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EXAMINING TRIBAL PROGRAMS AND INITIATIVES PROPOSED IN THE PRESIDENT'S FISCAL YEAR 2011 BUDGET

HEARING

BEFORE THE

COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

FEBRUARY 25, 2010

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EXAMINING TRIBAL PROGRAMS AND INITIATIVES PROPOSED IN THE PRESIDENT'S FISCAL YEAR 2011 BUDGET

THURSDAY, FEBRUARY 25, 2010

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. Byron L. Dorgan, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. BYRON L. DORGAN, U.S. SENATOR FROM NORTH DAKOTA

The CHAIRMAN. We are going to call the hearing to order. This is a hearing of the Indian Affairs Committee of the U.S. Senate. I appreciate all of you being here. We have a number of witnesses today at the hearing.

Today we are going to examine the tribal programs and proposals in the President's Fiscal Year 2011 budget. The purpose is to gather information as we develop our views and our estimates letter that we would traditionally send to the Senate Budget Committee, and our views with respect to recommendations on appropriations.

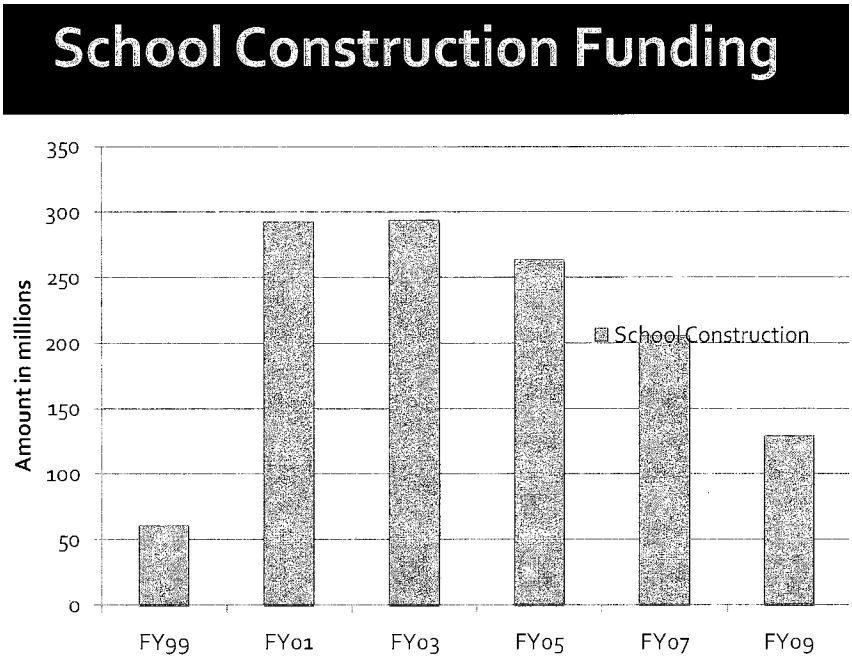
President Obama submitted the budget on February 1st. I am encouraged to see that in some areas, there are proposed increases for programs to address Indian health care and public safety issues. Let me say this Committee has fully documented and described at great length the longstanding unmet needs for increased funding in many areas of public policy dealing with American Indians. I am pleased that Mr. Perrelli and Dr. Roubideaux are here today to expand on the proposed increases for tribal health and in some areas for tribal justice.

Having said that, let me explain also, I am very concerned about the budget in some areas, concerned about the proposal for cuts in construction programs for tribal schools, jails and housing. Throughout most of this decade, this Committee, working with the appropriators, had to fight against similar cuts to tribal construction programs. Fighting against deep cuts, we were able to maintain at least level funding for many of these programs. But in doing so, we have actually lost ground on the backlogs for schools and for jails and for housing.

I understand that the Administration bases some of these cuts in part on the significant levels of funding delivered through the American Recovery and Reinvestment Act of 2009. But proposing cuts to these programs is not an answer, especially if it is connected to the money that we put in the stimulus or the economic Recovery Act. Those funds in the Recovery Act, while significant, didn't even come close to meeting the longstanding backlogs for construction and needs that exist in Indian Country. I pushed very, very hard for $2.5 billion of the funds, and my colleagues did as well, Senator Johnson and Senator Franken and many others, for $2.5 billion of funding in the Economic Recovery Act. That began to but didn't even touch filling the holes that we needed in these construction accounts.

There are some things that people need just for purposes of living. And this Government has promised to provide those things to reservation communities. A home, basic shelter, safe place in which to learn, a community free of violence, these are pretty basic for people. For the past decade, many of these issues have been largely ignored. With respect to Indian schools, I have a chart that I wish to show. It shows the funding levels for Indian school construction from Fiscal Year 1999 to 2009. And you can obviously see the disturbing trend downward.

[The information referred to follows:]



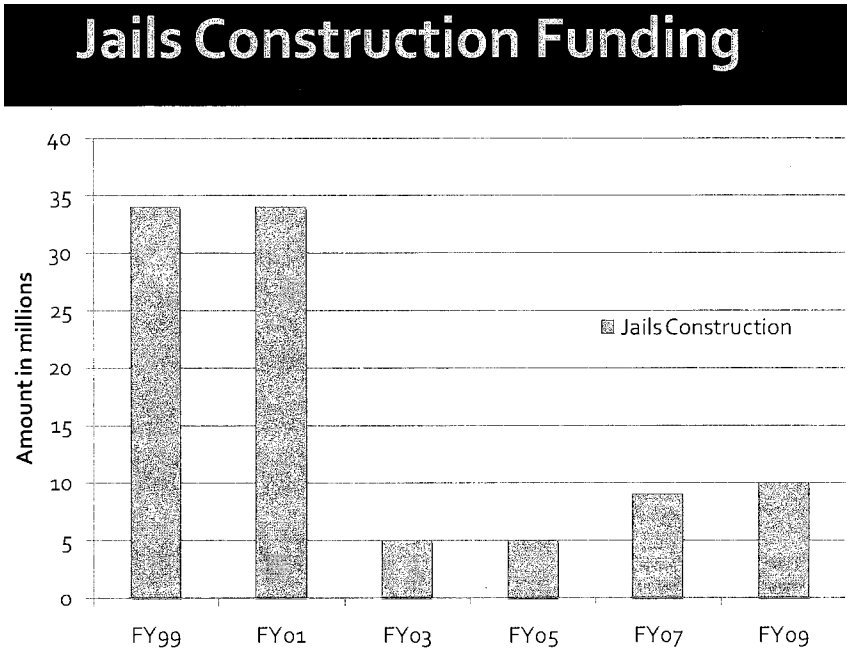
The 2011 budget would continue that trend. It proposes $9 million in cuts to school construction funding and $50 million lost in reprogramming. This cut is despite the fact there are 60 schools on the Department's list of "schools in poor condition" and at this level of funding, it would take 30 years to clear the backlog.

Recent Inspector General reports on Indian schools say that the condition of many schools "have the potential to seriously injure or kill students and faculty." A budget cut cannot possibly be our response to those findings.

With respect to Indian jails, the Interior Department's budget proposes a $48 million cut to the jails construction account. This cut comes despite the fact that we have multiple Interior Department reports proclaiming that the BIA and the Indian jail system is a national disgrace. This is a 1,200-page Interior report declaring a multi-billion dollar backlog in jail and detention facilities for Indian Country. The report finds that "the life and safety of officers and inmates are at risk."

I have a second chart that shows jail construction funding levels over the past decade. You will again see a dramatic decline in funding from earlier in the decade. The result of this crumbling jail system has an immediate impact on the tribal community. Tribal courts routinely release prisoners for lack of bed space. Violent offenders too routinely go unpunished. And with no deterrence, offenders increase the levels of their violence. We have held hearings in this Committee talking about reservations where there are five and ten times the rate of violent crime that exists in the rest of the Country. That means people living in those areas fear for their safety. And that is not a way to live.

[The information referred to follows:]



I understand that the Recovery Act provided, the Administration would say, $225 million for jails construction to help us catch up with the past cuts. The fact is, we are not even close to solving the problem. Not even close. And one more point, with respect to the Indian Housing Block Grant program, a $120 million cut I think

is inappropriate. Again, the Economic Recovery Act provided housing funds. But again, there are serious unmet housing needs on Indian reservations. Ninety thousand families remain homeless or dramatically under-housed. One-third of Indian house are overcrowded compared to 5 percent nationally.

We don't have a representative from the Department of Housing and Urban Development here today. Committee staff are contacting that Department to get answers about the housing cuts. But I know that Mr. Shuravloff from the Indian Housing Council is here to talk about the impacts those cuts will have on American lives.

Let me make a final point. I understand the process of writing a budget requires making judgments about what is important and what isn't. In most committees, you will have people simply say, well, the areas where we are involved, these are important. This Committee says something different than that. This Committee says, in these areas, our Government signed treaties. In these areas, our Government made explicit promises. In these areas, our Government has a trust responsibility. So this is not some normal kind of appropriation or budget request. This is a question of whether the Government is going to keep its promise at long, long last. The sad fact is, for a long, long time, we have not kept the promises we have made.

My hope is that 1 day soon, and perhaps beginning this day we will, but we won't with these recommended levels of expenditure. Let me again say that what is necessary to be done here is not a major, major addition to the Federal budget. It is in many ways asterisks that slide off the table on the amount of money that is paid contractors to do exactly what we are asking be done in this Country; that is, build roads and build schools and provide law enforcement, provide security. It is being done in other parts of the world with taxpayers' money. How about doing it here where it has been promised for decade after decade after decade, and the promise hasn't been kept?

So as you can see, I have some differences here and there with what is happening. I am going to intend, as my colleagues will, I am sure, to push as hard as I can for fairness and for meeting the promises this Country has made.

Let me call on my colleague, Senator Franken. We will call on them in order of arrival. Senator Franken?

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

Senator FRANKEN. Thank you, Mr. Chairman, for your words. I am glad to see that the Obama Administration is making Indian issues a higher priority than previous Administrations. But that is not saying so much. Let's face it: Indian affairs has never been a priority in the Federal budget. From Indian health to education and law enforcement, we have seen woefully inadequate funding across the board. This year, I am glad to see that the Bureau of Indian Affairs' budget has prioritized important provisions like contract support for tribal governments.

But unfortunately, as the Chairman pointed out so graphically, it has come at the expense of the construction budget. Even ac-

counting for the transfer of over $51 million from construction operations, there is an almost $9 million decrease in Indian school construction. Our office asked for a list of school construction projects. The most recent list we could get was from 2004. That is the most recent list we could get.

And since 2004, we haven't even gotten through the list of 14 schools that BIA identified as the worst of the worst and in need of replacement. We simply haven't made school construction a priority in the budget. The Chairman spoke to the condition of these schools, about the danger to life and limb to students and teachers.

As a result of not making this a priority, we see schools like the Circle of Life School at White Earth Reservation in northwest Minnesota, we see that school, one of the 14 that was on that list, still waiting, still waiting. We have had enough money in the budget to finish only one or two schools every few years. How are we ever going to get to the $1.3 billion backlog just to bring Indian schools across the Country into acceptable condition?

Last week I visited the Leech Lake Reservation in Minnesota, where the Bug-O-Nay-Ge-Shig School is. And it is one of 64 schools that are waiting for funding in this backlog. They have been waiting for years.

The reality is that Indian schools and Indian issues in general just have not been a Federal funding priority. And though the Obama Administration has done more than those in the past, particularly the previous one, there is much, much more to do. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much.

Senator Johnson?

STATEMENT OF HON. TIM JOHNSON,
U.S. SENATOR FROM SOUTH DAKOTA

Senator JOHNSON. I associate my thoughts with the Chairman. And I am going to submit my statement for the record. I ask unanimous consent for that purpose.

And especially welcome Dr. Roubideaux, who is head of the HIS and also a Rosebud Sioux member. Thank you.

[The prepared statement of Senator Johnson follows:]

PREPARED STATEMENT OF HON. TIM JOHNSON, U.S. SENATOR FROM SOUTH DAKOTA

Good afternoon. Thank you, Mr. Chairman for holding this important hearing. I would also like to welcome back Dr. Roubideaux. It is always great to have a South Dakota perspective represented here. As you all know, some of the harshest conditions in Indian Country exist in my home state of South Dakota and across the Great Plains region, which I share with the Chairman. These already hard hit communities are most affected by budgets that we form here in Washington. Even slight increases or cuts in important tribal programs have significant impacts on the ability of tribes and tribal organizations to address the basic needs of their communities. I am pleased with the proposed increases for some programs in Fiscal Year 2011, including essential boosts in health care and public safety. I look forward to working with my colleagues on this committee to further strengthen the budget, particularly in the areas of education and housing. It is critical that we do all that we can to fulfill our treaty and trust responsibilities to Indian Country by providing sufficient funding and support.

The CHAIRMAN. Senator Johnson, thank you very much.

Senator Tester?

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

Senator TESTER. Thank you, Mr. Chairman. I think that you said it well in your opening remarks.

I would just like to say, and I don't need to tell the folks in this room this, but the needs in Indian Country are great. The budget has to address those needs, whether it is housing or health care or schools or jails or whatever it may be. It really is up to you folks to get a budget that works.

I will tell you, I have had a lot of frustration in the past when we have had budgets come before us and there hasn't been justification, there have just been numbers put on the page. I look forward through this discussion to make sure that the numbers match the need, because I think it is critically important in Indian Country where we have high unemployment and we have needs in all the things that have been mentioned here today, we have the opportunity really to put some folks to work, address unemployment, improve quality of life in Indian Country. I think that is what the budget should be revolving around.

If we don't have people within the Administration that are willing to fight for the needs in Indian Country, it puts us at a serious disadvantage in addressing the problems that are occurring in Indian Country.

With that, I want to thank you all for being here. I look forward to your testimony and I look forward to the questions that will come after your testimony. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Tester, thank you very much.

The panel that is before us is including—I am sorry, Senator Udall. I did not see you come in.

STATEMENT OF HON. TOM UDALL,
U.S. SENATOR FROM NEW MEXICO

Senator UDALL. Thank you. Chairman Dorgan, thank you very much.

I want to thank you for holding this hearing, and I would also like to associate myself with your remarks. I know that you have been an incredible advocate while you have been Chairman of this Committee for Indian Country and the programs that exist out there. I associate with those.

I want to put my opening statement in the record and then just briefly say a few things. First of all, there are some very positive things, I think, in this budget. When I look at the IHS budget and contract services funding and contract support services, I think there is something positive there that we can build on.

I am also pleased to see that the EPA requested a 2 percent set-aside for tribal drinking water State revolving fund, and the underlying Clean Water Act also includes a 5 percent set-aside for tribes. So this is something I have been working on over in the Environment and Public Works Committee. The Justice Department has done the same with tribal governments, with a 7 percent set-aside. So I want to see what this second panel has to say about this, and if the first panel has any reaction, too.

The thing that concerns me the most are the cuts in school and detention center construction funding. We have had many wit-

nesses come before this Committee that have said that we should have a Marshall plan when it comes to many of the projects in Indian Country. I agree with that, especially in the school construction and detention center construction funding. We need to have a multi-year plan. We need the Secretary and the president and the other officials that are here before us to get together and do everything they can to look at the long term. Whatever these backlogs are, the billions of dollars that are there, and specifically come up with a plan to wipe them out. Secretary Babbitt did it under the Clinton Administration. I think it is doable, even in the economic climate we are in with the Obama Administration. I look forward to hearing your comments.

Thank you again, Chairman Dorgan, for all you have done and for holding this important hearing on the budget.

[The prepared statement of Senator Udall follows:]

PREPARED STATEMENT OF HON. TOM UDALL, U.S. SENATOR FROM NEW MEXICO

I first want to thank Chairman Dorgan for holding this very important hearing, and each of the witnesses for coming to discuss the President's budget proposals for Indian Country.

I look forward to hearing from the witnesses, but want to quickly highlight some of the things in the President's budget that I find very hopeful, and some of the things that I find concerning and merit further discussion with the two panels of witnesses.

I am pleased to see the increases in the IHS budget, particularly in Contract Services Funding and Contract Support Costs. In this era of increased tribal sovereignty and self determination, Contract Support Costs are vital to bolstering sovereignty while ensuring that the federal government is fulfilling its trust responsibility.

I am pleased to see that the EPA requested a 2 percent set-aside for tribe for the Drinking Water State revolving fund. The underlying Clean Water Act includes a 0.5 percent set-aside for tribes, and since 2001 the appropriations bills have included a higher set-aside, generally 1.5 percent and I have been working in the EPW committee to try to codify the set-aside at a higher level. I believe everyone here is familiar with the disproportional need for domestic water infrastructure in Indian Country. I am pleased to see that the EPA has heard the message.

I am also pleased to see that the Department of Justice has taken a new and innovative look at tribal justice programs by recommending a 7 percent set-aside for tribal governments for programs within the Office of Justice Programs that are offered to state and local governments. I am eager to hear the reaction to this proposal from the second panel of witnesses.

I am, however, concerned by the cuts in school and detention center construction funding. I have often promoted the concept of a "Marshal Plan" for Indian Country—a several year plan to remove the backlog of construction in Indian country, whether it be housing, hospitals, schools, or jails. I know it would be expensive, but I believe that the Secretary and the President could put together a plan to wipe out the backlog and clean the slate. The reductions in school and Indian jail construction in the President's budget appear to be a step in the wrong direction, but I look forward to hearing from the panels on this issue.

Again, thank you Chairman Dorgan for holding this hearing, and thank you to the witnesses for your willingness to join us today. I am sure this will be a productive discussion of federal funding for Indian Country.

The CHAIRMAN. Senator Udall, thank you very much.

We are joined today by the Honorable Tom Perrelli, Associate Attorney General of the United States Department of Justice. Then we are also joined by the Honorable Yvette Roubideaux, the Director of the Indian Health Service, and the Honorable Larry Echo Hawk, Assistant Secretary of Indian Affairs. They have some people accompanying them. I will have them introduce those who are staffing them.

Mr. Perrelli, why don't you proceed? The entire statements of the witnesses today will be included in the record, and we would ask the witnesses to summarize. You may proceed, Mr. Perrelli.

STATEMENT OF HON. THOMAS J. PERRELLI, ASSOCIATE ATTORNEY GENERAL, U.S. DEPARTMENT OF JUSTICE

Mr. PERRELLI. Thank you, Chairman Dorgan and members of the Committee. Thank you for the opportunity to testify today regarding the President's 2011 budget submission concerning the Department of Justice's public safety initiatives in tribal communities.

As I discussed with the Committee when I have testified previously, the Department of Justice is deeply committed to working with tribal governments to improve public safety in Indian Country. While we continue to implement changes that don't require any new expenditures of tax dollars, the reality is that resources make a difference. In order to achieve lasting results, funding for public safety must be broad and across the board.

We are working to put resources in place quickly and efficiently to help American Indian and Alaska Native communities help themselves. In total, the President's Fiscal Year 2011 budget includes $449 million in resources to assist Indian Country through DOJ. It includes funds that we would receive from the Department of Interior for 45 new FBI agents to support law enforcement efforts in Indian Country and maintains the increased number of assistant United States Attorneys in Indian Country that the Department will add in 2010 as a result of the support of members of this Committee.

I want to highlight the 54 percent increase in grant funding that the President has proposed for 2011. The President's approach to the Department of Justice's grant programs is significant, not just because of the size of the increase, but for the set-aside that the budget calls for in its implementation. It provides for a 7 percent set-aside, so essentially $42 million for hiring of tribal law enforcement personnel; and another 7 percent set-aside. So approximately $139.5 million for our Office of Justice Programs Indian Country efforts.

It also includes a set-aside of $42.1 million for certain Office on Violence Against Women programs. These set-asides will make a critical difference for tribal communities attempting to address the serious challenges they face. Together with additional programs that are designed exclusively for tribal communities, they result in a total request of $255.6 million for DOJ grant programs in Indian Country, as I mentioned, a 54 percent increase.

During the course of the Department's extensive consultations with tribal leaders over the last year, we have heard a strong desire for more flexible grant programs to meet tribal communities' needs more effectively and the need for a more streamlined grant-making process that will limit the burdens on tribes already in need of support. We recently rolled out a comprehensive tribal grant solicitation for Fiscal Year 2010, attempting to meet the requested need for a more streamlined process. We are looking toward the Fiscal Year 2011 budget as an opportunity to implement a more flexible program that will directly address the requests we heard from tribal leaders.

There are a number of other aspects of the President's budget worth noting. In particular, our support for permanent resources for the Office of Tribal Justice. I have talked about a number of other areas in my written testimony. I am happy to answer questions about those.

As the Chairman said, and as the President has made clear, these are lean budget times. We agree with the Committee that we need to invest today in public safety in tribal communities, because the problems, as the Chairman said, are severe. American Indians and Alaska Native communities suffer from violent crime at far higher rates than other Americans. Some tribes have rates of crime two, four and sometimes ten times the national average, with violence against Native women and children being an extraordinary problem in many places.

So we look forward to working with the Committee today and in the future on addressing these problems. I thank the Committee for its interest and support.

[The prepared statement of Mr. Perrelli follows:]

PREPARED STATEMENT OF HON. THOMAS J. PERRELLI, ASSOCIATE ATTORNEY GENERAL, U.S. DEPARTMENT OF JUSTICE

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

Thank you for inviting me to testify today regarding the unprecedented support that the President's FY 2011 Budget provides to the Department of Justice for public safety initiatives in tribal communities. As I have previously discussed with the Committee, the Department of Justice is deeply committed to working with tribal governments to improve public safety in Indian Country. And while we will continue to implement changes that do not cost American tax dollars, the reality is that resources make a difference. In order to achieve lasting results, funding for public safety must be broad and across the board.

We are working to put resources in place quickly and efficiently to help American Indian and Alaska Native communities help themselves. In total, the President's FY 2011 Budget includes $449 million in resources to assist Indian Country. It includes funds (provided by the Department of the Interior) for 45 new FBI agents to support law enforcement efforts in Indian Country, maintains the increased number of Assistant U.S. Attorneys in Indian Country that the Department will add in 2010 as a result of the support of members of this Committee, and increases grant funding in Indian Country by 54 percent. The President's FY 2011 Budget provides for a 7 percent set-aside—$42 million—from the COPS Hiring Program to support the hiring of tribal law enforcement personnel, an additional 7 percent set-aside—$139.5 million—from our Office of Justice Programs (OJP) for Indian Country efforts, and statutory set-asides totaling $42.1 million for certain Office on Violence Against Women programs. These set-asides, combined with numerous Department of Justice programs designed exclusively for tribal communities result in a total request of $255.6 million for Department of Justice grant programs in Indian Country.

While the amount of funding is significant, so are our plans to distribute it. At our listening session in October, at the White House Tribal Nations Conference in November, and in subsequent meetings and discussions with tribal leaders, we have consistently heard a strong desire for more flexible grant programs to meet tribal communities' needs more effectively. We have been engaged in a consultation process for FY 2010 to streamline our grantmaking process, and the President's FY 2011 Budget will enable the Department to implement a large, flexible, program that directly addresses the requests of many tribal leaders.

The President's Budget also supports the Department of Justice's extensive outreach efforts to educate tribal communities about its Radiation Exposure Compensation Program. The Department seeks additional funds for its Community Relations Service to expand efforts to resolve disputes in Indian Country arising from discrimination on the basis of race, color, and national origin. And as part of the Department's efforts to institutionalize its Office of Tribal Justice (OTJ) and better manage its Indian Country initiative, the Department is seeking additional staffing to support OTJ's expanding responsibilities.

As the President has made clear, these are lean budget times. However, as this Committee knows, we must invest today to improve public safety in tribal communities. The problems in tribal communities are severe: American Indian and Alaska Native communities suffer from violent crime at far higher rates than other Americans. Some tribes have experienced rates of violent crime twice, four times, and in some cases over 10 times the national average; violence against Native women and children is a particular problem, with some counties facing murder rates against Native women well over 10 times the national average; and reservation-based and clinical research show very high rates of intimate-partner violence against American Indian and Alaska Native women.

These problems will not be solved overnight, and money alone will not solve them. But money will enable FBI and other law enforcement agents to investigate crimes committed on Reservations. Money will help train prosecutors of violent crimes perpetrated against Indian women. Money will help us collect and analyze the data that will inform better public safety policies. And money will build capacity in tribal communities so that they can work with their federal partners on improving public safety.

I thank the Committee for its interest in these critical issues and its support.

The CHAIRMAN. Mr. Perrelli, thank you very much. We appreciate your being here.

Next we will hear from Yvette Roubideaux, the Director of the Indian Health Service.

STATEMENT OF HON. YVETTE ROUBIDEAUX, M.D., M.P.H., DIRECTOR, INDIAN HEALTH SERVICE, U.S. DEPATMENT OF HEALTH AND HUMAN SERVICES; ACCOMPANIED BY RANDY GRINNELL, DEPUTY DIRECTOR

Dr. ROUBIDEAUX. Mr. Chairman and members of the Committee, good afternoon. My name is Dr. Yvette Roubideaux, and I am the Director of the Indian Health Service. I am accompanied by Mr. Randy Grinnell, the Deputy Director.

I am pleased to have the opportunity to testify on the President's Fiscal Year 2011 budget request for the Indian Health Service. While the President's budget request for the entire Federal Government reflects the need to address fiscal discipline and Federal debt reduction, the IHS budget request reflects and continues President Obama's promise to honor treaty commitments made by the United States. In addition, the Fiscal Year 2011 budget request reflects Secretary Sebelius' priority to improve the IHS and represents the largest annual percent increase compared to other operating divisions within the Department of Health and Human Services.

The Fiscal Year 2011 President's budget request and discretionary budget authority for the IHS is over $4.4 billion, an increase of $354 million, or an 8.7 percent increase over Fiscal Year 2010. The request includes $175 million in increases for pay costs, inflation and population growth that will cover the rising costs of providing health care to maintain the current level of services provided in IHS tribal and urban Indian programs. This amount also includes $38 million to staff and operate newly constructed health facilities.

The proposed budget also includes $178.5 million increase for a number of programs and initiatives that will increase access to care and strengthen the capacity of the Indian Health system to provide clinical and preventive care, and will help address longstanding unmet needs and inequities in funding levels within the Indian Health system. The budget request includes $44 million for the Indian Health Care Improvement Fund, which will allow some of our

lowest-funded hospitals and health centers to expand health care services and reduce backlogs for primary care. The budget request also includes a $46 million increase in addition to a $37.4 million increase for pay, population growth and inflation for the contract health services program, of which an additional $5 million will be targeted to the Catastrophic Health Emergency Fund, or CHEF program.

An additional $40 million are also included to fund the shortfall in contract support costs on top of increases in inflation for tribes that have assumed management of their health programs. For the facilities appropriation, the overall request is $445.2 million, which is an increase of $55.5 million over the Fiscal Year 2010 funding level. With this increase, the total health care facilities construction budget is $66.2 million, which will allow for construction to continue on the replacement hospital in Barrow, Alaska, the San Carlos Health Center in Arizona, and the Kayenta Health Center on the Navajo Reservation.

In addition to reflecting the President's and the Secretary's commitment to improving the quality of and access to care for American Indians and Alaska Natives served by IHS, this budget will also help continue progress on my priorities for how we are changing and improving the Indian Health Service. This budget renews and strengthens our partnership with tribes by aligning the agency's budget increases to reflect tribal priorities. I have carefully listened to tribal input over the past 9 months, and their priorities include more funding for IHS in general, as well as funding increases for current services, the Indian Health Care Improvement Fund, contract health services, and contract support costs. Therefore, this budget request includes its greatest increases in these areas.

In addition, this budget helps to improve the quality of and access to care and addresses top tribal priorities such as chronic disease and behavioral health conditions. This budget also helps us continue to do our work to bring reform to the Indian Health Service. Over the past 9 months, I have gathered extensive input from tribes and our staff on priorities for how to change and improve the IHS. Their input reinforced the need to change and improve the IHS and for us to focus more on how we conduct the business of health care. We are working on improvements in the hiring process, recruitment and retention, performance management and more effective financial management and accountability. We have also made significant progress in developing an effective and accountable property management system. We are also working to enhance and make more secure our information technology systems to ensure the protection of patient care information and improve our administrative operations.

All of these reforms are being conducted as we make all of our work more transparent, accountable, fair and inclusive. So in closing, this budget request is an investment and a commitment that will result in healthier American Indian and Alaska Native communities, and will advance the IHS' mission. Thank you for the opportunity to present the President's Fiscal Year 2011 budget request for the Indian Health Service.

[The prepared statement of Dr. Roubideaux follows:]

PREPARED STATEMENT OF HON. YVETTE ROUBIDEAUX, M.D., M.P.H., DIRECTOR, INDIAN HEALTH SERVICE, U.S. DEPATMENT OF HEALTH AND HUMAN SERVICES; ACCOMPANIED BY RANDY GRINNELL, DEPUTY DIRECTOR

Mr. Chairman and Members of the Committee:

Good afternoon. I am Dr. Yvette Roubideaux, Director of the Indian Health Service. I am accompanied today by Mr. Randy Grinnell, Deputy Director. I am pleased to have the opportunity to testify on the President's FY 2011 budget request for the Indian Health Service (IHS).

While the President's FY 2011 budget for the entire federal government reflects the need to address fiscal discipline and federal debt reduction, the IHS budget request reflects and continues President Obama's promise to honor treaty commitments made by the United States. In addition, the FY 2011 budget request reflects Secretary Sebelius' priority to improve the IHS, and represents the largest annual percent increase in discretionary budget authority, compared to other operating divisions within the Department of Health and Human Services.

The FY 2011 President's budget request in discretionary budget authority for the IHS is over $4.4 billion, an increase of $354 million, or 8.7 percent, over the final enacted FY 2010 Appropriation funding level. The request includes $175.6 million in increases for pay costs, inflation and population growth that will cover the rising costs of providing health care to maintain the current level of services provided in IHS, Tribal, and urban Indian programs. This amount also includes $38.8 million to staff and operate newly constructed health facilities, including some facilities completely constructed by Tribes as Joint Venture projects.

The proposed budget also includes a $178.5 million increase for a number of programs and initiatives that will increase access to care, and strengthen the capacity of the Indian health system to provide clinical and preventive care, and will help address longstanding unmet needs and inequities in funding levels within the Indian health system. The budget request includes $44 million for the Indian Health Care Improvement Fund and will allow some of our lowest funded hospitals and health centers to expand health care services and reduce backlogs for primary care. The budget request also includes a $46 million increase, in addition to a $37.4 million increases for pay, population growth, and inflation, for the Contract Health Services program, of which an additional $5 million will be targeted to the Catastrophic Health Emergency Fund (CHEF), for a total funding level of $53 million for the CHEF. An additional $40 million are also included to fund the shortfall in Contract Support Costs (CSC) on top of increases for inflation for Tribes that have assumed the management of health programs previously managed by the Federal Government, bringing the total increase for CSC to $45.8 million from the FY 2010 enacted level. These increases represent some of the highest priorities for Tribes in the past several years.

For the Facilities appropriation, the overall request is $445.2 million, which is an increase of $55.5 million over the FY 2010 funding level. Within this increase, the total Health Care Facilities Construction budget is $66.2 million, which will allow for construction to continue on the replacement hospital in Barrow, Alaska, the San Carlos Health Center in Arizona, and the Kayenta Health Center on the Navajo Reservation.

In addition to reflecting the President and Secretary's commitment to improve the quality of and access to care for American Indians and Alaska Natives served by the IHS, this budget will also help continue progress on my priorities for how we are changing and improving the IHS. My priorities are to renew and strengthen our partnership with Tribes; in the context of national health insurance reform, to bring reform to IHS; to improve the quality of and access to care; and to make all our work accountable, transparent, fair and inclusive.

This budget renews and strengthens our partnership with Tribes by aligning the Agency's budget increases to reflect Tribal priorities. I have carefully listened to Tribal input over the past nine months, and their priorities include more funding for IHS in general, as well as funding increases for current services, the Indian Health Care Improvement Fund, Contract Health Services, and Contract Support Costs. Therefore, this budget request includes its greatest increases in these areas. In addition, this budget helps to improve the quality of and access to care and addresses top Tribal priorities such as chronic disease and behavioral health conditions.

This budget helps us continue our work to bring reform to the IHS. Over the past nine months, I have gathered extensive input from Tribes and our staff on priorities for how to change and improve the IHS. Tribal priorities for reform focus on broad issues such as the need for more funding, the distribution of resources, and improving how we consult with Tribes. Staff priorities focused on how we do business and

how we lead and manage people. Their input reinforced the need for change and improvement in the IHS and for us to focus more on how we conduct the business of health care. We are working on improvements in the hiring process, recruitment and retention, performance management, and more effective financial management and accountability. We have also made significant progress in developing an effective and accountable property management system. We are also working to enhance and make more secure our information technology systems to ensure the protection of patient care information and to improve our administrative operations. All of these reforms are being conducted as we make all our work more transparent, accountable, fair and inclusive.

