S. Hrg. 115–402
THE PRESIDENT'S FISCAL YEAR 2019 BUDGET REQUESTS FOR INDIAN PROGRAMS

HEARING
BEFORE THE
COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE
ONE HUNDRED FIFTEENTH CONGRESS
SECOND SESSION
APRIL 11, 2018
Printed for the use of the Committee on Indian Affairs
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THE PRESIDENT'S FISCAL YEAR 2019 BUDGET
REQUESTS FOR INDIAN PROGRAMS

WEDNESDAY, APRIL 11, 2018

U.S. Senate,
Committee on Indian Affairs,
Washington, DC.

The Committee met, pursuant to notice, at 3:00 p.m. in room 628, Dirksen Senate Office Building, Hon. John Hoeven, Chairman of the Committee, presiding.

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

The CHAIRMAN. I call this oversight hearing on the President's Fiscal Year 2019 budget to order.

Today the Committee will receive testimony on the President's Fiscal Year 2019 budget request for Indian programs. On February 12th of this year, Congress received the President's Fiscal Year 2019 budget request. This oversight hearing provides an opportunity to receive important feedback on funding requests for Indian programs.

The President's budget outlines the Administration's plan to build a safer and more prosperous Nation. As we consider the President's proposal, we must keep in mind both our Nation's fiscal state and the Federal Government's trust responsibility to Native Americans.

Last month, the Committee held briefings with Federal agencies and tribal organizations to discuss the President's budget. From these briefings, two points were clear. First, as a Nation, we have to do a better job of living within our means, and we must use every taxpayer dollar responsibly and effectively. Second, we must balance the fiscal state of our Nation with the Federal Government's trust responsibility to Indian tribes, which includes funding key programs and services for Native communities.

There were several positive recommendations put forth in the President's budget. The President's budget request included modest increases for some critical Indian programs, such as an increase in funds for health care and the repair and renovation of Bureau of Indian Education schools. However, there were also proposed cuts to other public safety, education and social services programs.

As we think through the current state of tribal communities across our Nation, we must be mindful of our national debt and deficit as well as the needs of tribes. Additionally, we must discuss how we can make more effective and efficient use of Federal dollars
in Indian Country. To that end today, we will hear from two key Federal agencies and two tribal organizations regrading the President’s budget request.

I want to thank our witnesses for being here today with us. I am looking forward to hearing your testimony.

Before we turn to our witnesses, I want to recognize the Vice Chairman for his opening statement.

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

Senator Udall. Thank you so much, Chairman Hoeven. I really appreciate your calling this oversight hearing to discuss the Administration’s budget proposal for fiscal year 2019.

It is also a timely hearing in light of Congress’ recently-enacted Omnibus Appropriations Bill for fiscal year 2018. The Omnibus is a step in the right direction toward the Federal Government fulfilling its trust and treaty obligations to Indian Country. Unfortunately, the same can’t be said of the Administration’s fiscal year 2019 budget proposal.

The Administration’s rhetoric about respecting tribal sovereignty and investing in Indian Country simply does not align with this budget proposal. As the head of the Office of Management and Budget said recently, the Administration’s budget proposal is only a “messaging document.” If that is the case, the Administration sent a very concerning message about its priorities for Indian Country in fiscal year 2019.

It is totally inadequate, an insult to Indian Country with sweeping, irrational cuts to tribal programs in an effort to reduce the Federal Government. Particularly when programs within DOI and HHS, programs that Indian Country specifically sought increases for, were instead targeted for cuts. As you can see from this chart right here behind me, this Administration proposed gutting all of the programs that Indian Country identified as a priority.

For example, the President’s budget would eliminate the BIA Housing Improvement Program. As everyone can see from this photo, HIP dollars can have a huge impact in Indian Country. As Admiral Weahkee can attest, the housing needs at Zuni, where this photo was taken, are tremendous. The photo shows just how far HIP dollars can go to provide folks a place to call home. In this case, for an elderly Carla Alahuapo.

HIP and many other BIA programs are pillars of the Federal Government’s trust and treaty obligations. But yet again, they would be either significantly reduced or eliminated entirely. Infrastructure grant programs in Indian Country also take a hit, like the Indian Community Development Block Grant that Pueblos, including Santa Clara and Acoma use for elderly housing needs. Not to mention BIE and IHS construction backlogs, which at the Administration’s proposed funding levels would take centuries to address.

