions of acres of land that made the United States what it is today, and in return tribes have the right of continued self-government and the right to exist as distinct peoples on their own lands. And for its part, the United States has assumed a trust responsibility to protect these rights and to fulfill its solemn commitments to Indian tribes and their members.

Part of this trust responsibility includes basic governmental services in Indian Country, funding for which is appropriated in the discretionary portion of the federal budget. Tribal governments exist to protect and preserve their unique cultures, identities, and natural environments for posterity. As governments, tribes must deliver a wide range of critical services, such as education, workforce development, and first-responder and public safety services, to their citizens. The federal budget for tribal governmental services reflects the extent to which the United States honors its promises to Indian people.

Shrinking resources due to sequestration and the Budget Control Act have adversely affected tribes' ability to meet the needs of their communities. An honorable budget for Indian Country will empower tribes so they can provide their people with good health care, quality education, decent and adequate housing, and public safety. These services – that every American expects – meet the needs of Native peoples, benefit residents of surrounding communities, and fulfill obligations to tribal nations. Although Indian Country continues to face immense economic challenges, upholding Indian trust and treaty obligations also holds the promise of tremendous economic success.

A Call for Equitable Funding for Tribes

A fundamental goal for Indian Country governmental services should be parity with similarly situated governments or services. Although tribes have made some progress in addressing egregiously inadequate public services that many Americans routinely take for granted, they are still experiencing what the US Commission on Civil Rights called “a quiet crisis” of federal funding and unmet needs.ⁱⁱ

- **Public Safety:** The bi-partisan Indian Law and Order Commission (ILOC) recently released its report to Congress and the President emphasizing that “[h]ow we choose to deal with the current public safety crisis in Native America—a crisis largely of the Federal government’s own making over more than a century of failed laws and policies—can set our generation apart from the legacy that remains one of [the] great unfinished challenges of the Civil Rights Movement.”ⁱⁱⁱ The Commission recommends and NCAI agrees that Congress and the executive branch should direct sufficient funds to Indian country law enforcement to ensure law enforcement in Indian Country is on par with the rest of the United States.
- **Health Care:** The Indian health care delivery system, while working to reduce Indian health disparities, also faces significant funding disparities in per capita spending between the Indian Health Service (IHS) and other federal health care programs. The IHS is currently funded to meet only about 56 percent of its need, despite being the primary provider of health care for many tribal communities. In 2012, IHS per capita expenditures for patient health services were just \$2,896, compared to \$7,535 per person for health care spending nationally.^{iv}
- **Education:** Of the over 600,000 American Indian/Alaska Native (AI/AN) students in pre-kindergarten through grade 12, most attend public schools. But many of these schools do not have a reliable tax base and disproportionately rely on Impact Aid funding, which makes up for the lack of funding on and near reservations and military bases. The Impact Aid program has not been fully funded since 1960. The Bureau of Indian Education, which serves nearly 50,000 Native students, received \$48 million less in funding in FY 2013 compared to its FY 2012 funding level. Native students still do not have the same education outcomes as their peers, and improving education is an economic necessity for Indian Country. If half of the 24,700 Native students of the Class of 2010 who dropped out of school had graduated, they would likely be earning an additional \$147 million each year compared to what they will earn without a high school diploma.^v

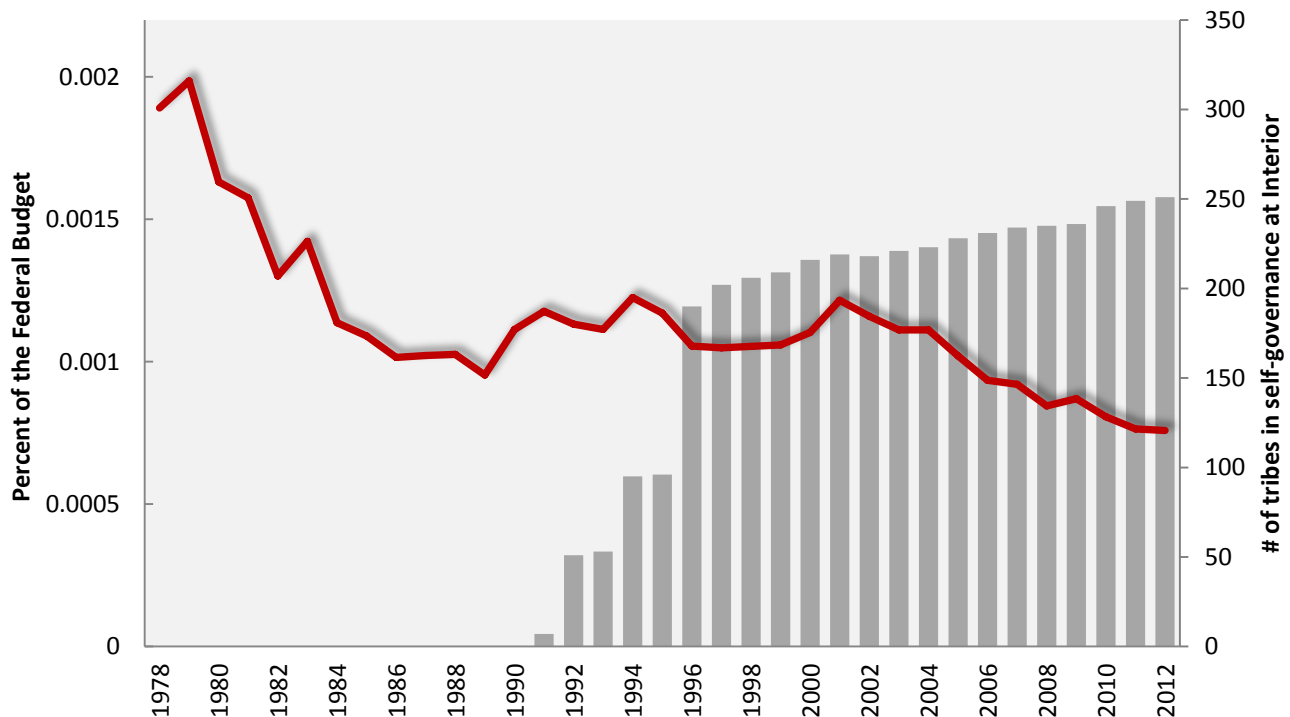
Invest in Self-Determination

Congress and the Administration have expressed strong support for Indian self-determination and honoring the trust responsibility. Indeed, many tribes have made tremendous gains in improving the social and economic well-being of their communities when Congress has respected the important role of tribal governments and invested in self- determination. Chairwoman Karen Diver from the Fond Du Lac Band of Lake Superior Chippewa in Minnesota shared her perspective on reductions to tribal base budgets:

When elderly nutrition started at Fond du Lac in the 1990s, we set the age at 52 because the average age of death in the 1970s was 56. We are proud that under self-governance, that age is now 74. [Congress] is asking us to be wizards in our own community. We are to promote community development. We are to promote economic development. We are to promote health. We are to promote safety. We are to do all these things without a tax base. [Budget cuts] are taking away our ability to rise up and help support rural communities – not just Indian communities – but entire rural communities with the employment and the economic ripple effects.

The Fond du Lac Band poured more than \$300 million into the regional economy in 2011 and created 3,600 jobs in its region, for Natives and non-Natives alike. Tribes across the United States are making similar economic contributions to their regions, drawing on a mix of intergovernmental transfers, fees, enterprises, sales, and leases that make up their governmental revenue. However, the trend in funding for Indian Affairs in the Department of the Interior (DOI) does not reflect Indian self-determination as a priority in the federal budget. Figure 1 shows Bureau of Indian Affairs (BIA) funding in the Department of the Interior as a percentage of the total federal budget from 1980 to 2012.

Figure 1: Indian Affairs Funding as a Percentage of the Federal Budget

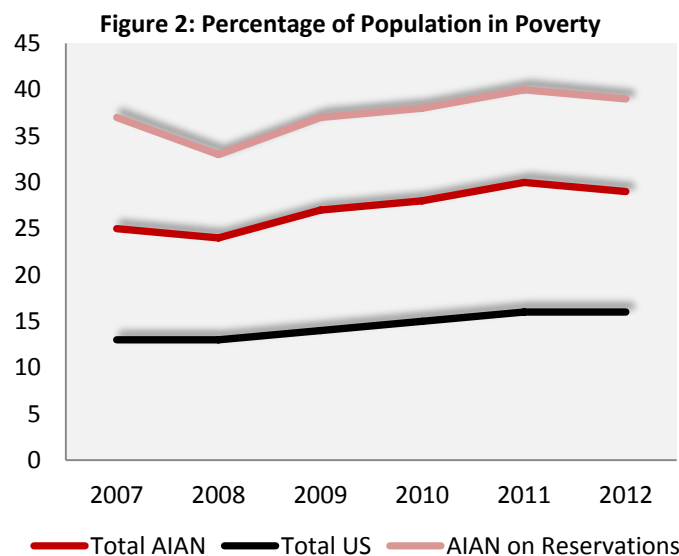


BIA provides the base budget funding for tribes, including: tribal law enforcement, tribal courts, human services, natural resource management, energy development, road maintenance, job training, water resource management, and more. Even as tribes have assumed more responsibility for public activities under self-determination and self-governance, the core support for tribal governments has declined as a percentage of the federal budget. Honorable fulfillment of the trust and treaty promises to tribes would positively impact not only required public services to tribal citizens but also the surrounding regional economies. Given the low historical bases of funding for tribal governments, opportunities for economic improvement and government success are needed.