The FY 2011 budget proposal will provide resources to help the IHS further meet its mission. The IHS provides high quality, comprehensive primary care and public health services through a system of IHS, Tribal, and Urban operated facilities and programs based on treaties, judicial determinations, and acts of Congress. This Indian health system provides services to nearly 1.9 million American Indians and Alaska Natives through hospitals, health centers, and clinics located in 35 states, often representing the only source of health care for many American Indian and Alaska Native individuals, especially for those who live in the most remote and poverty stricken areas of the United States. The purchase of health care from private providers is also an integral component of the health system for services unavailable in IHS and Tribal facilities or, in some cases, in lieu of IHS or Tribal health care programs. In addition, unlike many other health delivery systems, the IHS is involved in the construction of health facilities, including the construction of quarters necessary for recruitment and retention of health care providers, as well as being involved in the construction of water and sewer systems for Indian communities. I know of no other health care organization that accomplishes such a wide array of patient care, public and community services within a single system.

For several years since its inception in 1955 the IHS made significant strides in reducing early and preventable deaths from infectious or communicable diseases. However, deaths due to chronic diseases and behavioral health conditions have been more challenging to address since they result primarily from lifestyle choices and individual behaviors. In light of these challenges, there have been some recent accomplishments to note. For example, in FY 2009, the proportion of eligible patients who had appropriate colorectal cancer screening was 33 percent, an increase of four percentage points above the FY 2008 rate of 29 percent. Colorectal cancers are the third most common cancer in the United States, and are the third leading cause of cancer deaths. Colorectal cancer rates among the Alaska Native population are well above the national average and rates among American Indians are rising. Improving timely detection and treatment of colorectal cancer screening will reduce undue morbidity and mortality associated with this disease. In FY 2009, the proportion of women who are screened for domestic violence (DV) was 48 percent, an increase of 6 percentage points above the FY 2008 rate of 42 percent. Screening has a significant impact because it helps identify women at risk for DV and refers these individuals for services aimed at reducing the prevalence and impact of domestic violence. The IHS achieved another notable accomplishment by exceeding the FY 2009 target for breastfeeding rates. The target was to maintain the proportion of infants 2 months old (45–89 days old) that are exclusively or mostly breastfed at the FY 2008 baseline result of 28 percent. The FY 2009 result was 33 percent and exceeded the target. There is evidence that breastfeeding contributes to lower rates of infectious disease, asthma, and Sudden Infant Death Syndrome, and is associated with lower childhood obesity rates.

These results were achieved by our predominantly rural, highly decentralized federal, Tribal, and urban Indian health system, a system that provides health care services under a variety of challenges. With the budget proposed for FY 2011, as was the case with significant increases provided for in the FY 2010 budget, we anticipate seeing a positive impact in the daily lives of American Indian and Alaska Native people and progress towards improving the health status of the communities we serve.

In closing, the President's FY 2011 budget request for the IHS is an investment and a commitment that will result in healthier American Indian and Alaska Native communities and will advance the IHS mission to raise the physical, mental, social, and spiritual health status of American Indians and Alaska Natives to the highest level.

Thank you for this opportunity to present the President's FY 2011 budget request for the Indian Health Service.

The CHAIRMAN. Thank you very much, Dr. Roubideaux.

Next we will hear from Assistant Secretary Larry Echo Hawk.

STATEMENT OF HON. LARRY ECHO HAWK, ASSISTANT SECRETARY FOR INDIAN AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR; ACCOMPANIED BY: JERRY GIDNER, DIRECTOR, BUREAU OF INDIAN AFFAIRS AND BART STEVENS, ACTING DIRECTOR, BUREAU OF INDIAN EDUCATION

Mr. ECHO HAWK. Mr. Chairman and members of the Committee, first of all, thank you for your strong statements in support of Indian Affairs. I appreciate this opportunity to provide the Department of Interior's statement on the President's 2011 budget request for Indian Affairs.

As the Assistant Secretary for Indian Affairs, I oversee the Office of the Assistant Secretary and also the Bureau of Indian Affairs and the Bureau of Indian Education. I have with me today seated at the table Jerry Gidner, the Director of the Bureau of Indian Affairs, and Bart Stevens, the Acting Director of the Bureau of Indian Education.

The President has requested $2,556,000,000 for Indian Affairs at the Department of the Interior. Through the work of the Tribal Budget Advisory Council, this budget has been crafted after careful consultation with American Indian and Alaska Native government representatives. The President called upon members of his Administration to meet important objectives while exercising fiscal responsibility.

Consistent with that directive, we had to make difficult choices in formulating this budget request for Indian Affairs. The Fiscal Year 2011 request is $53.6 million below the Fiscal Year 2010 enacted budget level.

However, excluding the one-time increase in 2010 for forward funding tribal colleges and universities and efficiency reductions, the 2011 budget is level with the 2010 budget. And if you compare that to the 2009 appropriation, it is an 8 percent increase.

The $2.6 billion budget of the President focuses on priority areas in Indian Country. I am sure the Committee is well aware of the particulars. But just to highlight, as a part of the President's Empowering Tribal Nations initiative, under the category of advancing nation to nation relationships, there is a $29.9 million increase. And this has a sizable increase of $21.5 million for contract support and also $3 million for small and needy tribes.

Under the category of protecting Indian Country, there is a $20 million increase aimed at generating more Federal law enforcement within the bounds of Indian Country and also providing the maintenance and operation of newly constructed detention facilities under the Department of Justice. Under the category of advancing Indian education, we have increased $8.9 million. That addresses school safety concerns to the level of about $5.9 million as well as tribal grant support at $3 million.

The next category, improving trust land management, has an increase of $11.8 million. We focus on energy, both conventional and renewable, climate change adaptation, and also water rights protection.

So in sum, that budget request is more than $70 million in program increases that will strengthen tribal management over federally funded programs and enhance education, public safety, energy and trust land and resource programs. This budget will serve over 1.7 million American Indians and Alaska Natives. I point out that almost 90 percent of all appropriations are to be expended at the local level. Of that 90 percent, over 62 percent of the appropriations are provided directly to tribes.

I know that there are extremely great needs in Indian Country. But I believe President Obama's Administration has faithfully sought to meet those needs.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Echo Hawk follows:]

PREPARED STATEMENT OF HON. LARRY ECHO HAWK, ASSISTANT SECRETARY FOR INDIAN AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR

Good afternoon Mr. Chairman, Vice Chairman, and members of the Committee. Thank you for the opportunity to provide the Department of the Interior's (Department) statement on the fiscal year (FY) 2011 President's Budget request that was released on February 1, 2010 for Indian programs. The FY 2011 budget request for Indian Affairs programs within the Department totals $2.6 billion. This reflects a decrease of $3.6 million from the 2010 enacted level, excluding the $50.0 million in one-time funding to forward-fund tribal colleges in 2010. The budget focuses on priority areas in Indian Country and honors the Federal Government's obligation to federally recognized American Indian and Alaska Native governments in an informed and focused manner.

As the Assistant Secretary for Indian Affairs, I have the responsibility to oversee the numerous programs within the Bureau of Indian Affairs (BIA) and the Bureau of Indian Education (BIE), along with other programs within the immediate office of the Assistant Secretary for Indian Affairs. The Office of Indian Affairs' BIA and BIE programs expend over 90 percent of appropriations at the local level. Of this amount, at least 62 percent of the appropriations are provided directly to tribes and tribal organizations through grants, contracts, and compacts for tribes to operate government programs and schools. Indian Affairs' programs serve the more than 1.7 million American Indian and Alaska Natives located on or near reservations.

The Office of Indian Affairs 2011 budget request provides funding for three of the Department's 2011 priority initiatives: the Empowering Tribal Nations initiative; the New Energy Frontier initiative; and the Climate Change Adaptation initiative.

Empowering Tribal Nations

The Empowering Tribal Nations initiative is a multi-faceted effort that will advance Nation-to-Nation relationships, improve Indian education, protect Indian communities and reform trust land management, with the ultimate goal of greater self-determination. This initiative actually began before this budget request when then candidate for President, and now President Obama, promised that a new era of change would include direct dialogue between Tribal Nations and this Administration. This promise, followed up by action, came to fruition in November 2009, when the White House held the Tribal Nations' Conference at the Department's Yates Auditorium, with over 400 Tribal leaders in attendance.

Nation-to-Nation Relationship

This Administration believes that investing in Indian Country is the key to advancing our Nation-to-Nation relationship, and therefore seeks $29.9 million in programmatic increases for contract support, self determination contract specialists, social workers, support for small tribal governments, and the final year of the Washington Shellfish settlement. At the forefront of this investment is contract support, which was identified by many Tribal Nations as their top priority. The increase in contract support will allow the BIA to pay approximately 94 percent of the identified need for contract support costs in FY 2011.

Funding contract support costs encourages tribal contracting and supports Indian self-determination. Contract support funds are used by tribes that manage Federal programs to pay a wide range of administrative and management costs, including finance, personnel, maintenance, insurance, utilities, audits, communications, and vehicle costs.

The requested 2011 increases will also allow the BIA to fund Self-Determination Specialist positions to ensure proper contract oversight. In addition, it will allow the BIA to add more Social Workers to assist tribal communities in addressing problems associated with high unemployment and substance abuse. We also plan for $3.0 million of this request to go toward support for small Tribes (those with a population of less than 1,700) in order to improve the effectiveness of their tribal governments.

Protecting Indian Country

For the past several years, Tribal Nations have consistently identified that increased public safety in Indian Country is one of their top priorities. The BIA has a service population of over 1.7 million American Indians and Alaska Natives who belong to 564 federally recognized tribes. The BIA supports 191 law enforcement programs with 42 BIA-operated programs and 149 tribally-operated programs. Approximately 78 percent of the total BIA Office of Justice Services (OJS) programs are outsourced to Tribes.

President Obama, Secretary Salazar and I have heard from Indian Country that increased public safety is a top priority. The FY 2011 budget request seeks an additional $20 million in public safety funding over the FY 2010 enacted levels. This additional funding will support the Department's "Protecting Indian Country" initiative, which will fund new law enforcement agents and provide funding for detention center operations in Indian Country.

This budget reflects this commitment to public safety in Indian Country by collaborating with the Department of Justice for additional FBI agents dedicated to protecting Indian lands. Of this increase, $19.0 million will be provided via reimbursement by BIA to DOJ to fund additional FBI agents. The FBI has primary jurisdiction over major crimes on more than 200 reservations with approximately 105 agents available to investigate crimes that occur in Indian Country. The reimbursable funding provided to the FBI will add 45 agents as well as other personnel, assuring that the resources will be spent in Indian Country and focused on high-priority areas like drug trafficking and the violence related to it. The budget also proposes an increase of $1.0 million for detention center operations and maintenance for new facilities built with DOJ grants.

Advancing Indian Education

The BIE is one of only two agencies in the federal government that manages a school system, the other being the Department of Defense. Education is critical to ensuring a viable and prosperous future for tribal communities and American Indians. One of our top priorities is to improve Indian education and provide quality educational opportunities for those students who walk the hallways of the 183 BIE funded elementary and secondary schools and dormitories located on 63 reservations in 23 states and serving approximately 42,000 students.

The 2011 request maintains the Department's ongoing commitment to improve Indian education for students in bureau-funded schools and tribally controlled colleges. The budget sustains 2010 funding levels for many programs, and provides an increase of $8.9 million for key programs. The budget request includes an increase of $5.9 million to promote safe and secure schools. Of this increase, $3.9 million will be used to implement safety and security programs at 10 schools to mitigate security issues identified by the Inspector General in the past year, and to train staff to deal effectively with high risk student behaviors. The remaining $2.0 million will provide funds for 13 full-time environmental professionals to conduct environmental audits at BIE schools.

Another component of BIE funding is Tribal Grant Support Costs, which cover administrative and indirect costs at 124 tribally controlled schools and residential facilities. Tribes operating BIE-funded schools under contract or grant authorization use these funds to pay for the administrative overhead necessary to operate a school, meet legal requirements, and carry out other support functions that would otherwise be provided by the BIE school system. The budget increases funding for these activities by $3.0 million.

I should note again that we were successful in our effort to forward-fund tribal colleges in 2010, so that one-time funding of $50 million is not needed in 2011.

Improving Trust Land Management

In addition to the human services components of Indian Affairs, the United States holds 55 million surface acres of land and 57 million acres of subsurface mineral estates in trust for tribes and individual Indians.

This Administration seeks to advance the Empowering Tribal Nations initiative by assisting Tribes in the management, development and protection of Indian trust land, as well as natural resources on those lands. The 2011 budget request includes

$9.1 million in programmatic increases for land management, improvements, water management, cadastral surveys and dam safety.

Within these proposed increases for FY 2011, the BIA seeks to promote development within the former Bennett Freeze area in Arizona with $1.2 million. There are more than 12,000 Navajo people living in this area, which was subjected to restrictions on development over a 40-year period involving a land dispute between the Navajo Tribe and Hopi Tribe. Additionally, the requested increases will go toward meeting the requirements of the Nez Perce/Snake River water rights settlement and will also go toward the probate program in BIA.

New Energy Frontier

Indian Affairs works closely with tribes to assist them with the exploration and development of tribal lands with active and potential energy resources. These lands have the potential for both conventional and renewable energy resource development. The 2011 budget includes an increase of $2.5 million in Indian Affairs for energy projects as part of the Department's New Energy Frontier initiative.

This increase includes $1.0 million in the Minerals and Mining program to provide grants directly to Tribes for projects to evaluate and develop energy resources on tribal trust land. The budget also contains a $1.0 million increase for conventional energy development on the Fort Berthold Reservation. To further expedite energy development on the Fort Berthold Reservation, Indian Affairs, the Bureau of Land Management, Minerals Management Service, and the Office of the Special Trustee for American Indians will create a "virtual" one-stop shop. The budget includes a $500,000 increase to support staff onsite, as well as provide on-call access to the full range of the Department's operational and financial management services.

Climate Change Adaptation

The budget also includes $200,000 as part of the Department's Climate Change Adaptation initiative. This funding will support BIA and tribal collaboration with the Department's Landscape Conservation Cooperatives (LCC), providing tribal input and perspective to climate adaptation issues in the form of traditional ecological knowledge. Indian Affairs will suggest strategies to address adaptation and mitigation for climate change on Indian lands when working with the LCCs. Both Indian Affairs' staff and local tribal members will be involved with the LCCs.

***Cobell* Settlement**

I was recused from participating in discussions about *Cobell v. Salazar*, a case involving the management of individual Indian trust accounts related to Indian lands, but I am pleased to report that the budget also takes into account the settlement agreement in the case. Pending Congressional action and final approval by the Court, $3.412 billion will be expended from the Judgment Fund in 2010, including payments made to settle individual claims. Also within this total, the settlement agreement provides that $2.0 billion will be transferred to a Trust Land Consolidation Fund to be administered by the Department of the Interior for the buy-back and consolidation of fractionated land interests.

Requested Decreases

The initiatives described above, and the related increases in the Administration's request, mark a significant step toward the advancement of the federal government's relationship with Tribal Nations. These initiatives focus on those programs geared toward empowering Tribal Nations, and reflect the President's priorities to support economic development in Indian Country.

The President has also called upon members of his Administration to meet important objectives while also exercising fiscal responsibility. Consistent with that directive, we made several difficult choices in the FY 2011 appropriations request for Indian Affairs.

The construction program contains program reductions of $51.6 million. The request takes into consideration the $285.0 million that was provided to Indian Affairs for school and detention center construction activities and $225.0 million provided to the Department of Justice for detention center construction under the American Recovery and Reinvestment Act. With funding from the Recovery Act, Indian Affairs will complete a number of high-priority projects. The request also reflects a proposed transfer of some maintenance funding from the construction account to the operations account.

The amount requested for construction includes: $52.9 million for Education, $11.4 million for Public Safety and Justice, $42.2 million for Resource Management, and $9.3 million for other program construction. An increase of $3.8 million for the Safety of Dams program is also included. At $52.9 million, the Education Construc-

tion budget will fund phase two of the Denehotso replacement school, one school facility replacement project, and support employee housing. The budget maintains essential funding for facility improvement and repair projects at $34.6 million. The Public Safety and Justice Construction program is funded at $11.4 million to support employee housing and facilities improvement and repairs at detention centers.

Conclusion

The 2011 budget for Indian Affairs achieves the President's objectives of restoring fiscal discipline, helping empower tribal nations and foster responsible development of tribal energy resources and improving the Nation-to-Nation relationship between tribal nations and the United States. The pool of federal resources is not unlimited, and we heeded the President's call to act responsibly to maximize our impact while limiting spending growth.

Mr. Chairman, members of the Committee, thank you for the opportunity to appear before you today. I am happy to answer any questions you may have.

The CHAIRMAN. Mr. Echo Hawk, thank you very much.

I am going to reserve my questions, I will question at the end of the panel. I will begin with Senator Franken.

Senator FRANKEN. Thank you, Mr. Chairman. I thank all of you.

Beyond the lack of funding for school construction, there is a transparency issue. BIA has a metric called the Facilities Construction Index, or FCI, that it uses to assess the condition of each particular school on its school construction list. As a Senator, when I asked for a list of schools with the FCI for each school, I get it. But the tribe and the general public don't get to see the list with the FCI.

Now, I understand that there is a No Child Left Behind rulemaking process to come up with a way to prioritize in Indian schools for construction. I am glad that is moving forward in this Administration. But that process is going to take at least another year.

In the meantime, the public needs to know the dismal conditions these schools are in. Only when people know what is happening will there be an impetus to make school construction a priority in the budget. Secretary Echo Hawk, while we are waiting for the NCLB rulemaking process, is BIA willing to post online the full list of 64 Indian schools in need of replacement or repair with the FCI for each?

Mr. ECHO HAWK. Thank you, Senator Franken. I believe in transparency, the school replacement construction priority list formulated in 2004 is now being reviewed in that negotiating rulemaking committee. And that is a transparent process. I think there is one other list, known as poor condition. It is not a priority list. It is a list that has been generated to identify just what the needs are.

Senator FRANKEN. Will you publish that list with the FCI of each?

Mr. ECHO HAWK. Senator Franken, that list is on the Bureau of Indian Affairs website.

Senator FRANKEN. It is not on with the FCI.

Mr. ECHO HAWK. Senator Franken, staff tells me that it is.

Senator FRANKEN. OK. I am told something different by my staff. This isn't the first time that I have been told something in these hearings about this list and about these lists that wasn't true.

Mr. ECHO HAWK. Senator Franken, staff has told me that it was actually published yesterday.

[Laughter.]

Senator FRANKEN. OK. Well, my office was asking about this list. And now I kind of understand how that might have happened.

I want to address the issue of costs. The Director of Facilities, Environmental and Cultural Resources for Indian Affairs at the Department of the Interior told my staff that it costs approximately $30 billion to $50 billion to replace a BIA school. There is only $52.8 million in the President's budget for Indian school construction for the entire year. So we have this enormous cost per school and barely any money to fund it.

Is the cost of replacing a BIA school comparable to the cost associated with schools in non-tribal areas? And if there is a difference, what accounts for it? Do you want to get back to me with a written answer.

Mr. ECHO HAWK. Senator Franken, I have staff in the room that could answer that question in detail. We would be happy to communicate directly with your staff.

Senator FRANKEN. I am running out of time. I want to get to one last thing. This is about BIA detention facilities that are operations funding. Last week I was at the Red Lake Reservation, in addition to being at Leech Lake in northern Minnesota. I saw their new juvenile detention, minimum security facility, which was built 5 years ago. It is absolutely beautiful. It sat empty, though, for the last 5 years, because the BIA has not provided funding for operations.

This facility was built with Department of Justice funding under President Clinton's Indian Country Law Enforcement initiative back in 1998. Is it true that under that initiative, the policy was that the Department of Justice would fund construction of detention facilities and the Department of the Interior agreed to seek funding for operating these facilities going forward? I have a copy of a letter from 1998 from then-Assistant Secretary of Indian Affairs Kevin Gover, assuring tribal governments that the BIA Office of Law Enforcement Services would be responsible for requesting operational funding for each detention facility constructed by DOJ under the program. I also have a Department of the Interior memo from 2000 clearly saying that, "The Office of Law Enforcement Services will be responsible for requesting funds for staffing and program operations at these facilities" I ask unanimous consent to submit both of these documents for the record, Mr. Chairman.

The CHAIRMAN. Without objection, so ordered.

[The information referred to follows:]

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

APR 2 2 1998

Dear Tribal Leader:

This letter is to provide you with information on the status of the future of the Bureau of Indian Affairs (BIA) detention facility construction and rehabilitation/renovation program.

In FY 1999, the BIA did not request any funds for law enforcement construction and it is highly unlikely that the Congress will appropriate any funds in the next fiscal year for this type of construction. However, the Department of Justice (DOJ), under the Presidential Initiative on Law Enforcement in Indian Country, has included $52 million for prison construction grants and prison (detention) construction modernization and repair in its FY 1999 budget request. This funding is to be used for detention facilities in Indian Country should the Congress appropriate these funds within DOJ's FY 1999 budget request.

We are not yet aware of the method the DOJ will use to distribute these funds although the DOJ has indicated it will establish an eligibility/priority list. We have urged them to consider the BIA's existing priority lists because a great deal of time, energy and funds have already been invested to identify, plan and design some of the facilities. In this regard, the BIA has provided the DOJ with its construction priority list, which presently lists 17 projects for construction. The BIA has received funding for the first five projects. The rehabilitation/renovation list has 34 projects for renovation/repair. We will continue to encourage the DOJ to give consideration to the projects identified on the existing BIA priority lists.

The BIA will continue to be responsible for requesting funds for staffing and physical facility operations and maintenance requirements for new facilities, including those facilities constructed through the DOJ grants funds, as well as existing BIA-owned detention facilities within our budget request. Additionally, in FY 2000, the BIA plans to request funds for law enforcement construction within its budget request to the Congress. While no specific level of funding has been determined yet for FY 2000, the request will concentrate on the remaining unfunded projects listed on the BIA's existing priority lists.

Sincerely,

Kevin Gover

Assistant Secretary - Indian Affairs

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Facilities Management & Construction Center
Albuquerque Plaza Office Tower
201 Third Street, NW
P.O. Box 1248
Albuquerque, New Mexico 87103

IN REPLY REFER TO:
105-40

APR 25 2000

Memorandum

To: Director, Southwest Region
Director, Rocky Mountain Region
Director, Eastern Region
Director, Northwest Region
Director, Alaska Region
Director, Midwest Region
Director, Western Region
Director, Office of Law Enforcement Services
Chief, Division of Safety and Risk Management

From: Director, Office of Facilities Management & Construction

Subject: Detention Facilities Funded by Department of Justice

Attached for your information and use is a copy of the April 7, 2000 letter to the Office of Facilities Management and Construction (OFMC) from the Corrections Program Office, Department of Justice (DOJ). It transmits construction project information for facilities in Indian Country that the Department of Justice (DOJ) is funding.

Please share this information with your facilities and law enforcement staff. They should note the following:

1. The BIA-OFMC will be responsible for requesting facilities Operation & Maintenance funds for these facilities in accordance with Assistant Secretary Gover's April 22, 1998 letter to Tribal leaders. This request for O&M funds will be made in the FY 2002 budget request.

2. The Office of Law Enforcement Services will be responsible for requesting funds for staffing and program operations in these facilities.

3. Our March 13, 2000 letter to the Department of Justice indicated that DOJ funded facilities must comply with the BIA's adopted codes and standards and must be inspected by a representative of the BIA's Division of Safety and Risk Management in order to qualify for the O&M funding. The applicable codes and standards were provided to DOJ.

Senator FRANKEN. Does the policy laid out under the Clinton Administration's Indian Country law enforcement initiative remain the policy of the Bureau of Indian Affairs today, sir?

Mr. ECHO HAWK. Mr. Chairman and Senator Franken, I acknowledge that is the policy.

Senator FRANKEN. Then we have a facility that was built under that policy that has remained empty for 5 years because there is no money to operate it at all.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Franken, thank you very much.

Senator Johnson?

Senator JOHNSON. Thank you, Mr. Chairman.

I am grateful to Mr. Echo Hawk. I am very grateful for the stimulus funding that is benefiting reservations in my State of South Dakota. While these funds are essential to all of Indian Country, they are only a start and certainly do not make up for years of chronic under-funding.

I am concerned that stimulus moneys have triggered cuts in Fiscal Year 2011 funding, particularly for school construction and housing. Given the significant cuts, does the Administration have a plan to continue the progress made with stimulus funding?

Mr. ECHO HAWK. Mr. Chairman and Senator Johnson, the overall budget for Indian Affairs I think does take into account that we received $285 million in stimulus for construction. And in the process of making hard choices about how to craft this budget to be fiscally responsible, I think that we did look at that fact. As I told this Committee during my confirmation hearing, I intended to learn what the needs were in Indian Country and to be a forceful advocate for Indian Country and trying to build the budgets that would bring lasting change into communities. I can only commit that we will aggressively pursue plans to meet the needs out there in Indian Country for construction of schools and law enforcement and detention facilities.

Senator JOHNSON. Mr. Perrelli, while I am grateful for the increase in the COPS program, I am concerned about the cuts in tribal courts, tribal youth, jail construction, alcohol and substance abuse and civil and criminal assistance. Are there going to be cuts in personnel from the tribal court system?

Mr. PERRELLI. Thank you for the question, Senator. With respect to the tribal programs in the Office of Justice Programs to which you are referring, rather than seeking a separate appropriation for each of those line items, we are seeking a 7 percent set-aside for tribal programs for those purposes out of all the Office of Justice Programs funds. The result is rather than seeking, as was sought in Fiscal Year 2010, $75 million in the tribal courts detention facility categories, we are seeking over $140 million overall.

So I don't think it is actually a cut. As I indicated, we are seeking a significant increase. And we are planning to work with this Committee and with the Appropriations Committee on developing the most flexible way that tribes can use those funds.

Certainly when we have gone through our listening sessions with tribal leaders, what we have heard is frustration at times about the inability to use funds for their actual needs. The detention facility situation is an example where there are tribes who have said to us, we would like to build a justice center, but the statute in the detention facility grant program only allows you to build the jail portion and not something else. That is something that the tribal law bill I think has done, made some efforts to seek to address.

So we are actually seeking more funds. But we are seeking more flexibility for tribal governments as well.

Senator JOHNSON. Are you telling me that tribal courts appears in the Office of Justice Programs?

Mr. PERRELLI. I am sorry, sir?

Senator JOHNSON. Tribal courts, the line item for tribal courts, appears in the Office of Justice Programs?

Mr. PERRELLI. Yes, it does.

Senator JOHNSON. What other programs are there in the Office of Justice programs?

Mr. PERRELLI. That is primarily tribal courts, alcohol and substance abuse, training and technical assistance for civil and criminal legal assistance, and tribal construction. Those are areas where in Fiscal Year 2010 we sought $75 million. Here we are seeking again a set-aside, out of all the Office of Justice Programs programs, which is a broader set of programs, of 7 percent specifically for tribal governments. And as I indicated, the hope is to develop the most flexible program that would allow funds appropriately to be used, whether it is for construction, tribal courts and other areas.

Senator JOHNSON. Is there funding for, Dr. Roubideaux, is there funding for the Cheyenne River and Sisseton-Wapeton hospitals?

Dr. ROUBIDEAUX. Yes. The Cheyenne River Hospital is being built with Recovery Act funds, as you are aware. We also included in this budget the proposal the first month's worth of staffing for that hospital in the current services line.

I had the opportunity to visit that hospital a few months ago. It was beautiful, and the construction is really progressing very well on it. It is just a great example of how health care facilities are so important for our communities. They represent their hopes and dreams for better health care. So we are doing what we can to finish that facility on time and make sure it gets the staff it needs.

Senator JOHNSON. Do you view the combined VA IHS facility in Wagner, South Dakota, for what could happen in terms of cooperation in the future?

Dr. ROUBIDEAUX. Yes. I think that is an excellent example.

Senator JOHNSON. I have no more questions.

The CHAIRMAN. Senator Johnson, thank you very much.

Senator Tester?

Senator TESTER. Thank you, Mr. Chairman. I will go back to Mr. Perrelli for a bit here.

I want to kind of follow up on some of Senator Johnson's questions. On the $75 million cut, you said there was a 7 percent set-aside, so really it is a $140 million program now. Where are those funds set aside from?

Mr. PERRELLI. They are set aside from the broader universe of the Office of Justice Programs.

Senator TESTER. How much was that broader universe increased, or was it increased in the budget?

Mr. PERRELLI. That went down in the budget. So Fiscal Year 2010, our State and local assistance, it was $2.98 million, Fiscal Year 2010 enacted. Our Fiscal Year 2011 request for the Office of Justice Programs is $2.87 million.

Senator TESTER. And then you are going to pull another $1.4 million off of that, or $2.87 billion, so you are going to pull another $140 million out?

Mr. PERRELLI. The $140 million of that will be set aside for other projects.

Senator TESTER. And then the program is going to be reduced, and I assume you looked at it through a sharp pencil. And then it is going to be reduced again with this set-aside.

Mr. PERRELLI. No. The program, the moneys are not going to be reduced from the set-aside. In other words, in Fiscal Year 2010, the programs that were specifically for tribal communities totaled, out of that $2.98 billion, roughly $75 million. In Fiscal Year 2011, we are seeking $140 million, a significant increase in programs that are set aside for tribal governments. But rather than seeking the funds in the tribal court line item, the tribal construction line item, we are seeking that $140 million in a single block.

Senator TESTER. I understand that. And maybe I am not tracking you. But it seems to me that if you are setting money from a budget that is being reduced some, then you are setting some more money aside that wasn't set aside in the previous fiscal year, that means that money can't be used in what it was used for in the previous fiscal year, it is being used for these programs.

Mr. PERRELLI. The budget was principally reduced by elimination of earmarks. But if the question is, does setting aside money for tribal communities mean there is less money for State and local law enforcement and other communities, that is correct.

Senator TESTER. OK. And then we have a way to deal with that issue, too, outside Indian Country?

Mr. PERRELLI. I think that what was principally reduced was elimination of earmarks.

Senator TESTER. Another couple of questions. And I assume from the answers to Senator Johnson's questions, you are doing this for flexibility reasons, so tribes have greater flexibility?

Mr. PERRELLI. That is correct.

Senator TESTER. Will the tribes determine how the money is going to be allocated, then?

Mr. PERRELLI. I think we are still developing the program, and we are going to continue to consult with tribal governments and hopefully work with this Committee and the appropriators about how that will work. But I think the primary request we got from tribal leaders was a grant program that would allow them to more flexibly address their particular needs.

Senator TESTER. OK. Mr. Echo Hawk, I was going to ask Mr. Perrelli this question, but I will just depend on your answer. We give the BIA an extra $19 million so they can reimburse Justice. Why not just give the money to Justice? Why not just give them the $19 million instead of giving it to you and you give it to them?

Mr. ECHO HAWK. Mr. Chairman, Senator Tester, I think the idea there is that if it is in the Indian Affairs budget, we have some control to make sure it actually goes to Indian Country. We have been working very closely, collaborating with the Department of Justice. I think we can assure you that that money will end up where it is intended.

Senator TESTER. Otherwise, you are concerned that it wouldn't, if we just cut Mr. Perrelli a $19 million check. Is that correct?

[Laughter.]

Mr. ECHO HAWK. Mr. Chairman and Senator Tester, I think I commented, we have a good working relationship.

Senator TESTER. I don't want to put you on the spot too much.

All right. Ms. Roubideaux, you were in Billings last week. Unfortunately, I didn't know about the visit. It is not so bad if I wasn't on Indian Affairs, but I am on Indian Affairs. Consequently, it would have been good to know, not from a perspective of me being able to welcome you, which I would have, but from a standpoint of us having to scramble to get staff there, because we didn't know about it.

That being said, I hope next time you are in town, we know about it. Because we like you, and we would like to be a part of what you are doing. It would help me on this Committee if we know about it.

I guess the question I have is, you talked about priorities, listing of priorities for the last 9 months. Can you tell me what priorities you heard from the tribes in that meeting?

Dr. ROUBIDEAUX. Well, I thought I was going to see you there. I had heard that we had notified your staff, and I actually asked when I got there, when is Senator Tester arriving. So I am disappointed as well, so we will work on the communication.

Senator TESTER. Absolutely.

Dr. ROUBIDEAUX. I had a wonderful time visiting the Billings area. It is a part of my effort to now spread my priorities into all 12 areas. I visited two areas so far, so you were the second on the list. I had a great time talking with the tribal leaders there. They are very concerned about the health of their people, as you know. And they have many concerns. Chief among them is the lack of funding for Indian health. They told me loudly and clearly that we needed more. They also told us that they wanted us to improve how we do business in a number of areas, including our contract health services program. And we are working on improving the way we do business. I just initiated formal tribal consultation in that area and was going to have a meeting on best practices and an input session during the snowstorm.

