



Self-Governance Communication & Education Tribal Consortium

Testimony Submitted for the Record to the Democratic Steering and Policy Committee and House Committee on Natural Resources

Impact of the Partial Government Shutdown on Indian Country Submitted by the Self-Governance Communication and Education Tribal Consortium

January 17, 2019

On behalf of the more than 370 Tribal Nations that currently participate in Self-Governance, the Self-Governance Communication and Education Tribal Consortium (SGCETC) would like to thank both the Democratic Steering and Policy Committee and Committee on Natural Resources for holding the hearing on January 15, 2019, on “Shutdown Impacts on Indian Country and the Environment”. While it may only be a partial Federal shutdown, the magnitude of the impacts to our Tribal Nations will be felt throughout Indian Country forever.

Each of the Tribal Nations that participate in Self-Governance enter into agreements with the Department of the Interior (DOI) and/or the Indian Health Service (IHS) (or both) to transfer Federal resources and programs from Federal administration to Tribal administration as a means of upholding trust and treaty obligations. Tribal Nations currently participating in Self-Governance know that the effect of increased Tribal control and decision-making authority over their lands, resources, and the welfare of their citizens is increased social and economic well-being.

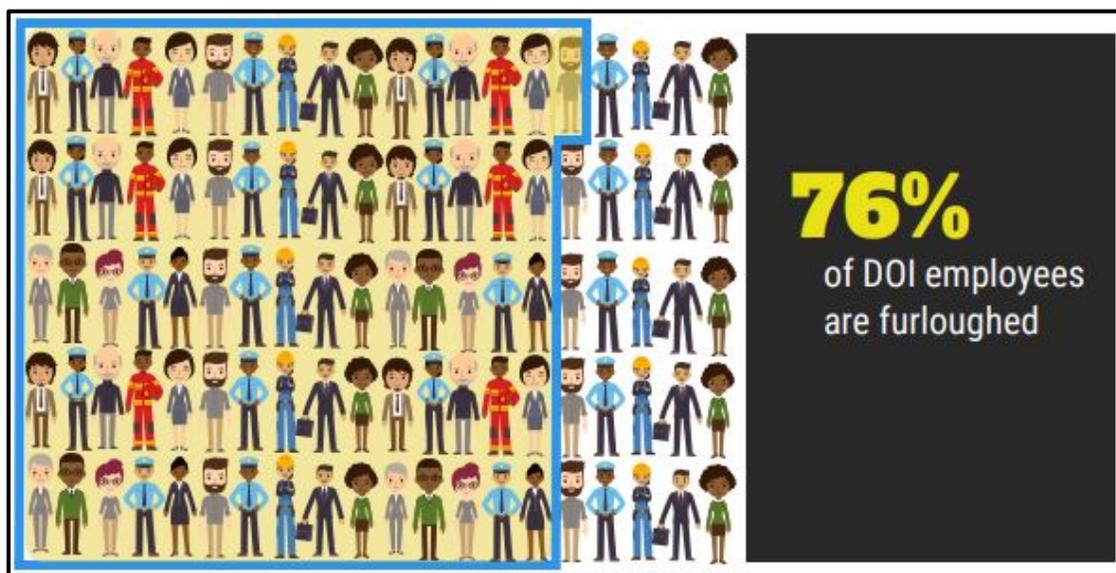
The success of Tribal Self-Governance requires both the Tribal Nation and the Federal government to uphold obligations agreed upon in legally binding compacts and other agreements. Unfortunately, the Federal government is not upholding its responsibilities agreed to in the compacts and other agreements. Tribal leaders spent decades working with Congress to establish this new relationship that is based on mutual respect of sovereignty and recognition that Tribal governments are more effectively meeting the needs of their local communities than was ever performed by the Federal government. This partial shutdown hinders Tribal government efforts to support and improve the well-being of their communities and demonstrates that the Federal government has once again turned a blind eye to upholding its obligations and responsibilities when it comes to Indian country.

The Shutdown Highlights Disparity in Funding Vehicles

This shutdown also highlights the disparity in funding vehicles within the Federal government. For instance, other Federal health programs are specifically exempted during a shutdown, yet the Indian Health Service, which is already severely underfunded to fulfill its mission to deliver health care to American Indian and Alaskan Natives (AI/AN) - a very vulnerable population, is not. In addition, the U.S. Commission on Civil Rights recently reported that six Federal agencies—DOI, Department of Justice, IHS, Department of Education, and the Department of Housing and Urban Development (HUD)—are primarily responsible for programs that serve Tribal Nations and their citizens. **Five of the six agencies with significant responsibility to implement programs that serve Tribal Nations and their citizens are included in the government shutdown.**

In addition, the Department of Agriculture (USDA) as well as other Federal agencies, play a critical role in Indian Country and they are also impacted by the shutdown. Some of these agencies are among those with the largest percent of furlough. For example, approximately 76 percent of employees at DOI are furloughed during the shutdown, nearly 70 percent of employees and the USDA are furloughed, and 95 percent of employees at HUD are furloughed.