As you can see from these photos, infrastructure needs in New Mexico’s tribal communities are very real. These are but a few examples of Indian Country’s overall need. Although the President has made law and order a cornerstone of his political message, this budget would undermine public safety in Indian Country. Court
systems and an effective police force go to the core of self-governance. Yet these programs don’t escape this Administration’s cuts either. Program cuts mean less money for housing block grants, less money for hospitals and schools, less money for roads, less money for managing Indian Country’s natural resources, all critically important for economic development in Indian Country.

I am proud that Senator Murkowski and I, along with other appropriators, Senator Hoeven is included in there, put together a responsible omnibus for Fiscal Year 2018 that acknowledges and respects tribal priorities. We increased funding for IHS by half a billion dollars and increased funding for the BIA and BIE by another $204 million. These are important steps toward funding levels that meet our solemn obligations to Indian Country.

Thank you to our tribal witnesses for being here today. And thank you to the Administration for appearing here. I am glad the Administration will have the opportunity to hear directly from tribal representatives at this hearing. Thank you very much, Mr. Chairman.

The CHAIRMAN. Are there other opening statements? Yes, Senator Murkowski.


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

Senator Murkowski. Just very, very briefly. I appreciate the opportunity to highlight a couple of things where I think we have acknowledgement that there are some things that we entirely disagree with, with this proposed budget, but that there are some areas that I think we see some increases that I think are promising.

I do have some issue with some of the proposals that the Administration has chosen to zero out. Many of our Alaskan tribes depend on programs like the Small and Needy Tribes funding, very, very important. Tribal Climate Resilience, you talk to my communities out in places like Kivalina or Shishmaref, those are very important. The Housing Improvement Program, the HIP program, critically, critically important for us. Johnson O’Malley, I think we also see some major deductions in social services programs that we have spent a lot of time coordinating with the agencies and the tribes to develop the most helpful and most effective social services programs. So I am going to be looking to those to make sure that we have appropriate funding.

There are some areas that I do think I can certainly get behind. One is a proposal for a 5 percent set-aside for tribes from the Crime Victims Fund to provide services to crime victims. I think that is very important. Many say we need more than that. I agree with that, but I think that at least puts us going in the right direction.

I do think we see the Administration placing its support with the need to increase the IHS. Again, in no way is it enough, and certainly the Vice Chairman here and my ranking member on Interior Appropriations, we know it is not enough. But again, the trend is in a much better direction. So we are going to look again to make sure that we do right in these accounts.
One last area that I do have some concerns with is shifting the funding for the special, the diabetes program, the SDPI from mandatory to discretionary, especially when we are hearing from so many of our tribes the need to support mandatory funding for IHS programs. So I am going to ask for additional clarification from IHS on this proposal and why they are advocating that change.

But I thank those from the agencies today, and again our tribal representatives. We have to get moving, as we start moving on the appropriations side of things. So this hearing kicks it off, right off the bat. So I appreciate the testimony and I appreciate the Chairman and the Ranking Member.

The CHAIRMAN. Are there other opening statements? If not, then we will hear from our witnesses. Our witnesses today are Mr. John Tahsuda, Principal Deputy Assistant Secretary for Indian Affairs, U.S. Department of the Interior; Rear Admiral Michael Weahkee, Acting Director, Indian Health Service, U.S. Department of Health and Human Services, Rockville, Maryland; the Honorable Aaron Payment, Vice President, National Congress of American Indians, Washington, D.C.; and the Honorable Robert McGhee, Vice President, United South and Eastern Tribes, Nashville, Tennessee.

I want to remind the witnesses that your full written testimony will be made part of the official record. So if you could, please keep your statement to no more than five minutes, so that members have time for questions. And then we will proceed with Mr. Tahsuda.

STATEMENT OF JOHN TAHSUDA, PRINCIPAL DEPUTY ASSISTANT SECRETARY—INDIAN AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR

Mr. TAHSUDA. Good afternoon, Chairman Hoeven, Vice Chairman Udall, members of the Committee.

Thank you for the opportunity to discuss the President’s 2019 budget request for Indian Affairs. I am John Tahsuda, the Principal Deputy Assistant Secretary for Indian Affairs at the Department of the Interior.

The 2019 budget supports the Administration’s commitment to empower tribal communities. This includes focusing on improving quality of life, creating educational and economic opportunities, promoting efficient and effective governance, preserving and fostering cultural heritage and being a steward of natural resources.