I am actually appointing two tribal officials from each area to come on a work group to help look at how we can improve that program. The other issue was customer service. That is the last one I will mention. We still have some problems with customer service in our agency and I have made it clear that it is a priority of mine, that we need to treat our patients with respect and dignity. And we will be working very hard on this, including in our performance management process over the next few years.

Senator TESTER. And I assume that you have heard these comments in other places around Indian Country. Does this budget deal with the lack of funding for Indian health care in a way that will address those problems? Does it deal with contract health services in a way that will address those problems? And do you have a plan for addressing the customer service aspects from a respect and dignity standpoint?

Dr. ROUBIDEAUX. Yes. I am grateful to the President for this budget, because I think it is a great next step in our ability to address these issues. In terms of contract health services, we have a lot of work to do to improve the way we do business, how we educate our patients, how we work with our referral partners and how we do our billing practices. All of those are things that we are working on right now.

Customer service, the first step was for me as the Director to say that it was important. I got a great deal of thanks from our patients and our staff for doing that. That is what strong leadership is about, is first helping people understand what the priorities are. And now we are actually going to put this in our performance management system, so that we will be able to rate our employees on their customer service. I have not announced it yet, but I am going to ask our patients to help teach our providers and our staff how to do well on customer service. I think it is incredibly important.

And the last thing is, I am going to try to find ways to reward our employees who provide good customer service in a better way.

Senator TESTER. Thank you. And thank you, Mr. Chairman. I apologize for running over.

The CHAIRMAN. Senator Tester, thank you very much.

Senator Udall?

Senator UDALL. Thank you, Chairman Dorgan. Secretary Echo Hawk, could you address the President's cut in funding for the construction of schools? I understand that a portion of the funding is simply being transferred between accounts, but that there is still a reduction in funds for construction, and what impact that is going to have. I was unclear from your testimony whether you all actually consider it a cut or it is a flat budget from over last year.

Mr. ECHO HAWK. Mr. Chairman and Senator Udall, there is $115 million in our budget for construction. And there is a $9 million reduction when it comes to school construction. So I think the explanation for that, I think I have already commented, is the fact that with the stimulus money we received substantial amounts for detention and school construction. And in order to move forward on important priorities, other priorities identified by tribal representatives, it was one of those tough decisions that we made.

But that does not signal that we are giving up on aggressive and strong support for school construction.

Senator UDALL. What is the current backlog for school construction? The overall number.

Mr. ECHO HAWK. Mr. Chairman and Senator Udall, $1.3 billion.

Senator UDALL. One point three billion. OK. And obviously under your current funding levels that you have requested, there is no way you could wipe that out.

Mr. ECHO HAWK. Mr. Chairman and Senator Udall, there is no way.

Senator UDALL. On these schools, and I am very interested, because a number of schools in New Mexico have these incredible deficiencies that aren't being taken care of, and the health and safety of the kids is threatened. There was a Bureau of Indian Affairs Inspector General report just several years ago that covered some of these conditions. These were the kinds of things that this Inspector General said: "Although we have not yet completed this audit, we wanted to bring your attention to serious health and safety deficiencies we identified in BIE schools. We found severe deterioration at elementary and secondary schools, including boarding schools." And at one point they say, "These severe deficiencies have the potential to seriously injure or kill students and faculty and require immediate attention to mitigate problems." Now, this was applying to boarding schools in Arizona and New Mexico.

My question is, and this is before you got there, but after receiving a report like this, which was devastating in terms of what was happening in these schools, and a devastating indictment. Did the Department move to correct these deficiencies, and did you do a review of all of your schools in light of this report, to see what the deficiencies were and how you would move forward with them?

Mr. ECHO HAWK. Mr. Chairman and Senator Udall, I think I can only account for the last 8 months. I can't speak to what action was taken under prior Administrations. But in my first 8 months of service, I have taken time to travel to virtually every quarter of the Country and Indian Country, going into communities, visiting schools, detention facilities and so forth, to learn more about what the true needs are. I recognize there are enormous needs when it comes to the condition of schools. Those needs are identified and we would just be willing and anxious to work with this Committee to see what we can do to make progress in meeting that enormous backlog.

Senator UDALL. Thank you very much. I think one of the ways to meet the backlog, and I know that you are going to argue for this within the Administration, is to come up with a multi-year plan. Because currently, the way we are approaching this, we are never going to really reduce the backlog. Obviously, the ARRA moneys make a difference, but we are still a long ways off. I thank the Chairman for your indulgence.

The CHAIRMAN. Senator Udall, thank you very much.

Dr. Roubideaux, let me ask you about—I am sorry, Senator Murkowski, why don't you proceed. I apologize.

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

Senator MURKOWSKI. Thank you.

Deputy Under Secretary Echo Hawk, first I want to thank you. I appreciate the commitment that has been made with regard to the tribal priority allocation . I know that Loretta Bullard, who is president of Kawerak Inc., and Gloria O'Neil, have long advocated at the BIA budget advisory meetings for a need in adequate funding. I understand that there is a minimal increase, $3 million, to the small and needy tribes. It is not much, but every little bit helps for these smaller tribes across the Country.

A couple of questions. First, is one that I have asked over the years at these hearings. This is the Juneau BIA office and its future. My position has been that we need to keep the BIA offices there in Juneau, in the capital city, in southeastern Alaska. It is very important to the region's economy. Can you give me an update on what the status is on that office, and where we might be in hiring a BIA Alaska area director?

Mr. ECHO HAWK. Senator Murkowski, the response is the same that I have given previously on this question. The regional director did move from Juneau to Anchorage. But there are no plans to move the rest of that office. So that would remain in Juneau.

Senator MURKOWSKI. And then as far as the status of hiring an Alaska area director? We are still good?

Mr. ECHO HAWK. Mr. Chairman and Senator Murkowski, that is still in process and very near completion. But we are at the stage

where very soon we will be consulting with the Alaska Native leaders on that selection.

Senator MURKOWSKI. If you can, keep us apprised of that.

The other issue is that of the Indian reservation roads. I think just about every Native group, every tribe that comes to visit me here in Washington has raised and expressed their concerns about the IRR program at the BIA. I am told that many of the tribes have moved over to the Federal Highways just to avoid the administrative hurdles that they have to go through with the Bureau.

Generally, do you have any plans to overhaul the IRR program, so that I might be able to give something back to my constituents in terms of general direction on this?

Mr. ECHO HAWK. Mr. Chairman and Senator Murkowski, just a few comments on the roads. Again, the stimulus money was very important here. I think we received in total about $390 million directly or by transfer from Department of Transportation. So that has had enormous impact.

But the needs are great. And it has been, to my understanding, as I recall, level funded for several years. So more needs to be done in that regard. One of the major issues is not only the level of funding for roads, but the formula that is used to distribute what funds we have available. I was hoping that we would get direction through consultation process which has been occurring. We have been reaching out to tribal leaders to get guidance.

But I think maybe the word that describes the situation is stalemate. We have not received back from tribal leaders what their desire is. Because there is division of opinion out there. Recently I just directed my staff to move forward in trying to craft what we think is the appropriate formula, taking into account the equities and then to venture out there in a consultation process with that formula, which again I think you will see manifested division of opinion about whether that is fair or not, depending on who you are and where you are located.

But there have been increases in the amount of roads that we have responsibility for without comparable increases in funding. So there is great need.

Senator MURKOWSKI. And I appreciate the need. You know that we have struggled with just the inventory aspect of it. Again, my experience with it has been, it has taken an act of Congress, practically, to get the money that we know is out there, and actually get that translated to the project. So I would like to continue to work with you on this.

Ms. Roubideaux, I am pleased to see you here today. I actually understood that you were supposed to be in Alaska and attending our tribal health summit there. But this hearing actually prevented that. So I get to see you, but Alaska doesn't. So hopefully you will make a return visit. I know that your presence there is appreciated, and your opportunities to come and know and understand the situation a little bit better is appreciated.

I wanted to ask you about the dental health therapist program that we have. I think you have seen, we have had opportunity here on this Committee to bring this issue up and demonstrate the real substantive gains that we have made with that program. Very briefly, can you tell me what kind of support the IHS can give to

innovative programs such as the dental health therapy training program to ensure that this is not just a short-term good idea that disappears and isn't sustainable for the long term?

Dr. ROUBIDEAUX. Well, the Indian Health Service is definitely interested in learning about best practices, how we can better deliver care. And we are well aware of the good work of the program in Alaska on this topic.

While we can't comment on issues that are sort of pending in legislation or that sort of thing, I can tell you that I know we want to do better in terms of how we deliver dental health care. We know that there are innovative ideas. We have in the past had a problem with shortages of being able to recruit dentists into very rural areas. Our dental recruitment numbers are a bit better this year and we are grateful for that. But we still understand there is quite a bit of need.

And so I real think that your program is a great best practice for us to look at, at how we can deliver better quality dental care.

Senator MURKOWSKI. We certainly agree, and would want to see that continued and encouraged.

I have a couple more questions. One relates to the inadequate funding for the village-built clinic lease. I would hope that IHS would be willing to work with my staff on that issue as it relates to the shortfalls. And then also the staffing for the new Yukon-Kuskokwim Delta Regional Hospital that is based in Bethel. I know that you are aware of that issue. I would like to have a little more followup on what we might anticipate with that Bethel staffing package in your budget request.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Murkowski, thank you very much.

Let me ask a few questions and then I will submit additional questions in writing to the panel. First, Dr. Roubideaux, does the IHS have a plan on how to expand mental health services dealing with the suicide issues? As you know, there has been a severe shortage of mental health professionals and mental health services in tribal communities. The suicide prevention and mental health services are not prioritized in the President's budget. So is there some IHS plan on how to expand those services at this point?

Dr. ROUBIDEAUX. Yes, we believe the problem of suicide is a high priority for us. We want to do everything we can to address this, not just ourselves but with our other partners. I recently met with the new Administrator of SAMHSA. We talked a bit on that issue.

We have done a number of things to address that problem. We recently hired a new director of our mental health program who happens to have specific expertise in the area of suicide prevention and treatment. So we think we are going to have some gains there. The budget does include funding and current services increases for mental health funding.

In addition, you are aware of our MSPI initiative, it is the Meth and Suicide Prevention Initiative. That is up and going. We have funded 129 projects in 21 States, $24 million has already been sent out to programs who are looking at ways to both prevent, treat and respond to suicide in Indian communities. We do have a strategic plan that we are working on and our behavioral health program is doing what it can to respond to suicide emergencies.

I just heard last week, there was a suicide problem in a southwestern State. We deployed some staff out there to work on that with a local tribe. I can report that in that community, the number of suicides has gone down. So we do know that if we can get providers out there, and if we can address these issues, that can help.

You will notice in the Fiscal Year 2011 budget request, there was $4 million additional money for substance abuse treatment in primary care settings. The intent of that is to get more behavioral health providers. While that is for substance abuse treatment, those providers can also help us with the problem of suicides. Sometimes those are related.

So we still think it is a priority and we are doing everything we can to address the problem.

The CHAIRMAN. I was thinking about this issue of schools. One of my colleagues talked about new schools being built at the cost of I believe $30 million to $50 million, or $20 million to $50 million. It relates also to health facilities. I heard the other day of two facilities, two clinics that are being built, and I think they were $70 million each. On the Fort Berthold Reservation, we were owed a clinic, because the hospital was submerged underwater decades ago, and the promise was to build a new facility. It is being built now, and I appropriated it under the Corps budget, because the Corps is the one that inundated the previous hospital and made the promise.

So I funded it, but it is a $20 million clinic. The Indian Health Service proposed a $111 million clinic. The $20 million clinic is going to be a wonderful addition to that Indian Reservation. But $111 million was way, way out of bounds.

So the other day, when I heard about two more clinics being built for $70 million, I am asking myself the question, just as my colleagues did, how is it that a school comes in at a $50 million cost or a clinic comes in at a $70 million cost, we are building a $20 million clinic on the Fort Berthold Reservation right now for health care, and it is going to be a great clinic. So I have asked the Government Accountability Office to be looking into this question: how is all this money being spent? How is it that the IHS suggested that the clinic that we needed in New Town, North Dakota was $111 million? I said, are you wacky? I guess I said that to no one.

[Laughter.]

The CHAIRMAN. But was somebody wacky here, suggesting that that is the amount of money we should spend?

So we are not doing that, we are spending $20 million. Well enough. But the same question, it seems to me, needs to be applied to what are the specs, how are we constructing these things? And I am going to have the Government Accountability Office look into both to understand what is driving this.

I think because we have a second panel and I want to allow time for them, they have come a long way to be with us, I am going to submit a series of written questions. Let me make one point. In my opening statement, I describe the areas where we are short and we need to do much, much, much better. I didn't describe that there are some areas where I am pleased that this Administration has reversed course from the previous Administration and is funding certain things that I think will be beneficial to the lives of Native

Americans. So let me simply say that added to what I said at the start of this hearing, it should be noted there are some areas of improvement.

But it is very important to point out what we need that we are not getting in order to improve the lives of the First Americans who received so many promises that have been broken for so long.

I thank all three of you for your work on Indian issues. I know that you are serious of purpose in addressing these things and appreciate your being with us to be able to have a discussion. I will submit questions in writing to the three of you and thank you for your continuing efforts. Let me ask you to be excused, then we will ask the three additional witnesses to come forward. Thank you.

And the term wacky is a term of art, I think. I don't know what it means, but perhaps another member of the panel does.

[Laughter.]

The CHAIRMAN. We are going to call to the witness table Mr. Jefferson Keel, the Honorable Jefferson Keel, President of the National Congress of American Indians; the Honorable Patricia Whitefoot, President of the National Indian Education Association; and the Honorable Marty Shuravloff, Chairman of the National American Indian Housing Council. I know that you have traveled some ways to be with us. We appreciate your willingness to come and participate. All of you have leadership positions, national leadership positions in areas of significant importance and interest. We very much appreciate that.

Mr. Keel, those of us on the Committee have really appreciated being able to work with you in your role as President of the National Congress. We welcome you. Is Patricia Whitefoot here? There you are. Patricia, thank you.

Mr. Keel, as I indicated to the previous panel, your entire statement will be made a part of the record. We would appreciate it if you would summarize for us. You may proceed with your statement.

STATEMENT OF HON. JEFFERSON KEEL, PRESIDENT, NATIONAL CONGRESS OF AMERICAN INDIANS

Mr. KEEL. Thank you, Mr. Chairman, Senators, members of the Committee. Thank you for this opportunity to make our comments. As you said, we will present our testimony in writing. I will try to be brief.

We applaud the Administration's proposals to continue to make investments in Indian health, tribal public safety, environmental protection programs and self-determination contract supports, costs and administrative cost grants. NCAI has developed recommendations for many areas of the Federal budget in concert with tribal leaders, agency budget advisory councils and our sister organizations.

The areas for increased investments include a general increase to tribal priority allocations, contract support costs at BIA and IHS public safety, education, health, and natural resources. Another area of critical importance to tribes is public safety and justice. As Mr. Perrelli has already testified, the President has requested significant changes to the DOJ funding for Indian Country, as well as major increases. NCAI supports these increases, which are nec-

essary to strengthen the law enforcement infrastructure in Indian Country.

We request that the support provided for detention facilities is at least maintained at the Fiscal Year 2010 level of $10 million for Fiscal Year 2011. NCAI appreciates the efforts of this Committee to develop legislation to foster the responsible development of traditional and clean energy resources on tribal lands. In addition to energy resources, the health and maintenance of other natural resources, forest lands, water, fisheries, wildlife and outdoor recreation is vital to Native communities.

The Indian Affairs budget request for natural resources programs proposes to provide recurring funding for several longstanding tribal natural resources programs. Like the Washington State timber-fish-wildlife program, the Circle of Flight, Lake Roosevelt Management and Upper Columbia United Tribes, which in prior years' budget requests were treated as earmarks. NCAI supports the continued funding of these returning programs as opposed to earmarks. NCAI appreciates the $30 million in EPA for multimedia tribal implementation grants to support on the ground implementation of environmental protection on tribal lands, as well as the increase for EPA general assistance.

We encourage this Committee to help boost levels of many of the other natural resource programs laid out in our written budget testimony and comprehensive budget document.

NCAI and tribal leaders are very alarmed at the proposed decrease to the Native American Housing Block Grant program in HUD. The proposed level would cut the Housing Block Grant program by 17 percent from Fiscal Year 2010 enacted level. The justification for this action is that the program is operating at a high volume due to Recovery Act funding. However, the ARRA funding was intended to be over and above regular appropriations.

The proposed reduction to the formula level also comes at the same time that the President has requested a 3-year freeze in domestic spending. This proposed reduction would impact smaller and poorer tribes in 2011. As Indian Country works toward putting our citizens back to work the proposed cut would adversely affect the construction industry, which is one of the more stable industries, with substantial employment in Indian Country. We urge this Committee to work toward restoring the cut proposed for the Housing Block Grant funding for Fiscal Year 2011.

Indian Country is a critical player as the Nation considers ways to promote jobs and work toward economic recovery. When tribes have the necessary tools to exercise their inherent right of self-government, the results include strides toward improving the health, social and economic well-being of Indian Country, non-Native citizens residing on reservations, and off-reservation residents of neighboring communities. We look forward to working with you to ensure that the needs of Indian Country are addressed in the Fiscal Year 2011 appropriations process.

Thank you.

[The prepared statement of Mr. Keel follows:]

Prepared Statement of Hon. Jefferson Keel, President, National Congress of American Indians

Executive Committee

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Chickasaw Nation

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Pauma Band—Mission Indians

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Washington, DC 20005

On behalf of the National Congress of American Indians, thank you for the opportunity to provide our views on tribal programs and initiatives proposed in the President's FY 2011 budget. Last year, for FY 2010, Congress enacted historic increases to important programs that are essential to tribes, especially during this time of economic recession. NCAI applauds the Administration's proposals for FY 2011 to continue to make investments in Indian health, tribal public safety, environmental protection programs, and self-determination contract support costs and administrative cost grants. NCAI looks forward to working with members of this Committee to strengthen investments in other areas, including in education, natural resources, housing, and energy development programs.

Indian Country is a critical player as the nation considers ways to promote jobs and work toward economic recovery. When tribes have the necessary tools to exercise their inherent right of self-government, the results include strides toward improving the health and social and economic well-being of Indian Country, non-Native citizens residing on reservations, and off-reservation residents of neighboring communities. While NCAI and tribal leaders are encouraged to see requested increases for priority programs at the Bureau of Indian Affairs, Indian Health Service, Department of Justice, and other agencies, it is important to note that core tribal governmental services have suffered severe underfunding for decades. The federal funding that supports the provision of services to Indian communities in every relevant program area—from education and public safety to the environment, infrastructure, and health care—lags behind the average for the rest of the United States. For tribes to join the rest of the nation in working towards economic recovery, the FY 2011 budget must build on the investments enacted in FY 2010. The considerable fluctuations in federal funding that support tribal governments and Indian programs have prevented tribes—for more than three decades—from taking full advantage of the Indian Self-Determination and Education Assistance Act.[i]

NCAI has developed recommendations for many areas of the federal budget in concert with tribal leaders, agency budget advisory councils, and our sister organizations. NCAI requests that the *FY 2011 Indian Country Budget Request* document be made a part of the record[ii]. Tribal leaders have identified the following areas for meaningful federal investment in Indian Country: public safety and justice, health care, education, economic development, and natural resources. NCAI would like to emphasize that, although tribal leaders have developed the above priority areas for FY 2011, the consistent underpinning of all of the funding recommendations in this testimony are tribal self-determination and self-governance. NCAI's support for areas of the federal budget that support self-determination and self-governance is uncompromising.

Public Safety and Justice

Across the nation, tribal leaders have underscored the importance of public safety and justice in budget consultations over the years and emphasized the need for more resources. Today the inadequacy of public safety resources poses a direct threat to Native citizens and the future of Indian Country. NCAI is encouraged that the Administration and this Committee continue to support increases for tribal programs at the Department of Justice and Department of the Interior.

Department of Justice (DOJ)

The Department of Justice requested a total of $448.8 million for public safety initiatives in tribal communities, $256 million of which will fund tribal grants. This is a substantial increase over the DOJ's FY 2010 funding levels for tribal specific programs.

The Department proposes new bill language that would designate a 7% tribal set-aside from all discretionary Office of Justice Programs (OJP) programs (excluding the Public Safety Officers Benefits Program disability benefits and education assistance programs) for tribal criminal justice assistance. This 7% set-aside totals $139.5 million, although the details of how these funds will be administered are yet to be determined. To offset this new policy, the Department is proposing to eliminate bill language contained in prior years' Appropriations Acts that had specific funding amounts for traditional tribal justice programs – such as tribal prison construction, a tribal courts initiative, tribal alcohol and substance abuse reduction assistance, and tribal youth programs.

The Administration requests a total of $67 million for tribes under the Community Oriented Policing Services (COPS) program to fund tribal law enforcement expenses. This total is made up of $25 million for tribal law enforcement and $42 million (7% of the program total) under the Universal Hiring Program for the hiring and training of new police officers.

An additional $47.9 million will be funneled through the Office of Violence Against Women (OVW) and aimed at addressing the high victimization rates of American Indian and Alaska Native victims of domestic violence, sexual assault, dating violence, and stalking on tribal lands. Within these OVW funds, the President requested that $500,000 be available for both a new Indian Country Sexual Assault Clearinghouse and for Regional Summits in Indian Country that would provide training on the prosecution of cases involving violence against Native women. The FY 2011 budget also increases the amount of money set aside for Analysis and Research on Violence Against Indian Women from $1 to $3 million.

In addition to $23.8 million requested for the Federal Bureau of Investigations for Indian Country activities in FY 2011, as noted above, the budget request also proposes $19 million for a reimbursable program through the Department of Interior to support 81 positions (including 45 agents) investigating violent crimes within Indian Country.

A new $1.2 million is requested for the redesign and development of data collection programs for Indian Country by the Criminal Justice Statistics Program within the Bureau of Justice Statistics, Office of Justice Programs, and the Community Relations Service (CRS) is slated to receive an increase of $176,000 in non-personnel funding to allow CRS to promote improved communication and partnership between law enforcement entities.

Finally, the Office of Tribal Justice has requested an extra $584,000 over FY 2010 funds to hire an additional three attorneys and one program analyst to assist in fulfilling the DOJ's responsibilities to Indian Country.

The funding increases included in the DOJ's budget request are necessary to strengthen the law enforcement infrastructure on Indian lands. NCAI supports the DOJ budget requests for FY 2011.

The details of the amount that will be available for DOJ detention facilities is not clear as this testimony goes to print. The Administration and Congress provided a remarkable amount, $225 million, under the American Recovery and Reinvestment Act (ARRA, Recovery Act) for DOJ facilities construction. The need for these resources in Indian Country, upwards of $8.4 billion, dwarfs the amount provided even in ARRA funding. The amount provided for this line item has fluctuated over the last few years, with an average of about $10 million provided each year. ***NCAI requests that the support provided for detention facilities is at least maintained at the FY 2010 level of $10 million in FY 2011. A sustained commitment in FY 2011 is necessary to address the urgent need for this element of public safety.***

Department of the Interior (DOI)

The Administration has proposed an *Empowering Tribal Nations, Protecting Indian Country* initiative, in the FY 2011 request that builds on the congressional support realized in FY 2010 and provides an additional $20 million in program funding over the FY 2010 enacted level. DOI will collaborate with the DOJ for additional FBI agents dedicated to protecting Indian lands. Of this increase, $19 million will go to DOJ to fund additional agents. The FBI has primary jurisdiction over major crimes on more than 200 reservations with approximately 105 agents available to investigate crimes that occur in Indian Country. The budget also proposes an increase of $1 million for detention center operations and maintenance for new facilities built with DOJ grants. ***NCAI supports these increases.***

Housing and Infrastructure

Department of Housing and Urban Development

NCAI and tribal leaders are very alarmed at the proposed decrease to the Native American Housing Block Grant (NAHBG) program, which constitutes one of the largest percent decreases proposed for any area of the President's FY 2011 federal budget that benefits Indian Country. The proposed level would cut the NAHBG program by 17 percent from the FY 2010 enacted level and 11 percent from the FY 2009 level.

The Administration's justification for not requesting the standard formula amount is that the program is operating at a high volume due to ARRA funding provided in FY 2009. However, the ARRA funding was intended to be over and above regular appropriations. The proposed reduction to the formula level comes at the same time that the President has requested a three-year freeze in domestic spending. One positive aspect of the ARRA NAHBG funding was that 50 percent was distributed by a grant process that allowed smaller tribes to be awarded sufficient funding to complete projects. The proposed reduction would impact smaller and poorer tribes in FY 2011. As Indian Country works towards putting our citizens back to work, the proposed FY 2011 cut would adversely affect the construction industry, which is one of the more stable industries with substantial employment in Indian Country.

NCAI would like to point out the inconsistency in the ARRA justification to cut the NAHBG formula funding in FY 2011. The Administration and Congress provided tremendous support to tribal programs through the Recovery Act to Native American housing and the Indian Health Service, but only dropped support for housing in the FY 2011 budget request. ***NCAI urges this Committee to work toward restoring the cut proposed for the NAHBG funding for FY 2011.***

Human Needs and Human Services

Indian Health Service

The requested increase for the Indian Health Service budget, a 9 percent increase over the FY 2010 enacted level, which itself was a 13 percent increase over the FY 2009 level, represents an ongoing commitment by the Administration to the trust responsibility to tribes. NCAI applauds the incredible support shown by the Administration, this Committee, and the Congress to address the funding needs of the Indian Health Service, which in FY2010 was still only funded at about 50 percent of need.

Department of Education and Bureau of Indian Education

A promising trend has emerged in the last two years whereby agencies are beginning to include tribes in new initiatives – such as in health care or environmental protection, but this is not the case for education programs. NCAI and tribal leaders appreciate the attention paid to the needs of Indian Country and would encourage the Department of Education to ensure that tribes are not excluded from important funding and policy initiatives. One example is the "Race to the Top" challenge. These funds will support grants to state and local education agencies to create incentives for local reform and innovations that lead to significant improvements in student achievement, high school graduation rates, and college enrollment. Schools operated under the Bureau of Indian Education (within DOI) are not eligible for these funds. ***NCAI urges that tribes are included in such initiatives going forward and that schools operated under the Bureau of Indian Education be eligible for these funds.***

The Administration proposed $31.7 million in funding for Tribally Controlled Colleges and Universities in the Department of Education, a 5 percent increase from the FY 2010 enacted level. It also includes $3.8 million to strengthen Native American-Serving Non-Tribal Institutions. ***NCAI supports these increases.***

Over the past decade, Indian education programs have, in general, received significant reductions in funding or been level-funded, translating into funding cuts for these programs due to inflation and other rising costs. If these cuts to Native education are not reversed, then Native children and Native communities, as well as future generations, will see even greater disparity in academic performance with the overall U.S. population.

Energy and Natural Resources

NCAI appreciates the efforts of Chairman Dorgan, Vice Chairman Barrasso, and this Committee to develop legislation to foster the responsible development of the vast potential of traditional and clean energy resources on tribal lands. In addition to energy resources on tribal lands, the health and maintenance of other natural resources – forestlands, water, fisheries, wildlife, and outdoor recreation – is vital to Native communities. We wish to offer the following comments with respect to proposed FY 2011 funding for various energy and natural resource programs.

Environmental Protection Agency (EPA)

The President's FY 2011 budget request for the Environmental Protection Agency would establish a new focused Multimedia Tribal Implementation Grants program to support on-the-ground implementation of environmental protection on tribal lands. These grants, for which $30 million is requested, are tailored to address an individual tribe's most serious environmental needs. This new grant program will advance

negotiated environmental plans, measures, and results as agreed upon by tribes and EPA, thus ensuring that tribal environmental priorities are addressed to the fullest extent possible. An additional $2.9 million is requested for tribal capacity building and implementation of this new grant program. ***NCAI supports this new initiative and the proposed FY 2011 levels for grants and implementation.***

The Multimedia Tribal Implementation Grants program will complement the environmental capacity developed under EPA's Indian Environmental General Assistance Program (GAP), for which the Administration requests an $8.5 million increase, for a proposed FY 2011 level of $71.4 million. This requested increase will assist tribal environmental programs that have been able to build capacity and mature to take on additional responsibilities. ***NCAI supports this requested increase.***

The Administration also requests a 0.5% increase – from 1.5% to up to 2% - for the existing tribal set-asides under both the Clean Water and Drinking Water State Revolving Funds. While overall funding for the tribal set-asides under the State Revolving Funds is proposed to decrease by $2 million from the FY 2010 enacted level, overall funding for tribal water infrastructure through the State Revolving Funds tribal set-asides has increased from 3 to 6 fold since FY 2009, in addition to the $90 million provided in Recovery Act funding. These funding increases are incremental improvements towards the overall $1.2 billion needed to address the reality that over 12% of tribal homes lack access to safe drinking water and/or basic sanitation. ***NCAI supports the proposed percentage increase for the tribal set-asides under both the Clean Water and Drinking Water State Revolving Funds, and the Administration's proposal to allow tribes the same flexibility that states have to request that the EPA Administrator transfer funds between those accounts for tribal drinking water and wastewater projects.***

Bureau of Indian Affairs (BIA)

As part of the Department of the Interior's *New Energy Frontier* initiative, the FY 2011 budget request for Indian Affairs includes $2.5 million for energy projects, of which $1 million is for grants to tribes for renewable energy resource development, and $1.5 million is for conventional energy resource development on the Fort Berthold Reservation. The budget also includes $200,000 for the BIA-tribal collaboration in the Landscape Conservation Cooperatives as part of the Interior Department's Climate Change Adaptation initiative. Given the potential for development of both conventional and renewable energy resources on tribal lands, and the drastic impacts that climate change have in Indian and Alaska Native communities, ***NCAI supports these requested increases, with hopes that such funding could be sustained and increased in future years.***

In addition to these proposed increases for energy resource development, the Indian Affairs budget request for natural resources programs proposes to provide recurring funding for several long-standing tribal natural resources programs, like the

Washington State Timber-Fish-Wildlife program, Circle of Flight, Lake Roosevelt management, and Upper Columbia United Tribes, which, in prior years' budget requests, were treated as "earmarks." While a number of natural resource programs - for irrigation, agriculture, endangered species, forestry, fish, wildlife and parks – are proposed to be level-funded, modest increases are proposed for several others, including Water Management, Planning and Pre-Development ($500,000 increase), and Water Rights Negotiation/Litigation ($1 million increase). ***NCAI also supports these requested increases, with hopes that such funding could be sustained and increased in future years,*** especially given level funding over a number of years for BIA natural resources programs.

Department of Energy (DOE)

Within the Department of Energy, Energy Efficiency and Renewable Energy Office, the budget request proposes $10 million for Tribal Energy Activities. This amount is the same as the FY 2010 enacted level, after the program received a 40% increase (from $6 million to $10 million) between FY 2009 and FY 2010. Tribes recognize DOE's Tribal Energy Program as an effective program which provides a range of services related to tribal renewable energy development, as witnessed by the total of $52 million in tribal funding requests for the $6 million available in FY2009. ***NCAI supports the $10 million requested for the Tribal Energy Program.***

No funding was requested for the Office of Indian Energy Policy and Programs, which will coordinate all tribal-related energy programs, in part because a director for that Office has not yet been appointed. ***Should that appointment be made, NCAI hopes Congress will consider providing $10 million for this Office, so that some 75 tribal energy capacity-building projects could be initiated.***

Support for Tribal Governments

Contract Support Costs (CSC): The FY 2011 budget request includes important increases to the Indian Health Service (IHS) and Bureau of Indian Affairs (BIA) contract support costs line items. The FY 2010 Interior Appropriations Act included $166 million for the BIA's contract support cost payments to tribes and $398 million for IHS's contract support cost payments to tribes. These reflect unprecedented increases over the prior year amounts of $18.7 million and $116 million for BIA and IHS, respectively. All of these funds are paid directly to tribes and support tribal employment and the delivery of essential government functions.

Although the *FY 2011 Indian Affairs Budget Justifications* noted that the requested FY 2011 increase for BIA CSC would meet 94 percent of the FY 2011 need, that calculation was based upon the CSC 2007 need. In FY 2011, the requirement will be $233.9 million, and the proposed funding would be $187.5 million, which results in a shortfall of $46.4 million and means that only 80 percent of BIA CSC would be funded under the FY 2011 request for BIA. For IHS, the funding request would

provide 81.9% of need for FY 2011. The IHS CSC requirement in FY2011 will be $542.4 million and the funding from the Budget Request will be $444.3 million, which results in a shortfall of $98.1 million.