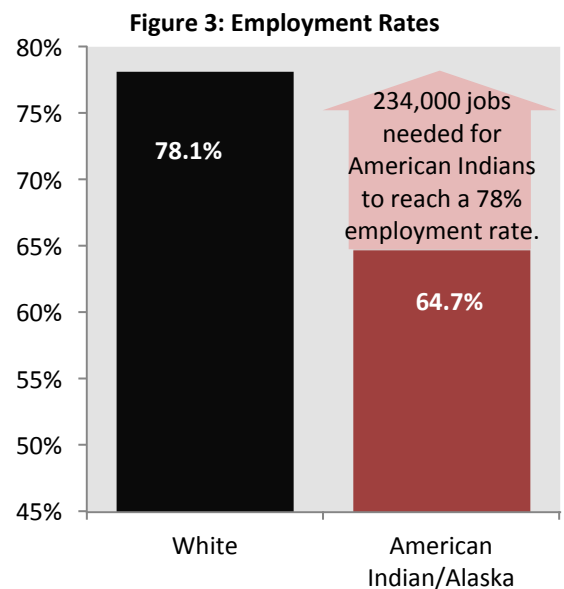
Upholding Obligations to Native People Will Expand Economic Opportunity

Although in the last 30 years Native people overall have experienced significant economic growth as measured by average income and wealth, American Indians and Alaska Natives are still one of the United States’ most economically disadvantaged populations. Nearly one in three Native people— 29.1 percent— lived below the federal poverty line in 2012. For Native people living on reservations, the rate is far higher at 38.6 percent, 2.5 times higher the national rate. Progress is possible, though: in 1990, over half of American Indians on reservation and tribal land lived in poverty.

A recent analysis by the Economic Policy Institute examined the problem of the low rate of American Indian employment.^{vi} Only when American Indians and Alaska Natives have higher and steady employment rates will poverty decline and wealth begin to grow. The paper found that, over the 2009–2011 period, the American Indian employment rate among 25- to 54-year-olds was 64.7 percent—13.4 percentage points lower than that of the White rate. To increase the Native employment rate to that of the White rate would require about 234,000 jobs throughout Indian Country and the United States. For Native people, these statistics show major challenges, but also tremendous opportunity and potential for economic success.



Source: U.S. Census Bureau, “2007-2012 American Community Survey Estimates,” Table B17001 and B17001C



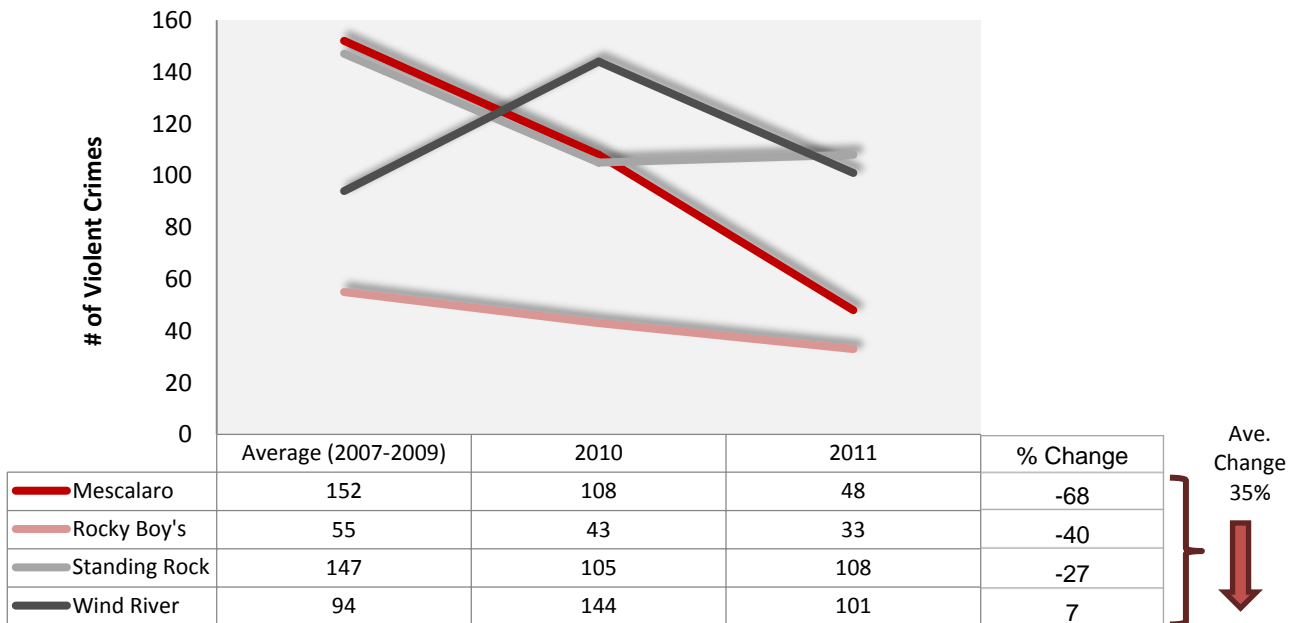
Source: Austin, Algernon. 2013. “Native Americans and Jobs: The Challenge and the Promise.” EPI

As the rest of the American economy continues to recover, tribes offer new opportunities for the communities that surround them. Where tribes exercise self-determination, success stories abound; and they all include the themes of improved responsiveness and increased accountability. Overcoming poverty, while honoring tribal traditions and strengthening culture, is achievable but securing tribal economic security and prosperity will require a sustained commitment. Congress must answer this moral and legal call to action so that Native peoples can look forward to improved prosperity and progress for future generations.

Equitable Funding Leads to Success

Indian Country has long struggled with high crime victimization rates. Violent crimes impose economic costs on the victims and their families, in the form of medical and other expenses and the loss of earnings. Areas with high crime also experience reduced investment. Safe communities are necessary for economic development. Moreover, the Indian Law and Order Commission found that tribal nations throughout our country would benefit enormously if locally based and accountable law enforcement officers were staffed at levels comparable to similarly situated communities off-reservation. In 2010, DOI established a High Priority Performance Goal (HPPG) initiative to reduce violent crime by at least five percent over 24 months on four reservations that were experiencing high rates of violent crime. In FY 2010, all four locations received an increase in base funding to support additional sworn staff. The additional resources assisted in closing the staffing gap and bringing each location up to national sworn staffing levels as listed under the US Department of Justice Uniform Crime Report staffing averages. The increased number of law enforcement officers aligned the staffing-to-population ratios closer to the national standard for rural populations of 2.8 officers per 1,000 persons. The effort resulted in a 35 percent decrease in violent crime across the four sites. The ILOC report states, “[d]espite the current budget reality, the results of the HPPG Initiative should not be forgotten: parity in law enforcement services prevents crime and reduces violent crime rates.”

Figure 4: Reduction in Violent Crime at HPPG Reservations

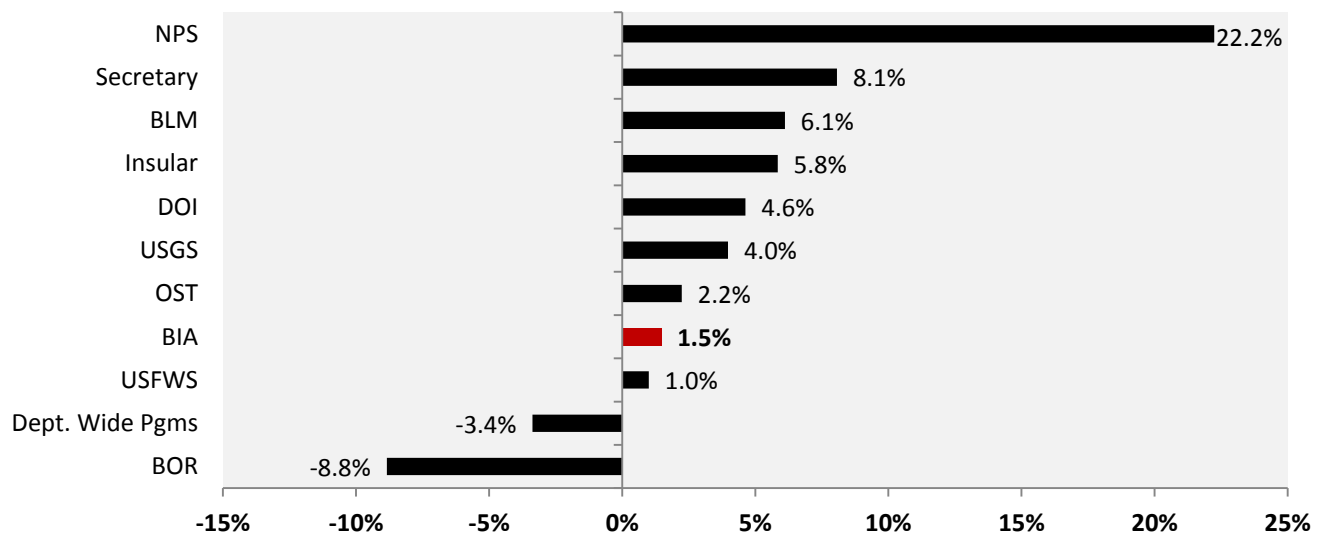


Department of the Interior

NCAI appreciates recent support for some tribal programs over the last few years, especially for the Indian Health Service, contract support costs, and law enforcement. However, we must mention that comparing the requested increases for the largest Interior agencies in the FY 2015 Presidents’ Request reveals inequitable support relative to the National Park Service (NPS), Bureau of Land Management (BLM), and the US Geological Survey (USGS). The DOI budget without the BIA would increase 5.2 percent in the FY 15 President’s budget. An increase of \$139 million to BIA over FY 2014 **is required to provide an equitable increase relative to the overall FY 2015 DOI budget.**

