



Self-Governance Communication & Education Tribal Consortium

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Written Testimony of

The Honorable W. Ron Allen, Chairman, Self-Governance Communication & Education Tribal Consortium and Chairman/CEO, Jamestown S’Klallam Tribe to the
House Committee on Appropriations Subcommittee on Interior, Environment and Related Agencies

“2018 Appropriations Testimony for the BIA AND IHS”

May 16, 2017

On behalf of the Self-Governance Communication & Education Tribal Consortium (SGCETC), I am pleased to provide the following written testimony regarding funding priorities for Self-Governance Tribes participating in the Department of the Interior (DOI) and the Indian Health Service (IHS). Today, 272 Federally-recognized Tribes and Tribal Organizations exercise Self-Governance authority within DOI and 352 Federally-recognized Tribes and Tribal Organizations exercise Self-Governance authority within IHS to operate and manage health programs. SGCETC recognizes the hard work this Subcommittee has committed over the last few years to uphold the Federal trust responsibility and Tribal sovereignty. It is only through continued partnership and open communication that Tribal governments can achieve self-sufficiency and self-determination. We hope that the Subcommittee will continue to champion Indian Country’s priorities and to empower Tribal governments to meet the needs of Tribal citizens.

As such, Self-Governance Tribes make the following recommendations to strengthen Tribal governments, economies, and programs:

Hold Tribal programs and services harmless from future sequestration, budgetary rescissions, or reductions.

Tribal governments experienced heavy budgetary cuts as a result of the 2012 sequester. These cuts affect direct services to Tribal citizens, which include, but are not limited to, public safety, social welfare, and health care services. As you begin to deliberate the FY 2018 appropriations for the BIA and IHS, Self-Governance Tribes first, ask your support to urge Congress to restore Tribal funding cuts and, second, to uphold the Tribal trust responsibility and amend the Budget Control Act of 2011 to exempt Tribal funding from future sequesters.

Mandatory Funding for Contract Support Costs.

Self-Governance Tribes deeply appreciate the work that this Subcommittee and others have done to achieve full funding for contract support costs (CSC). Tribal governments can now improve and expand services for Tribal citizens rather than decrease or eliminate services to cover indirect costs necessary to properly manage programs. Under the indefinite appropriation structure created by the Fiscal Year 2016 Consolidated Appropriation Act, Tribal direct services are protected from reductions. Self-Governance Tribes ask that, at a minimum, the Subcommittee protect this structure, but further request that the Subcommittee consider moving CSC funding to a mandatory category to further protect from any future reductions.

Bureau of Indian Affairs

Increase Tribal Base Budgets and Recurring Funding as opposed to grant funding

Tribal Self-Governance is the most successful policy in the history of Tribal-Federal relations because it stimulates efficient and effective government spending. Increases to Self-Governance Tribal Base Budgets will allow Tribes to fund core Tribal government programs such as community and economic development, natural resource management, and community safety. However, Self-Governance Tribes have noticed a troubling trend that DOI and BIA are moving one-time funding opportunities to grants that are restrictive in nature – undermining core Self-Governance tenants. This trend allows DOI to heavily regulate the administration of Tribal programs and prevents grants from being transferred through Self-Governance Agreements, which in turn, hinders Tribal governments' ability to re-design programs to better meet the needs at the local level and impedes economic self-sufficiency.

Fully fund Fixed Costs and Tribal Pay Costs.

Most Federal agencies receive annual increases to their Fixed Costs levels each year to address inflationary costs associated with Fringe Benefits and Pay Costs. However, historically, Tribes are treated differently resulting in significant job losses. Self-Governance Tribes request that the Subcommittee fully fund Fixed Costs and Tribal Pay costs and treat Tribes the same as our Federal counterparts who, prior to Self-Governance, operated similar programs to those that are now managed by Tribal governments.

Increase funding for Tribal Courts, including those in PL 280 jurisdictions.

Each year Self-Governance Tribes rank public safety as one of our highest priority need areas. Self-Governance Tribes often use other one-time funding or Tribal discretionary funding to support this public service without a regular tax base like other governments and despite the Federal trust responsibility to create safe communities. As recently as 2015, BIA estimated that only 6% of the total need for Tribal courts is currently funded. Self-Governance Tribes request that the Subcommittee implement an incremental plan in order to close the gap between funding and the significant need in Tribal communities.

Instruct Indian Affairs to internally transfer recurring funding to the Office of Self Governance to properly execute its mission.

The Office of Self Governance has sixteen staff members who distribute \$450 million to nearly half of all Federally-Recognized Tribes participating in Self-Governance, negotiate annual funding agreements with eligible Tribes and consortia, coordinate the collection of budget and performance data from Self-Governance Tribes, and resolve issues that are identified in financial and program audits of Self-Governance operations. However, Indian Affairs currently provides just \$1.5 million on a recurring basis for an office that needs at least \$1.9 million to support a full staff. We request that the Subcommittee increase the budget line item for OSG staffing or include language that instructs Indian Affairs to internally transfer recurring funding to OSG.

Fund the Indian Guaranteed Loan Program, Surety Bonds, and Development Bonds at a minimum of \$15 million.