Education Tribal Grant Support Costs (Administrative Cost Grants): Schools operated by tribes/tribal school boards are entitled by law to receive an Administrative Cost Grant (ACG) for the administrative/indirect costs they incur when taking over a Bureau of Indian Education (BIE) school. Currently, 124 of the 183 BIE-funded schools (68 percent) are operated by tribes or tribal school boards and receive ACG funding. Tribal assumption of the operation of so many BIE-system schools is a major exercise of tribal sovereignty. While NCAI supports the budget request's increase of $3 million, for a total of $46.4 million, NCAI recommends a level of $71.6 million. This amount would be comprised of $69.6 million for ongoing grants/contracts, plus $2 million for the first-time AC Grants Fund. This would be a $28.6 million increase over the FY 2010 enacted level.

Tribal Priority Allocations (TPA): The FY 2011 budget proposes an increase of $28 million in TPA, which is 3.4 percent above the FY 2010 enacted level. TPA is one of the most important funding areas for tribal governments. It covers such funding as scholarships and higher education, human services, economic development, and natural resource management. Since tribes have the flexibility to use TPA funds to meet the unique needs of their individual communities, these funds are the main resource for tribes to exercise their powers of self-governance.

NCAI would like request a general increase to TPA and BIA in general that takes into account inflation, pay costs, and population growth. As with other federal agencies, calculating mandatory cost increases is essential to maintaining the current level of services. These "mandatories" are unavoidable costs and include inflation, pay costs, and population growth. If these mandatory requirements are not funded, tribes have no choice but to cut services, which further reduces the quantity and quality of core governmental services available to Native people. While tribes appreciate President Obama's attention to providing long needed increases to contract support costs, we are greatly concerned that the Administration has proposed no pay cost adjustment in FY 2011. Instead, tribes must absorb 100% of these costs. Contract support cost increases have no bearing on pay costs – they are completely separate. Pay costs represent the only base funding increase provided for our core governmental service programs (with the sole exception of law enforcement).

As part of the TPA budget request, $2.9 million is requested for Small and Needy Tribes. The purpose of the initiative is to provide small tribes with minimum TPA base funding to enable them to run viable tribal governments. Tribes qualify for this funding if they have a population of 1,700 or less, and less than $160,000 in recurring TPA funds in the lower 48 states or $200,000 in Alaska. Currently, there are a total of 114 tribes that receive less than the recommended $160,000 and $200,000 thresholds

in recurring TPA. The proposed FY 2011 funding will be used to bring 17 tribes in the lower 48 states back to the minimum threshold of $160,000 and will bring 86 Alaska tribes up to $190,000. ***NCAI supports this initiative, as it helps strengthen critical tribal governance infrastructure.***

DOI Trust Land Consolidation Fund and Indian Education Scholarship Holding Fund

Last December, the Departments of the Interior and Justice announced a $3.4 billion settlement agreement with the plaintiffs in the *Cobell v. Salazar* class action trust accounting litigation. This settlement agreement is awaiting congressional action, and we are hopeful that action will be taken in advance of the February 28, 2010, deadline.

The FY 2011 budget request proposes, pursuant to the settlement agreement, to establish a new Trust Land Consolidation Fund for the buy-back and consolidation of fractional interests in trust or restricted land from individual Indian landowners, to be expended over a ten-year period of time from the date of final approval of the settlement agreement. Not more than $60 million of the Trust Land Consolidation Fund would be authorized to be transferred to a new Indian Education Scholarship Holding Fund for higher education scholarships for American Indian and Alaska Native students attending post-secondary vocational schools and institutions of higher education. We urge the Committee, as you have previously advocated on the *Cobell* settlement to the Senate Budget Committee in its preparation of the FY 2008 budget resolution, to recommend that the budget resolution contain an allocation sufficient to accommodate these two newly-authorized Funds under the settlement agreement within the context of the FY 2011 budget.

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[i] U.S. Commission on Civil Rights. (2003). *A Quiet Crisis: Federal Funding and Unmet Needs In Indian Country*

[ii] www.ncai.org/fileadmin/ncai_events/2010soin/NCAI_FY2011_Budget_Request.pdf

Attachment

National Congress of American Indians

National Congress of American Indians
Amendment to Pres. Jefferson Keel's FY 2011 Budget Testimony
Regarding Natural Resources

Department of Interior

The President's Budget request for BIA's trust natural resources has stayed largely flat compared to FY 2010, which preserves the approximate $25 million increase relative to the FY2009 budget. Generally, NCAI appreciates the maintenance of funding levels related to the FY 2010 for many of these programs, and focuses here primarily funding increases for programs that contain two or more of the following characteristics: 1) newly elevated federal priorities; 2) vast tribal potential; and 3) historic underfunding to tribes.

Climate Change. The budget also includes $200,000 for the BIA-tribal collaboration in the Landscape Conservation Cooperatives as part of the $171.3 million provided to the Interior Department's Climate Change Adaptation initiative. Given that tribal lands comprise approximately 4% of the US land base (a percentage is higher if calculated against only federal lands) that climate change is having disproportionate impacts upon the lives, economies, cultures, and environments of Alaska Native and tribal communities, that funding for tribal natural resources has been historically underfunded, and that there is no federal program or funding that specifically supports tribal adaptation effort **NCAI requests an increase to $8.55 million, or 5% of DOI's Climate Change Adaptation initiative, for tribes to address and adapt to the impacts of climate change.**

Energy Development. As part of the Department of the Interior's New Energy Frontier Initiative, the FY 2011 budget request for Indian Affairs includes $2.5 million for energy projects, of which $1 million is for grants to tribes for renewable energy resource development, and $1.5 million is for conventional energy resource development on the Fort Berthold Reservation. Given the potential for development of both conventional and renewable energy resources on tribal lands, As renewable energy potential on federal lands is vast, and a multitude of barriers specific only to tribal governments exist in tapping this potential, **NCAI urges an increased to $2 million in grants** to tribes for renewable energy resource development**, and supports the requested increase** for conventional energy resource development **, with hopes that funding for both programs could increased in future years.**

Tribal Forestry. Funding for BIA's Forestry Program has remained static between FY2009 and FY2011 PB, with a slight decline of $156,000 between FY2010 and FY2011PB. Approximately 18 million acres of the estimated 56 million acres of tribal trust lands are forested, (including 9 million of commercial forest land), much of it contiguous with federal lands. Many tribes with forests are heavily dependent upon them for economic and cultural purposes. Climate change impacts now require synergies between organizations addressing common ecosystems, such as forests to limit the potential for and impact of wildfires. Yet

many acres of tribal forests in need of thinning and other activities continue to go unaddressed because of funding shortages. Tribal forestry programs have been underfunded for decades, as independent reports in 1993 and 2003 identifying that funding on a per/acre basis of tribal forests is over three times less than that provided to national forests. Increases in funding will also quickly generate badly needed green jobs in forestry management for tribal members and others. **NCAI recommends that the budget for BIA's Forestry Program be increased from $44 million to $50 million, to begin the effort to address the actual need, the historic inequity in funding, the impacts of climate change, and to generate green jobs.**

The Indian Affairs budget request for natural resources programs proposes to provide recurring funding for several long-standing tribal natural resources programs, like the Washington State Timber-Fish-Wildlife program, Circle of Flight, Lake Roosevelt management, and Upper Columbia United Tribes, which, in prior years' budget requests, were treated as "earmarks." While a number of natural resource programs - for irrigation, agriculture, endangered species, , fish, wildlife and parks – are proposed to be level-funded, modest increases are proposed for several others, including Water Management, Planning and Pre-Development ($500,000 increase), and Water Rights Negotiation/Litigation ($1 million). **NCAI also supports these requested increases, with hopes that such funding could be sustained and increased in future years, especially given level funding over a number of years for BIA natural resources programs.**

The CHAIRMAN. Mr. Keel, thank you very much. We appreciate your being here.

Finally, the Honorable Patricia Whitefoot, the President of the National Indian Education Association. Ms. Whitefoot, you may proceed.

STATEMENT OF HON. PATRICIA WHITEFOOT, PRESIDENT, NATIONAL INDIAN EDUCATION ASSOCIATION

Ms. WHITEFOOT. Thank you very much, Mr. Chairman. Chairman Dorgan, members of the Senate Committee on Indian Affairs, I am honored to have this opportunity to submit testimony on behalf of the National Indian Education Association with regard to President Obama's Fiscal Year 2011 budget request.

In 1969, the Senate Kennedy Report documented the complexities in Indian education in both the public and Bureau of Indian Education school systems. This landmark report validated the current concerns Indian parents and tribal leaders have voiced since the introduction of formal education for our children. With the founding of the National Indian Education Association in 1970, Indian people have experienced significant progress in education of their children.

For example, Indian communities have realized greater participation in and control of programs and schools than ever before. The enactment of the Indian Education Act of 1972 allowed funding for culturally related academic programs for Native students in public schools, and the Tribal College Act established tribal colleges and universities that promote greater access to culturally relevant higher education.

The passage of the Native American Language Act of 1992 and more recently, the passage of the Esther Martinez Language Immersion and Restoration Act, and many other programs and policies, have helped to improve curricula, teacher education and pro-

mote the educational and culturally related academic needs of Native students.

Mr. Chairman, on behalf of NIEA's national constituency of students, parents, educators, elders, tribal leaders and Native Hawaiians, I want to thank you and the Committee for your continued support to help bring about these important changes. While we have realized important progress in Native education over the past four decades, there is much more to be accomplished. Far too many of our students continue to experience abject failure.

In this regard, a newly released study by the Civil Rights Project at the UCLA Graduate of Education and Information Studies found that less than 50 percent of American Indian and Alaska Native students in 12 States graduate from high school. In terms of correcting historical funding inequities, NIEA in its advocacy role strives to ensure that the Federal Government upholds its responsibility for the education of Native students to the provision of direct educational services. It is imperative that the Federal Government recognize and support the cultural, social and linguistic needs of our students to guarantee the continuity of Native communities.

NIEA is very hopeful that educating Native students will be eligible to receive funding to participate in a number of programs proposed in President Barack Obama's Fiscal Year 2011 budget, including the early childhood education programs, Promise Neighborhoods and "successful models for turning around low-achieving schools."

In particular, NIEA supports the concept of the Promise Neighborhood program, that it aims to improve academic achievement, college matriculation rates and life outcomes in high poverty areas, by providing a network of support services in an entire neighborhood from birth to college. NIEA would like to see Promise Neighborhoods established in Indian Country.

In reaffirming sovereignty, NIEA believes that with president Obama's pledge to affirming tribal sovereignty through stronger funding for educational programs, we will begin to see positive changes in Native students' educational attainment. We appreciate the budgetary gains of the past year, however, NIEA believes there is continuing need for additional resources to reverse budget limitations of the past for Native education programs. NIEA is very hopeful that schools educating Native students will receive stronger support and funding for Native language and cultural curriculum, increased funding for Head Start programs, funding for Indian school construction and repairs, and increased funding for tribal colleges' operations and construction as stated in President Obama's blueprint for strengthening tribal communities.

In consideration of the economic downturn and constrained domestic budget, NIEA requests a modest 5 percent increase for Fiscal Year 2011 over the Fiscal Year 2010 enacted levels of $194,912 million for a total of $204.65 million for ESEA Title VII funding. This amount would include a 5 percent increase in funding for the following programs within Title VII: Indian education, Alaska Native education equity, and education for Native Hawaiians. President Obama's 2011 budget request of Fiscal Year 2010 enacted level of $194.912 million, NIEA appreciates the Congress provided

an increase in Fiscal Year 2010 of $5 million over Fiscal Year 2009 enacted level for Title VII.

Mr. Chairman, I also would like to just acknowledge Impact Aid under Title VIII under ESEA to also request a 5 percent increase over the Fiscal Year 2010 enacted level for Impact Aid.

[The prepared statement of Ms. Whitefoot follows:]

PREPARED STATEMENT OF HON. PATRICIA WHITEFOOT, PRESIDENT, NATIONAL INDIAN EDUCATION ASSOCIATION

Chairman Dorgan and Members of the Senate Committee on Indian Affairs, I am honored to have this opportunity to submit testimony on behalf of the National Indian Education Association (NIEA) with regard to President Obama's FY 2011 budget request.

Founded in 1970, NIEA is the largest Native education organization in the nation with a membership of over 3,000 American Indian, Alaska Native and Native Hawaiian educators, tribal leaders, school administrators, teachers, elders, parents, and students. NIEA is dedicated to promoting Native education issues and embraces every opportunity to advocate for the unique educational and culturally-related academic needs of Native students.

Native education has made significant strides since NIEA's founding. In 1969, the Senate Kennedy Report documented the problems in Indian education in both the Public and Bureau of Indian Affairs school systems. This landmark Report validated the concerns Indian parents and tribal leaders have voiced since the introduction of formal education for our children. Since then, Indian communities have realized greater participation in and control of programs and schools than ever before. The Indian Education Act of 1972 allowed funding for culturally related academic programs for Native students in public schools, while the 1978 Tribal College Act established Tribal colleges and universities, promoting greater access to culturally-relevant higher education. The passage of the Native American Language Act of 1992 and more recently, the 2006 Esther Martinez Language Immersion and Restoration Act, in addition to other programs and policies have helped to improve curricula, teacher education, and support for the unique educational and culturally-related academic needs of Native students.

Native education, however, still faces enormous challenges, including severe underfunding. Far too many of our students and schools continue to experience abject failure. A study released this month, February 2010, by The Civil Rights Project at the UCLA Graduate School of Education and Information Studies found that less than 50 percent of American Indian and Alaska Native students in twelve (12) states graduate

from high school,[1] a statistic that sadly also applies on a national level and has held steady over the past decade. In addition, schools serving Native students within the Bureau of Education (BIE) system continue to struggle to meet AYP, with only 24.4% of BIE schools meeting AYP, as compared to almost 70% of schools nationally. These statistics only serve to reaffirm the need for systemic reform of education programs and schools serving Native students.

NIEA strives to ensure that the federal government upholds its treaty and trust responsibilities for the education of Native students through the provision of direct educational services. It is imperative that the federal government recognize and support the cultural, social, and linguistic needs of these groups to guarantee the continuity of Native communities. Native Ways of Knowing, or knowledge that is unique to Native tribes and cultures, are critical cornerstones for providing the kind of relevant and high quality instruction and education that ensures Native students attain the same level of academic achievement as students nationwide.

At NIEA we continue to be very concerned with the levels of funding for Native education programs. NIEA understands the difficult economic situation our nation currently faces. But Native communities have long experienced the highest rates of poverty, unemployment, morbidity, and substandard housing, education, and health care, challenges that will only increase during this economic period.

NIEA is very hopeful that schools educating Native students will be eligible to receive funding to participate in a number of programs proposed in President Barack Obama's FY 2011 budget, including the early childhood programs, Promise Neighborhoods, and "successful models for turning around low- achieving schools." In particular, NIEA supports the concept of the Promise Neighborhoods program in that it aims to improve academic achievement, college matriculation rates, and 'life outcomes" in high poverty areas by providing a network of support services "in an entire neighborhood from birth to college." NIEA would like to see the Promise Neighborhoods established in Indian Country.

In his address to Indian Country and "Principles for Stronger Tribal Communities" President Barack Obama made a commitment to honor "obligations to Native Americans by providing tribes with the educational resources promised by treaty and federal law." Included in President Obama's principles are stronger support and funding for Native language and cultural curriculum, increased funding for Head Start programs, funding for Indian school construction and repairs, and increased funding for tribal colleges' operation and construction. NIEA believes that with President Obama's pledge to affirm tribal sovereignty through stronger funding for educational programs, we will begin to see positive changes in Native students' educational attainment.

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[1] These states are California, Oklahoma, Arizona, New Mexico, Alaska, Washington, South Dakota, Montana, Oregon, North Dakota, Idaho, and Wyoming. Please see Faircloth, Susan C., & Tippeconnic, III, John W. (2010). *The Dropout/Graduation Rate Crisis Among American Indian and Alaska Native Students: Failure to Respond Places the Future of Native Peoples at Risk* at www.civilrightsproject.ucla.edu

Department of Education

The U.S. Department of Education plays an important role in the education of Native students by operating Native-targeted programs and setting aside funds within programs open to all students that are then transferred to the Department of the Interior's BIE schools. However, the Department of Education's Native programs have been consistently funded at minimum levels, and this funding has been significantly reduced or remained stagnant, unable to keep pace with rising costs or inflation. It is imperative for the federal government to meet legal and moral obligations to provide sufficient funding for the education of Native students and correct the historic funding inequities in federal Native education programs over the past decade.

Title I Programs

Although NIEA supports the broad based principles of the Elementary and Secondary Education Act, there is widespread concern about the many obstacles that the most recent version of ESEA has presented to Native communities. Native students often live in remote, isolated and economically-disadvantaged communities. There is no one more concerned about the accountability and documentation results than the membership of our organization, but the challenges many of our students and educators face on a daily basis make it difficult to show adequate yearly progress or to ensure teachers are the most highly qualified. The requirements of the statute and its time frame for results do not recognize that schools educating Native students have an inadequate level of resources to allow for the effective development of programs known to work for Native students.

Nearly ninety percent (90%) of the approximately 620,000 Indian children attend public schools throughout the nation. Indian students, who attend these schools, often reside in economically deprived areas and are impacted by general programs for disadvantaged students, including Title I grants used for school improvement, state assessments, Pell grants to assist in accessing higher education, and funding to support English language acquisition. NIEA hopes we can build upon this increase for FY 2011. Title I funds go to the state education agencies who, in turn, distribute to the local areas.

Under the American Recovery and Reinvestment Act (Recovery Act), Title I programs received funding in the amount of $13 billion with approximately $93.6 million going to the BIE schools. While approximately 72% of the Title I funds set aside for BIE schools presumably is spent on Native students, it is not clear that this is the case with grants to local education agencies[2]. Most Native students are educated in non-tribal public schools, not BIE schools, and a large share of funding does not flow directly to Native students. Also, not all states have cooperative relationships with the tribes located within its borders and sometimes the state education agencies do not fund schools with high populations of Indian students like they should.

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[2] Section 1121(a) of the Elementary and Secondary Education Act provides that the Secretary of Education "shall reserve a total of 1% to provide assistance to" the outlying areas and the Secretary of the Interior for Title I purposes.

For these reasons, NIEA urges the Committee to support the creation of an Assistant Secretary of Indian Education at the Department of Education. The Assistant Secretary would review and monitor all of the education programs within the Department of Education that Native students access, in addition to the Title VII programs. The Assistant Secretary would also facilitate the coordination of states, tribal governments and communities, neighboring areas, and the federal government working together in developing educational standards and related assessments.

Higher Education Act

In each of the three programs funded through the Department of Education for strengthening Native higher education institutions, the NIEA supports the requests of the Tribal Colleges and Universities to provide additional funding over FY 10.

Strengthening Alaska Native and Native Hawaiian-Serving Institutions

The purpose of this program is to improve and expand the capacity of institutions serving Alaska Native and Native Hawaiian students. Funds may be used to plan, develop, and implement activities that encourage faculty and curriculum development; better fund administrative management; renovation and improvement of educational facilities; student services; and the purchase of library and other educational materials. The President's budget requests an increase in this program to $15.838 million.

Strengthening Tribally Controlled Colleges and Universities

Tribal colleges and universities rely on a portion of the funds provided to address developmental needs, including faculty development, curriculum, and student services. The President's Budget requests a slight increase for this program to $31.677 million. NIEA supports the AIHEC request for an increase to $36 Million.

Tribally Controlled Postsecondary Vocational Institutions

The program provides grants to tribally controlled postsecondary career and technical institutions to provide career and technical education to Indian students. The request would fund instructional and student support services, as well as institutional support, at the United Tribes Technical College and Navajo Technical College, the only institutions that meet the eligibility requirements for this program. The President's Budget requests level funding for the enacted amount of $8.162 million for this program. NIEA requests a modest increase of $10 million for the two colleges that have been received limited funding in the past.

Title VII Programs - Office of Indian Education

The purpose of Title VII programs in NCLB is to meet the educational and culturally related academic needs of American Indian, Alaska Native, and Native Hawaiian

students. The funds for these programs are administered by the Office Indian Education and are the only sources of funding that specifically address the cultural, social, and linguistic needs of Indian students in the public sector. At current levels, these programs are under-funded and the proposed levels would only provide just over $200 per student (Indian education grants).

In consideration of the economic downturn and constrained domestic budget, NIEA requests a moderate 5% increase for FY11 over the FY10 enacted level of $194.912 million for a total of $204.65 million for ESEA Title VII funding. This amount would include provide a 5% increase in funding for the following programs within Title VII: Indian Education, Alaska Native Education Equity, and Education for Native Hawaiians. President Obama's FY2011 budget requests the FY10 enacted level of $194.912 million. NIEA appreciates that Congress provided an increase in FY10 of $5 million over the FY09 enacted level for Title VII.

NIEA requests that $2 million of the increase it seeks go toward national research activities (Title VII, Part A, Subpart 3) that would focus on indigenous language and culture-based assessments and research in teaching Native children, which could include projects by consortia of immersion schools.

NIEA requests that another portion of the increase it seeks go toward funding Tribal Education Departments that are authorized under ESEA but have never been funded as well as to teacher in-service and professional development programs contained in the Special Programs section of ESEA.

Title VII provides critical support for culturally based education approaches for Native students and addresses the unique educational and cultural needs of Native students. It is well documented that Native students thrive academically in environments that support their cultural identities while introducing different ideas. Title VII has produced many success stories but increased funding is needed in this area to bridge the achievement gap for Native students.

Impact Aid, Title VIII, ESEA

NIEA requests a 5% increase for FY11 over the FY10 enacted level for impact aid. The President's FY11 request for impact aid is $1.138 billion, which was the FY10 enacted level. This amount does not keep pace with inflation. Further, the FY11 budget proposes $17.509 million for impact aid facilities construction. The funding proposed for FY11 does not meet the tremendous backlog to build new facilities. Many public schools on reservations are crumbling and should be replaced. NIEA urges that the 5% increase be used for facilities construction so that some progress can be made in meeting the mushrooming public school construction needs on reservations. NIEA appreciates that $100 million was allocated for impact aid facilities construction in the Recovery Act. NIEA is disappointed that funding for public school construction, renovation, and innovation did not make it into the Recovery Act. The need for school construction is

well documented and we hope that the appropriations for FY 2011 will make up for the school construction eliminated in the Recovery Act.

Department of the Interior

There are only two educational systems for which the federal government has direct responsibility: the Department of Defense Schools and federally and tribally operated schools that serve Native students. The federally supported Indian education system includes 48,000 students, including 29 tribal colleges, universities, and post- secondary schools.

Under Interior, the BIA's budget has historically been inadequate to meet the needs of Native Americans. Consequently, our needs over time have multiplied. NIEA is requesting an amount of $660.96 million, which includes new program funding and a modest 5% increase over the proposed amount for BIE schools in the FY 2009 omnibus budget. This includes funding for the elementary and secondary education programs, education management, and allocations for student transportation ($25 million), and to provide technical assistance to schools to develop their own standards and assessments ($5 million).

BIE and AYP

For the past four school years, less than 30% of BIE schools have made the AYP goals established by the state in which the school was located. In 2008 only 46 of the 187 BIE schools (or 24%) were making AYP, while the rest were identified as being in need of intervention, including 36 in restructuring and 46 in corrective action. In addition, Department of Education statistics indicate that student performance at BIE schools is lower than students at public schools, including only 38% of BIE students at proficient or above in reading over the past five years.

In response to the lack of performance at BIE schools, Interior has launched the Improving Indian Education Initiative to help BIE students meet AYP under NCLB. NIEA commends BIE for this effort and hopes to see positive gains in BIE student academic achievement as a result, and supports funding for the Initiative in the amount $28 million, which is consistent with a 5% increase from funding received in FY 2009 and FY 2008.[3]

Tribal communities are in the best position to determine the needs and the appropriate assessment methods for Native students. As the law is currently written, a single tribe, school board or BIE funded school may apply for a waiver. However, considering the significant amount of time and resources needed to successfully submit an application, very few tribes, if any, have been able to submit an application on their own. Challenges

[3] The Improving Indian Education Initiative was launched in FY2008 and funded at $25 million. The FY 2009 budget request was $26.4 million. NIEA's $28million for this program is included in the $660.96 million NIEA is requesting for BIE schools.

preventing tribes from applying for an alternative definition of AYP include the lack of technical assistance provided to the tribe from the BIE, the lack of funding available to develop the standards and assessments, and the lengthy commitment needed to navigate the process to complete the application.[4] NIEA is **requesting** $5 million to provide technical assistance[5] to tribes seeking to apply and develop an alternate definition of AYP.

Transportation

NIEA is requesting increased funding in the amount of $25 million for school transportation so schools won't have to use classroom dollars to transport their students. Student transportation impacts student attendance and the ability of school districts to offer educational programs. BIE provides extensive student transportation required of largely rural and widely dispersed school service populations. According to the FY 2009 DOI Budget Request, Departmental Highlights, during the current school year, BIE-funded school buses will travel nearly 15 million miles, often over gravel or dirt roads. As reported by a witness during the session NIEA held in Rapid City, South Dakota, the Little Wound School, located on the Pine Ridge Reservation in South Dakota, runs thirteen bus routes each day during which the buses travel on average, 1,575 miles per school day totaling 267,750 miles annually for "regular bus runs not including activity runs."[6] An additional seven buses run each day for the after school activities for athletic trips, field trips, activity runs, medical trips, etc., totaling 106,083 miles per year. In addition, Navajo Nation's Black Mesa Community School Principal Marie Rose testified that "students ride the bus four hours a day. However, when it rains or snows the average bus ride is seven hours a day, if the roads are in drivable condition, which many times they are not."[7]

The FY 2009 DOI Budget Request notes that the condition of roads often traveled by BIE-funded school buses increases the wear and tear on vehicles, requiring more routine maintenance and more frequent replacement of vehicles by BIE compared to other school systems and further notes that the remote location of the BIE schools also results in higher fuel costs relative to other locales.

The cost of fuel is steadily rising and transportation costs is a major concern for a number of school districts that serve Native students, and if assistance is not available through federal or state resources, the high cost of transporting students in rural areas may offset precious funding that could potentially be used for instructional purposes. Little Wound

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[4] *Ibid*, p. 5.
[5] This $5 million is funding that should come from Title I, Department of Education.
[6] Bureau of Indian Affairs and Bureau of Indian Education Transportation Cost Funding: Hearings before the National Indian Education Association, Rapid City, SD, (July 10, 2008) (testimony of Janice Richards, President, Little Wound School).
[7] Bureau of Indian Affairs and Bureau of Indian Education: Hearings before the National Indian Education Association, Widow Rock, AZ (August 21, 2008) (testimony of Marie Rose, Black Mesa Community School Principal, Navajo Nation).

School has reported that a shortfall of $170,411.15 for transportation funding "has had a tremendous effect on our budget." [8]

Indian Education Facilities Improvement and Repair Funding

NIEA requests a $150.4 million increase from the FY10 enacted level of $112.994 million for a total of $263.4 million in FY11 to the BIA for Indian school construction and repair. President Obama requests only $52.854 million for FY11 for BIE school construction and repair, which is a $60.1 million decrease from the FY10, enacted level. This amount is simply not enough to address the staggering construction and repair backlog. Since FY 2005, the funding levels have dramatically decreased for this critical program. NIEA seeks $263.4 million because this was the funding level in FY 2005, which was instrumental in reducing the construction and repair backlog. BIA's budget has historically been inadequate to meet the needs of Natives and, consequently, Indian school needs have multiplied. NIEA appreciates that $277.7 million was provided to BIE school construction and repair under the Recovery Act. The Facility Management Information System (FMIS) doesn't sufficiently allow for educational programming needs, including libraries, adequately sized classrooms and gymnasiums, wiring to allow for technological needs and partitions, and noise reducing walls.[9]

BIA's budget has historically been inadequate to meet the needs of Native Americans and, consequently, Indian school needs have multiplied. For FY 2008, the funding level was $142.94 million, for FY 2007, the funding level was $204.956 million; and, for FY 2006, the funding level was $206.787 million. Congress and the BIA has sought to justify the decrease over the past few years by stating that it wants to finish ongoing projects, however NIEA has been meeting with several BIE schools that have indicated they are "shovel ready." The Recovery Act did provide $450 million to be shared among BIA school construction and repairs, detention facilities, roads, and irrigation projects But this funding will provide little headway considering the lengthy list of schools waiting to build and repair their facilities.

In 1997, GAO issued a report, "Reported Condition and Costs to Repair Schools Funded by the Bureau of Indian Affairs," that documented an inventory of repair needs for education facilities totaling $754 million. In 2004 the backlog for construction and repair was reported to have grown to $942 million. More recently, in March of 2008, the Consensus Building Institute (CBI) with the U.S. Institute for Environmental Conflict Resolution issued a *Final Convening Report: Negotiated Rulemaking Committee on Bureau of Indian Affairs- Funded Schools Facilities Construction.* CBI reported in their findings of the conditions of the schools that "many schools are ill equipped for the information age," "security needs and related funding are major sources of concern for many schools," "aging or poor design may lead to a substandard educational environment," "operation and maintenance needs are not matched by operation and

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[8] *Ibid.*, p. 3.
[9] *Ibid,*. p. 19.

maintenance annual funding," and "overcrowding is a major concern and a source of accelerating physical decline."[10]

In May of 2007, the Office of the Inspector General, Department of Interior, issued *Bureau of Indian Affairs and Bureau of Indian Education: Schools in Need of Immediate Action*, a flash report that describes the conditions at BIE schools that require "immediate action to protect the health and safety of students and faculty." Although the Inspector General visited thirteen schools as part of their investigation, four schools were highlighted in the flash report -- Chinle Boarding School, Shonto Preparatory School, Keams Canyon School, and the Kayenta Boarding School. In the report, the Inspector General cites deterioration ranging from "minor deficiencies such as leaking roofs to severe deficiencies such as classroom walls buckling and separating from their foundation." In his conclusion, the Inspector General states that the "failure to mitigate these conditions **will likely cause injury or death to children** and school employees." This flash report describes the alarming and life-threatening situation at BIE schools that the federal government has created in its failure to properly maintain these schools. Native children should not have to risk their lives on a daily basis to access their fundamental right to an education.

Testifying at the NIEA-sponsored BIA/BIE regional hearing in Navajo Nation/Window Rock, AZ, Hopi Tribal Chairman, Benjamin Nuvamsa stated, "our students are at extremely high risk because of exposure to hazardous materials in our school facilities. [Recently] severe reductions in annual appropriations for the building Operations, Maintenance and Repairs (OM&R) program results in the ever-increasing number of projects placed in the Facilities Maintenance Inventory System (FMIS). While waiting for funding, our students and staff are subjected to exposure to hazardous materials. Almost all schools have asbestos and radon issues which put the students and staff at risk."[11]

In North Dakota, the Mandaree Day School has taken out a loan in the amount of $3 million to cover the costs of building a new BIE education facility, even though the federal government has the obligation to provide funding for a new school. The Mandaree Day School could not wait any longer for the funding from BIE to build their school. The loan only covers the facility structure and the 210 children attending this school have no playground and the teachers do not have a paved parking lot. These are just a few examples of the construction needs of BIE schools that are not being met under current funding.

The purpose of education construction is to permit BIE to provide structurally sound buildings in which Native children can learn without leaking roofs and peeling paint. It is

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[10] The Consensus Building Institute with the U.S. Institute for Environmental Conflict Resolution (March 5, 2008). *Final Convening Report: Negotiated Rulemaking Committee on Bureau of Indian Affairs – Funded School Facilities Construction*, pp. 16-18.

[11] Bureau of Indian Affairs and Bureau of Indian Education: Hearings before the National Indian Education Association, Widow Rock, AZ (August 21, 2008) (testimony of Benjamin Nuvamsa, Hopi Tribal Chairman).

unjust to expect our students to succeed academically when we fail to provide them with a proper environment to achieve success. The amount of funding over the past few years has failed to fund tribes at the rate of inflation, once again exacerbating the hardships faced by Native American students. Further, the funding that has been allocated over the past few years will not keep pace with the tremendous backlog of Indian schools and facilities in need of replacement or repair.

The continued deterioration of facilities on Indian land is not only a federal responsibility; it has become a liability of the federal government. Old and exceeding their life expectancy by decades, BIA schools require consistent increases in facilities maintenance without offsetting decreases in other programs, if 48,000 Indian students are to be educated in structurally sound schools.

Of the 4,495 education buildings in the BIE inventory, half are more than 30 years old and more than twenty percent (20%) are older than fifty years. On average, BIE education buildings are 60 years old; while, 40 years is the average age for public schools serving the general population. Sixty-five percent (65%) of BIE school administrators report the physical condition of one or more school buildings as inadequate. Although education construction has improved dramatically over the last few years, the deferred maintenance backlog is still estimated to be over $500 million and increases annually by $56.5 million. As noted by the House Interior Appropriations Subcommittee in its Committee Report accompanying the FY 2006 Interior appropriations bill, "much remains to be done." Of the 184 BIE Indian schools, 1/3 of Indian schools are in poor condition and in need of either replacement or substantial repair.