Figure 5: DOI Agency, Total Budget Authority (Dollars in thousands)	2013 Actual	2014 Enacted	2015 Request	Change	% Change
Bureau of Land Management (BLM)	1,159,810	1,266,478	1,343,888	77,410	6.11%
US Geological Survey (USGS)	1,013,093	1,032,975	1,074,016	41,041	3.97%
Fish & Wildlife Service (USFWS)	2,578,792	2,790,413	2,818,293	27,880	1.00%
National Park Service (NPS)	3,206,136	2,983,754	3,647,402	663,648	22.24%
Indian Affairs (BIA)	2,493,222	2,640,178	2,679,097	38,919	1.47%
Office of the Secretary	4,460,434	2,141,544	2,314,294	172,750	8.07%
Insular Affairs	647,775	640,683	678,127	37,444	5.84%
Office of Special Trustee (OST)	513,161	524,509	536,248	11,739	2.24%
Department-Wide Programs	1,325,807	1,440,197	1,391,683	-48,514	-3.37%
Bureau of Reclamation (BOR)	1,146,608	1,278,903	1,165,810	-113,093	-8.84%
Department of the Interior (DOI)	19,491,853	17,619,311	18,434,901	815,590	4.63%
DOI without BIA	16,998,631	14,979,133	15,755,804	776,671	5.19%

Figure 6: DOI Bureaus, % Change in Total Budget Authority FY 2014 Enacted to FY 2015 Budget Request



The other Interior agencies certainly provide assistance to Indian tribes. According to a FY 2014 crosscut of Native American funding,^{vii} in FY 2013, tribes received 1.4 percent of BLM’s budget, 14.5 percent of the Bureau of Reclamation budget, 0.4 percent of the USFWS budget, and 0.4 percent of the NPS budget. About 91 percent of the funding in FY 2013 that went to Indian tribes in DOI was through BIA and OST and 9 percent of funds to tribes (excluding fire) were in other bureaus.

Figure 7: Agency (Dollars in thousands)	2013 Actual	Tribes	Tribes as % of Each Bureau’s Budget
Bureau of Land Management	1,159,810	16,000	1.38%
Fish & Wildlife Service	2,578,792	10,000	0.39%
National Park Service	3,206,136	13,000	0.40%
Bureau of Reclamation	1,146,608	166,000	14.48%

NCAI appreciates that, for instance, USGS is increasingly engaging with tribes to develop climate adaptation programs and working to meet tribes’ needs for scientific and planning information. The budget proposes that in FY 2015, the National Climate Change and Wildlife Science Center/ Department of the Interior Climate Science Centers (NCCWSC and the CSCs) would help identify and implement best practices for the integration of traditional ecological knowledge into CSC science products. The CSCs would build on existing training and educational efforts, working with tribes in the development of climate adaptation strategies. The CSCs would expand research on key climate concerns, such as identifying those “First Foods” and similar culturally valued interests (plants, animals) whose existence or access is threatened by climate change.

The USFWS also is improving its work with tribes, such as with the North Pacific Landscape Conservation Cooperative (NPLCC). The NPLCC is funding research to help coastal land managers face many challenges and uncertainties in planning adaptive strategies for conserving nearshore habitats under future climate change scenarios. The USFWS states that “Indigenous peoples have long understood the inextricable link among climate, landscapes, watersheds, plants and animals, and people. And their knowledge – often referred to as Traditional Ecological Knowledge (TEK) – offers an important perspective to resource management in a time of rapid environmental change. Western science can miss the complex interactions between people and the broader ecosystem. But when TEK is considered along with Western science, managers can gain a more holistic understanding of the natural environment and can create a more resilient future.”

Increased tribal engagement is good, to the extent that non-BIA bureaus are assisting tribes, providing resources and upholding the federal trust responsibility. But BIA provides the primary resources for carrying out the core governmental services to about 2 million American Indians and Alaska Natives. Funding for tribal capacity building is critical. Individual projects, such as the NPLCC, do not provide the long-term capability that tribes need to be able to address climate issues. The \$9.947 million in the BIA’s budget for Cooperative Landscape Conservation does not go far for 566 federally recognized tribes.

Even as other agencies work to improve meeting their obligations to tribes, NCAI urges Congress to ensure that the BIA budget can provide the resources that modern and sophisticated tribal governments require.

Bureau of Indian Affairs

The FY 2015 budget request for the Operation of Indian Programs account is \$2.4 billion, an increase of \$33.8 million, or 1.4 percent, above the FY 2014 enacted level. The FY 2015 budget request for the Construction account is \$109.9 million; a decrease of \$216,000 below the FY2014 enacted level (see Appendix A). The FY 2015 budget proposes a total of \$922.6 million in Tribal Priority Allocations, an increase of \$19.3 million over the FY 2014 level, a 2 percent increase. An increase of \$139 million to BIA over FY 2014 **would be required to provide an equitable increase relative to the overall FY 2015 DOI budget.**

The budget request for **contract support** is \$251 million; including funding for the Indian Self-Determination Fund, an increase of \$4 million above the FY 2014 enacted level. The requested amount will fully fund estimated FY 2015 contract support costs, according to BIA based on the most recent analysis. NCAI commends the Administration for requesting full funding for Contract Support Costs in FY 2015.

NCAI notes however that the Tribal Grant Support Costs for BIE tribally controlled schools and residential facilities should also be fully funded. Tribal Grant Support Costs (formerly referred to as Administrative Cost Grants) funding is provided to the schools to cover administrative and indirect costs incurred in operating contract and grant schools. In SY 2012-2013, tribally controlled grant schools received an estimated 64 percent of the grant support funding needed as defined by the administrative cost grants formula.

Major Initiatives

The **Tiwahe (Family) Initiative** would provide an additional \$11.6 million to expand Indian Affairs' capacity to address Indian child and family welfare and job training issues and implement processes to better sustain Indian families. Increases include: \$10 million to build on social services and Indian child welfare programs that provide culturally-appropriate services toward health promotion, family stability, and strengthening tribal communities; \$550,000 to expand job placement and training programs; BIA law enforcement would begin a pilot program to implement a strategy for alternatives to incarceration and increased treatment; \$1 million to develop and institutionalize a program for evaluating social service and community development needs and to inform programmatic design, evaluation, management, and budgeting.

Tribal leaders through the Tribal Interior Budget Council have repeatedly called for increases to Social services and Indian Child Welfare Act (ICWA) funding. NCAI also supports increases to these two activities. ICWA was enacted in 1978 in response to the troubling practices of public and private child welfare agencies that were systematically removing American Indian and Alaska Native children from their homes, communities, and culture, and placing them in non-Indian foster and adoptive homes. The Act not only provides protections for Native children in state child welfare and judicial systems but recognizes the sovereign right of tribes to care for their children. The crippling of Native economies before the Self-Determination Era left tribal citizens overwhelmingly impoverished, facing high unemployment compared to non-Native people, and with few economic opportunities. The barriers to employment vary region- to-region in Indian Country, but include geographic remoteness, a weak private sector, poor basic infrastructure, and even a lack of basic law enforcement infrastructure. This, coupled with the recent economic down turn, makes the Social Service program

an essential yet underfunded part of anti-poverty programming on reservations nationwide. For these reasons, NCAI supports the increase BIA Social Services.

Education increases include: \$500,000 for Johnson O'Malley education assistance grants to support a new student count in 2015 and provides funding for the projected increase in the number of students eligible for grants; \$1 million to support the ongoing evaluation of the BIE school system; \$2.3 million to fund site development at the Beatrice Rafferty School for which design funding was provided in the FY 2014 budget; \$1.7 million for fellowship and training opportunities for post-graduate study in science fields and \$250,000 for summer pre-law preparatory program scholarships. NCAI appreciates all the proposed modest increases, but reminds Congress that an increase of \$139 million to BIA over FY 2014 would be required to provide an equitable increase relative to the overall FY 2015 DOI budget.

Indian Health Service

The survival and prosperity of tribal communities depend on the safety, health, and wellness of our citizens. Despite the federal government's trust responsibility to provide health care to our people, American Indians and Alaska Natives (AI/AN) suffer disproportionately from a variety of health concerns. The AI/AN life expectancy that is 4.1 years less than the rate for the US all races population. According to IHS data from 2005-2007, AI/AN people die at higher rates than other Americans from alcoholism (552 percent higher), diabetes (182 percent higher), unintentional injuries (138 percent higher), homicide (83 percent higher), and suicide (74 percent higher). Additionally, AI/AN people suffer from higher mortality rates from cervical cancer (1.2 times higher); pneumonia/influenza (1.4 times higher); and maternal deaths (1.4 times higher). Clearly, this data calls for a better funded Indian health care delivery system.