The Office of Indian Energy and Economic Development's (OIEED) Division of Capital Investment oversees the Indian Loan Guarantee Program and loan subsidy program, and has

authority to support surety bonding for Indian contractors. The Loan Guarantee Program promotes Tribal sovereignty, Tribal and Native-owned business, and economic development unlike SBA-certified support. Additionally, the OIEED operated revolving credit facility has a \$15 return from private sector lenders for every \$1 in Federal funds. With a small addition to the program's annual credit subsidy, the total amount of financing available in Indian Country could rise from \$100 million to \$250 million. As this Administration and Congress prioritizes rebuilding America's infrastructure and creating America's job, this relatively small investment could have a huge impact in Indian Country and rural America.

Indian Health Service

While Self-Governance Tribes support the work of the Tribal Budget Formulation Workgroup and all the recommendations for increases in FY 2018, SGCETC would like to advance these priorities forward as well.

Support Mandatory Funding for IHS.

The mission of the IHS is to raise the health status of American Indians and Alaska Natives (AI/AN) to the highest possible level. This mission stems from the Federal trust responsibility to provide health services, resulting from treaties, court decisions, and other agreements whereby Tribes ceded vast amounts of land. This trust responsibility is not only a moral and ethical obligation, but also a legal responsibility of the Federal government to Tribes and AI/AN. Despite this responsibility, the IHS budget remains in discretionary appropriations. Although a relatively small portion of the overall appropriation, IHS funding is a tremendous impact in Indian Country. To ensure that the Federal obligations are more consistently met and to bring parity with other Federal health programs, such as Medicare and Medicaid, Self-Governance Tribes recommend that the IHS appropriation be moved to instead be a mandatory appropriation.

Support Advanced Appropriations for IHS.

Since FY 1998, there has been only one year (FY 2006) when the Interior, Environment, and Related Agencies budget was enacted by the beginning of the fiscal year. Late funding creates significant challenges to Tribes and IHS budgeting, recruitment, retention, provision of services, facility maintenance, and construction efforts. Providing sufficient, timely, and predictable funding is needed to ensure the Federal government meets its obligation to provide health care for AI/ANs and bring IHS to parity with other Federal agencies who provide health care and receive advanced appropriations, such as the Veterans Health Administration. Enacting advanced appropriations for the IHS will provide more stable funding and sustainable planning for the entire system by appropriating funding two years in advance.

Increase Facilities Funding.

Self-Governance Tribes recommend that the Subcommittee work to fund increases to the IHS Facilities funding, including increases for Maintenance & Improvement, Sanitation Facilities Construction, Health Care Facilities, and Environmental Health Support. Dedicated funding and coordination of other Federal agency funding to increase the number of facilities and take care of current facilities is critical to meeting Indian Country's growing need for quality health care and curbing public health concerns in rural and remote communities like Alaska.

Increase funding for Purchased/Referred Care Program.

The Purchased/Referred Care (PRC) Program pays for urgent, emergent, and other critical services that are not directly available through IHS and Tribally-operated health programs. Generally, these funds are vital to securing critical care needed to treat injuries, cardiovascular and heart disease, diabetes, and cancer, just to name a few. At current funding levels, most IHS and Tribally-operated programs are only able to cover Priority I (life and limb) and some Priority II services required for AI/AN patients. In FY 2013 IHS denied 146,928 eligible PRC cases that amounted to a total \$760.9 million in unmet need. The current strain on PRC programs is not likely lighten as the industry trend to construct smaller, outpatient ambulatory care centers grows. Self-Governance Tribes urge the Subcommittee to consider this priority area to increase access to critical care for AI/AN patients.

Environmental Protection Agency

Increase funding for the Indian General Assistance Program.

The Indian General Assistance Program (IGAP) allows Tribes to leverage environmental programs to best serve their communities. Many of these programs include protecting communities, managing natural resources, initiating energy efficiency activities, and small scale renewable energy projects. IGAP funding is particularly critical in rural and remote communities like Alaska, where it provides fundamental needs like safe drinking water and basic sanitation facilities, which is a major disparity that many AI/AN currently face. In 1999, \$110,000 was set as the average cost for a Tribe to sustain a basic environmental program. However, this amount has not kept up with inflation, leaving Tribes with just sixty-seven percent (67%) of the buying power in 2017. An additional \$98 million is needed to close the inflationary gap.

Increase the Tribal set-aside for the Safe Drinking Water State Revolving Fund (SRF) to five percent of the national Drinking Water SRF.

Access to basic modern amenities such as running water, sewage, or electricity, are an afterthought for many American citizens, however many AI/ANs do not have the same luxury. According to the U.S. Census Bureau, approximately 12% of Tribal homes do not have safe or basic sanitation facilities, which is twenty times as high as non-Native homes. The lack of access to basic sanitation facilities poses a serious risk to the public health of Tribal communities. The 2008 IHS Sanitary Deficiency Service Database estimated the Tribal water and sewer infrastructure needs at almost \$2.4 billion, while the Tribal set-aside under the Safe Drinking Water SRF was funded at \$27 million nationally in 2010. Therefore, we ask that the Subcommittee increase the Tribal set-aside to provide additional opportunities to build necessary infrastructure to support safe drinking water require all agencies with similar funding to coordinate, with IHS as the lead agency, to ensure that all AI/ANs have safe water.

Conclusion

Self-Governance Tribes appreciate the Subcommittee's commitment to uphold the Federal trust responsibility and work to strengthen Tribal sovereignty and authority with budgets that support Indian programs and unobstructed opportunities to build Tribal economies.

Thank you for the opportunity to share the appropriations priorities of Self-Governance Tribes with the Subcommittee. We look forward to your continued partnership.