Johnson-O'Malley Program (JOM)

NIEA requests a total of $24 million for JOM, which was the FY06, enacted level. Over time, funding for JOM has steadily decreased due to the previous Administration's efforts to eliminate the program. NIEA seeks full restoration of JOM to at least the FY 2006 enacted level. The FY10 enacted amount (and the enacted amounts from FY07 through FY09) was $21.4 million, which was only partial restoration of JOM funding. President Obama's FY11 budget requests $21.273 million, a decrease of $256,000 from the FY10 enacted level.

JOM grants are the cornerstone for many Indian communities in meeting the unique and specialized educational needs of Native students. Many Indian children live in rural or remote areas with high rates of poverty and unemployment. JOM helps to level the field by providing Indian students with programs that help them stay in school and attain academic success. Even though JOM funding is extremely limited due to BIA budget constraints, it is being used across the country in a variety of basic as well as innovative ways to assist Indian students to achieve academically. JOM funding is used to provide vital programs designed to build self-esteem, confidence, and cultural awareness so that Indian students can grow up to become productive citizens within their communities.

For example, JOM funds help students achieve and succeed by providing such services

as: eyeglasses and contacts, resume counseling, college counseling, culturally based tutoring, summer school, scholastic testing fees, school supplies, transition programs, musical instruments, Native youth leadership programs, student incentive programs, financial aid counseling, fees for athletic equipment and activities, caps and gowns, art and writing competitions, etc. Other programs administered by the federal government, such as ESEA funding at the Dept. of Education, do not allow funding for these types of activities.

Even with the funding requested, $24 million will not keep pace with true needs. In 1995, a freeze was imposed on JOM funding through DOI, limiting funds to a t Even with the funding requested, $24 million will not keep pace with true needs. In 1995, a freeze was imposed on JOM funding through DOI, limiting funds to a tribe based upon its population count in 1995. The freeze prohibits additional tribes from receiving JOM funding and does not recognize increased costs due to inflation and accounting for population growth. NIEA urges that the JOM funding freeze be lifted and that other formula-driven and head count-based grants be analyzed to ensure that tribes are receiving funding for their student populations at a level that will provide access to a high quality education.

Tribal Education Departments (TED's)

TED's are authorized for funding at the BIA (as well as the Department of Education under NCLB) but have never been funded. TEDs develop educational policies and systems for Indian communities that are attuned to the cultural and specialized academic needs of Indian students. TEDs partner with the federal government and state governments and schools to improve education for tribal students. $10 million for FY11 with $5 million for BIA and $5 million for DOE for TED's is a very modest request that would yield positive benefits for Indian students and provide tribes with increased input over the education of their children.

Tribal Colleges and Universities

Funding for Tribal Colleges and Universities (TCUs) through the BIE includes 28 TCUs funded under three titles of the Tribally Controlled Colleges and Universities Assistance Act of 1978, and two BIE Post-secondary Institutions. Additionally, the BIE administers a scholarship program for Indian students, many of whom attend Tribal Colleges and Universities. NIEA is very pleased that President Obama's Fiscal Year 2011 budget provides increased funding for American Indian scholarships and forward funding of $50 million that was enacted during FY10 for the Tribal Colleges and Universities, which will allow them to plan in advance for the next academic year and provide greater financial security. NIEA requests additional funding for FY 2011 budget for the Tribal Colleges and Universities that receive their institutional operations funds through the Bureau of Indian Education. NIEA requests the following levels of funding for the programs under the Tribal College Act: Title I - $63.2 million, 26 TCUs; Title II – $13 million, Dine College; Title III – $2 million, Endowments; Title V - $10 million, UTTC & NTC.

Title I of the Tribal College Act authorizes funding for the basic institutional operating budget of one qualifying institution per federally recognized tribe based on a full-time Native student enrollment formula. Despite the much appreciated increases that Congress has appropriated over the past several years, TCUs remain chronically underfunded. In fiscal year 2008, over 25 years since the Act was first funded, these institutions received $5,304 per Indian student, still below the authorized level. If you factor in inflation, the buying power of this appropriation is $1,400 LESS per Indian student than it was in the initial FY 1981 appropriation, which was $2,831 per Indian student. While the other TCUs' operations funding is not enrollment driven and therefore the disparity is not as easily illustrated, they too suffer from a lack of adequate basic operating funds. This is not simply a matter of appropriations falling short of an authorization; it effectively impedes our institutions from having the necessary resources to grow their programs in response to the changing needs of their students and the communities they serve.

HHS - Administration for Native Americans

Native Language Immersion and Restoration Grants

NIEA requests a $10 million increase to $59 million for FY11 to the Administration for Native Americans to support Native language immersion and restoration programs under the Esther Martinez Native Languages Act.

In FY10, ANA received a $1.750 million increase with the directive that no less than $12 million of the amount provided to ANA should be used for language preservation activities and not less than $4 million of the $12 million should be used for language immersion activities. NIEA urges the continuation of the FY10 directive that at least $12 million at ANA be used for language preservation activities and urges an additional $10 million in FY11 for ANA that would also be used for language preservation activities, resulting in at least $22 million for language preservation at ANA. NIEA is very appreciative of the Obama Administration and Congressional support for this crucial program.

President Obama's priorities for Native communities include preservation of Native language programs and specifically support for the Esther Martinez Act. The Esther Martinez Act preserves and fosters fluency in Native languages through grants to tribes, tribal organizations, schools, and universities to develop and bolster Native language immersion and revitalization programs. Research shows that Native children who participate in language immersion and revitalization programs perform better academically than their Native peers who do not participate. Native languages are not spoken anywhere else in the world. If they are not preserved, then they will disappear forever. In Native communities across the country, Native languages are in rapid decline. It is a race against the clock to save Native languages.

Administration for Children and Families - Head Start

NIEA urges Congress to appropriate the Administrations request for an increase of $989 million over the FY10 enacted level for a total of $8.2 billion for the Head Start program.

The Head Start/Early Head Start programs are vital to Indian country. Over the last 40 years, Indian Head Start has played a major role in the education of Indian children and in the well-being of many tribal communities. Of the 575 federally recognized Tribes, twenty-eight percent (28%) participate in Head Start/Early Head Start Programs, with a funded enrollment of 23,374 children. These programs employ approximately 6,449 individuals of whom 3,263 are either former or current Head Start/Early Head Start parents. There are another 35,395 volunteers, of which 22,095 are parents.

On December 12, 2007, the reauthorization of the Head Start Act was signed into law. NIEA worked closely with the National Indian Head Start Directors Association in supporting a number of positive provisions in the bill including special expansion funds for Indian Head Start, which would be awarded subject to subsequent increases in appropriations tied to COLA. The Recovery Act provided $1 billion for Head Start Programs and $1.1billion for Early Head Start Programs, of which Tribal programs will receive $20 million over two years plus the cost of living adjustment. The funding provided for in the Recovery Act will allow expansion of tribal programs and approximately 1, 200 new slots for Head Start programs.

Conclusion

Mr. Chairman, on behalf of NIEA I thank you and the Committee for its tremendous efforts on behalf of Native communities. With your support we are hopeful that we can begin to provide the funding for education that Native communities deserve. Chairman Dorgan, we thank you for your personal commitment in championing the cause for all Native Americans, but especially the students and their educational achievements. We extend our best wishes as you move on to new endeavors. We will miss your leadership and friendship.

The CHAIRMAN. Ms. Whitefoot, thank you very much for your testimony. Finally, we will hear from Mr. Marty Shuravloff, the Chairman of the National American Indian Housing Council. Mr. Shuravloff, thank you.

STATEMENT OF HON. MARTY SHURAVLOFF, CHAIRMAN, NATIONAL AMERICAN INDIAN HOUSING COUNCIL

Mr. SHURAVLOFF. Thank you, Chairman Dorgan and members of the Committee. I would like to thank you for having me here this afternoon to discuss President Obama's Fiscal Year 2011 budget request.

As background, NAIHC, for 36 years, has represented their membership of almost 460 tribes across the Country. First, NAIHC would like to thank Congress for its increased investment in Indian housing for Fiscal Year 2010. The American Recovery and Reinvestment Act, ARRA, provided nearly $510 million for the Indian Housing Block Grant program. This additional investment in Indian Country supports hundreds of jobs, but more importantly, has allowed some tribes to start on new construction projects they could

not have otherwise afforded with the Indian Housing Block Grant allocation.

Further, they have complied with the mandate to obligate the funds in an expedient manner, thus helping to stimulate tribal and the national economies. In addition to the ARRA funding, Congress appropriated $700 million for the Indian Housing Block Grant in Fiscal Year 2010, the first significant increase for the program since it began, reversing a decade of funding levels that neither kept pace with inflation nor addressed the acute housing needs in Native communities.

It is important to remember that the Indian Housing Block Grant is the single largest source of funding for Native housing. Supporting new housing development, acquisition, rehabilitation and other housing services is important for tribal communities. On February 1st, 2010, President Obama submitted to Congress a $3.8 trillion budget request which proposes a 3-year freeze on non-defense discretionary spending. This category includes the bulk of programs and services for tribal communities, and in particular, Indian housing programs. The budget request proposes $572.2 million for the Indian Housing Block Grant, a decrease of $120 million, down 18 percent from the Fiscal Year 2010 funding level. At the same time, HUD's overall budget was reduced by only 5 percent.

Should the Congress accept the President's budget proposal, it would be the lowest single year funding level for the Native American Housing Assistance and Self-Determination Act since it was enacted in 1996. To put this into proper context, Congress appropriate $600 million in Fiscal Year 1998, 12 years ago, $20 million more than the President's budget request for Fiscal Year 2011.

While the NAIHC and its members are aware of and appreciate the large investments made in Indian housing, we are disappointed that the current request fails to continue the positive budget trajectory of recent years. Therefore, the NAIHC strongly urges Congress to not only appropriate fund above the President's budget request, but to fund the Indian Housing Block Grant at $875 million, due to the increase in costs for housing development, energy efficiency initiatives and other inflationary factors.

Since the President's budget request has been released, many of our members have expressed to us their deep concern. They believe this budget impacts not only housing but also the very hope for self-sustaining economies in Indian Country. Reduced funding would result in the loss of jobs for our people, deterioration of existing housing units and the curtailment of many housing projects that are currently under development.

The budget request also proposes an agency-wide transformation initiative fund (TIF) with up to 1 percent of HUD's total budget, drawing funds away from essential housing programs, including $5.8 million from the Indian Housing Block Grant account to continue the ongoing comprehensive study of housing needs in Indian Country and Native communities in Alaska and Hawaii.

While the NAIHC membership believe that TIF may have merit, we do not believe that transferring nearly $6 million from the block grant account to conduct a study on housing needs is a wise or even defensible use of Federal taxpayer funds. More importantly,

the $6 million also includes funding that has historically been appropriated to NAIHC for training and technical assistance.

Through resolutions, the NAIHC membership has repeatedly taken the position that a portion of the Indian Housing Block Grant allocation should be provided to NAIHC for training and technical assistance, a reflection of their confidence in NAIHC and the services we provide.

In closing, while we have specific concerns with funding levels, NAIHC supports the proposal to enhance coordination between HUD offices that serve tribal communities. We also support the proposal to improve collaboration with other Federal agencies. NAIHC has proposed the creation of a Native American housing task force to support these efforts.

This concludes my statement. Thank you again for having me here today.

[The prepared statement of Mr. Shuravloff follows:]

PREPARED STATEMENT OF HON. MARTY SHURAVLOFF, CHAIRMAN, NATIONAL AMERICAN INDIAN HOUSING COUNCIL

Introduction

Good afternoon Chairman Dorgan, Vice Chairman Barrasso, and distinguished members of the Committee on Indian Affairs. I am Marty Shuravloff and I am the Chairman of the National American Indian Housing Council ("NAIHC"), the national tribal organization dedicated to advancing housing, physical infrastructure and economic development in tribal communities in the United States. I am an enrolled member of the Leisnoi Village, Kodiak Island, Alaska, and serve my community as the Executive Director of the Kodiak Island Housing Authority.

I want to thank the Committee for the invitation to appear before you this afternoon to discuss President Obama's FY 2011 budget request.

Before discussing the tribal programs and initiatives proposed in the budget request, I want to thank you, Chairman Dorgan, for your many years of dedication and commitment to the welfare of Indian people and the leadership you have shown, both as a member and now the Chairman of this important Committee.

Background on the National American Indian Housing Council

The NAIHC was founded in 1974 and for 36 years has served its members by providing valuable training and technical assistance, working with key Federal agencies, and providing information to the Congress on the many challenges tribal communities face when it comes to housing, infrastructure, and community development. The membership of NAIHC is expansive and consists of approximately 270 tribal housing entities, representing almost 460 tribes across the United States.

American Recovery and Reinvestment Act and the FY 2010 Budget for Indian Housing

First, NAIHC would like to thank Congress for its increased investment in Indian housing for FY 2010. The American Recovery and Reinvestment Act (AARA) provided nearly $510 million for the Indian Housing Block Grant (IHBG) program. This additional investment in Indian Country supports hundreds of jobs, but more importantly, has allowed some tribes to start on new construction projects they could not have otherwise afforded with their IHBG allocation. Further, they have complied with the mandate to obligate the funds in an expedient manner, thus helping to stimulate tribal and the national economies.

In addition to the ARRA funding, Congress appropriated $700 million for the IHBG in FY 2010, the first significant increase for the program since it began—reversing a decade of funding levels that neither kept pace with inflation nor addressed the acute housing needs in Native communities.

It is important to remember that the IHBG is the single largest source of funding for Native housing, supporting new housing development, acquisition, rehabilitation, and other housing services important for tribal communities.

The President's FY 2011 Budget Request for the Indian Housing Block Grant

On February 1, 2010, President Obama submitted to Congress a $3.8 trillion budget request, which proposes a 3-year freeze on non-defense, domestic discretionary spending. This category includes the bulk of programs and services for tribal communities, in particular Indian housing programs.

The budget request proposes $572.2 million for the IHBG, *a decrease of $120 million (−17 percent)* from the FY 2010 funding level. At the same time, HUD's overall budget was reduced by only 5 percent. Should the Congress accept the President's budget proposal, it would be the lowest, single-year funding level for the Native American Housing Assistance and Self-Determination Act (NAHASDA) since it was enacted in 1996. To put this in proper context, funding appropriated by Congress in FY 1998—twelve years ago—was $20 million *more* than the President's budget request for FY 2011.

While the NAIHC and its members are aware of and appreciate the large investments made in Indian housing, we are disappointed that the current request fails to continue the positive budget trajectory of recent years.

Therefore, the NAIHC strongly urges Congress to not only appropriate funds above the President's budget request, but to fund the IHBG at $875 million due to the increasing costs for housing development, energy efficiency initiatives, and other inflationary factors.

Since the President's budget request has been released, many of our members have expressed to us their deep concern. They believe this budget impacts not only housing, but also the very hope for self-sustaining economies in Indian Country. Reduced funding would result in the loss of jobs for our people, the deterioration of existing housing units, and the curtailment of many housing projects that are currently under development.

Other Indian Housing and Related Programs

The Title VI and Section 184 Indian Housing Loan Guarantee Programs

The budget request includes $2 million for the Title VI Loan Guarantee program and $9 million for the Section 184 program. The Title VI program is important because it provides a 95 percent loan guarantee on loans made by private lenders, which is an incentive for those lenders to get involved in the development of much needed housing in tribal areas. Section 184 is specifically geared towards facilitating home loans in Indian Country. We request that these programs continue to be funded at their current levels.

Indian Community Development Block Grant

The budget request includes $64 million for the Indian Community Development Block Grant, which is available to Federally recognized tribes and Alaska Native villages on a competitive basis. This funding may be used for community facilities and economic development, and is an important source of funding for housing rehabilitation and the development of infrastructure that is vital for Native communities.

BIA–HIP Program and Veterans Affairs Native American Housing Loan Program

The budget request proposes $12 million for the BIA's Housing Improvement Program, but zeroes out the Department of Veterans Affairs Native American housing loan program, which provides direct loans to Indian veterans who are members of Federally-recognized tribes, for the purchase, construction, refinancing, or improvement of homes located on Federal trust lands. This is a concern to NAIHC, because as this Committee is well aware, a disproportionately large number Native people serve in the armed forces as compared to rest of the American population. It is our duty to ensure that our Native American veterans, especially those who have been wounded or disabled in combat, are provided decent, safe, and sanitary housing.

Native Hawaiian Housing

Low-income Native Hawaiian families continue to face tremendous challenges, similar to those that tribal members face in the rest of the United States. The President's funding request of $10 million for the Native Hawaiian Housing Block Grant is appreciated, but the budget includes no funding for the Section 184A program in Hawaii. While it has taken some time to get this program started—because lenders are not familiar with 184—providing no funding would be a step backward for Native Hawaiian families working toward homeownership. We urge Congress to consider this before agreeing to the Administration's proposal to eliminate funding for the program.

The Proposed Transformation Initiative and Use of Indian Housing Block Grant Funds

The budget request also proposes an agency-wide Transformation Initiative Fund (TIF) with up to 1 percent of HUD's total budget drawing funds away from essential housing programs, including $5.8 million from the IHBG account, "to continue the on-going comprehensive study of housing needs in Indian Country and native communities in Alaska and Hawaii."

While the NAIHC membership believes the TI may have merit, we do not believe that transferring nearly $6 million from the IHBG account to conduct a study on housing needs is a wise or even defensible use of Federal taxpayer funds. More importantly, the $6 million also includes funding that has historically been appropriated to NAIHC for training and technical assistance. Through resolutions, the NAIHC membership has repeatedly taken the position that a portion of the IHBG allocation should be provided to NAIHC for training and technical assistance—a reflection of their confidence in NAIHC and the services we provide.

Conclusion

In closing, while we have specific concerns with funding levels, NAIHC supports the proposal in the budget request to enhance coordination between HUD's Office of Native American Programs (ONAP) and other offices within HUD that serve tribal communities. We also support the proposal for ONAP to improve its collaboration with other Federal agencies including the Bureau of Indian Affairs, the Department of Agriculture, the Indian Health Service, and the Environmental Protection Agency. NAIHC has proposed the creation of a Native American Housing Task Force to support these efforts.

This concludes my prepared statement. Thank you again for this opportunity, and I would be happy to answer any questions you may have.

The CHAIRMAN. Thank you very much for being with us today.

Senator Franken?

Senator FRANKEN. Thank you, Mr. Chairman. Thank you all for your testimony.

Mr. Keel, in your written testimony you highlight the $1.2 million at DOJ for redesign and development of data collection programs for Indian Country. In your opinion, what would be the best use of those funds?

Mr. KEEL. Senator, there is just a tremendous need to validate a lot of the data that has already been provided. We have a number of facilities that could utilize that information. I think that I would like to get back to you with an accurate answer on that. Because it is an important area that we really need to touch on.

Senator FRANKEN. In Minnesota, there is something called the I Care program, which was the brain child of Bill Blake, a Native American Minneapolis cop. And his daughter had sort of prevailed upon him to develop this. Not long later, she was shot and killed. The idea was for tribes to, in Minnesota and Wisconsin, to share data on crime. Because very often, it isn't.

Because Bill was a beloved guy and the tribes have agreed to do this, I think it s a great thing. Very often, there will be criminals who go from one reservation to another, and then come to Minneapolis or St. Paul.

Have you seen programs like this around the Country? How have they addressed the critical problem of poor crime statistics that we have?

Mr. KEEL. Senator, I have seen some examples of exactly what you are talking about. A number of youth from different parts of the Country who become transient, they do leave for whatever reason one area and go to another. Sometimes it is because they visit relatives or they have friends or relatives in different parts of the Country.

The idea that we need to share data is also not just in terms of detention facilities, but it has to do with mental health issues, the other treatment issues that we need to provide for our youth who are troubled, who are at risk in a number of ways, whether it be suicide, mental health issues, drug use. There is a number of factors that include gang affiliation and the development of these associations. And we talk about validating some of this data, sometimes there is duplicate numbers. That is what I would like to get back to you with a detailed accounting of this.

Senator FRANKEN. Thank you.

Ms. Whitefoot, in your written testimony you talk about the need to restore funding for the Johnson O'Malley program. At the Leech Lake Reservation in Minnesota, this program helps provide students who are in poverty with school supplies, with uniforms for after school activities, sports, for tutoring services, et cetera. In other words, it gives a poor student access to kind of basic things that all students in this Country need.

Since 2006, the amounts for the Johnson O'Malley program has gone from $24 million down to about $21 million. What difference could this $3 million make, in your mind?

Ms. WHITEFOOT. We have to remember that Johnson O'Malley funding was frozen several years ago, and it has not taken into account the number of increases that we have had in Native student enrollment. When it was frozen at that time, it was frozen based on the number of students that existed at that time. What has happened during that time, for instance, in our public schools, we have had a significant increase in Native student enrollment. So we need to take a look at that increased enrollment of Native students.

But also in terms of the needs that exist out there, just in the public school district where I come from, we have very limited funding, both in the Title VII and Johnson O'Malley program. When these types of supplemental funds are decreased, you have very little to be able to access for resources. What ends up happening with these particular programs is, we have to go out and locate other additional resources, such as have been discussed here, whether that be under SAMHSA, I have heard SAMHSA mentioned, Health and Human Services, or local resources. So there is a tremendous need for Johnson O'Malley to be made available, but also the funds to be restored.

Senator FRANKEN. I know I am out of my time, but the number one determinant of whether a kid graduates from high school is that he or she identify with their school. If they are doing after school programs, and some of these public schools have fees for playing sports, fees for being in the band. This is so important, in my mind. Thank you all for your testimony. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Franken, thank you very much.

Senator Murkowski?

Senator MURKOWSKI. Thank you, Mr. Chairman.

Mr. Keel, I appreciate your mentioning, on behalf of NCAI, the concern about the cuts to the housing block grants. We have had an opportunity to discuss this issue a couple of times in my office, meeting with Alaskans, and then at the summit a couple of days ago. I find it so troubling to know that are kind of robbing Peter

to pay Paul, for instance, taking money from the block grant to provide for housing study. Well, I don't know what is like specifically in other reservations, but I am told that in our State, we have a 13,000 unit backlog for homes. And we need to weatherize an additional 27,000 homes. It seems to me that if we can specify numbers like that, we don't really need a study to tell us that we have an issue with housing for our Alaskan Natives and for American Indians. So we shouldn't be taking the money out of the block grant to tell us what we already know. So this is an issue that, again, I share the concerns, we need to figure out how we deal with it.

Patricia, it is good to see you here. I think it is very important and appropriate that you be here to speak to the impact of the President's budget on Indian education. It would be nice to have someone from the Administration, whether it is the Secretary, Secretary Duncan or Sebelius, speaking to this issue, because I think it is so important that we understand very clearly what the priorities are when it comes to providing educational opportunities for our Indian children.

Senator Franken has mentioned the Johnson O'Malley funds. In addition to the Johnson O'Malley funds, you cite in your testimony, Ms. Whitefoot, the BIE school facilities, the Impact Aid, the tribally controlled colleges, the Title VII Indian Education. I have to ask the question, do you think that the President and the Administration have proposed a budget that will in fact meet the needs of children in Indian Country?

Ms. WHITEFOOT. Having been involved with Indian education for about 35 years, and again, I just want to stress the fact that the funding that we receive at the community level is very, very minimal, the local education and the school districts where we work, and I do want to repeat again that oftentimes what I end up doing is I end up going after additional resources just to be able to address some of the needs that we have in our school districts and in our communities. I think there is a need for more to be done in terms of the work that we do in Indian education.

I manage the Head Start programs for my tribe, the Johnson O'Malley programs, the Title VII. Just given all of the information that you have heard here today on health-related issues, the youth suicide, the substance abuse related issues, the homelessness that we experience in our school districts, we are talking about the need to address Native student education and their overall well-being in the schools from preschool to higher education. I have the opportunity to be able to teach college courses for Head Start professionals, to help them transition into a career development type program. When you have Head Start programs in your community, those are low-income communities. Then you are bringing in parents to work in Head Start, the kind of funding that Head Start needs isn't being realized.

So just overall, the funding isn't adequate at all. I would like to see doubling of all our Indian education budgets that we have. If we really wanted to get down to it, I would love to have you come up to my community, or any community, and talk about some of these issues. It is a very comprehensive need that we have.

Senator MURKOWSKI. You are a terrific advocate. I appreciate that.

Mr. Keel, I want to ask you a question about the energy. There are, within the Department of Interior and Department of Energy, Indian energy offices. The President has requested a 72 percent decrease for the Indian energy office at the Department of Energy. This is something that the Chairman has raised repeatedly, in terms of economic development, there are so many opportunities, if we could just gain access to those energy resources.

What impact do you think this will have on the development of energy on tribal lands? Anything more in your mind that needs to be done? If you could just speak specifically to that.

Mr. KEEL. Well, economic development, you are exactly right, Senator, and thank you for that question. The energy resources, the natural resources that are contained in many Indian lands are there that need to be developed and provide an opportunity for Indian Country to develop those. I think the impact of reducing the assistance or the opportunity for tribal leaders to access funds, either for technical assistance or for Indian financing, to attract those developers to come and assist in getting those resources there out of the ground is just tremendous. I think it will have a negative impact across the board.

If you look at, for instance, North Dakota, the Three Affiliated Tribes are now at the point of being able to develop some oil and gas that is contained on their lands. That wasn't possible years ago. I think around the country there are tribes that are poised to develop those resources. But they need assistance. And they just simply don't have the funding to develop those resources. Any cuts in the Federal assistance will severely affect them.

Senator MURKOWSKI. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Murkowski, thank you very much.

With respect to the Three Affiliated Tribes and energy development, let me mention that sometimes it is not money. With the case of the Three Affiliated Tribes, we had an area right in the middle of the hottest oil clay in America, the U.S. Geological Survey said there is up to 4.3 billion barrels of oil that is recoverable using today's technology. So if you took a look at a map of where oil was being drilled as a result of that activity, just the hottest activity in the United States, the biggest assessment of recoverable oil in the history of the lower 48 States, by the way.

So take a look at a map and see what was happening, here is the Indian reservation, they are drilling wells north of it, drilling wells west of it, drilling wells south of it, but almost no activity on the reservation. So I went to the Interior Secretary and said, look, you have a 49 step process in order for somebody to get a drilling permit. You have four separate agencies inside the Interior Department that have to be involved in the approval process. And it just doesn't work. You can't get anything approved.

I got them to do a one stop shop on the reservation with the four agencies and streamline the approval process. That was about a year, maybe 15 months ago. Now we have 17 drilling rigs drilling right now for oil. We have 39 holes already dug and oil is pumping from all 39. So a substantial amount of activity. And it wasn't a requirement to appropriate more money. It was just a requirement to stop the nonsense about 45 steps and four separate agencies. If you are on State land or private land, you get a drilling permit in

North Dakota just like that, in a matter of a couple of days. But it would take many, many, many months on the reservation.

We have fixed that now, not completely, but we have fixed it sufficiently so there is a lot of activity on that reservation. But there is powerful opportunity to develop energy resources all over the Country on Indian reservations in a wide range of areas. We have to find ways to unlock that.

In fact, in my State, while a lot of people are now experiencing the benefits of oil development, I was told of a person in North Dakota who sent a $200,000 check back to the oil company, saying, well, this must be a mistake, and the oil company said, no, no, you are going to get those regularly, it is not a mistake at all. An oil well was on their land and it was a big, pumping well. If ever in North Dakota there was an area that needed that, it was the area with the highest unemployment, and the highest level of poverty and that was on the Indian reservation. That was the area that wasn't getting the opportunity.

So that is a long way of saying that the point isn't always more money. The point is, a little more sanity in some of these requirements and rules and regulations.

Let me just quickly ask, as we close this hearing, Mr. Shuravloff, you and I talked earlier this week about this. But if the $120 million is taken out of the Housing Block Grant, what are the consequences for the tribes?

Mr. SHURAVLOFF. Chairman Dorgan, of course one of the things is, we are not going to see the money to build like we would like to build. But I think it defeats the whole purpose of ARRA. When we looked at it, it was to create jobs. As we looked at reduced funding of $120 million, in the long term over the next 3 years, we are going to see the exact opposite effect. We are going to be laying more people off than we would have probably to begin with had we been able to stay with some level funding.

I think that it is just a big step backward for us to have to look at that kind of budget reduction and not just the reduced amount of construction we are going to be looking at, but the reduction of jobs in the future.

The CHAIRMAN. We have a hearing room full of, not exclusively, but largely old codgers, I would call them. This is not a hearing room of high school kids, right? And if it were a hearing room full of high school kids, I would ask the question, but let me ask it of a hearing room full of older people. How many in this room have been benefited in their lives by the Johnson O'Malley program? Let's see you raise your hand.

[Show of hands.]

The CHAIRMAN. I thought so. And I think were this a group of high school students, I think from reservations, nearly everyone would have raised their hands. Ms. Whitefoot, you talked about the Johnson O'Malley program. I just wish that instead of talking about the Johnson O'Malley program, which is kind of an amorphous title, we talk about that, it doesn't mean much to anybody. But if we had kids sitting in these rows here talking about the investment it made in their life and what it meant to them to kind of get back on track and engaged in activities that made a dif-

ference in their life, people would have an entirely different view of Johnson O'Malley, wouldn't they?

Ms. WHITEFOOT. I agree with you. As a matter of fact, I was with our high school students back in Washington State just the day before I traveled here. And I did ask them that question. So they did respond, because they were getting ready to write a letter to you about the benefits of Indian education. It has, for our senior students, it is helping to provide for their caps and gowns. They are getting ready for graduation. It also helps provide supplies for their senior projects that they have to do. It also provides for transportation, because they have gotten to travel to the University of Washington. Also, they have been able to visit the Portland Museum and Zoo. They have also been to learn more about their heritage and their culture on the Columbia River Basin. We are in south central Washington State, and we traveled to Portland.

So they got to learn more about their history. So when I am traveling with students, I am also talking about their history and their identity. I would like to just share also, we have had some leaders who have, I think, helped to blaze the trails for us.

I want to take a minute to introduce our interim executive director, if that all right with you, Chairman Dorgan. I would like to introduce and have him stand. Dr. Gerald Gipp, who has been one of those trail blazers for Indian education. Would you please stand, Dr. Gipp?

The CHAIRMAN. Our Committee is well aware of Dr. Gipp. Thank you for being here.

Ms. WHITEFOOT. I just wanted to acknowledge him that he is here in the audience as the interim director for the National Indian Education Association and that trail blazer for our Native youth.

The CHAIRMAN. He does excellent work.

I am going to ask Mr. Keel one question. But let me just mention to you, I spoke, some long while ago, at an Indian college graduation ceremony. I asked in the gymnasium as they were all putting on robes and so on, I said, who's the oldest college graduate here at the tribal college? They pointed to this woman.

So I went over to her, and she was putting on this gown very proudly, I visited with her a bit. Then I asked somebody else about her and they told me her story, that she had been a custodian at the college, a single mother, I think she had four children. I believe her husband had left her. So she was a single mother, trying to make ends meet, didn't have very much. Worked as a custodian, cleaning the bathrooms and the hallways in the college.

But on the day I showed up, she was a college graduate. Because she figured working those hallways and bathrooms and so on, she figured at some point, you know what, I have to do more than clean this place, I have to graduate from this place. The day that she graduated, she not only had a cap and gown on, she had a smile that she had earned with a lot of hard work that nobody could ever take from her.

She had invested in herself, and it was only possible because you had a tribal college. Which meant that for her, a single mother with children, she had an extended family where she could get child care that she couldn't otherwise afford. She had opportunities

in that tribal college setting to get an education where she couldn't have done it previously.

So it described for me how incredibly important education is at every level, and especially the tribal college, which offers significant opportunities. It has always been a priority for me, and I have seen first-hand how great an investment it is in the lives of people, some of whom have felt their life is hopeless, but it was not.

Mr. Keel, in the context of that, with very high unemployment and so on, in your testimony you talk about a number of programs for economic and energy development and so on. Has the National Congress any kind of a ranking about which programs that you think have priority, which are the more important versus the less important?

Mr. KEEL. Thank you, Senator. We have assembled a number of those, but we have not ranked those by order. One of the keys to economic development, as you mentioned earlier, is to remove a lot of the bureaucratic delays, for instance, of putting land into trust. Land is extremely important for tribes to engage in economic development or develop resources. The delays that they experience at the Department of Interior and other agencies is just horrendous. And it needs to be fixed.

The other area would be health, energy development, housing. All of those things are important, and we have not rank ordered those, because they are all important and they are all connected in Indian Country.