The Indian Health Service (IHS) has been and continues to be a critical institution in securing the health and wellness of tribal communities. Funding for the IHS is crucial for providing necessary health care for tribal citizens and depends solely on the federal budget. Additionally, the budget for the IHS determines the extent to which the United States honors its federal trust responsibility to American Indian and Alaska Native peoples. The FY 2015 budget for the IHS should support tribal self-determination, uphold the federal government's partnership with tribes to improve Indian health, and work to reduce health disparities for Native people. It is unconscionable that, America's first nations are often the last when it comes to health.

Indian health-care providers, who form a crucial system of care in some of the most remote communities in the country, must receive the funding necessary to operate IHS facilities and fund community-based programs on which tribal communities rely. Underfunding results in atrocious medical practices, poor facility conditions, and unreliable management. Overall improvements in IHS will protect the future of tribal nations and fulfill the government's treaty responsibility. NCAI supports the National IHS Tribal Budget Formulation Workgroup and their recommendations to HHS for FY 2015.^{viii}

NCAI appreciates that the IHS has finally seen some of the most significant budget increases in decades with a historical increase of 32 percent during the past six years. Yet, funding for Indian health care services and programs still falls significantly short of what is required to bring health parity to Indian health in line with other federal healthcare programs.

In FY 2014, IHS received an increase of \$304 million over FY 2013 enacted levels. Most of this increase was designated to fully fund contract support costs (CSC), as well as new staffing packages, at the direction of Congress. Thus, the agency was forced to cut an additional \$10 million from the overall IHS budget. NCAI and tribes hoped that funds would be available to restore sequestration cuts from FY 2013 and adjust for inflationary increases and population growth. Tribes are insisting this year that the Department and Congress fully restore the cuts left over from FY 2013 sequestration and provide funding to maintain current services, as well as provide a meaningful increase in the services line item.

Transportation, Housing, and Infrastructure

Fulfillment of the trust responsibility represents necessary elements for a strong economic foundation in Indian Country to afford Native children and future generations the opportunity to fulfill their potential. Investments in tribal infrastructure must continue to address the inadequate roads, housing, and broadband systems that are all essential to economic development and job creation. Education is fundamental to long-term economic opportunities, and public safety is a prerequisite for long-term economic development. Support for tribal energy and natural resource development must be ramped up—although tribal lands contain a vast amount of the nation's conventional and renewable energy resources, tribal governments face an array of challenges in developing these resources. All of these investments hold immense promise to contribute to regional economies, in turn strengthening the American economy and building a better future for all Americans.

Housing

Housing is a core necessity for tribal communities. While tribes have made great strides toward improving housing conditions in their communities through the Native American Housing Assistance and Self-Determination Act (NAHASDA), the need for adequate, affordable housing for low income Indian people persists. Native Americans still face some of the worst housing and living conditions in the United States. Nearly 30 percent of homes in Indian Country rely on wood for heating; up to 18 percent are without phone service in some areas; and substandard housing conditions continue to prevail. According to the American Community Survey 2006-2010 data, Indian homes frequently lack utilities and infrastructure, with approximately 8.6 percent lacking complete plumbing facilities; 7.5 percent lacking kitchen facilities; and 18.9 percent lacking telephone service.

Since the enactment of NAHASDA in 1996, tribal housing programs are moving into a new era for housing and community development—and using sustainable building practices and leveraging their NAHASDA and other federal funding. Today there are close to 500 Tribally Designated Housing Entities (TDHEs) in Indian Country. The NAHASDA effectively replaced the various Indian housing programs under the 1937 Housing Act and consolidated federal housing funds through direct block grants to the tribes and their TDHEs. It also authorized tribes to design and implement tribal housing and other community development infrastructure programs. The NAHASDA has resulted in tens of thousands of more housing units being constructed, as well as increased tribal capacity to address related infrastructure and economic development challenges.

The NAHASDA authorizes several programs and activities that are in need of additional funding, including: the Indian Housing Block Grant; Indian Community Development Block Grant; Sections 184 and 184A Guarantee Loan Program; Title VI Guarantee Loan Program; and NAHASDA's Training and Technical Assistance Funding.

Indian Housing Block Grant

NCAI recommends that the Indian Housing Block Grant (IHBG) be funded at not less than \$675 million. IHBG funding is important for housing development, construction, infrastructure, maintenance, and repair in Native communities. These funds also assist tribal governments and TDHEs to leverage other funds, such as low-income housing tax credits.

BIA Roads Maintenance

NCAI recommends \$30 million for the BIA Road Maintenance Program. Currently, BIA needs \$290 million per year to maintain BIA-owned roads and bridges to an adequate standard. Costs to maintain these roads have risen sharply due to high inflation for construction. However, for FY 2013, only \$25 million has been appropriated for BIA roads maintenance. It is critical that \$30 million be appropriated for the BIA Road Maintenance program in FY 2015.

Human Services

Child Welfare

Tribes have an important relationship with their children and families: they are experts in the needs of American Indian and Alaska Native (AI/AN) children, best suited to effectively serve those needs, and most able to improve child welfare outcomes for these children. Many states find tribes to be an essential part of the child welfare system because of the help and relief they offer through the provision of culturally competent services and needed out-of-home placements for tribal children. Self-determination is essential to good outcomes for Native children in both state and tribal child welfare systems. Successful tribal child welfare requires a budget that avoids unnecessary restraint to tribal decision making. Funding must provide flexible opportunities that allow tribes to design their child welfare services to meet the needs of American Indian and Alaska Native children and families. In addition, Native communities have elevated risk for child abuse and neglect. Funding must account for this elevated need and the United States' corresponding trust responsibility for the protection and preservation of tribes' most vital resource—American Indian and Alaska Native children.

Department of Health and Human Services

Promoting Safe and Stable Families (Social Security Act Title IV-B, Subpart 2): NCAI recommends increasing funding to \$75 million for FY 2015 to allow more tribes, who are currently ineligible due to a funding formula that denies funds to tribes eligible for less than \$10,000, to access these funds.

Promoting Safe and Stable Families is a program designed to provide funds to operate a coordinated child welfare program that includes family preservation, family support, reunification, and adoption support services. Promoting Safe and Stable Families has both a mandatory capped entitlement appropriation, as well as a discretionary appropriation. Tribes are eligible for funds based on a three percent set-aside.

All tribes whose plan receives approval are eligible for a portion equal to that tribe's proportion of children compared with the number of children for all tribal entities with approved plans. Tribes who would qualify for less than \$10,000 under the formula are not eligible to receive any funding.

Tribal child welfare programs work tirelessly to strengthen families and provide services that keep children safely in their homes. In state systems, when child abuse or neglect is substantiated, Native children are three times more likely to be removed from their home—as opposed to receiving family preservation services—than their non-Native counterparts.^{ix} Because of this, tribes across the nation are working to increase their child welfare capacity and assume the care of more children and ensure that Native families are kept together.

An integral part of this work is the Promoting Safe and Stable Families Program—which focuses on preventing the unnecessary removal of children—by supporting parenting classes, home-visiting services, respite care for caregivers of children, and other services that safely preserve families.

One hundred and thirty tribes and tribal consortia depend on this funding to provide child welfare services that strengthen families and prevent unnecessary removal of AI/AN children from their homes. Yet because of the funding levels, many tribes are ineligible for these formula grant dollars as their portion of the tribal set-aside is less than \$10,000. Increasing this program to \$75 million (still \$125 million below the authorized appropriations) could help dozens of new tribes access this funding and augment the programming of the 130 tribes and consortia currently funded.

Substance Abuse and Mental Health Services Administration

Programs of Regional and National Significance: NCAI recommends increasing the funding to the FY 2011 level of \$9 million, and reserve \$6 million specifically for the Circles of Care Program.

The Children and Family Programs line item in the Substance Abuse and Mental Health Services Administration (SAMHSA) budget represents funds allocated to support State/Community Partnerships to Integrate Services and Supports for Youth and Young Adults Program and the Circles of Care Program. Although tribes are eligible for State/Community Partnerships to Integrate Services and Supports for Youth and Young Adults, none have received funding under this competitive grant program which is a five-year pilot program designed to facilitate a successful transition to independence and adulthood for young adults with serious mental health conditions. Circles of Care is a competitive grant program that is the cornerstone of tribal Children's Mental Health and comprised of all tribal grantees. Indian Country's primary concern under this line item is the appropriation of funds necessary for the Circles of Care Program.

Circles of Care is a three-year planning grant that supports the development of capacity and infrastructure necessary for a coordinated network of holistic, community-based, culturally appropriate interventions designed by and for the community to help children with serious behavioral health issues access services and find wellness. The Circles of Care program is the only SAMHSA grant program that is focused specifically on children's mental health issues in Native communities. It is also the only SAMHSA program that allows tribes and tribal organizations to apply without competing for funding with other governmental entities like states, counties, or cities. There are currently seven communities receiving Circles of Care funding.

American Indian and Alaska Native children and youth face a “disproportionate burden” of mental health issues while simultaneously facing more barriers to quality mental health care.⁴⁶ Programs like Circles of Care, which provide communities with the funding to plan and build culturally competent services and design integrated supports that meet the specific needs of their youth with behavioral health challenges, are essential to the well-being of Native youth today.