Figure 1: Percent of employees at the Department of the Interior that are furloughed



The Shutdown Will Have Harmful and Long-Lasting Effects on Tribal Communities

As you heard from the witnesses called to testify on January 15th, the effects of the shutdown on Indian country are vast and is not possible to list all of the effects in this statement. While the government shutdown will not affect all Tribal Nations in the same way, we believe that the breadth and longevity of this shutdown will have negative consequences for nearly all aspects of Tribal government operations and will have long-lasting effects on the health and well-being of our communities.

Each Tribal Nation is unique in many ways and each Tribe will seek opportunities to weather the Federal government shutdown to the best of their ability. As this shutdown prolongs, Tribal Nations are instituting hiring freezes, laying off employees, putting essential infrastructure improvement and economic development projects on hold, and curtailing services offered to their citizens. Some Tribal Nations are being forced to reduce services that are essential for the health and welfare of their citizens, including social service programs, food distribution programs, and law enforcement. Unfortunately, even as these services are being curtailed or halted, Tribal governments are still required to pay for administrative costs (such as energy costs, rent, etc.) regardless of funding freezes. In addition, economic development projects that are vital for the sustainability of our communities are jeopardized as Federal approval for permits, leases, and small business loans are placed on hold. For example, a Tribal Nation reported it is missing out on \$400,000 weekly because its timber industry is hamstrung during the shutdown.

The effects of curtailed services and paralyzed economies extend beyond Tribal communities. For example, non-native veterans living in some rural areas may utilize Tribal health programs to receive medical attention. The Alaska Native Tribal Health Consortium reported in 2015 that more than 75 percent of the veterans served by the Tribal health care facilities were non-native and the 2017 VA Executive Summary Report states that hundreds of veterans in Northern Arizona receive care through Tribal and IHS clinics. Both native and non-native veterans are harmed when Tribal health programs are forced to cut back on health services. In addition, Tribal economic ventures have a positive impact for neighboring communities and the state economy. A 2012 study found that activity on Tribal lands contributed \$3.5 billion worth of value to the Washington State economy.¹ As Tribal economies are

¹Taylor, Jonathan. *The Economic and Fiscal Impacts of Indian Tribes in Washington*. 2012.

harmed by the continuing lapse in appropriations for key Federal agencies, the effects will be felt in neighboring communities and state economies.

The Shutdown Highlights the Need for Both Short-Term and Long-Term Actions

Tribal Nations that participate in Self-Governance and Self-Determination government-to-government relations with the United States are all too familiar with delays in the Federal government upholding obligations identified in the compacts, contracts, and other agreements. As such, many Tribes have contingency plans in place to ensure that when the Federal government doesn't honor its obligations, the Tribal government can utilize reserves or borrow funds from financial institutions to try and minimize the impact on Tribal citizens and employees. However, contingency plans are generally designed to mitigate short-term situations and the longevity of this shutdown is already outlasting the ability of some Tribes to rely on contingency plans and reserves. In addition, many of the options available to Tribal Nations to address the lack of Federal support have an associated cost—either a direct monetary cost, such as interest payments on funds borrowed from a financial institution, or an opportunity cost when funds are prematurely removed from investments or reallocated away from planned economic endeavors.

The effects of this prolonged shutdown also underscore the importance of DOI to make significant improvements to its process to disburse resources obligated to Tribal Nations under contracts and compacts in a timely manner as agreed upon between the Federal and Tribal governments. Several Tribal officials reported during a recent call that the effects of this shutdown are even more detrimental to their communities because they have yet to receive all of their fiscal year 2018 funds or any fiscal year 2019 funds even though DOI was required through agreements to provide funds by October 31, 2018. As such, these Tribes have already depleted reserves and are once again incurring the hardships which are a result of general mismanagement by Federal personnel when the Federal government was operational prior to December 21, 2018. All Tribal governments are facing unfathomable effects as a result of this shutdown, but Tribal Nations that elected to exercise their inherent sovereignty through Self-Governance are in a unique situation because the Federal government expects these Tribes to find their own alternative funding sources to keep critical services operational. Sadly, it would be much easier for Tribal governments to take on this burden if the Federal agencies fulfilled its obligations during times of normal operation.

The effects of this shutdown illustrate why we need Congress to take immediate actions to remedy the current lapse in appropriations, to ensure Federal agencies remedy deficiencies in program implementation, and to also take steps to ensure Indian country is not harmed in future political battles that hold critical services and resources as ransom. For example, Congress should immediately pass legislation that provides the Indian Health Service with advanced appropriations authority—the same authority provided to the Veteran’s Health Administration. In addition, Congress should take steps to address the findings of the U.S. Commission on Civil Rights report by funding programs and services at adequate levels to meet its trust obligations to Indian country. Additionally, Congress should pass legislation that makes all Indian programs mandatorily funded given the trust and treaty obligations of the United States.

Tribal Nations continue to be strong, vibrant nations and we continue to support all opportunities for our Nations to have the opportunity to fulfill their goals of self-government. Unfortunately, many Tribal governments’ plans related to the furtherance of self-government are being derailed as they must deal with this immediate crisis that threatens the well-being of their citizens. Thank you for the opportunity to submit this statement for the record.

Sincerely,

A handwritten signature in black ink that reads "W. Ron Allen". The signature is written in a cursive, flowing style.

W. Ron Allen, Tribal Chairman/CEO, Jamestown S’Klallam Tribe and
Board Chairman, Self- Governance Communication and Education Tribal Consortium