The CHAIRMAN. Let me as I close say thanks to Senator Franken. We have a Committee that all of whom work very hard and care very deeply about these issues. Senator Franken has been new to the Committee in this Congress, but I am really impressed with his attention and his devotion to trying to work on these Indian issues. Senator Franken, we will close this hearing, you and me. It has been 2 hours that I think has been very valuable and very important. I appreciate the witnesses who have traveled some long distances to be with us. These discussions will continue and the work will go on. From now we will talk about budgets and appropriations.

This hearing is adjourned.

[Whereupon, at 4:10 p.m., the Committee was adjourned.]

APPENDIX

PREPARED STATEMENT OF DAVID M. GIPP, PRESIDENT, UNITED TRIBES TECHNICAL COLLEGE

For 41 years, United Tribes Technical College (UTTC) has provided postsecondary career and technical education, job training and family services to some of the most impoverished Indian students from throughout the nation. Unemployment among the Great Plains tribes, where 75% of our students are from, typically run at about 75%. Nearly half who are employed are living under the poverty line (2005 BIA Labor Force Report). We are governed by the five tribes located wholly or in part in North Dakota; we are not part of the North Dakota state college system and do not have a tax base or state-appropriated funds on which to rely. We have consistently had excellent retention and placement rates and are a fully accredited institution. Bureau of Indian Education (BIE) funds represent about half of our operating budget and provide for our core instructional programs. These funds are authorized under Title V of the Tribally Controlled Colleges and Universities Act.

The requests of the UTTC Board for the FY 2011 BIE/BIA budget are:

- $6.4 million in BIE funding for UTTC for our Indian Self-Determination Act contract, which is $2 million over the FY 2010 enacted level. This is our base funding.
- $4.375 million toward Phase I of a planned Northern Plains Indian Police Academy located at UTTC.
- $3 million for Phase II of our Science and Technology Building.
- $3 million for student housing on our South Campus to accommodate an increasing student population and also for anticipated needs related to a law enforcement academy.
- $23 million increase over the budget request for Administrative Cost Grants for BIE-funded elementary and secondary schools for a total of $69 million; this is not funding for our college, but rather for tribally-operated elementary and secondary schools.

Base Funding. UTTC administers its BIE funding under an Indian Self-Determination Act agreement, and has done so 33 years. Funds requested above the FY 2010 level are needed to: 1) maintain 100 year old education buildings and 50 year old housing stock for students; 2) upgrade technology capabilities; 3) provide adequate salaries for faculty and staff (who have not received a cost of living increase this year and who are in the bottom quartile of salary for comparable positions elsewhere); and 4) fund program and curriculum improvements, including at least three four-year degree programs.

Acquisition of additional base funding is critical as UTTC has more than tripled its number of students within the past six years but actual base funding for educational services, including

Carl Perkins Act funds has increased only 25 percent in that period (from approximately $6 million to $8 million). Our BIE funding provides a base level of support allowing the college to compete for discretionary contracts and grants leading to additional resources annually for the college's programs and support services.

Indian Police Academy. We have been working toward the establishment of a police training academy on our campus. We have done this with the encouragement of our Congressional delegation and tribes, especially those in the Northern Plains. To that end we signed a Memorandum of Understanding in 2008 with the BIA and the American Indian Higher Education Consortium to provide supplemental in-service training to BIA and tribal police officers as maybe agreed upon by the BIA. In FY 2010, $250,000 was appropriated to the BIA and designated as special initiative of the Indian Police Academy in New Mexico to work with UTTC on law enforcement training matters. That is a good first step but we need to move to establishment of a full fledged police training academy for BIA and tribal police in the Northern Plains. The only Indian police academy now is in Artesia, New Mexico which, while doing excellent work, can train only 3 classes of 50 persons annually. There is an attrition rate of 47 percent, thus graduating on average 80 officers each year. Of those graduates, one-half will leave law enforcement as a career or move to an agency outside of Indian Country. The BIA estimates that tribal police officers are staffed at only 58 percent of need.

Our specific request for $4.375 million is for Phase I of the police academy facility, which will include the basic building for instruction of 35,000 sq. ft., enough to train up to 165 law enforcement officers per year. We have entered into discussions with federal, local and state officials to ensure the facility and the training we offer will meet all requisite standards, and to coordinate what part of the facility should be placed at UTTC and which parts may be placed elsewhere, in order to share the cost.

UTTC testified before the Senate Committee on Indian Affairs on March 18, 2010, regarding law enforcement training, recruitment, and retention needs in Indian Country. We will make available to you our testimony from that hearing.

Math and Technology Building. UTTC provides education for more than 1,000 students in 100-year old former military buildings (Ft. Abraham Lincoln), along with one 33-year old "skills center" which is inadequate for modern technology and science instruction. We have completed Phase I of the building and now look to complete Phase Two. We have raised $5 million, including $1 million in private funding, $3 million from the U.S. Department of Education and $1 million in borrowed funds, and anticipate an additional $1 million from the U.S. Department of Education Title III funds. The total project cost is expected to be around $12 million. Our current facility lacks laboratories with proper ventilation and other technologies which are standard in science education. We lack a modern auditorium/lecture hall with features such as computer internet access and electrical outlets and a library with appropriate computer stations. Our present library has been cited by the accrediting agency as being inadequate.

Student Housing. We are constantly in need of more student housing, including family housing. We want to educate more students but lack of housing has at times limited the admission of new students. With the expected completion of a new Science and Math building

on our South Campus on land acquired with a private grant, we urgently need housing for up to 150 students, many of whom have families. New housing on the South Campus could also accommodate those persons being trained in our Northern Plains Police Academy.

While UTTC has constructed three housing facilities using a variety of sources in the past 20 years, approximately 50 percent of students are housed in the 100 year old buildings of the old Fort Abraham Lincoln, as well as in duplexes and single family dwellings that were donated to UTTC by the federal government along with the land and Fort buildings in 1973. These buildings require major rehabilitation. New buildings for housing are actually cheaper than trying to rehabilitate the old buildings that now house students.

Administrative Costs Grants for Elementary/Secondary Schools. As noted above, we recommend a $23 million increase over the Administration's request for Administrative Costs Grants for BIE-funded, tribally-operated elementary and secondary schools. We have such a school on our campus – the Theodore Jamerson Elementary School. While Congress has, thankfully, recently increased funding for BIA and IHS Contract Support Costs for tribal governments, it has not done so for the tribally controlled BIE-funded elementary and secondary schools. The equivalent to CSC for these schools is Administrative Cost Grants.

Below are some important things we would like you to know about our College:

UTTC Performance Indicators. United Tribes Technical College has:

- An annual 80-90% percent retention rate.
- A placement rate of 94 percent (job placement and going on to four-year institutions).
- A projected return on federal investment of 20-to-1 (2005 study comparing the projected earnings generated over a 28-year period of UTTC Associate of Applied Science and Bachelor degree graduates of June 2005 with the cost of educating them).
- The highest level of accreditation. The North Central Association of Colleges and Schools has accredited UTTC again in 2001 for the longest period of time allowable -- ten years or until 2011- and with no stipulations. We are also one of only two tribal colleges accredited to offer accredited on-line (Internet based) associate degrees.
- More than 20 percent of graduates go on to four-year or advanced degree institutions.

Our students. Our students are from Indian reservations from throughout the nation, with a significant portion of them being from the Great Plains area. Our students have had to make a real effort to attend college; they come from impoverished backgrounds or broken families. They may be overcoming extremely difficult personal circumstances as single parents. They often lack the resources, both culturally and financially, to go to other mainstream institutions. Through a variety of sources, including funds from the BIE, UTTC provides a set of family and culturally-based campus services, including: an elementary school for the children of students, housing, day care, a health clinic, a wellness center, several on-campus job programs, student government, counseling, services relating to drug and alcohol abuse and job placement programs. We are currently serving 168 students in our elementary school and 169 youngsters in our child development centers.

UTTC course offerings and partnerships with other educational institutions. We offer accredited vocational/technical programs that lead to 17 two-year degrees (Associate of Applied Science and eleven one-year certificates, as well as a four year degree in elementary education in cooperation with

Sinte Gleska University in South Dakota. We intend to expand our 4-year degree programs. While full information may be found on our web site (www.uttc.edu), among our course offerings are:

Licensed Practical Nursing. This program results in great demand for our graduates; students are able to transfer their UTTC credits to the North Dakota higher educational system to pursue a four-year nursing degree.

Medical Transcription and Coding Certificate Program. This program provides training in transcribing medical records into properly coded digital documents. It is offered through the college's Exact Med Training program and is supported by Department of Labor funds.

Tribal Environmental Science. This program is supported by a National Science Foundation Tribal College and Universities Program grant. This five-year project allows students to obtain a two-year AAS degree in Tribal Environmental Science.

Community Health/Injury Prevention/Public Health. Through our Community Health/Injury Prevention Program we are addressing the injury death rate among Indians, which is 2.8 times that of the U.S. population. This program has in the past been supported by the IHS, and is the only degree-granting Injury Prevention program in the nation. Given the overwhelming health needs of Native Americans, we continue to seek resources for training of public health professionals.

Online Education. Our online education courses provide increased opportunities for education by providing web-based courses to American Indians at remote sites as well as to students on our campus. These courses provide needed scheduling flexibility, especially for students with young children. They allow students to access quality, tribally-focused education without leaving home or present employment. We offer online fully accredited degree programs in the areas of Early Childhood Education, Community Health/Injury Prevention, Health Information Technology, Nutrition and Food Service and Elementary Education.

Criminal Justice. Our criminal justice program leads many students to a career in law enforcement, and as noted elsewhere in this testimony, we are working toward establishment of a police training academy at UTTC.

Computer Information Technology. This program is at maximum student capacity because of limitations on resources for computer instruction. In order to keep up with student demand and the latest technology, we need more classrooms, equipment and instructors. We provide all of the Microsoft Systems certifications that translate into higher income earning potential for graduates.

Nutrition and Food Services. We help meet the challenge of fighting diabetes and other health problems in Indian Country through education and research. As a 1994 Tribal Land Grant institution, we offer a Nutrition and Food Services AAS degree in order to increase the number of Indians with expertise in nutrition and dietetics. There are few Indian professionals in the country with training in these areas. We have also established a Diabetes Education Center that assists local tribal communities, our students and staff to decrease the prevalence of diabetes by providing food guides, educational programs, training and materials.

Our BIE and Perkins funds provide for nearly all of our core postsecondary educational programs. Very little of the other funds we receive may be used for core career and technical educational programs; they are competitive, often one-time supplemental funds which help us provide the services our students need to be successful. We cannot continue operating without BIE funds. Thank you for your consideration of our requests.

PREPARED STATEMENT OF LLOYD B. MILLER, SONOSKY, CHAMBERS, SACHSE, ENDRESON & PERRY, LLP ON BEHALF OF THE NATIONAL TRIBAL CONTRACT SUPPORT COST COALITION

This testimony is submitted jointly on behalf of the National Tribal Contract Support Cost Coalition, comprised of the Shoshone Bannock Tribes of Idaho, the Cherokee Nation and Choctaw Nation of Oklahoma, the Shoshone-Paiute Tribes of Nevada and Idaho, the Riverside San Bernardino County Indian Health Consortium of California, the Pueblo of Zuni of New Mexico, the Spirit Lake Nation of North Dakota, the Confederated Salish and Kootenai Tribes and Chippewa Cree Tribe of Montana, the Forest County Potawatomi Tribe of Wisconsin, the Little River Band

of Ottawa Indians of Michigan, and the Copper River Native Association, Alaska Native Tribal Health Consortium, Arctic Slope Native Association, Kodiak Area Native Association, and Yukon-Kuskokwim Health Corporation of Alaska.

As this Committee is aware, contract support costs represent the fixed costs which Tribes and tribal organizations must incur when they carry out self-determination contracts and self-governance compacts with either the Bureau of Indian Affairs or the Indian Health Service. Contract support costs cover such federally-mandated costs as annual independent audits, but also other necessary costs including liability and property insurance, accounting costs and the like. The majority of contract support costs are set by an indirect cost rate that is established by either the National Business Center within the Department of the Interior or the Division of Cost Allocation within the Department of Health and Human Services, and the remainder of those costs are set directly by the BIA and IHS.

As this Committee is also aware from its extensive work over three decades in amending the Indian Self-Determination Act, when the BIA or IHS underfund fixed tribal contract support costs, the tribal contractors are left with no choice but to leave program positions unfilled to make up for the difference. Contract support cost underpayments thus cost jobs.

By contrast, restoring contract support cost payments that are due under contracts and compacts permits Tribes and tribal organizations carrying out BIA and IHS programs to restore jobs. This is why Tribes and tribal organizations have often related to Congress that, despite its somewhat oblique name, the "contract support cost" issue is a jobs issue. Indeed, at even a high estimate of $100,000 per full-time equivalent employee, every $10 million increase in contract support cost payments produces 100 additional jobs (and even more jobs under contracts with IHS, where healthcare services lead to additional revenues from Medicare, Medicaid and other third-party payers).

For the same reason, the contract support cost issue is a health, law enforcement, lands and government services issue. With each job lost due to a contract support cost underpayment a Tribe loses a police officer or dispatcher, a doctor or nurse practitioner, a realty specialist, an education counselor, or a child welfare worker. Strikingly, parallel programs that remain under IHS or BIA administration do not suffer such impacts. Thus the CSC shortfall *penalizes* Tribes that exercise their self-governance and self-determination rights. It also disproportionately balances budgetary constraints on the backs of tribal contractors. If budget cuts or limited increases are to occur, equity dictates that such actions occur in portions of the budget that are shouldered equally by the agencies and the contracting Tribes.

These are the policy reasons supporting full funding of contract support costs. But the legal reasons are even more compelling. The Indian Self-Determination Act *mandates* that full contract support costs shall be added to every contract. This mandate was added to the statute in 1988 and reinforced in 1994 by this Committee precisely to end once and for all the hardship visited upon tribal contractors struggling to maintain program levels when contract support costs are not fully paid. Wisely, this Committee mandated in Section 106(c) that each agency provide Congress with a mid-year report on contract support cost funding requirements, so that supplemental appropriations could be made before the year concluded in order to fully meet the government's obligation. It is a stunning criticism of the agencies that they have *never* provided a mid-year accounting of current year CSC shortfalls, and that they have *never* requested supplemental appropriations to address current year shortfalls. (Instead, both agencies have adopted a practice of making their shortfall reports one year late, long after Congress can do anything about it through the supplemental appropriations process.) The United States Supreme Court in the 2005 *Cherokee Nation* case held that the contract support cost payment obligation is a legal contractual right that must be honored just like any other government contractor's right. Until the appropriations process matches this legal responsibility, litigation will unfortunately continue.

Not only do policy and legal reasons support fully funding contract support costs; good sense supports fully funding those costs. This is because no initiative in Indian Affairs has been more successful both in promoting local self-determination and in improving and expanding the quality and quantity of federal programs in Indian country than has the self-determination contracting/compacting process.

In May 2009 IHS projected an approximate $150 million shortfall in FY 2011 contract support cost requirements, absent a further increase. A similar projection undertaken recently for the Bureau of Indian Affairs foresees a contract support cost shortfall of $68 million. These are the sums which should be appropriated in FY 2011 to finally meet the government's contract support cost obligations in full. While the President's proposed Budget increases for IHS and BIA are a significant step in the right direction ($45.5 million and $21.5 million, respectively), these sums are

plainly insufficient to meet the current requirement and will, instead, leave unfunded CSC shortfalls of $105 million for IHS and $46.5 million for the BIA.[1]

To the extent Congress concludes that budgetary constraints stand in the way of fully closing the funding gap in FY 2011, the National Tribal Contract Support Cost Coalition endorses the approach advanced by the Tribal Self-Governance Advisory Committee to the Indian Health Service, and by the Self-Governance Advisory Committee to the Department of the Interior, calling for the IHS $105 million shortfall to be closed within a three-year period, and calling for the remaining BIA shortfall to be closed within a two-year period. This can be accomplished by adding to the President's Budget proposal one-third of the remaining shortfall amounts specified above. For IHS, that means adding to the President's $45.5 million proposed increase approximately $35 million in each of fiscal years 2011, 2012 and 2013. For BIA, that means adding to the President's $21.5 million proposed increase approximately $15 million in each of fiscal years 2011 and 2012.

Thank you for the opportunity to present this written testimony to the Committee on behalf of the National Tribal Contract Support Cost Coalition.

PREPARED STATEMENT OF PAUL IRON CLOUD, CEO, OGLALA SIOUX (LAKOTA) HOUSING

Chairman Dorgan, Vice Chairman Barrasso, and distinguished members of the Committee. My name is Paul Iron Cloud and I am the CEO of Oglala Sioux (Lakota) Housing. I would like to start by thanking Chairman Dorgan for his leadership on Indian housing issues.

As the CEO of our housing agency, I have great concerns over the President's proposed reduction of the budget for the Native American Housing Assistance and Self-Determination Act (NAHASDA). While most other federal Indian programs received increases or only slight reductions, the President has proposed slashing the NAHASDA budget by 18 percent, thus reducing the amount available for affordable housing in Indian Country from $700 million to a mere $580 million. If the President's proposal stands, it would be the lowest level of funding ever given to NAHASDA in its entire thirteen-year history.

Not only would the reduced funding be a huge blow to tribal housing across the country, but it would undo and potentially reverse any gains that the tribal and national economies have achieved from spending stimulus funds under the American Recovery and Reinvestment Act. The Oglala Sioux Tribe received over $8 million in Indian housing stimulus funds during FY 2009. These funds have already helped complete much-needed renovations and playground construction and we have also begun the development of new homes. Oglala Sioux (Lakota) Housing has followed the federal mandate and successfully put these funds under contract for shovel-ready projects. As the Committee is no doubt aware, the stimulus funds cannot be used for the day-to-day operation of our program or homes. We must have NAHASDA funded at least at the current $700 million level in order to protect and leverage the gains made by the use of stimulus funds.

You well know the crisis in Indian housing that exists on our Reservation; violence, suicides, over-crowding and deplorable housing conditions. Yet at the very time that our revamped and now highly-regarded housing program at Pine Ridge is doing important things with NAHASDA and special Recovery Act funding, the Administration proposes an 18 percent cutback in NAHASDA appropriations. Oglala Sioux (Lakota) Housing has worked incredibly hard to do an exemplary job to restart production of new housing units, to do vitally-needed retrofitting and modernizing of existing units and to ramp-up the private construction sector on the reservation. If the President's proposed cutbacks are enacted by Congress, it will once again pull the rug out from under our efforts.

Oglala Sioux (Lakota) Housing needs 4,000 new units to fully address its housing needs. To achieve that goal would require a substantial increase in current housing funding. But a decrease in funding would be much more devastating for us. Reducing our annual NAHASDA funding would eliminate the limited number of new units

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[1] Although the BIA's recent Budget justification reports that the President's contract support cost increase will permit the agency to meet over 90 percent of its CSC funding requirements, we have learned that this calculation was based on the BIA's funding requirements in 2008 (which at the time that the Budget was prepared was the only reported number available). Although the CSC funding requirement in 2008 was $204 million, in 2011 the CSC funding requirement is anticipated to be $234 million. Thus the amount proposed by the President will only be sufficient to cover approximately 80 percent of the BIA's total CSC requirement. Similarly, the President's requested increase for IHS contract support will maintain the average IHS CSC funding at roughly 80 percent of need, the same as it was in FY 2010.

that we have planned to build next year and it would also seriously impact our management and maintenance of our homes. Budget cuts would seriously damage our program and bring more suffering to many housing tenants and to those on our long waiting lists.

HUD has in published comments have attempted to justify its proposed cuts by equating the NAHASDA funding to its only other substantial cut, the Public Housing Capital fund, but Public Housing has both a Capital and an Operating fund. HUD actually proposed increased funding for the Public Operating fund. Under NAHASDA, Indian housing has both its capital and operating funds combined into a single grant allocation. The cuts proposed by the Administration take both capital and operational funds away from the Tribes. Decreased funding for NAHASDA will drastically impact the management, operations and maintenance of tens of thousands of homes under current management in Indian Country.

If the NAHASDA appropriation were simply to keep pace with inflation (which it has never done) the original initial allocation in 1998 would have grown to a $835 million appropriation in the last fiscal year.

On behalf of my Tribe, our housing program, and all the others affected by this proposed cut, I implore you to support and assist in maintaining or increasing the current NAHASDA appropriation of $700 million. I want to again thank the Committee for its interest in fully-funding affordable housing in Indian country.

I would be happy to answer any questions you might have.

PREPARED STATEMENT OF HON. EDWARD T. BEGAY, CHAIRMAN, NAVAJO AGRICULTURAL PRODUCTS INDUSTRY

Introduction

Good afternoon Chairman Dorgan, Vice Chairman Barrasso, Senator Udall, and distinguished members of the Committee on Indian Affairs. I am Edward T. Begay and I am the Chairman of the Navajo Agricultural Products Industry (NAPI), an economic agribusiness enterprise chartered under the laws of the Navajo Nation and managed by an independent Board of Directors and management team.

On behalf of the NAPI, I am pleased to submit this statement relating to President Obama's Fiscal Year 2011 Budget request for tribal programs and initiatives.

Background on the Navajo Indian Irrigation Project

The Navajo Indian Irrigation Project (NIIP) was authorized by Congress in 1962 and received a Federal commitment to build a 110,000-acre irrigated farm project to be completed in 14 years. NAPI is an economic enterprise wholly-owned by the Navajo Nation and is charged with operating a commercial farm on the NIIP lands located in the northwestern part of the Navajo reservation in New Mexico. Forty-eight years later, the NIIP is only 75 percent complete contrary to the intent of Congress, the agreement negotiated by the Navajo Nation and the United States memorialized in the NIIP legislation (Pub.L. 87–483; 76 *Stat. 96*), and the Government's treaty and trust obligations to the Navajo Nation.

Today NAPI operates an 66,000-acre farm, generates $40 million in income, and employs more than 400 people. When complete, the farm will include 110,630 acres. In its operations, NAPI has stressed the use of the state-of-the-art technology and environmentally friendly practices. The major crops grown and sold by NAPI are alfalfa, corn, onions, wheat and small grains, potatoes, pinto beans, and cattle grazing. NAPI also leases land for specialty crops, including pumpkins, popcorn, and chipper potatoes used for potato chips.

NAPI's agribusiness features state-of-the-art farming equipment, including high-tech radio control, and center pivot irrigation systems that efficiently manage water resources.

The President's FY 2011 Budget Request for the Navajo Indian Irrigation Project

On February 1, 2010, President Obama submitted to Congress a $3.8 trillion budget request and proposed a 3-year freeze on non-defense, domestic discretionary spending. This category includes the bulk of programs and services for tribal communities, in particular Indian resources management construction programs.

The budget request proposes $12.43 million for the NIIP. While NAPI appreciates the continued investment made in NIIP, we are disappointed that the current request fails to fully support the construction of Block 9 and efforts to complete the NIIP pursuant to Pub.L. 87–483; *76 Stat. 96.*

Therefore, the NAPI strongly urges Congress to provide funding in the amount of $50 million for completion of construction of Block 9 of the NIIP. In addition, the

component of the NIIP development for which the Bureau of Indian Affairs is primarily responsible, on-farm development (OFD), has been underfunded for years, so that the land in Block 9 for which the Bureau of Reclamation has already completed the primary irrigation infrastructure will not be usable for crops until 2012 unless funding for OFD is not increased dramatically. NAPI urges the Congress to fund OFD in FY 2011 in the amount of $9.45 million. Due in large part to the underfunding of NIIP Operations and Maintenance (O&M) during the previous eight years, the deferred maintenance of the NIIP threatens the very integrity of the project. NAPI therefore urges Congress to increase NIIP O&M funding to $12.5 million in FY 2011. Finally, we request an appropriation of $750,000 for FY 2011 to fund the Agricultural Research and Testing Laboratory that serves all of the NIIP. We understand that these funding levels are generally consistent with those recommended by the Bureau of Indian Affairs.

Utilization of a fully-built Block 9 will permit NAPI to augment its value-added programs, which now include a Fresh-Pack potato operation, a flour mill, and an expanding feedlot operation, and which—if sufficient land is made available—will include a potato processing facility with nationally respected partners. These initiatives will increase employment opportunities dramatically for the Navajo Nation and the Four Corners area, diversify and enhance the regional and State economies, provide greater profits and capital for further expansion by NAPI, and provide greater national food security. Simply put, NAPI believes completing Block 9 promptly and funding OFD and O&M appropriately is simply good economic policy for the United States.

Conclusion

While NAPI is appreciative for the continued support to complete NIIP, the history of federal funding for the NIIP and related activities reveals that partial and delayed funding has resulted in the delay in economic opportunities, job creation, and chronic problems in maintaining irrigation equipment and physical infrastructure. These problems are exacerbated through time and each fiscal cycle that fails to provide the necessary funding.

This concludes my written statement. Thank you again for this opportunity and please do not hesitate to contact me for additional information or questions.

PREPARED STATEMENT OF THE AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM

This statement will address two areas: 1) a brief history of the Tribal College Movement and current funding situation of Tribal Colleges and Universities; and 2) specific comments on the President's Fiscal Year 2011 Budget Request regarding Tribal College and University programs.

I. THE TRIBAL COLLEGE MOVEMENT:

Tribal Colleges and Universities (TCUs) are young, geographically isolated, and poor. Our oldest institution, Diné College, was established in 1968, just over 40 years ago. Most TCUs are located in areas of Indian Country that the federal government defines as extremely remote. They serve their communities in ways that reach far beyond college level programming and are often called beacons of hope for American Indian people. TCUs provide much needed high school completion (GED), basic remediation, job training, college preparatory courses, and adult education programs. They serve as community libraries and centers, tribal archives, career and business centers, economic development centers, public meeting places, and elder and child care centers. It is an underlying goal of all TCUs to improve the lives of students through higher education and to move American Indians toward self-sufficiency. This goal is fundamental because of the extreme poverty in which most American Indians live. In fact, three of the five poorest counties in America are home to TCUs, where unemployment rates are consistently well above 60 percent. By contrast, the current national unemployment rate is 9.7 percent.

Tribal Colleges and Universities remain the most poorly funded institutions of higher education in the nation. Tribal Colleges and Universities, the U.S. Military Academies, and Howard and Gallaudet Universities are the only institutions of higher education that depend on the federal government for their basic institutional operating funds.

The vast majority of TCUs is located on federal trust land. Therefore, states have no obligation to fund these institutions. While TCUs do seek funds from their respective state legislatures for the non-Indian state-resident students or non-beneficiary students, who account for 21 percent of our enrollments, their successes have been, at best, erratic. If these non-beneficiary students attended any other public institution in the

state, the state would provide that institution with reliable operations funding. TCUs are accredited by the same regional agencies that accredit mainstream institutions, yet they have to continually advocate for basic operating support for their non-Indian state students, within their respective state legislatures.

Despite their strong support for the colleges they have chartered, tribal governments are only able to provide modest financial support. The tribes that charter their local tribal colleges are not the handful of small and wealthy gaming tribes located near major urban areas that are prevalent in the mainstream media; rather, they are some of the poorest governments in the nation.

Gaming is neither a stable or viable funding source for TCUs. Only a small percentage of TCUs currently receive revenue from tribal gaming. While revenues from state run gaming operations far exceed revenues from Indian gaming, and some form of gaming is legalized in almost every state, the federal government has not used the revenue generated from state run gaming to justify decreasing federal funding to state supported colleges and universities. The standards that apply to states and state supported higher education institutions should apply to tribes and TCUs. Unfortunately, it appears that this is not the case.

Federal Funding Disparities: Despite trust responsibilities and treaty obligations resulting from the exchange of many millions of acres of land, the federal government has not deemed the funding of American Indian higher education to be a priority.

It has been almost 30 years since the Tribally Controlled College or University Assistance Act -- or Tribal College Act -- was initially funded. In that time, the TCUs that are funded under this Act have never reached the authorized funding level. Distribution of funds under Title I of the Tribal College Act is enrollment driven. In FY 2010, the majority of TCUs are receiving $5,784 per Indian student, although authorized to receive $8,000 per Indian student. If you factor in inflation, the buying power of the current appropriation is **$965 LESS per Indian student** than it was in the initial FY 1981 appropriation, which was $2,831 per Indian student. While determination for the other TCUs' operating funds is not enrollment driven and therefore the disparity is not as easily illustrated, they too suffer from a lack of stable operating funds. This is not simply a matter of appropriations falling short of an authorization; it effectively impedes our institutions from having the necessary resources to grow their programs in response to the changing needs of their students and the communities they serve.

Although TCUs have yet to achieve funding at the authorized level, through the unwavering support of Chairman Dorgan and other members of the Senate Committee on Indian Affairs, we have made progress in the past several years and for that we are very grateful.

II. TRIBAL COLLEGES AND UNIVERSITIES IN THE PRESIDENT'S FY 2011 BUDGET:

a. DEPARTMENT OF THE INTERIOR – BUREAU OF INDIAN EDUCATION (BIE):

Tribally Controlled Colleges and Universities Assistance Act: The President's Fiscal Year 2011 Budget Request includes $50.6 million for the institutional operating budgets of 26 TCUs (Title I); $13 million for Diné College (Title II); and $6.7 million for the nation's two tribally controlled career and technical colleges (Title V).

For the 26 institutions funded under Title I of the Act to achieve full funding of their institutional operating budgets at the authorized level of $8,000 per Indian student would require an appropriation of $70 million, in FY 2011. This would represent an increase of $19.4 million over the FY 2010 allocation for this budget line. Considering the fact that it has been almost 30 years since the Tribal College Act was first funded and the Title I colleges have yet to receive the congressionally authorized per Indian student funding level, we do not consider this to be an unreasonable request. However, we recognize the current budget constraints faced by Congress and therefore request that this funding shortfall be corrected over the next two fiscal years. In FY 2011, we ask that the Committee support $63.2 million to fund the institutional operating budget of the 26 TCUs under Title I of the Act. AIHEC also asks that the Committee support Diné College's request for $17.7 million, to finance the operations of its several campuses and centers located throughout the Navajo Nation; and $9 million to fund Title V ($5.5 million for United Tribes Technical College and $3.5 million for Navajo Technical College).

Additionally, for technical assistance activities authorized under the Act, we request $601,000, the same level of funding as appropriated since FY 2006. These funds help address ongoing and escalating technical assistance needs of TCUs in securing and maintaining their accreditation and to fund expanded data collection and analysis necessary to comply with Congressional and Agency data requests and accountability reporting requirements; and lastly, we request $2 million for Title III of the Act, which helps our institutions to build endowments.

b. DEPARTMENT OF EDUCATION:

- **HEA Title III-A Sections 316**: Title III-A of the Higher Education Act supports developing institutions that enroll large proportions of financially disadvantaged students and have low per-student expenditures. Tribal Colleges and Universities clearly fit this definition. TCUs provide access to quality higher education opportunities to some of the most impoverished areas of the country. A clear goal of the Higher Education Act Title III programs is "to improve the academic quality, institutional management, and fiscal stability of eligible institutions, in order to increase their self-sufficiency and strengthen their capacity to make a substantial contribution to the higher education resources of the Nation." The TCU-Title III program is specifically designed to address the

critical, unmet needs of their American Indian students and communities, in order to effectively prepare them for the workforce of the 21st Century.

In FY 2011, Tribal Colleges and Universities request that Congress appropriate $36 million for the TCU Title III-A program (§316), and include report or bill language directing the Department of Education to annually conduct a competition to support much-needed construction projects at the TCUs, using a portion of the TCU Title III program funds appropriated, as authorized by law.

- **Carl D. Perkins Career and Technical Education:** Two programs under the authority of the Perkins Act are of particular interest to the Tribal Colleges and Universities.
  - Two tribally controlled postsecondary career and technical institutions, United Tribes Technical College (UTTC) and Navajo Technical College (NTC), are funded under Sec. 117 of the Perkins Act. This program was established to support the operation and improvement of these two institutions because they were not eligible to receive operating funds under other program authority. We request that the Committee support $9 million in FY 2011 for UTTC and NTC.
  - Under the Carl D. Perkins Career and Technical Education Act, 1.25 percent of the funds appropriated annually for the state career and technical grants program is set aside for vocational education programs conducted by Native American organizations, including TCUs. States have a long history of not including TCUs in their program plans. With many states battling to balance their own budgets, it is highly unlikely that states would now choose to reverse this trend and share any block granted funding with tribal entities, including TCUs. Without an adequate set-aside that provides funds equal to prior years, at a minimum, much needed tribal vocational programs will be decimated. Tribal Colleges ask that Congress continue to support the national career and technical education programs and in doing so, support the Native American Career and Technical Education Program (Sec. 116) under the Carl D. Perkins Career and Technical Education Act.

C. **DEPARTMENT OF AGRICULTURE:**

- In 1862, Congress enacted the first Morrill Act to "bring education to all the people and to serve their fundamental needs." This is not only the definition, but in fact the mission of Tribal Colleges and Universities, which were granted federal land grant status in 1994, 132 years after the state land grant institutions were established. Today, we believe that our institutions, more so than any other group, truly exemplify the original spirit and intent of the first land grant legislation. The American Association of Public and Land-Grant Universities (APLU), which represents all of the nation's land grant institutions supports all of the 1994 specific USDA Land Grant programs.