Since its inception in 1998, the Circles of Care Program has impacted 38 different tribal and urban Indian communities. These programs have been incredibly successful in creating long-term sustainable systems change. Of the 31 total graduated Circle of Care grantees, 12 have obtained direct funding to implement their system change efforts through the Child Mental Health Initiative (CMHI) Program (which funds Systems of Care grants), and four others have partnered with other CMHI-Systems of Care grantees to implement their models. The others have developed various alternative strategies to operationalize and sustain their system change plans to care for youth with mental health challenges.

It is essential that funding be renewed to FY 2011 levels in FY 2015, with \$6 million under this line item reserved for the Circles of Care program. This will ensure that the Circles of Care program can continue and a new robust cohort of tribal communities can have the opportunity to plan for the systems change necessary to ensure the well-being of their children and youth struggling with mental illness.

Education

“We have a generational transformation going on in this country—I know that is true in Indian Country as well. . . . If our children are not well educated, and if they are not educated in a culturally appropriate way, you are not going to achieve . . . [the] goals for your tribes and your cultures, nor the goals of these young people to realize their dreams.”

– Secretary Sally Jewell,
Remarks at the 2013 White House Tribal Nations Summit

America’s highest priority must be to provide all of our nation’s children with an excellent education, including American Indian and Alaska Native youth. Ensuring equal educational opportunities is not simply a matter of fairness, but even more importantly in today’s tough economic climate, it is an essential strategy for creating jobs and securing the nation’s future prosperity. As President Obama has stressed time and again, improving American education is an “economic imperative.”

Research consistently demonstrates that investments in education contribute to economic growth, while also expanding opportunities for individual advancement.¹⁹ For example, a 2007 Brookings Institution study revealed that investments in education and training programs provide a payoff between five and 15 percent per year compared to their upfront costs.²⁰ Likewise, cutting statewide public K-12 expenditures by just one percent would reduce a state’s employment rates by 0.7 percent in the short run and by 1.4 percent in the long run.^x

Department of the Interior, BIE, School Construction and Repair

NCAI recommends \$263.4 million for Bureau of Indian Education (BIE) school construction and repair. This funding category includes school construction, facilities improvement and repair, and replacement school construction. Schools operating within the BIE system are woefully outdated and in some cases, dangerous for students and staff. Currently more than 60 BIE schools are rated in "poor" condition, which puts Native students at an unfair disadvantage. Students cannot be expected to succeed in environments that are often dilapidated and unsafe. Further, moratoriums on new construction only cause backlogs of construction projects. The federal government must uphold its trust responsibility to Native education and adequately fund construction and repair projects.

Impact Aid

NCAI recommends \$2 billion for Impact Aid, Title VIII funding under the No Child Left Behind Act. Impact Aid provides direct payments to public school districts as reimbursement for the loss of traditional property taxes due to a federal presence or activity, including the existence of an Indian reservation. With nearly 93 percent of Native students enrolled in public schools, Impact Aid provides essential funding for schools serving Native students. In Fiscal Year 2013, Impact Aid was cut by approximately \$100 million dollars by sequestration from the Fiscal Year 2012 level of \$1.1 billion, which forced school closures and school consolidation across many Native communities. In order to ensure Native students have access to education, Impact Aid must be fully funded at \$2 billion. Furthermore, Impact Aid should be converted to a forward-funded program to eliminate the need for cost transfers and other funding issues at a later date. The President requested a cut to Impact Aid in FY 2015 of \$67 million compared to FY 2014.

Title VII (Indian Education Formula Grants)

NCAI recommends \$198 million for Title VII funding under the No Child Left Behind Act. This grant funding is designed to supplement the regular school program and assist Native students so they have the opportunity to achieve the same educational standards and attain parity with their non-Native peers. Title VII provides funds to school divisions to support American Indian, Alaska Native, and Native Hawaiian students in meeting state standards. Furthermore, Title VII funds support early-childhood and family programs, academic enrichment programs, curriculum development, professional development, and culturally-related activities. Currently, funding for Title VII only reaches 500,000 Native students leaving over 100,000 without supplementary academic and cultural programs in their schools. As Native students are far behind their non-Native peers in educational achievement, increased funding is necessary to address this substantial gap.

NCAI has also developed many other recommendations for Indian education programs published in the FY2015 Indian Country Budget Request.^{xi}

Department of Justice

Congress has taken historic steps in recent years with the passage of the Tribal Law and Order Act in 2010 and the Violence Against Women Reauthorization Act of 2013 (VAWA 2013), both of which begin to address some of the structural barriers to public safety in tribal communities. For the promise of these laws to be fully realized, however, these laws must be fully implemented, which requires sufficient resources for tribal justice systems and ongoing coordination and consultation between various federal agencies and tribal governments. The Department of Justice recognized this reality in its recently issued Proposed Statement of Principles. The Proposed Statement articulates DOJ's belief that stable funding at sufficient levels for essential tribal justice functions is critical to the long-term growth of tribal institutions.^{xii}

This would also help foster economic development on tribal lands and improve the quality of life in immeasurable ways. The following budget recommendations also ensure that tribal law enforcement officers, emergency responders, and justice personnel are able to find work in the communities that need their services the most. As the federal government balances the national budget, it must also pledge to honor its distinct legal, treaty, and trust obligations to assist tribal nations in providing public safety to their citizens. Highly-functioning criminal justice systems and basic, on-the-ground police protection are fundamental priorities of any government; tribal governments are no different.

Tribal Grants: NCAI recommends eliminating competitive grant funding process and utilize Justice Department appropriations as base funding where tribes and tribal courts themselves determine their own priorities.

One of the biggest issues with DOJ funding is that it is competitive funding for whatever issue DOJ deems the priority at that particular moment (which changes frequently). In order to obtain this funding, tribes – on behalf of their tribal courts – must compete against each other under DOJ's priorities and guidelines. In the end, the tribes that have the financial and human resources to employ experienced grant writers end up receiving funding, while the under-resourced tribes are left without.

The approach instead should be to utilize Justice Department appropriations as base funding where tribes are encouraged to determine their own priorities. DOJ posed the idea of base funding in the form of a block grant at the most recent Office on Violence Against Women (OVW) tribal consultation. While this is a welcome step in the right direction, tribal governments should be afforded base funding from DOJ appropriations across the board, and not limited to solely the OVW.

NCAI supports a seven percent tribal set-aside from funding for all discretionary Office of Justice Programs (OJP) programs, ensure that those funds are allocated as flexible base funding, and see that each formerly separate program area receives funding at or above the FY 2010 funding level of \$50 million, including tribal courts and jails construction, legal assistance, juvenile delinquency prevention, and substance abuse prevention.

Congress should adopt the seven percent tribal set-aside in OJP funding and, at a minimum, restore funding levels for DOJ tribal justice programs to their FY 2010 level of \$50 million. Tribal nations are in a unique place right now, where Congress has opened the door to new possibilities through

passage of the comprehensive TLOA, but they lack the resources necessary to make huge strides in providing public safety on the reservation. We urge Congress to act now to restore funding for DOJ tribal justice programs.

In particular, the seven percent tribal set-aside of OJP programs is extremely important to tribes, because it would allow for a more flexible funding structure, and because it complements the Department of Justice's Coordinated Tribal Assistance Solicitation (CTAS). CTAS attempts to streamline the grant application process for tribes, enabling them to submit a single application and select multiple purpose areas, as opposed to previous years in which they were required to submit multiple grant applications. However, this streamlined application model will not achieve its intended success unless and until it is accompanied by a streamlined funding mechanism.

The President's FY 2015 Budget requests \$395.4 million for the Department of Justice (DOJ) public safety initiatives in Indian Country (including \$375.4 million in discretionary funds and \$20 million from the Crime Victims Fund, a mandatory account). This is a \$5.9 million increase compared to the President's FY 2014 DOJ request, and it demonstrates the Administration's continued commitment to improving the criminal justice system on tribal lands.

The Crime Victims Fund, administered by the Office for Victims of Crime (OVC) within DOJ's Office of Justice Programs (OJP) includes the **\$20 million set-aside for tribal victim assistance** within the **Crime Victims Fund**, which was initiated in FY 2014. The Crime Victims Fund was initially established to address the need for victim services programs, and to assist tribal, state, and local governments in providing appropriate services to their communities. The Fund is financed by collections of fines, penalty assessments, and bond forfeitures from defendants convicted of federal crimes, but until last year, tribes have only been eligible to receive a very small portion of the discretionary funding from the Fund. The tribal funding is requested as part of OVC's Vision 21 Initiative, a strategic planning initiative based on an 18-month national assessment by OJP that systematically engaged the crime victim advocacy field and other stakeholder groups in assessing current and emerging challenges and opportunities facing the field. The initiative focuses on supplemental victims services and other victim-related programs and initiatives in areas like research, legal services, capacity building, national and international victim assistance, and—of course—tribal assistance.

Similar to the President's 2013 and 2014 requests, the Department again proposes bill language for a **7 percent tribal set-aside** from all discretionary **Office of Justice Programs** to address Indian country public safety and tribal criminal justice needs. Under the FY 2015 request, the 7 percent set-aside totals approximately **\$102.8 million**—a slight increase from last year's request.