The Equity in Educational Land Grant Status Act established and funds the following four 1994 tribal college land grant programs:

- **Extension Grants -** 1994 Institutions' Extension programs are created to bolster community and economic development; strengthen families and youth; manage natural resources; develop community-based agriculture capacity; and improve diet, health, and nutrition. All of these services are fundamental to communities nationwide and particularly so to American Indian communities, which suffer some of the highest rates of unemployment, suicide, diabetes, alcoholism and other substance abuse in the country. We respectfully request that the 1994 land grant institutions' Extension grants program be funded at $8 million in FY 2011, a request fully supported by APLU.

- **1994 Research Grants** – The 1994 Institutions must build their capacity to establish and conduct viable research programs consistent with the mission of the land grant system and research needs in Indian Country. 1994 Institutions' Research grants are conducted through partnerships with 1862 and 1890 land grants institutions, employing a strong model involving a combination of federal resources with TCU and state institution expertise, with the overall impact being far greater than the sum of its parts. Yet, the 1994 Institutions are clearly expected to continue to conduct applied research on less than a shoestring budget. A competitive research program for 32 tribal college land grant institutions funded at $1.8 million is without question, grossly inadequate to achieve the goals of the program and to meet the needs of our communities. We request this very promising program be funded at a minimum of $5 million in FY 2011.

- **Equity Grants** – This program provides each 1994 Institution with resources to develop and implement courses and programs in natural resource management, environmental sciences, horticulture, forestry, buffalo and other livestock production and management, and food science and nutrition, all of which help to address the epidemic rates of diabetes and heart disease that exist in Indian Country. The 32 Tribal Colleges and Universities that comprise the list of 1994 land grant institutions respectfully request that in FY 2011, Congress continue to support a minimum of $3,342,000, which is the amount that has been appropriated since FY 2007.

- **Endowment Fund** – Payments into the 1994 Institution' endowment fund help speed the growth of the corpus of this account, thereby increasing the interest yield disseminated annually to the 32 Tribal Colleges and Universities that comprise the list of eligible 1994 Land Grant Institutions. Just as other land grant institutions historically received large grants of land or endowments in lieu of land, this funding assists the 1994 Institutions in establishing and strengthening our academic programs in the areas of curricula development, faculty preparation, instruction delivery systems, equipment and

instrumentation for teaching, experiential learning, student recruitment and retention in the food and agriculture sciences, in addition to helping address the critical need for facilities and infrastructure construction, improvement and maintenance. The 1994 Institutions request that $12 million be appropriated for the FY 2011 payment into the 1994 Land Grant Endowment established in the U.S. Treasury.

d. TCU CONSTRUCTION, IMPROVEMENT, AND MAINTENANCE INITIATIVES AND STEM PROGRAMS

In Fiscal Year 2001, a bipartisan effort engaging both Congress and the Executive Branch launched a modest, but direly needed, construction initiative for Tribal Colleges and Universities. With help from many current and past members of this Committee, several small competitive grant programs were established within a variety of federal agencies to help address the ongoing infrastructure and facilities construction, improvements, and maintenance issues that afflict our institutions.

The initiatives include the following programs:

- Department of Agriculture: a competitive grants program under the Rural Community Advancement Program (RCAP) for TCU Essential Community Facilities;
- Department of Housing and Urban Development (HUD): a competitive TCU facilities construction program under the Community Development Block Grants Program –Office of University Partnerships (Sec. 107);
- Department of Defense: a competitive grants program that allows the TCUs to compete for funds to equip their computer and science labs; and
- Department of Education: a portion of the funds appropriated annually for the HEA Title III-A program for TCUs.

While these programs have greatly helped TCUs to systematically address their critical need for new and enhanced facilities and proper maintenance of the facilities on their respective campuses the President's FY2011 Budget recommends consolidating the TCU HUD program with other minority institutions programs and opening up the competition to a broader pool of applicants. Additionally, the FY 2011 Budget proposes eliminating the USDA TCU Essential Community Facilities Grant program.

The FY 2011 Budget also recommends the consolidation of three programs within the National Science Foundation's Education and Human Resources Directorate and including a new program for Hispanic Serving Institutions in the newly consolidated pool of funds for the Undergraduate and Graduate Student Support budget line. While consolidating program funding for programs serving minority populations might seem like a genuine step toward streamlining administration and funding of duplicative federal programs, in reality it is nothing of the sort. Each of the MSI specific programs is designed to address the unique challenges and issues facing the communities served by the respective groups of MSIs, including Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), and TCUs. Additionally, Tribal Colleges and Universities are extensions of the federally recognized tribes that charter them and

as such are subject to the unique government-to-government relationship. Consolidating TCU programs with other programs simply because they too target a minority population disregards tribal sovereignty.

Loss of targeted federal grant programs for TCUs would have a devastating impact on the future of our institutions ability to continue to provide high quality culturally relevant higher education programs and community outreach to their students and the communities they serve. *We respectfully request that Congress reject the FY 2011 Budget proposal and not only retain the separate TCU programs that fund facilities construction and improvement, and the TCU NSF STEM program but appropriate no less than $5 million per program in Fiscal Year 2011, and for each of the next five fiscal years, to ensure that tribal colleges have stable resources available to expand, improve, and maintain their facilities and STEM related programs.*

III. CONCLUSION

Tribal Colleges and Universities provide access to high quality, culturally relevant higher education opportunities to thousands of American Indians in Indian Country. The modest federal investment in the TCUs has paid great dividends in terms of employment, education, and economic development. Continuation and expansion of this investment makes sound moral and fiscal sense. Tribal Colleges and Universities need and deserve stable federal support to sustain and grow their vital programs and achieve their collective goal to serve their students and communities.

We appreciate the long standing and steadfast support of Chairman Dorgan and of the Committee on Indian Affairs. Thank you for this opportunity to present our FY 2011 Budget recommendations to help bring equality in higher education and economic opportunity to Indian Country through the nation's Tribal Colleges and Universities.

PREPARED STATEMENT OF MARK PRUNER, PRESIDENT, NATIVE AMERICAN BROADBAND ASSOCIATION

Good afternoon Chairman Dorgan, Vice Chairman Barrasso and members of the committee. I am Mark Pruner and am pleased to submit this statement on behalf of the Native American Broadband Association.

At present these tribes have the least access to broadband of any American group. The Native American Broadband Association was created to help tribes provide broadband services. NABA works with tribes, telecommunications companies, consultants, foundations, state and federal agencies. We initially focused on helping tribes receive a portion of the $7.2 billion that Congress appropriated for rural broadband. We have also worked with the Federal Communications Commission to include a Tribal Broadband Plan in the National Broadband Plan that will be delivered to Congress next month.

In working with the National Telecommunications and Information Administration and the Rural Utility Service, the two government groups distributing these funds, we have seen that the process for the Recovery Act broadband funding of tribes has been difficult. These rules are now out and so tribes must look to the FY2010 budget for funding.

FY2010 Budget

In the FY2010 budget $418 million dollars are proposed to be given to the Rural Utility Service for broadband loans, we believe that $150 million of that funding should be reassigned to either the FCC's Indian Telecommunications Initiative of or to the BIA and their Office of the Chief Information Officer.

RUS has not been effective in providing broadband to unserved areas

Congressional Research Services says so

In a June 2009 Congressional Research Service report entitled "Broadband Loan and Grant Programs in the USDA's Rural Utilities Service" the author points out the numerous failings of these programs in rural America. Specifically he notes:

- the cumbersome application process
- the high rejection rate
- the lack of focus on truly unserved areas
- loans made to areas already served by broadband providers

USDA Inspector General has said so twice

The USDA Inspector General in a report issued in 2005 reported on these same failures. In 2008 the USDA IG in a follow-up report its 2005 report said

the key problems identified in our 2005 report—loans being issued to suburban and exurban communities and loans being issued where other providers already provide access—have not been resolved.

The process continues to be slow, cumbersome and expensive and is even for more difficult for Indian tribes. RUS proposed a rule in 2007 to fix some of these problems, but the rulemaking process has dragged on. The fundamental problem is that RUS is operating with an ultra-conservative banker's philosophy. They are very proud of the fact that they only have a 0.7% default rate, but this has been accomplished, by only making the safest loans and in many years only expending a portion of the funding that Congress has authorized for them while at the same time rejecting many applications.

Farm Bill 2008 SUTA provisions not implemented

In the 2008 Farm bill Congress created the substantially underserved trust area preference for tribes, but no rulemaking has started and no tribe has benefited from this provision despite repeated requests from the tribal community.

ARRA Broadband Funding

Only a small number of tribes applied to RUS in Round 1 broadband funding. As yet the only major funding request granted that was by a tribe was a satellite based system that covers both Native and non-native areas in southwest Alaska. Despite input from NABA, NCAI and many other tribes and tribal organizations, the provisions of RUS' Round 2 have actually been worse for tribes. In Round 1, RUS had a provision that matched the spirit of the legislation and gave 100% grants to rural remote that were more than 50 miles from any town. In round 2, RUS went back to their banking routes and eliminated this provision.

RUS also has had limited effective outreach to tribes. To their credit as part of the recent of workshops for Round 2 funding, they had pre-workshop programs for minorities in some of the workshop cities, but very few tribal leaders were aware of these pre-workshops, nor which of the pre-workshops were actually targeted to tribes. RUS also has recently clarified some of the Round 2 provisions in a way that will allow some tribes to be considered for funding, but at this point the time to file any application for funding is very short.

Recommendations

When looked at as a whole RUS has not gotten broadband access to enough tribes. So what should be done?

Move funds to the FCC

One solution would be to move $150 million of funds to the Federal Communications Commission. They have listened to tribes and in staff presentations to the full Commission have said publicly that a Tribal Broadband Plan will be included in the National Broadband Plan. In addition there Indian Telecommunications Initiative has been an effective outreach to tribal community. Chairman Genachowski has said that every American should have access to broadband. By providing funding to the

FCC for tribal lands they can not only provide service to the tribes, but also all of the communities along the path of the broadband lines to the reservations.

Some people have questioned why go to the expense of providing broadband services to low density rural areas, a recent news story entitled "UC San Diego's Wireless Research and Education Network Benefits Scientists and Societies in Southern California" illustrates just some of the benefits that rural broadband provides. This article highlights how broadband on tribal reservations and 20,000 square miles of arid, rural remote lands from southwest Arizona and across the California border area have used wireless broadband. Among the uses mentioned; tribes created the Tribal Digital Village for education, cultural preservations and communications, and scientists used broadband for real time seismic and flash flood monitoring. Firefighters, farmers, meteorologists and tourist all use the wireless broadband available in this area. As this article shows broadband creates jobs and benefits everyone.

Move funds to the BIA

The Office of CIO NOC in Herndon, Virginia manages a network operation center that manages the IT systems and communications for 200 tribal schools. $150 million dollars could be put to immediate use expand these lines to bring broadband to entire reservations.

Set aside grants funds at RUS for tribes

Congress could also require that RUS make up for past lack of funding by requiring that these funds be used for tribal broadband. Alternatively, Congress could limit funding to only unserved areas until all areas have at least minimal broadband service. Regular reporting and timetables would also be appropriate to make sure the money goes where it is most needed.

Conclusion

Now is the time to make sure that all Americans have access to broadband. To make up for past inequities tribes should receive their funding first. By simply connecting the most remote areas first all of the other areas in between will also be opened up to broadband access. These remote areas will also be easier to connect since there are no or limited legacy systems and few other demands for the wireless spectrum used.

PREPARED STATEMENT OF DR. PATRICK ROCK, PRESIDENT-ELECT, NATIONAL COUNCIL OF URBAN INDIAN HEALTH

Urban Indian Health Programs (UIHP) provide culturally competent, non-duplicative health services to more than 150,000 people annually and are critical to the Indian health care delivery system. The 34 clinics and programs across the United States are a critical safety net for Indian people living in urban centers. During these difficult economic times, ensuring the stability of this small but important part of the Indian health delivery system is even more necessary than ever. We would like to thank Chairman Dorgan and the Senate Committee on Indian Affairs for recognizing the importance of these small but vital programs. SCIA has consistently fought for the Urban Indian Health Program. We thank the Committee for recognizing that:

- UIHPs overcome cultural barriers
- UIHPs save costs and improve medical care by getting Urban Indians to seek medical attention earlier
- UIHPs reduce costs to other parts of the Indian Health Service by reducing their patient load
- UIHPs are a key provider to many uninsured urban Indians who may not go elsewhere for health care services

Today's Urban Indians are descendants of those tribal people who were relocated in the 1950s as part of the federal relocation program established by the Bureau of Indian Affairs. Congress has consistently acknowledged the government's trust responsibility extends to American Indians and Alaska Natives (AI/AN) living in urban settings. A Senate report relating to the Indian Health Care Amendments of 1987 noted: "The responsibility for the provision of health care, arising from treaties and laws…in exchange for the cession of millions of acres of Indian land *does not end at the borders of an Indian reservation."*

Urban Indian Health Disparities

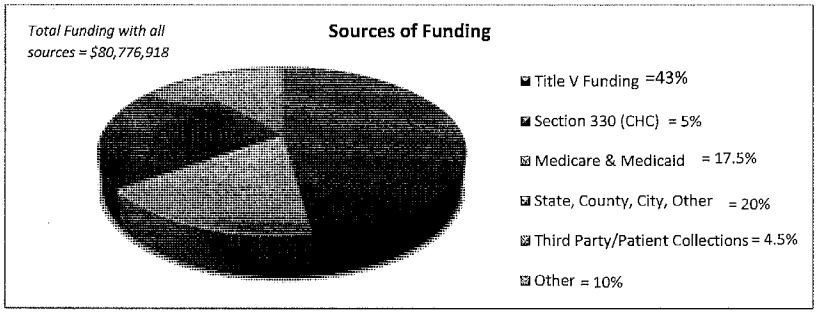
Urban Indians share in the same health disparities as other American Indians and Alaska Natives living in their tribal homes. Research done by the Urban Indian Health Institute in Seattle, WA demonstrates the alarming health disparities of Urban Indians. The following statistics show rates that are significantly higher than the general U.S. population:

Health Issue	Percent higher than U.S. Population
Diabetes	54%
Chronic liver disease and cirrhosis	126%
Mortality (due to accidents)	38%
Alcohol related deaths	178%
Sudden Infant Death Syndrome	157%

These statics demonstrate the continuing need for the Urban Indian Health Program. Moreover, the ongoing recession has added additional stressors to urban Indian communities such as rising unemployment, loss of health insurance, and homelessness. Many urban Indian health programs have seen their new patient numbers soar during the past year while also watching many traditional sources of resources wither. The Hunter Health Clinic in Wichita Kansas reported an additional 1,200 new patient inquires in one month alone when the local airplane construction company closed down. The NATIVE Project in Spokane, WA reported increased seeing roughly 25 to 50 new patients a month for a period of several months when tribal business failed, forcing Indian people to relocate from their reservation homes to the urban centers to search for work. Many Indian health programs are facing the same strain on their already stretched resources. The need of urban Indian people for these programs as a source of health care and community stability is great, and this need will only continue to grow as the economic environment continues to decline, or if the economic recovery is a jobless recovery.

Leveraging Funding to Increase Services

Title V health programs and clinics excel at leveraging their Indian Health Service dollars to obtain additional funding from other Federal, State, and local sources. The breakdown of how Title V clinics and health programs are able to leverage funds is show below:



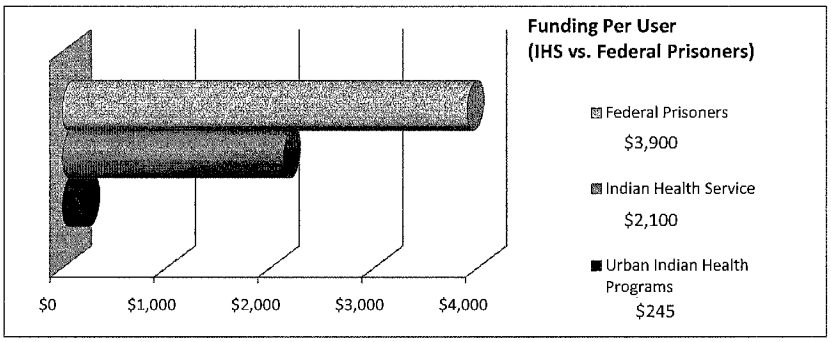
As a general rule the 34 programs and clinics constituting the Urban Indian Health Program are able to leverage two new dollars for each dollar of original investment. The ability

of the program to effectively seek out additional funding by leveraging the base funding from IHS makes the UIHP a sound investment as a social program.

While Title V programs are adept at finding other sources of funding, they are only able to do so with through a solid initial investment by the Indian Health Service. When that base funding is insufficient to maintain core services the competitiveness of the Urban Indian Health Programs for other private and federal grants is badly damaged. When the competitiveness of the UIHP clinics and programs is damaged it is ultimately the patients who suffer.

Comparison of Funding Allocation

The fact that the Indian Health Service continues to be desperately underfunded is widely known. The FY2010 Congressional Appropriations made great strides to address this disparity, and NCUIH is relieved that the Indian Health Service was not included in the Obama Administrations' FY2011 budget freeze. Senator Dorgan and the Senate Committee on Indian Affairs has long recognized the need for the UIHP and consistently sought to fund the UIHP and the entire IHS at the highest possible level. NCUIH hopes that Congress will follow the White House's lead. While NCUIH and the entirety of Indian Country is intimately familiar with the dire economic straights that the country finds itself in, we urge Congress to recognize the continual underfunding of the Indian health delivery system. Due to the chronic underfunding of the Indian Health Service, the Urban Indian Health Program is also desperately underfunded as the chart below demonstrates:



In light of this data, the National Council of Urban Indian Health urges Congress follow the Obama Administrations' recommendations as they continue to work towards fully funding the Indian health delivery system despite the hard economic realities that we all currently face. Furthermore, the ongoing recession has forced many states to cut their health programs and Medicaid reimbursements to the bone, drastically undercutting key sources of funding for urban

Indian health clinics. With an economy in a recession and unemployment rates continuing to rise, many clinics are reporting increased patient loads that are straining their already tight budgets. Health care costs are one of the primary reasons for individual bankruptcy filings. If AI/AN patients are unable to receive care at UIHP clinics and programs the likelihood that they will be forced into bankruptcy increases, which then increases the likelihood of their return to their home reservations, thus straining tribal budgets and social services.

Moreover, unlike Community Health Centers, the Indian Health Service, and other federally funded health programs, the Urban Indian Health Program did not receive any funds under the American Recovery and Reinvestment Act. This left urban Indian health programs to deal with the impact of the recession unbolstered by the increase in federal funds other health programs received. Despite the significant increase in funds under the FY10 Congressional Appropriations, which is only just now being dispersed to Urban Indian Health Programs, the UIHP is still significantly underfunded and struggling with the affects of the recession. As the recession leads States to continue to slash Medicaid reimbursements and eligibility, as well as other critically need health and social welfare programs, the urban Indian health programs are increasingly dependent upon federal funds through the UIHP line item to make up for lost revenue. With the history of the UIHP underfunding and in light of the continuing economic troubles, the National Council of Urban Indian Health respectfully asks Congress to fund the Urban Indian Health Program at $46 million, the amount proposed by President Obama in his proposed budget.

Budget Request

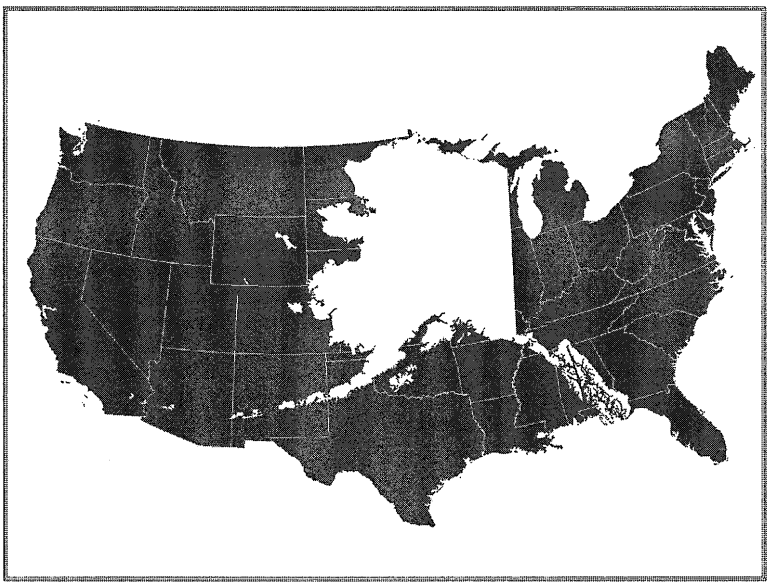
The National Council of Urban Indian Health requests Congress follow the President's FY2011 Proposed Budget and increase the UIHP line item to $46 million over the FY2010 Appropriations of $44 million. While this elevation in funding will not address the total need, it will help NCUIH and the UIHPs accomplish several goals in the future.

1. Improve access to and quality of health care services for AI/ANs living in urban areas.
2. Serve the unmet needs of the Urban Indian Health Program population.
3. Stabilize service levels in the face of increased State budget cuts and shortfalls.
4. Develop a Health Information Technology (HIT) system that effectively captures health status and patient care data.
5. Develop, expand, and stabilize the UIHP 3rd Party billing capacity.

PREPARED STATEMENT OF KAWERAK INCORPORATED

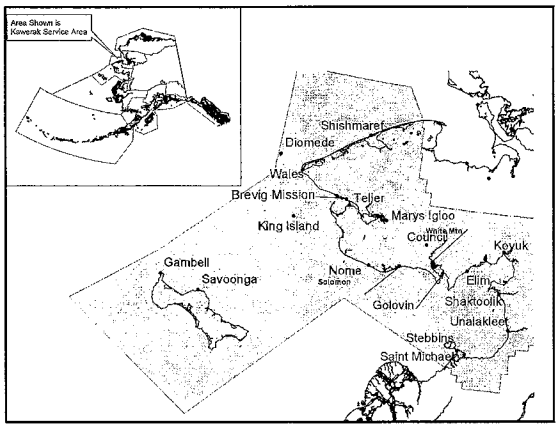
Thank you for this opportunity to testify on the BIA Budget needs of Alaska Tribes and Tribal Members.

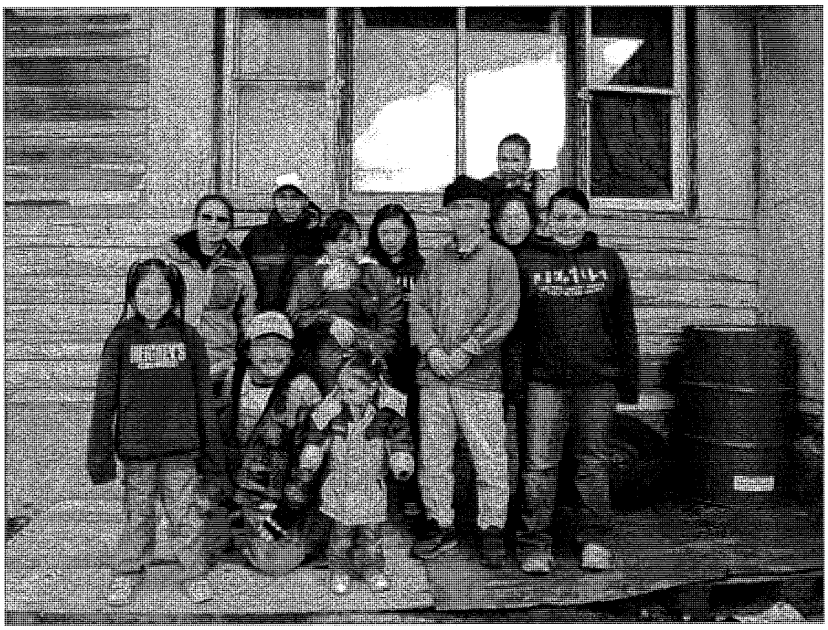
First some background and common indicators on Alaska Natives.



Alaska has 231 federally recognized tribes spread across the State of Alaska, which is approximately 663,000 square miles. Enrolled Tribal members number approximately 125,000 – 130,000;

Under the Alaska Native Claims Settlement Act, Alaska was divided up into twelve regions. ANCSA settled aboriginal title in the State of Alaska. ANCSA did not terminate the tribal governments in the State, many of which reorganized under the IRA back in the 1930's -1950's. ANCSA did abolish the reservations in the State of Alaska, except for Metlakatla. Those villages with reservations were able to take their prior reservation lands in fee simple in lieu of cash and land through ANCSA. Gambell, Savoonga and Elim all took this option. St. Lawrence Island (where Gambell and Savoonga are located) is 100% owned by the Native people on the Island.





Our population is young: 44% of the Alaska Natives in the State of Alaska are 19 years of age and younger. Alaska Natives are eligible for BIA Services because of their status as Native Americans and members of federally recognized tribes.

Carpentry Trainees – Nome.

Because of our young population and need for employment, our training needs are great. In 2008, Kawerak provided 84 scholarships to tribal members , 224 students participated in our Village Based Training classes, 64 students were funded to attend Adult Vocation training and 41 adults received their GED through our ABE Program – all funded with BIA TPA funding.

Most Alaska Natives continue to rely on subsistence caught foods for much of their nutrition. Our cultures are based on hunting, fishing and gathering off the land – which is still practiced extensively in rural Alaska. These folks have formed a boat chain to pull a whale back for butchering.

Subsistence hunting and fishing are important not only for cultural, but also for economic reasons.

Community	Fuel Price May 2008
Brevig Mission	$7.11
Diomede	$7.28
Elim	$8.33
Gambell	$7.88
Golovin	$5.32
Koyuk	$8.06
Saint Michael	$8.06
Savoonga	$7.65
Shaktoolik	$7.18
Shishmaref	$7.91
Stebbins	$7.98
Teller	$6.78
Unalakleet	$7.23
Wales	$7.98
White Mountain	$6.31
Nome	$5.80
Average	$7.30

Air freight – Anch to Nome - $.83/lb.

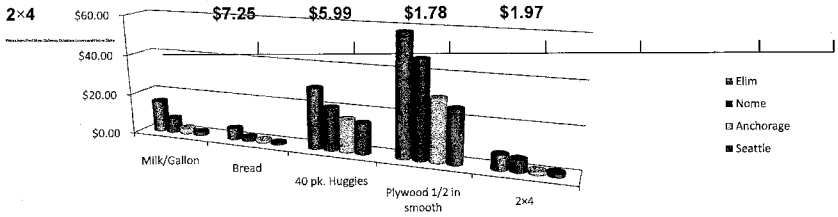
Barge Truck – Seattle To Nome - $3,000 – $5,700

Nome/Vil/Nome - $314 RT

Nome/Anch/Nome - $550 RT

Nome/DC/Nome – 3 wk. advance -$1,200 Last minute - $1,800

	Elim	Nome	Anchorage	Seattle
Fuel Oil/Gallon	$8.09	$5.29	$3.42	$2.31
Gasoline/Gallon	$7.25	$4.99	$2.35	$2.13
Milk/Gallon	$15.80	$7.49	$2.99	$1.99
Bread	$5.75	$2.09	$1.39	$0.99
40 pk. Huggies	$29.77	$20.99	$15.99	$14.99
Plywood 1/2 in smooth	$58.39	$46.95	$29.97	$25.88
2×4	$7.25	$5.99	$1.78	$1.97



Common Indicators:

- Alaska Natives per capita income is 51% of the non-Native income;
- Half of Native families have incomes below $30,000 a year – as compared with 25% of non-Native families. And since we know that Native families are on average larger, those lower incomes often support more people;
- Incomes are especially low in remote areas – Alaska Natives in remote areas have, on average, incomes about 60% of Alaska Natives in other parts of Alaska;
- Less than half of adult Natives have jobs, compared with 73% of non-Native men and 64 % of non-Native women. Native jobs are also more likely to be part-time or seasonal. Only 35% of jobs held by Native people are full-time year round compared to 60% of jobs held by non-Natives.
- The remote areas where incomes are lowest are also the places where costs are highest.
- The following chart shows that low income Alaskans spend 80% of their household income paying their electrical and heating expenses.

Table 4. Total cost of gas, electricity, and heating fuel for those who pay at May 2008 prices.

Household Income		*Anchorage*	*Kenai & Mat-Su*	*Mid-Sized & Roaded*	*Remote Rural*	*Total*
$28,715 and below	*avg.*	16.2%	43.1%	29.9%	80.5%	37.6%
$28,716-$52,021	*avg.*	4.4%	9.7%	7.9%	18.2%	8.2%
$52,022-$78,601	*avg.*	3.8%	6.0%	6.6%	11.6%	5.9%
$78,602-$119,777	*avg.*	3.0%	4.1%	5.7%	8.1%	4.5%
over $119,777	*avg.*	2.1%	2.7%	3.9%	5.7%	3.0%
Total		*5.4%*	*14.2%*	*10.6%*	*31.6%*	*11.9%*

Source: Institute of Social & Economic Research (ISER)
University of Alaska, Anchorage

Education Attainment

The Bureau of Indian Affairs operated village schools in much of rural Alaska. In 1985, all the BIA schools were transferred to the State of Alaska and the State became responsible for the education of Native children. Alaska Natives are not eligible to receive BIA school funding except for Johnson O'Malley funds.

73% of Alaska Natives statewide have high school diplomas as opposed to 90% of non-Natives though this varies widely by region. In the Bering Straits region, 47% of our adults 20 years of age or older – do not have a high school diploma.

6% of Alaska Natives have a four year college degree as compared with 25% of other Alaskans;

Approximately 10% of Alaska Native high school students statewide drop out of high school. This picture shows Head start students in Savoonga.

Public Safety

Public safety in Rural Alaska is provided by : 1) the Alaska State Troopers who are located in the sub-regional centers; and 2) State funded Village Public Safety Officers – there are approximately 70 funded positions state wide.

Almost 2/3 rd's of the villages in rural Alaska either have no law enforcement at all or they have Village Police Officers –hired by the 2nd class cities or the tribes - who have no training whatsoever.

Alaska Tribes are not eligible for BIA Law Enforcement funding, nor do they receive Tribal Court funding, though many tribes have active Tribal Courts.

Health Delivery System

In rural Alaska, Health services are provided at village clinics by Village Health Aides. These are village residents who receive tiered training and provide services under the direction of a doctor usually located in the sub regional centers (like Nome) around the State. Serious situations, weather depending, are medivaced by small plane into Nome and frequently on to Anchorage. Doctors, PHS dentists, and Mental Health Clinicians travel out of the sub-regional centers to our villages perhaps two –three times a year.

While 2/3rds of the villages in rural Alaska have voted themselves "dry" (no alcohol allowed) or "damp" (alcohol may be shipped in but not sold), alcohol continues to fuel high rates of domestic violence, child abuse, and violent death.

The leading causes of death in the Bering Straits Region are:
1) Unintentional injuries (accidental death);
2) Malignant Neoplasms (cancer);
3) Intentional Self Harm - Suicide; and
4) Diseases of the Heart.

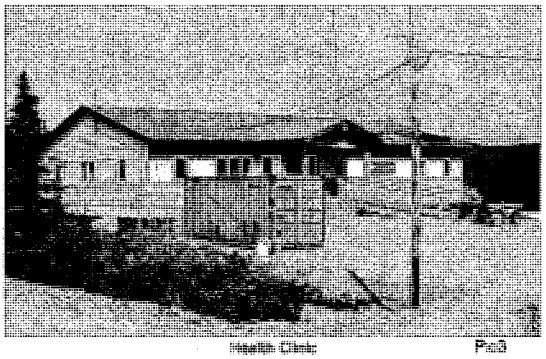
Fetal Alcohol Spectrum Disorder rates doubled in the 1990's. The increase may be due in part to increased access to alcohol and improved reporting. Alaska Natives have 5 cases/1,000 births as compared to .2 cases/1,000 live births for non-Natives.

Wellness Indicators

Suicide rates in the Bering Strait region are staggering: they are three times higher than the Alaska rate and six times higher than the national rate. 41 people took their lives in 14 of our 16 communities between 2002 and 2006. 100% of them were Alaska Native, many of whom were teenagers and young adult men, and 93% were from our villages.

Alaska Natives make up 19% of the State population:

- 25% of the children in Alaska are Native children and 50% of the children in State protective custody are Native children. 100% of the children in State's custody in the BSR are Alaska Native. Our ICWA provided services to 143 children during FY 08 in our region.
- 35% of the inmates in Alaska prisons are Alaska Native.