The President's DOJ budget requests \$423 million for the **Office on Violence Against Women (OVW)**, **\$46.1 million** of which will be aimed at addressing the high victimization rates of American Indian and Alaska Native women for the crimes of domestic violence, sexual assault, dating violence, and stalking on tribal lands. Of these funds, about \$35.7 million is requested for disbursement through the VAWA Grants to Indian Tribal Governments Program, while \$6.2 million would be funneled to tribal coalitions through the VAWA Tribal Coalitions Grants Program and \$2.7 million would go to tribes under VAWA's Sexual Assault Services Program. Also within these OVW funds, the President has requested that \$500,000 be available for an Indian Country Sexual Assault Clearinghouse that offers a one-stop shop for tribes to request free on-site training and technical assistance.

This year's DOJ budget also requests a total of **\$1.6 million** for the **Office of Tribal Justice (OTJ)** to, amongst other things, help fund a total of six attorney positions in FY 2015. This request is identical to FY 2014. The request for additional staffing resources was made in recognition of the increased workload and duties of OTJ staff in recent years, particularly since the Tribal Law & Order Act of 2010 established OTJ as a permanent component of the Department. Hundreds of federal cases, in addition to other conflicts needing resolution are generated in Indian country each year, and OTJ serves as the primary point of contact between all 566 federally recognized tribes and DOJ on these matters. Additionally, with the special domestic violence criminal jurisdiction (SDVCJ) tribal provisions of the Violence Against Women Reauthorization Act of 2013, OTJ plays an important role in implementation. OTJ coordinates these complex matters, the underlying policy, and emerging legislation between more than a dozen DOJ components active in Indian country. As such, it is imperative that OTJ has the necessary resources to sufficiently fulfill all of these obligations.

Additionally, the FY 2015 budget request for tribes under the **Community Oriented Policing Services (COPS)** program to fund tribal law enforcement expenses is **\$35 million**, an increase of \$15 million from the FY 2014 requested amount. This program provides funding and resources to meet the public safety needs of law enforcement and advance community policing on tribal lands. The President's FY 2015 increase brings the amount closer to his request in FY 2012 (which was closer to \$42 million). These funds are critical for the hiring and retention of tribal law enforcement officers.

NCAI recommends increasing funding of tribal law enforcement programs under the Department of Justice's Community Oriented Policing Services (COPS) Grants to \$52 million.

Since the creation of the COPS Office under the Violent Crime Control and Law Enforcement Act of 1994, the COPS Office has awarded over 2,000 grants totaling more than \$400 million to tribal nations to hire more than 1,700 new or redeployed law enforcement officers. It has also helped tribes to obtain necessary law enforcement training, equipment, vehicles, and technology.¹⁴ Through its Tribal Resources Grant Program and Tribal Methamphetamine Program and historical programs and funding initiatives such as the Tribal Hiring Renewal Grant Program (THRGP), Tribal Mental Health and Community Safety Initiative, and the Tribal Court Pilot Program, the COPS Office has taken a proactive approach toward addressing the needs of tribal nations and has become one of the primary resources available to tribal law enforcement agencies attempting to develop and maintain a fundamental policing infrastructure and upgrade outdated equipment. Yet, there is still a tremendous unmet need within tribal justice systems for more COPS funding. The COPS Office has acknowledged that due to limited resources, it has not been able to adequately fund tribal justice systems, particularly in the area of hiring/retaining tribal law enforcement officers. In a report released in December 2010, the COPS Office described its practice of intermittent funding as "problematic," especially "when referring to hiring of officers." Hiring more tribal police officers should be a top priority for reasons of public safety. Indian Country urges Congress to significantly increase funding for tribal law enforcement programs under the COPS program.

DOJ's FY 2015 Budget Request for Indian Country programs is an increase over its FY 2014 numbers, which is particularly encouraging given the current budget climate in Washington, DC. Moreover, DOJ's request provides tribes with more flexibility in how they spend their DOJ grant dollars, demonstrating the Justice Department's continued commitment to tribal self-determination and the improved administration of justice on Indian lands.

Environmental Protection Agency

Although the President’s FY 2015 Budget request for EPA is \$7.89 billion, \$310 million or nearly 4 percent below FY 2014 enacted funding of \$8.2 billion, many of the tribal set asides received increased funding. Recognizing tribes and states as the primary implementers of environmental programs, the EPA continued funding its State and Tribal Assistance Grants program, which accounts for the largest percentage of the EPA’s budget request at over 38 percent. Further, tribes received a substantial increase of approximately \$31 million over FY 2014 enacted appropriations to the Tribal General Assistance Program (GAP). These additional funds will assist tribes in capacity building and promote protections for the environment and human health. NCAI supports the proposed increase for the GAP program.

However, the Clean Water and Drinking Water State Revolving Funds, which provides low-interest loans to tribes and states for new infrastructure improvements projects for drinking water and public treatment systems saw a reduction in requested funding by \$581 million from the FY 2014 enacted budget to \$1.775 billion—\$1.018 billion for Clean Water and \$757 million for Drinking Water.

Prior to allotting DWSRF to states, the EPA will reserve up to 2 percent, or \$20 million, whichever is greater, of appropriated funds for Indian tribes and Alaska Native Villages. These funds are awarded either directly to tribes or, on behalf of tribes, to the Indian Health Service through interagency agreements.

EPA (\$ in millions)	FY2013 Actual	FY2014 Enacted	FY2015 Request	FY15 - FY14
Alaska Native Villages	9.5	10	10	0
Tribal Air Quality Management	12.3	12.8	12.8	0
Tribal General Assistance Grants	66.4	65.4	96.4	31
State and Tribal Assistance Grants	3,392	3,535	3,055	(530)
Clean Water State Revolving Fund	1,422	1,923	1,018	(905)
<i>Tribal Resources</i>	18.6	29	30	1
Drinking Water State Revolving Fund	927	1,002	757	(245)
<i>Tribal Resources</i>	14.3	18.1	20	1.9
Climate Change/Air Quality	955.6	985	1,031	46.1

Tribal General Assistance Program (GAP) Grants

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 supports this proposed increase.

Department of Energy

Tribal lands contain abundant and largely underdeveloped conventional and renewable energy resources that hold great promise for current and future generations of Native peoples. Even with

this substantial potential, there are only two commercial-scale renewable energy projects operating in Indian Country. In the conventional energy field, tribes boast nearly a quarter of the nation's on-shore oil and gas reserves and developable resources and one-third of the nation's western low-sulfur coal. The Three Affiliated Tribes of North Dakota celebrated a groundbreaking ceremony May 8, 2013, for their \$450 million Thunder Butte Refinery.

Nevertheless, tribes and Native communities face not only many of the same challenges in developing their energy resources and infrastructure that state and local governments and non-Indian communities face but also additional challenges—including special laws, regulations, and policies that are completely unique to Indian Country and often to a specific tribe, as well as grossly inadequate physical infrastructure, limited access to capital, and high workforce training and development needs.

In addition, tribes need access to the capacity and technical assistance necessary to advance the 150-plus energy projects that they are currently moving into the development, financing, and construction stages.

Only a few nationwide tribal examples exist to extrapolate successful renewable energy development models, and a report produced by the National Renewable Energy Lab (NREL DOE) provides tribes with basic information regarding the development potential for renewable energy—biomass, geothermal, hydroelectric, solar, and wind—on tribal lands. It provides detailed renewable energy potential information by tribal territory and resources throughout the United States in order to help tribes identify areas where development may be an option, and where tribal or private investment in renewable energy may assist in achieving a tribe's economic development, energy savings, or self-sufficiency goals.

In FY 2015, the Office of Indian Energy Policy and Programs (IE) would move out of the Departmental Administration (DA) account and be established as a new stand-alone office, with a separate appropriation under Energy Programs. NCAI has been advocating for this and was pleased to see that it may come to fruition. 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 will result in more efficient and effective administration and management of Tribal activities and programs via a single program office.

There are two new initiatives for the Office of Indian Energy, Policy and Programs; the financial and technical assistance for micro-grid projects and electrification infrastructure projects; and climate mitigation and adaption for clean energy systems in Indian Country.

Additional resources are being directed into technical assistance and competitive grant programs for tribes. Technical and financial assistance is necessary to help support clean energy development, energy efficiency improvements, electrification projects, and other greenhouse gas emission mitigation technologies for tribes, including, but not limited to, fossil fuel electric generating plants or peaking units that utilize carbon sequestration systems, and/or operate in conjunction with solar, wind, or other sources of renewable energy. NCAI has consistently advocated consolidating programs under the Office of Indian Energy pursuant to the Energy Policy Act of 2005's Title V.

The Office of Indian Energy Policy & Programs would receive \$2.5 million for FY 2015 and the Tribal Energy Programs would receive \$13.5 million for FY 2015, for a total of \$16 million for the Office of Indian Energy Policy & Programs.

(Dollars in thousands)	FY13 Current	FY14 Enacted	FY15 Request	FY15 vs. FY14
Office Of Indian Energy Policy and Programs				
Office of Indian Energy Policy and Programs (IE)	0	0	2,510	2,510
Office of Indian Energy Policy and Programs (DA) (non-add)	1,928	2,506	0	N/A
Tribal Energy Program (IE)	0	0	13,490	13,490
Tribal Energy Program (EE) (non-add)	9,421	6,996	0	N/A
Total, Office of Indian Energy Policy and Programs	0	0	16,000	16,000

Department of Agriculture

Agriculture programs are vitally important to Native economies and are the economic backbone of more than 200 tribal communities. In fact, 35 percent of American Indians and Alaska Natives live in rural communities. The Department of Agriculture (USDA) houses programs that broadly touch every aspect of Native communities. USDA works with other related federal agencies and is a major component of Indian Country’s economic, employment, and nutrition. Nearly 40 percent of Indian Country’s jobs are dependent on agriculture. Federal funding for agriculture, ranching, subsistence fishing and farming, conservation, forestry, housing, water, broadband, and related activities through USDA programs must be enhanced. These programs generate significant benefits for tribes, rural communities, and the nation by promoting economic development, job opportunities and growth, community revitalization, self-sufficiency, youth engagement, and healthier eating.