Health Clinic

Natural Resources - Tribes and Tribal Consortiums are very committed to insuring our continued ability to live off the land. Here you see Kawerak staff installing a fishery weir, so that we are able to count returning salmon and collect samples. Alaska tribes/tribal consortium receive very limited funding for Natural Resources Management. Ie., Kawerak received a total of $218,987 in natural resources funds on behalf of the 18 tribes in our tribal consortium, out of the $147 million appropriated in FY 08.

Natural Resources Management

Of the $218, 987 received in FY 08, $161,773 was from Agriculture line item within the BIA Budget. These funds are dedicated in the Kawerak compact to providing support to the Reindeer Industry.

In 1937, Congress passed the Reindeer Act, which prohibited ownership of reindeer in Alaska to Alaska Natives. In the Act, Congress provided for up to $1.5 million to be appropriated annually in support of the Reindeer Industry. Funding has never been requested by BIA and appropriated specifically for this purpose.

We have approximately 15,000 head of semi- domesticated reindeer on the Seward Peninsula, in 21 herds owned by Native individuals and Tribes.

Marine Mammal Protection Act

Under the Marine Mammal Protection Act, Alaska Natives are the only group authorized to take marine mammals for subsistence purposes. We use the remainder of our very limited Natural Resource dollars to conduct studies and participate in forums to insure that our ability to hunt marine mammals and other game is not unduly restricted or eliminated.

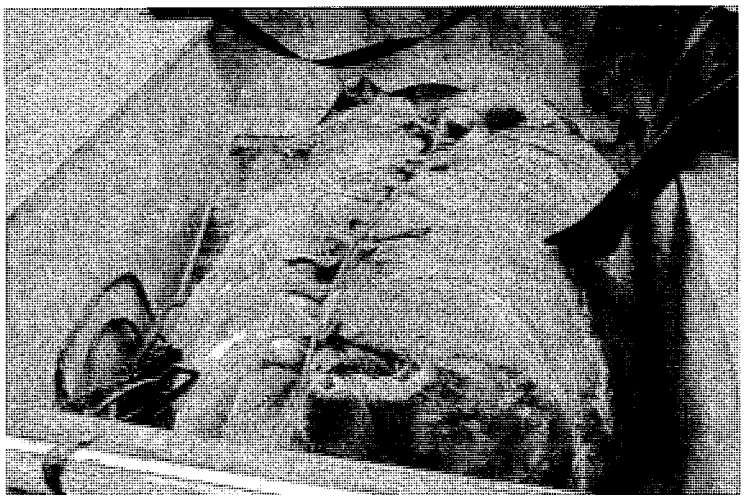
Our communities routinely hunt bowhead, minke and beluga whales, seals, walrus, and polar bear and participate in the Int'l Whaling Commission , Eskimo Walrus Commission, the Nanuq (polar bear) Commission and Indig. Peoples Council on Marine Mammals, as well as the Fed. Subsistence RAC and State Fish and Game Forums.

Under Title 8 of ANILCA, rural Alaskans are provided a subsistence priority on federal lands, when resources are limited.

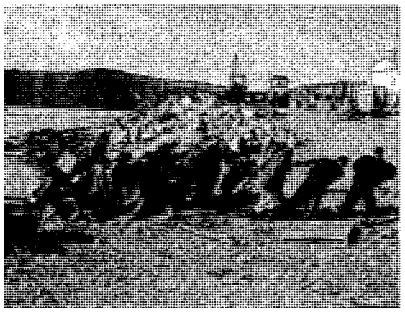
This is Mike, out spring time hunting in the Bering Sea.

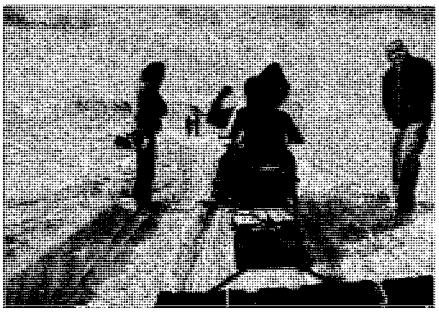
Pulling up an "oogruk" or bearded seal on the sea ice to butcher – these generally range from 300-600 pounds.

"Meat ball" – used to bring meat home and to keep it clean – folks on St. Lawrence Island age the meat balls in permafrost pits.



Because Alaska is so large and a relatively young state, there is a great need for infrastructure development, particularly in the remote, predominantly Native communities in the State. There are no roads to most of rural Alaska, so all food, consumer goods, building materials, comes in either by air freight or by barge during the summer months. These are pictures of Diomede which has no dock, or airport. They have a heli-port. The USPS provides once a week mail service. In the background is Big Diomede – which is Russian territory. In picture 2, people are traveling by snow machine to an ice air field which has been cleared on the sea ice in front of Diomede. Little Diomede had no helicopter service between July 8 and December 15, 2009. Residents were essentially stranded. Diomede does not receive Essential Air Service funding because at the time the EAS act was passed, they did not have regularly scheduled air service.





Infrastructure needs, continued

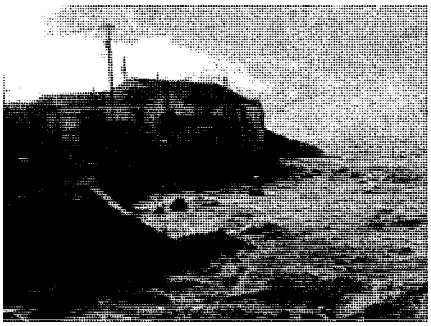
The following needs are representative of villages in rural Alaska.

- **Golovin (1/30/07):**
- Water and Sewer/Year 'Round Water Source
- Relocation of Generator Building/Alternative Energy
- Rock Quarry/Heavy Equipment
- Erosion Control
- Roads, Including to Subsistence Areas
- New Store Building
- Small Boat Harbor
- Own Zip Code/New Post Office
- Recreational Building/Day Care
- Crosswind Runway

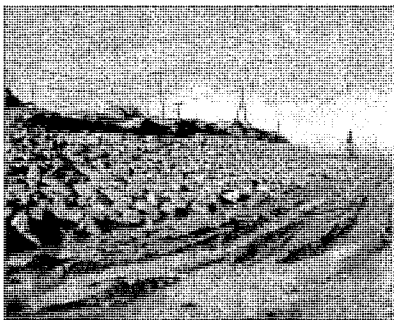
- **Shaktoolik (6/4/07):**
- bulk fuel tank farm/power plant
- evacuation route/gravel site development
- erosion control
- multi-use building
- new housing development
- environment/subsistence/wildlife conservation
- water system upgrade
- Shaktoolik boat harbor
- community roads upgrade land expansion and site control

Alaska Tribes and Tribal Consortiums are increasingly able to access IRR's funding. Funds are used to address the transportation infrastructure needs in our villages.

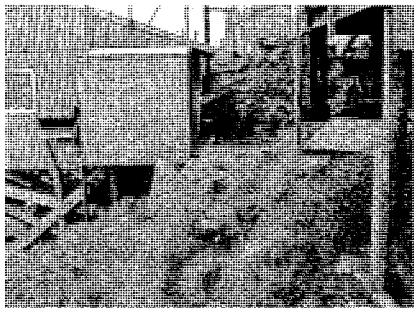
Shishmaref – in need of protection for roads and infrastructure

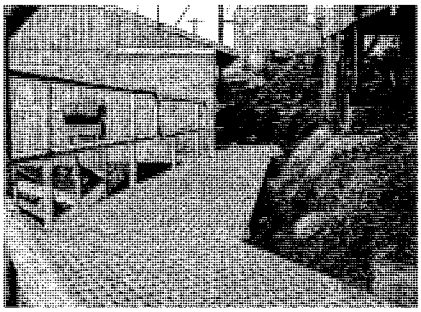


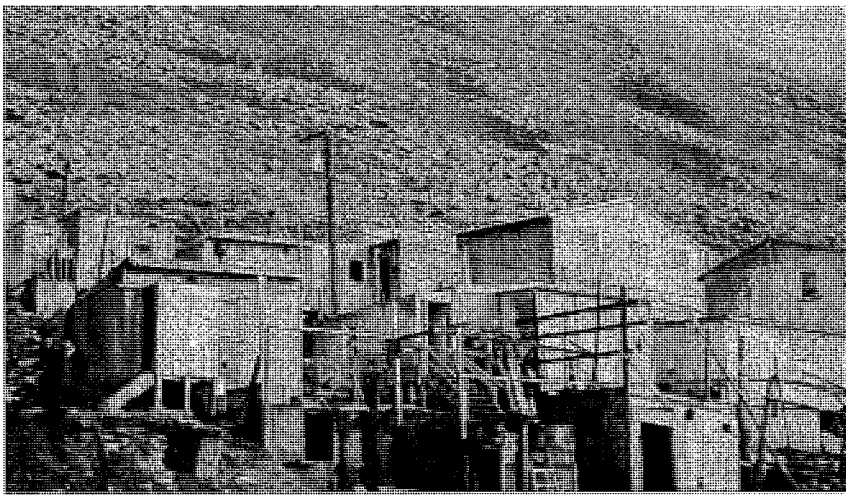
After a seawall was installed to help protect Shishmaref's roads and buildings.



Board walk in Diomede – Before **. . . . And after.**

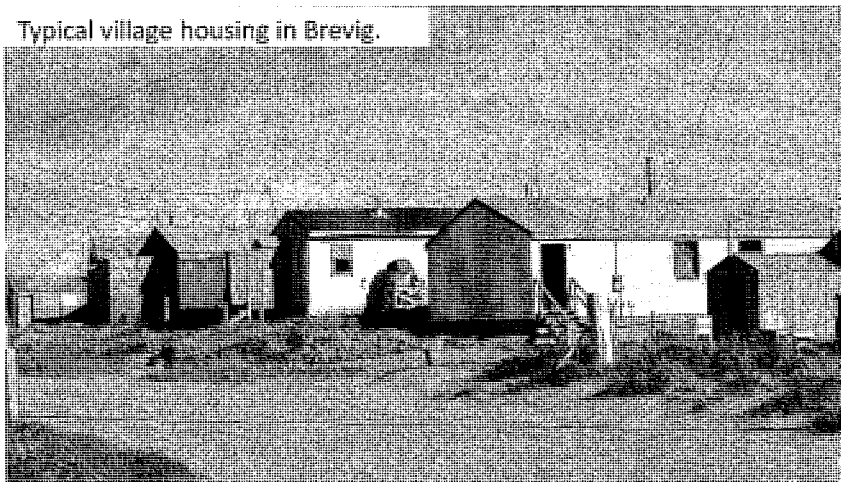






Housing

Housing is a huge need in rural Alaska. . . Houses are overcrowded – we have on average twice as many people per household as the national average. It is extremely expensive to construct homes in rural Alaska since all materials must be barged or flown in. In the 1980's, Kawerak received enough money to construct 8 homes in Gambell. Now, the funding that is made available on a per unit basis is not enough to fully fund the construction of 1 home annually.


Typical village housing in Brevig.

Land Status

ANCSA lands – Alaska Native Corporations own in fee simple – 44 million acres. They are the largest private land owners in the United States. In the BSR, the village corporations own 1.725 million acres and Bering Straits Native Corporation owns 2.24 million acres. We receive no funding to help manage, protect or develop our lands.

Native Allotments/Vietnam Veteran Allotments - There are approximately _____ Native Allotments in the State of Alaska. In the BSR, we have 1,077 Native allotments and 237 Restricted Town site lots, for a total of 1,314 parcels encompassing 84,977.78 acres. We have seen increased directed funding for Realty Services over the past ten years, due to the Cobelle litigation.

Tribal Budget Priorities as approved/proposed by the TBAC

2008	2009	2010	2011	2012
Education	Education	Pub. Safety	Pub. Safety	Pub. Safety for the tribes
Law Enforce	Law Enforce	Education	Education	Education " "
Cont. Sup.	Cont. Sup.	Econ. Devel.	Econ. Devel.	Eco. Devel " "
Nat. Res.	Nat. Res.	Natural Res.	Natural Res.	Nat. Res. " "
			Cont. Sup.	Cont. Sup. " "
				Small and Needy " "
				TPA General Increases " "

ARRA $'s

In FY 09, significant amounts of new money was appropriated to the BIA for:

IRR Road Construction -$310 million
BIA Road Maintenance - $143
HIP - $20 million
BIA School Replacement - $132 million
BIA School Rehab - $136 Million
BIA Workforce Const. Trng. - $6 million

Budgetary Impacts on Contractors

In reviewing the budgetary impact to Kawerak between 2000 and 2009, we found that:

- Our total BIA funding had decreased 22.3%;
- Our direct dollars (excluding 477 and one time money) had decreased 2.4%;
- The consumer price index for Anchorage increased 22.82% between 2000 and 2009;
- We estimate our Tribal member service population increased by 10%.

Our core funding level has gone done while the cost to provide services and our service population has increased. We lost buying power because of inflation.

Recommendations

In reviewing where increases have been made to the BIA Budget over the years, much of the increases have been in areas of the BIA Budget, which Alaska Native Tribes are not eligible to access: Public Safety, School Operations, Public Safety and School Construction and Central Office operations.

In 1994, the budget subcommittee of the joint reorganization task force recommended (and the full committee concurred) that all Small and Needy Tribes in the lower 48 should receive a minimum TPA allocation of $160,000 and that Alaska Small and Needy Tribes should be allocated a TPA base of $200,000. In 1998, the recommendation to bring all S & N tribes nationwide to $160,000 was implemented. The recommendation to fund Alaska Small and Needy tribes at the recommended minimum funding level of $200,000 has never been implemented.

We respectfully request and recommend that:

- the minimum TPA funding level for Alaska Small and Needy tribes be increased to $200,000 as recommended in the 1994 BIA Budget Task Force Report;
- Tribal Priority Allocation funding nationwide be increased by 25% to bring it current with inflation;
- further that TPA be adjusted annually, to keep it current with inflation;
- BIA use the authority per the 1937 Reindeer Act to make funds available to support the reindeer industry;
- Diomede be made eligible for a 100% Essential Air Service subsidy so that once a week helicopter passenger service can be provided.

BIA TPA dollars are continuing funds that can be directed to areas of high need, unlike competitive grant dollars, that come and go. BIA TPA dollars constitute core funding around which other services revolve and we encourage continuing increases to this budget category in the BIA budget, such that TPA is kept current with inflation, population growth and the cost of providing services.

Thank you for this opportunity to testify.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. TOM UDALL

Secretary Echohawk, as was discussed in the hearing, in May of 2007, the Department of Interior Inspector General published a report entitled 'Bureau of Indian Affairs and Bureau of Indian Education: Schools in Need of Immediate Action.' This study looked at a number of schools, mostly in Arizona but a couple in my state, New Mexico. The study's conclusion was:

> *BIE needs to take immediate action to address health and safety deficiencies identified in this report. Additionally, we are concerned health and safety could be a wider spread problem at other schools. In fact, BIE has identified that 69 of its schools (38%) are in poor condition. Failure to mitigate these conditions will likely cause injury or death to children and school employees.*

- Since publication of this report how has the percentage of BIE schools in "poor condition" changed? How much of this problem was and will be addressed using ARRA funds? How far would the president's proposed budget go towards dropping that 38% of schools down to 0 schools in "poor condition?"

Secretary Echohawk, The 2007 Inspector General report on some BIA schools made three recommendations to the Assistant Secretary of Indian Affairs. While you may not be able to answer for the last administration to whom these recommendations were made, has and is the BIA and BIE acting on any of these recommendations?

1. *Stabilize or vacate buildings currently in use that are in imminent danger of collapse.*
2. *Demolish or take immediate steps to prevent access to condemned buildings until they are demolished.*
3. *Develop and implement inspection and abatement plans to identify and mitigate all health and safety hazards at BIE schools.*

Secretary Echohawk, I know that some of the federal agencies were overwhelmed by the influx of ARRA funding for various programs. If Congress restored funding for school and detention center facilities construction to at least FY10 levels, would BIA have the capacity to process and use both this and the ARRA funding in a timely manner?

Ms. Roubideaux, I understand that funding new facilities and funding for the maintenance and improvement of existing facilities is a tricky balance. However, I am concerned about many facilities in New Mexico, especially the Gallup Indian Medical center. After reviewing the IHS's budget and proposed projects, the Gallup facility is again not listed to receive funds.

- Can you please explain to me the rationale between deciding why and where to build new facilities and why or why not facilities from the priority list are not being helped? And for the facilities still on the priority list, specifically the Gallup facility, can you provide a forecast on how they will be addressed?

Director Roubideaux, I am encouraged that funding for IHS has increased. As you know, one of the concerns of this committee is mental health. One of the first hearings held in the committee in the 111th Congress was on youth suicide in Indian Country.

- What mental health priorities, beyond suicide prevention, will IHS be focusing on in the next year?

Associate Attorney General Tom Perrelli, I commend the President and the DOJ for looking innovatively at justice programs for Indian Country and proposing a 7% set-aside for tribal governments for programs within the Office of Justice Programs that are offered to state and local governments. I believe there is great potential for this set-aside.

- What kind of outreach will the DOJ do to ensure that tribe know about this set aside and the programs they can get funding for?
- Does the DOJ plan to do any sort of capacity building in Indian Country to ensure that the smaller tribes and native communities where resources for securing federal dollars may be scarce can also gain access to this funding?

Associate Attorney General Tom Perrelli and Secretary Echohawk, it is clear that there is a major shortage of officers in Indian Country. There are less than 3000 BIA and Tribal officers who patrol more than 56 million acres of Indian Lands. That is less than half the number of police in similar non-Indian communities. In my state, New Mexico, the Southern Pueblos Agency is tasked with providing direct law enforcement services for the Pueblo of San Felipe, the Pueblo of Santa Domingo, the Pueblo of Cochiti, and the Pueblo of Zia, but apparently only 9 uniformed BIA police officers on staff to patrol this area right now. This is a huge area, and it is my understanding that there should be upwards of 20 to 25 officers covering that region. I applaud the DOJ for increasing the tribal COPS grant program by $27 million in the President's budget, and I hope that this will help many of our tribal communities.

- What do you believe is the shortfall in BIA and tribal police officers, and how much of that need will President's Budget address?
- Will you take a look at the situation with the Southern Pueblos Agency in New Mexico to ensure that the Pueblos I mentioned have the law enforcement that they need to keep their communities safe?

Secretary Echohawk, can you speak a little on Indian housing in the President's Budget? As I understand it, the NAHASDA Block Grant program is proposed to receive a $120 million cut, training and technical assistance programs are significantly reduced, and the Indian Community Development Block Grant program is level funded. I understand that there were significant investments in ARRA that will offset these cuts, but ARRA was designed to be additional money – funding above the annual spending.

- How much of the Indian Housing funds from ARRA been used?
- Does HUD have the capacity to take on more funding, or is the ARRA investment overwhelming the capacity of the agency, at least in terms of Indian housing projects?
- How does the President's budget reflect the goal to reduce overcrowding by 10% in Indian Country?

Secretary Echohawk, can you speak to the reduction in funding at the Office of Special Trustee? I commend the you and the President for perhaps recognizing the inefficiencies within the Office of Special Trustee that do not merit funding, and I have been please to see the Cobell settlement so close to completion.

- Can you describe the reductions at the Office of Special Trustee, and any efforts being taken to reform that office to improve record keeping etc.?

Secretary Echohawk, I am concerned that there is still a significant chunk of the DoI and DoJ budget dedicated litigating tribal trust cases and continuing work in the American Indian Records Repository, a repository that, as I understand it, is in such disarray that it will take decades to sift through the boxes of

paperwork before even a chance of productive use can come of the documents held therein. Would this funding not be better used settling the upwards of 100 tribal trust cases?

- What is the status of tribal trust cases?
- How is DOI responding to these cases?
- Is there some intent to settle on some of these larger cases, such as Navajo, Laguna, and the Jicarilla Apache's cases once Cobell is completely settled?

Secretary Echohawk, Ms. Whitefoot, representing the National Indian Education Associate, requested funding for technical assistance for AYP's in her testimony.

- Can you please tell me what types of technical assistance are offered to BIE and tribal schools to meet either applications for programs or waivers under the NCLB?

Mr. Perrelli and Mr. Echohawk: The Department of Homeland Security has grants for Tribes to assist them in strengthening their communities against potential terrorist attacks. While reading about these programs, I began to think about strengthening Tribal communities against harmful side effects from illegal immigration and illegal trafficking. As we begin to explore comprehensive immigration reform, I would like to make sure that Tribes are not left out of the discussion. The jurisdictional maze of reservations almost acts as a safe haven for illegal immigration activities.

- Are there programs that help Tribes who are inundated with illegal drug trafficking, human trafficking and home invasions?

Secretary Echohawk and Associate Attorney General Tom Perrelli, it is my understanding that in the last 6 or 7 years the BIA and the DOI Inspector General have both done reports on tribal detention facilities, both of which had alarming findings.
The 2004 Inspector General's report states in its findings that
"BIA has failed to provide safe and secure detention facilities throughout Indian country. Our assessment revealed a long history of neglect and apathy on the part of BIA official, which has resulted in serious safety, security, and maintenance deficiencies at the Majority of the facilities."

- Considering the dire reports on the situation in tribal jails, does the BIA and DOJ have a plan for addressing this alarming situation? How does the cut in jails construction funding in BIA's budget fit into this plan?
- I believe part of the justification for the $50.7 million reduction in tribal jail construction in the President's budget is that the DOJ has funding for construction. Has the DOJ's budget in the President's proposal been increased to offset this cut?
- Does the DOJ have the funding in their budget to handle maintenance and repair of jails?
- Does the DOJ have the funding in their budget to handle the backlog in construction of tribal jails?
- What is the current backlog in construction?
- I understand that ARRA funds may have been helpful in this area. To what extent have tribes been able to secure ARRA funds for jail construction from both DoJ and BIA? What impact has this had on the backlog of construction?

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BYRON L. DORGAN TO HON. THOMAS J. PERRELLI

1. **With regard to the FY 2011 Budget, can you please tell the Committee what the level of funding will be under this proposal for Indian jails construction?**

   Answer: The Department of Justice's FY 2011 proposed budget includes a seven-percent set-aside for tribal efforts from the Office of Justice Programs (OJP). The set-aside, if enacted, would result in $139.5 million in OJP funds dedicated to improving public safety and combating crime in tribal communities. This would be an increase of about 80 percent from FY 2010 funding levels.

   This proposal was developed after extensive consultation with tribal leaders and organizations. Tribes described their needs not only for increased resources, but for greater flexibility in using resources to address their specific community needs. The proposed set-aside would provide this flexibility. As such, there is no specific amount designated for any one purpose, including construction of detention facilities. The Department encourages tribes to develop comprehensive strategies to improve their criminal justice systems including law enforcement, courts, and corrections. The set-aside would provide funds to help implement those strategies. This could include constructing detention facilities, but that would depend on each Tribe's comprehensive strategic plan.

2. **In addition, please explain details of the Justice Department's coordination efforts with the BIA and tribes in forming a long-term plan to address detention center needs?**

   Answer: The Department has developed a strong working relationship with the BIA and will continue to work collaboratively with BIA as each agency moves forward with tribal detention construction projects. From the start of the Recovery Act funding process, BIA staff have been directly involved with the Department's staff, actively participating in conference calls and regional meetings with ARRA tribal grantees. The work that has been initiated will lead to the formation of a joint long-term plan to address detention center needs.

3. **Will the Department consider changes in the current application process to account for the unique circumstances of some tribal justice systems?**

   Answer: The Department has already changed its application process for tribal grant programs. In response to tribal input, the Department's three grantmaking components – OJP, the Office of Community Oriented Policing Services (COPS), and the Office on Violence Against Women (OVW) – collaborated to streamline the process for existing

tribal government-specific grants. Together, these components implemented the Fiscal Year 2010 Coordinated Tribal Assistance Solicitation (CTAS). The CTAS combines most of the Department's available tribal grant programs into one solicitation. That means a tribe will only have to submit one application, which will cover all of these programs. It also encourages tribal governments to coordinate local planning and to develop comprehensive strategic plans for their community justice system needs.

This is our first step to simplify a process that would have required at least ten separate solicitations. We are committed to working with tribes to explore further ways to improve our grant application process.

4. **The Justice Department's Budget includes $23 million to fund 110 FBI agents in Indian Country, and the Interior Budget will reimburse Justice $19 million to fund an additional 45 agents along with 36 other FBI support positions. Please explain how and why this arrangement was developed, and whether tribal governments were consulted.**

Answer: The Departments of Justice and the Interior are working to better coordinate law enforcement efforts in Indian country. The request by the Bureau of Indian Affairs for $19 million to be provided to the FBI both recognizes and formalizes the cooperation necessary to effectively promote a more unified Federal response to law-enforcement issues in Indian Country. We have been in regular contact – and, in many instances, formal consultation – with Tribal governments and other representatives on our many initiatives in this area. The Bureau of Indian Affairs and the FBI have decades of experience working together. The reimbursable agreement would be similar to the arrangement that exists between the FBI and the Department of Health and Human Services with respect to health-care fraud investigations, and will ensure that the FBI agents are dedicated to and deployed in Indian Country. Working together, the strengths of both agencies will contribute to a stronger Federal response to serious crime in Indian country.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. TOM UDALL TO HON. THOMAS J. PERRELLI

1. **What kind of outreach will the DOJ do to ensure that tribes know about this set-aside and the programs they can get funding for?**

   Answer: The Department has done extensive outreach for the Fiscal Year 2010 Coordinated Tribal Assistance Solicitation (CTAS) and would build on those efforts should the set-aside be enacted for Fiscal Year 2011. Some examples of the CTAS outreach include:

   - Contacting all federally recognized tribes by phone, e-mail, fax, and regular mail to notify them about CTAS.
   - Retooling the Tribal Justice and Safety Web site (http://www.tribaljusticeandsafety.gov) to include up-to-date grants and CTAS information.
   - Providing a single 1-800 number at DOJ for tribes to make inquiries and to seek technical assistance.
   - Hosting a CTAS Webinar and a series of weekly teleconferences during the grant solicitation period to answer CTAS questions.
   - Providing information to tribal organizations and tribal media on a regular basis to inform them of updates, important deadlines, and helpful resources.
   - Reaching out to the key Congressional committees and members of Congress with significant tribal populations in their States/districts.
   - Delivering CTAS presentations at tribal conferences.
   - Coordinating field contacts with tribes through our Executive Office for United States Attorneys.
   - Informing other Federal agency colleagues and soliciting assistance with education and outreach to their tribal points of contact.
   - Planning and conducting grant training and technical assistance sessions.

2. **Does the DOJ plan to do any sort of capacity building in Indian Country to ensure that the smaller tribes and native communities where resources for securing Federal dollars may be scarce can also gain access to this funding?**

Answer: Yes. As I discuss above, our Coordinated Tribal Assistance Solicitation (CTAS) will make it easier for Tribes to gain access to the Department's grant funding, by enabling tribes to submit a single consolidated application rather than what once required several applications. The Department also offers extensive training and technical assistance to tribes in other ways. For example, in FY 2009, OJP's Bureau of Justice Statistics (BJS) sponsored the two-year Recovery Act-Tribal Crime Data Collection, Analysis, and Estimation project. The BJS Recovery Act initiative is designed to increase the number of tribal law-enforcement agencies that report tribe-specific crime data to the Bureau of Indian Affairs for inclusion in the FBI's Uniform Crime Report, increase the number of tribes eligible for the Edward Byrne Memorial Justice Assistance Grant program, and improve the collection of data on crime in Indian country in the criminal justice system. BJS is coordinating this project with various Federal partners including the Office of Tribal Justice, the FBI, the Department of the Interior's Bureau of Indian Affairs, and state and tribal representatives.

In addition, OJP, through its Justice Programs Council on Native American Affairs (JPCNAA), initiated national interdepartmental Tribal Justice and Safety Training and Technical Assistance Sessions. These sessions were planned with and evaluated by OJP's Tribal Justice Advisory Group (TJAG), national and regional tribal organizations, session participants and several Federal partners, including the BIA, IHS, SAMHSA, and HUD. The sessions brought together tribal leaders with representatives from various Federal agencies to discuss key law enforcement, criminal justice, and public health (wellness) issues. Federal representatives also provided information about available grants and other resources. Further, the sessions served as a natural forum for interdepartmental formal consultation sessions. The Committee staff were invited and

participated in past sessions to observe the interdepartmental collaborative efforts undertaken through this initiative.

Currently OJP, COPS, and OVW staff are coordinating training and technical assistance resources to help ensure that tribes are equipped to apply for grant funds in future fiscal years. Among other things, the Department's grantmaking components intend to examine the results of the CTAS process to identify tribes that may need additional technical assistance.

3. What do you believe is the shortfall in BIA and tribal police officers, and how much of that need will the President's Budget address?

Answer: The Department of Justice has not independently conducted research to determine the precise shortfall of BIA and tribal officers on tribal lands, but as I have previously discussed with the Committee, there is significant unmet need. The President's Budget is an essential step toward filling that need, and the Department will continue to work with its law enforcement partners to improve public safety.

4. Will you take a look at the situation with the Southern Pueblos Agency in New Mexico to ensure that the Pueblos I mentioned have the law enforcement that they need to keep their communities safe?

Answer: The new United States Attorney in New Mexico will soon be conducting a consultation with the tribes in your State, including the Southern Pueblos. During this consultation, the Department will have the opportunity to hear from each tribe about its law-enforcement needs. I will be in contact with the U.S. Attorney's Office as the consultation occurs to determine what we can do to meet the needs of these communities.

5. Are there programs that help tribes that are inundated with illegal drug trafficking, human trafficking, and home invasions?

Answer: The presence of uniformed police officers, and the resources to support them, is a strong deterrent to the problems you list. The increase in funding that we have requested for the COPS program for tribal communities will go a long way to increase the presence and visibility of officers in communities impacted by these problems. In addition, the additional funding for FBI agents and the continued funding of new prosecutorial resources in the U.S. Attorney's Offices are critical to addressing these and other types of crime in tribal communities.

6. Considering the dire reports on the situation in tribal jails, do the BIA and DOJ have a plan for addressing this alarming situation? How does the cut in jails construction funding in BIA's budget fit into this plan?

Answer: The Department and BIA have initiated collaborative efforts to address the needs of tribes to meet their detention facility requirements. The Department recognizes

the need to work closely with BIA on the funding and staffing of new construction as well as the renovation of existing facilities. The Department will continue to work closely with BIA, as we did during the ARRA process, to receive input on where the greatest needs are for new or renovation projects, and work with the neediest tribes to ensure that they are fully aware of the grant opportunities the Department may have to meet their needs. The work that has been initiated between the two Departments will lead to the formation of a joint long-term plan to address detention center needs.

7. **I believe part of the justification for the $50.7 million reduction in tribal jail construction in the President's budget is that the DOJ has funding for construction. Has the DOJ's budget in the President's proposal been increased to offset this cut?**

   Answer: The Department of Justice's FY 2011 proposed budget includes a seven percent set-aside for tribal efforts. This set-aside would replace four programs, including the Correctional Facilities on Tribal Lands program, which supports the construction of detention facilities on tribal lands. While no funding would be targeted exclusively at tribal corrections construction, the set-aside funds could be used for that purpose. This would provide tribes with greater flexibility in using resources to address their specific community needs. This added flexibility was identified as a high-priority need by many of the Department's tribal partners.

8. **Does the DOJ have the funding in their budget to handle maintenance and repair of jails?**

   Answer: Under current law, the Department of Justice does not have specific grant funds available for jail maintenance, repair, or staffing. For tribal jails, these resources have come from BIA or the tribe. Department of Justice funds can be used for tribal jail construction and renovation.

9. **Does the DOJ have the funding in their budget to handle the backlog in construction of tribal jails?**

   Answer: As previously noted, while no funding would be targeted exclusively at tribal corrections construction in the Department of Justice's FY 2011 proposed budget, the set-aside funds could be used for that purpose. We anticipate that tribes will use these funds to address their greatest needs; undoubtedly for some, this will be a tribal detention facility.

10. **What is the current backlog in construction?**

    Answer: The BIA keeps these figures. However, it is worth noting that the Department's ARRA Correctional Facilities on Tribal Lands Program is funding 20 construction/ renovation projects for a total of $219,999,058. The ARRA also provided almost $4.5 million for training and technical assistance for the tribes to assist with their projects. The construction and renovation projects range from large detention facilities to

multi-purpose justice centers to alternative sentencing facilities. We anticipate that the Recovery Act will result in an important increase in capacity in the coming years.

11. **I understand that ARRA funds may have been helpful in this area. To what extent have tribes been able to secure ARRA funds for jail construction from both DOJ and BIA? What impact has this had on the backlog of construction?**

Answer: Tribes have secured their funding from OJP's Bureau of Justice Assistance. They are now initiating their projects, have participated in teleconferences and regional meetings, and are actively receiving technical assistance to ensure that they get their projects started as quickly as possible. The ARRA funding provided by the Department has assisted some tribes in addressing backlog issues, and the Department will continue to work with the BIA to reduce that backlog.