Food Distribution Program on Indian Reservations (FDPIR): Traditional and Locally Grown Foods – Local Fund: NCAI recommends an increase to \$5 million.

The quality of food packages needs to be dramatically improved to help fight the health deficiencies of American Indians on reservations. Foods with lower fat, higher whole wheat, lower sodium and sugar content are crucial to improve nutritional quality and lower high diabetes rates. For nearly a century, Tribes have been asking that more traditional Native American foods be included in the FDPIR program. Finally, the 2008 Farm Bill established a “Traditional and Locally Grown Food Fund” that allows Tribal programs at the local level to administer a small fund to purchase foods designated “traditional” to that community or “locally grown” for inclusion into food packages, and supports the procurement of the foods by Native American farmers and ranchers. NCAI strongly supports full funding of this local fund. Congress recognized this issue by creating a demonstration in the 2014 Farm Bill for the inclusion of traditional and locally grown foods in FDPIR. Funding is needed to make sure that this important program and project get started and that our Native farmers, ranchers, and producers and tribes have the tools necessary to be involved in these programs.

USDA Secretary's Office of Tribal Affairs

NCAI recommends an increase to \$1.5 million.

The Office of Tribal Relations (OTR), located within the Office of the Secretary, is a critical voice for agriculture in Indian Country within USDA, especially since a vast majority of USDA's services and programs effect and touch tribal lands and communities. Many times decisions and awareness, both within the agency and within Indian Country are lacking. OTR serves a linchpin role in expanding all USDA program support throughout Indian Country, as well as ensuring that relevant programs and policies are efficient, easy to understand, accessible, and developed in consultation with the American Indians and Alaskan Native constituents they impact. OTR is also responsible for coordinating policy affecting American Indians and Alaska Natives across other federal agencies and throughout the USDA. Since it is now a permanent office under the Office of the Secretary and with the plethora of new and improved programs for Native Americans in the 2014 Farm Bill, OTR needs to be funded at least \$1.5 million.

Rural Utility Services

The FY 2014 budget for has been cut by nearly \$3 billion dollars from FY 2012 and 2013 levels. The additional funds in FY 2102 in FY 2013 that will not be available in FY 2014, will leave a noticeable gap in services and development in many Native communities. USDA-RD began implementing changes in 2012 designed to improve access to RUS funding for individuals living in Substantially Underserved Trust Areas (SUTA)—including Indian lands and lands owned by Alaska Native Regional Corporations and Village Corporations—to improve basic services, including: water and waste disposal, rural electrification and high-cost energy, telecommunications and broadband infrastructure, and distance learning and telemedicine. The SUTA changes, authorized by the 2008 Farm Bill (but not appropriated), will require additional funding for administration as well as for programs and loan authority within RUS. It is important that funding is available now that access is improved.

Of special concern is the need to maintain funding for tribal set-asides for water, wastewater, and solid waste management for Indian country and Alaska Native villages. USDA's Water and Environmental Program (WEP) provides a combination of loans, grants, and loan guarantees for drinking water, sanitary sewer, solid waste, and storm drainage facilities in tribal and rural areas and cities and towns of 10,000 or less. WEP also makes grants to non-profit organizations to provide technical assistance and training to assist rural communities with water, wastewater, and solid waste management. Last year, funding for WEP was substantially cut and only provided tribal-specific grants and loans of \$22 million for tribes in the lower 48 states and \$23 million for Alaska Native villages, equaling cuts of \$26 million and \$61 million respectively.

More than 12 percent of tribal homes lack access to safe drinking water and basic sanitation, which is a rate more than 20 times the national average.^{xiii} For example, many Alaska Native villages must transport human waste in large containers to open pit sewage lagoons. The federal government's failure to address this situation is unacceptable, especially in light of its trust obligation to tribal nations. The existing federal budget does not make a significant dent in addressing this fundamental deficit in quality of life for Native peoples and the FY 2013 cut to this budget makes it worse, exposing Native peoples and youth to unhealthy water and its subsequent detrimental impacts to human health, economic development, and community morale.

Federally-Recognized Tribal Extension Program

NCAI recommends increasing the Federally-Recognized Tribal Extension Program (FRTEP) to \$6 million.

The 1994 Extension Program is designed to complement, not duplicate, the Federally-Recognized Tribe Extension Program (FRTEP). Ironically, the 1994 Institutions – tribal colleges and universities – are the only members of the land grant system that are not eligible to compete for these grant dollars. The 1994 Extension Program activities include: outreach to at-risk youth; business skills development for local agriculture entrepreneurs; Native plant restoration and horticulture projects; environmental analysis and water quality projects; and nutrition projects aimed at addressing health disparities, such as high rates of diabetes among Native populations. Eleven years ago, while the 1994 Extension Program suffered a 13 percent cut in appropriated funding, the 1862 and 1890 extension programs were reduced by just 0.59 percent. In the years since, the 1994 Extension Programs has been struggling to recover lost funds and opportunities. In FY 2013, the program was cut a further 7.6 percent by sequestration to just \$3.984 million. It is time that Congress adequately invests in the extension programs benefiting reservation communities.

1994 Institutions Research Grants

Forestry

Indians are among the largest owners of commercial forestry resources in the United States. Of the total 56 million acres of federal Indian trust land, 16 million acres are forest lands, within which 7.3 million acres are designated for commercial forestry. The BIA estimates that these forests contain 44 billion board feet of commercial timber with an allowable cut of 1.02 billion feet per year. In the 1980s, these forests produced \$100 million annually in stumpage revenue and provided the equivalent of over 12,000 full-time, year-round jobs.

Increasingly, tribes are administering and controlling these resources that the Department of the Interior holds in trust. Commercial forestry on tribal lands is a key economic driver on over 103 reservations and the surrounding communities across 23 states. For example, some of the larger forested tribes operate the only sawmills in their region and are major employers of not only their own people, but of the non-tribal residents who live in or near their communities. Additionally, several timber tribes are engaging in biomass projects to generate renewable energy and jobs for tribal people and the surrounding community.

At present, there is at least a one million acre backlog in forestry management on federal Indian trust land. Tribal and US Forest Service (USFS) forests share 2,100 miles of common boundaries. Combining sound business practices, traditional ecological knowledge, modern techniques, and an inherent respect for the land, many tribes engage in superb sustainable forestry management practices that are recognized as innovative national (and international) models. Indian trust forests are significantly more productive, generating on a per-acre basis about 250 percent of the harvest produced by comparable USFS lands. These tribal achievements and initiatives demonstrate high return on federal dollars, which tribes accomplish in profoundly inequitable circumstances.

Despite the federal trust responsibility to sustain trust land and resources for the benefit of hundreds of thousands of tribal residents and their governments, natural resource-related programs continue to be underfunded—far below the funding levels necessary to fulfill the federal fiduciary

responsibility to protect the health and productivity of the trust corpus. Historically, tribal forests on a per acre basis have received about one-third of the funding provided to forests managed by the US Forest Service. Independent studies by nationally-recognized forestry experts in 1993 and 2003 documented BIA Forestry per-acre management funding is less than half of that of the National Forest System.

In an era where federal funding commitments must demonstrate high return and accountability for administering trust programs, tribal forests and their management are strong and essential investments.

The third Indian Forest Management Assessment states^{xiv}:

During the development of the National Indian Forest Resources Management Act (NIFRMA) in 1991, Congress declared that the United States has a trust responsibility toward Indian forest lands, and that federal investment in Indian forest management is significantly below the level of investment in Forest Service, Bureau of Land Management, or private forest land management (25 USC Sec. 3111). We find that the federal government continues to inadequately fulfill its trust obligations to Indian forestry. This is evidenced by the fact that funding and staffing levels are lower now than at the time of IFMAT-I and well below those of comparable public and private programs.

NCAI supports the IFMAT-III recommendations that Indian forestry funding be increased by a minimum of \$112.7 million per year, including an increase in annual base level funding by \$100 million to \$254 million—the amount estimated necessary for a level of forest stewardship and timber production that would be consistent with Indian goals; and \$12.7 million to support education and professional training.

Conclusion

NCAI respectfully requests that these recommendations be included in the appropriations process and looks forward to working with this committee to ensure the trust responsibility is upheld in the FY 2015 budget.

Appendix A

BIA, BIE By Activity, Sub-activity (Dollars in thousands)	FY2013 w ATB, pre- seq	FY2013 Actual	FY2014 Enacted	FY2015 Request	Change – FY14	% Δ - FY14	% Δ - FY13, pre- seq
Aid To Tribal Government	29,662	28,167	25,839	24,614	-1,225	-4.7%	-17.0%
Consolidated Tribal Gov. Program	77,260	73,366	74,623	76,348	1,725	2.3%	-1.2%
Self-Governance Compacts.	157,938	149,977	152,881	158,767	5,886	3.9%	0.5%
Contract support	218,771	207,743	242,000	246,000	4,000	1.7%	12.4%
Indian Self-Determination Fund	1,996	1,895	5,000	5,000	0	0.0%	150.5%
New Tribes	319	303	463	463	0	0.0%	44.9%
Small and Needy	1,943	1,845	1,845	1,845	0	0.0%	-5.0%
Road Maintenance	25,403	24,123	24,303	24,461	158	0.7%	-3.7%
Tribal Govt Pgm Oversight	8,494	8,066	8,128	8,181	53	0.7%	-3.7%
Subtotal, Tribal Government	521,786	495,485	535,082	545,679	10,597	2.0%	4.6%
Social Services	34,219	32,494	35,763	40,871	5,108	14.3%	19.4%
Welfare Assistance	74,641	70,879	74,809	74,809	0	0.0%	0.2%
Indian Child Welfare Act	10,526	9,995	10,710	15,433	4,723	44.1%	46.6%
Housing Improvement Program	12,577	11,943	8,000	8,009	9	0.1%	-36.3%
Human Services Tribal Design	436,437	414	411	407	-4	-1.0%	-6.7%
Human Services Pgm Oversight	3,216	3,054	3,085	3,105	20	0.6%	-3.5%
Subtotal, Human Services	135,615	128,779	132,778	142,634	9,856	7.4%	5.2%
Natural Resources	5,201	4,939	5,165	5,089	-76	-1.5%	-2.2%
Irrigation Ops and Maintenance	11,923	11,322	11,342	11,359	17	0.1%	-4.7%
Rights Protection Implementation	31,000	29,437	35,297	35,420	123	0.3%	14.3%
TMD Program	9,709	9,220	9,230	9,244	14	0.2%	-4.8%
Endangered Species	1,232	1,170	2,673	2,675	2	0.1%	117.1%
Coop Landscape Conservation	997	946	9,947	9,948	1	0.0%	898.0%
Integrated Resource Info Program	2,102	1,996	1,996	3,996	2,000	100.2%	90.1%
Agriculture & Range	28,953	27,494	30,558	30,494	-64	-0.2%	5.3%
Forestry	43,958	41,742	47,735	45,895	-1,840	-3.9%	4.4%
Water Resources	10,098	9,589	10,543	10,297	-246	-2.3%	2.0%
Fish, Wildlife and Parks	11,354	10,782	13,823	13,577	-246	-1.8%	19.6%
Resource Mgmt Pgm Oversight	6,002	5,700	5,986	6,018	32	0.5%	0.3%
Total, Trust-NR Management	162,529	154,337	184,295	184,012	-283	-0.2%	13.2%
Trust Services	16,044	15,235	15,303	15,150	-153	-1.0%	-5.6%
Navajo-Hopi Settlement Program	1,188	1,128	1,135	1,147	12	1.1%	-3.4%
Probate	12,602	11,966	11,989	12,043	54	0.5%	-4.4%
Land Title and Records Offices	14,309	13,588	13,732	13,891	159	1.2%	-2.9%
Real Estate Services	37,331	35,449	36,460	36,435	-25	-0.1%	-2.4%
Land Records Improvement	6,757	6,416	6,423	6,436	13	0.2%	-4.8%
Environmental Quality	16,346	15,522	15,623	15,644	21	0.1%	-4.3%
Alaskan Native Programs	1,023	971	1,002	1,010	8	0.8%	-1.2%
Rights Protection	10,796	10,252	11,781	11,803	22	0.2%	9.3%
Trust - Real Estate Services Oversight	13,938	13,235	13,310	13,443	133	1.0%	-3.5%
Total, Trust-Real Estate Services	130,334	123,762	126,758	127,002	244	0.2%	-2.6%
Law Enforcement	319,454	303,351	325,696	327,296	1,600	0.5%	2.5%
Tribal Courts	24,646	23,404	23,241	23,280	39	0.2%	-5.5%
Fire Protection	880,713	837	1,077	1,274	197	18.3%	44.7%
Total, Public Safety and Justice	344,981	327,592	350,014	351,850	1,836	0.5%	2.0%
Job Placement and Training	11,502	10,922	10,920	11,463	543	5.0%	-0.3%
Economic Development	2,367	2,247	1,713	1,706	-7	-0.4%	-27.9%
Minerals and Mining	18,545	17,610	20,464	20,612	148	0.7%	11.1%
Community Development Oversight	2,309	2,193	2,203	2,215	12	0.5%	-4.1%
Total, Community/Economic Dev	34,722	32,972	35,300	35,996	696	2.0%	3.7%
Exec Dir and Admin Services.	238,944	226,900	225,782	229,755	3,973	1.8%	-3.8%
BIE							

BIA, BIE By Activity, Sub-activity (Dollars in thousands)	FY2013 w ATB, pre- seq	FY2013 Actual	FY2014 Enacted	FY2015 Request	Change – FY14	% Δ - FY14	% Δ - FY13, pre- seq
Elem & Sec Programs (fwd)	519,908	493,701	518,318	520,755	2,437	0.5%	0.2%
Elementary and Sec Programs	122,501	116,326	118,402	119,195	793	0.7%	-2.7%
Post Sec Programs (fwd)	68,394	64,947	69,793	69,793	0	0.0%	2.0%
Post Secondary Programs	61,955	58,832	61,887	64,182	2,295	3.7%	3.6%
Education Management	21,334	20,258	20,354	20,464	110	0.5%	-4.1%
Subtotal, Indian Education	794,092	754,064	788,754	794,389	5,635	0.7%	0.0%
TOTAL OIP Appropriation	2,363,002	2,243,891	2,378,763	2,412,596	33,833	1.4%	2.1%
CONSTRUCTION							
Education Construction	52,779	52,779	55,285	55,533	248	0.4%	5.2%
Public Safety and Justice	11,283	11,283	11,306	11,306	0	0.0%	0.2%
Resources Mgmt Construction	32,657	32,657	32,759	34,427	1,668	5.1%	5.4%
Other Program Construction	8,979	8,979	10,774	8,642	-2,132	-19.8%	-3.7%
TOTAL, Construction	105,698	105,698	110,124	109,908	-216	-0.2%	4.0%

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

ⁱⁱ US Commission on Civil Rights. (2003). *A quiet crises: Federal funding and unmet needs in Indian Country*. Retrieved on January 10, 2014, from www.usccr.gov/pubs/na0703/na0204.pdf

ⁱⁱⁱ Indian Law & Order Commission. (November 2013). *A roadmap for making Native America safer: Report to the President & Congress of the United States*, Executive Summary, p. xxx. Retrieved on January 10, 2014, from www.aisc.ucla.edu/iloc/report/files/A_Roadmap_For_Making_Native_America_Safer-Full.pdf.

^{iv} National Tribal Budget Formulation Workgroup. *Creating a legacy of honor and trust: Striving for health parity for all American Indians and Alaska Natives, Recommendations on the Indian Health Service Fiscal Year 2015 Budget*. (May 2013). Washington, DC: National Indian Health Board. Retrieved on January 10, 2014, from www.nihb.org/docs/07112013/FY%202015%20IHS%20budget%20full%20report_FINAL.pdf.

^v Alliance for Excellent Education. (2011). *Education and the economy: Boosting the nation’s economy by improving high school graduation rates among students of color and Native students*, n. p. Retrieved on January 10, 2014, from all4ed.org/wp-content/uploads/2011/06/EdEconBrief_sebsoc.pdf.

^{vi} Austin, A. (December 17, 2013). *Native Americans and jobs: The challenge and the promise*. Washington, DC: Economic Policy Institute. Retrieved on January 10, 2014, from s3.epi.org/files/2013/NATIVE-AMERICANS-AND-JOBS-The-Challenge-and-the-Promise.pdf.

^{vii} <http://www.doi.gov/budget/upload/FY2014NativeAmericanCrosscut.pdf>

^{viii} Indian Health Service budget narrative and recommendations found in this section were adapted from the Indian Health Service Budget Workgroup’s *FY2016 Budget Recommendations*.

^{ix} Hill, R. B. (2008). *An analysis of racial/ethnic disproportionality and disparity at the national, state, and county levels*. Seattle, WA: Casey Family Programs, Casey-CSSP Alliance for Racial Equity in Child Welfare, Race Matters Consortium Westat.

^x Wolfe, B. L. & Haveman, R. H. (June 2002). Social and nonmarket benefits from education in an advanced economy. *Conference Series*; [Proceedings], Federal Reserve Bank of Boston, vol. 47: 97-142.

^{xi} National Congress of American Indians. (January 2014). Fiscal year 2015 Indian Country Budget Requests: An honorable budget for Indian country. Washington, DC: Author. http://www.ncai.org/NCAI_2014_Budget_Request_Education.pdf

^{xii} US Department of Justice. (November 2013). Proposed statement of principles for working with federally recognized Indian tribes, p. 2. Retrieved on January 10, 2014, from www.justice.gov/tribal/docs/statement-of-principles-for-working-with-tribes.pdf

^{xiii} US Environmental Protection Agency. (April 2010). *FY2011 National Water Program Guidance*. Washington, DC: Author. Retrieved on January 8, 2013, from <http://www.epa.gov/tp/pdf/infra-task-force-progress.pdf>.

^{xiv} http://www.itcnet.org/file_download/e8b23809-5886-4e49-872f-936f3202bc0a