Indian Affairs plays an important role in carrying out the Federal trust, treaty and other responsibilities to 573 federally-recognized tribes. We serve more than 2 million American Indian and Alaska Natives in tribal and Native communities. Interior’s programs maintain strong and productive government-to-government relationships with Native communities, helping to promote tribal nation-building and self-determination.

The 2019 budget reflects investments in important programs such as education, infrastructure and law enforcement. A major component of the 2019 budget is a focus on infrastructure. The Public Lands Infrastructure Fund legislative proposal will provide up to $18 billion to address Interior’s deferred maintenance backlog in Bureau of Indian Education funded schools as well as national parks and wildlife refuges.
Although many of the schools in the BIE system are operated by tribes, the BIE is still responsible for the oversight and maintenance of these school facilities. The estimated deferred maintenance backlog for BIE schools is $634 million, which does not include the cost of replacement for the schools in the worst condition. This is why the Bureau and the Department support this proposal and look forward to engaging further with Congress on this important issue.

The budget also promotes tribal self-determination by supporting tribal government activities. This includes providing initial Federal support for the six Virginia tribes federally recognized by an act of Congress in January of this year, as well as fully supporting contract support costs. In addition to support of the Administration’s domestic energy dominance and economic development goals, the 2019 budget request funds the community and economic development activity at $35.5 million and features investments in Indian energy activities, including resource management on tribal lands.

Lastly, the 2019 budget focuses on protecting Indian Country. An additional $2.5 million for public safety and justice activities is specifically intended to address the opioid crisis, a top priority for the Administration. Funding will provide for the hiring of 17 additional drug enforcement officers, who will be instrumental in addressing this rising epidemic in Indian communities directly, and will allow us to strengthen the Indian Country presence within Federal drug task efforts, to keep drugs from entering reservation areas to begin with.

In conclusion, the 2019 budget request maintains strong and meaningful relationships with Native communities and strengthens government-to-government relationships with federally-recognized tribes. The request delivers community services, restores tribal homelands, fulfills commitments related to water and other resource rights, executes fiduciary trust responsibilities, supports the stewardship of energy and other natural resources, creates economic opportunity and expands access to education.

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

[The prepared statement of Mr. Tahsuda follows:]
As the Principal Deputy Assistant Secretary for Indian Affairs, I have the responsibility to oversee the numerous programs within the Bureau of Indian Affairs and the Bureau of Indian Education, along with other programs within the immediate Office of the Assistant Secretary for Indian Affairs. Indian Affairs plays an important role in carrying out Federal trust, treaty, and other responsibilities to 573 federally recognized Indian Tribes. Our programs serve more than two million American Indians and Alaska Natives in tribal and native communities. The BIA provides direct services and funding for compacts and contracts for Tribes to deliver Federal programs for a wide range of activities necessary for community development including natural resource management, law enforcement, and social service programs, among many others in Indian Country. The BIE manages a school system with 169 elementary and secondary schools and 14 dormitories providing educational services to 47,000 individual students in 23 States and supports 33 BIE-funded tribal colleges and universities. Indian Affairs’ programs are built on strong and productive government-to-government relations with Tribes.

Infrastructure Investment

**Public Lands Infrastructure Fund**—Roughly 47,000 American Indian students and their families rely on Interior to deliver a quality education in a safe environment, but many of our schools are in poor condition. Some schools have structural issues, lack basic features like functional doors and windows, or are infested with mold.

A major component of the 2019 budget is the Public Lands Infrastructure Fund legislative proposal, which will provide up to $18 billion to address Interior’s deferred maintenance backlog in Bureau of Indian Education-funded schools, as well as national parks and national wildlife refuges. Although many of the schools in the BIE system are operated by Tribes, BIE is still responsible for oversight and the maintenance of the school facilities. The estimated deferred maintenance backlog for BIE schools is $634 million, which does not include the cost of replacement for the schools in the worst condition.

The Department is taking action to increase revenue from Federal energy leasing and development over 2018 budget projections and will keep 50 percent of additional revenue that is not allocated for other purposes, for Department infrastructure needs. The proposal complements the President’s national infrastructure investment initiative and recognizes the strategic importance of long-term investment in America’s treasures. This is why the Bureau and the Department strongly support this proposal and look forward to engaging further with the Congress on it.

**Construction**—The 2019 request proposes $133.3 million in new funding for Bureau of Indian Affairs Construction activities. The request also assumes the cancellation of $21.4 million in prior year unobligated balances, for a net request of $111.9 million. The proposed budget includes $28.3 million for dam safety and maintenance, $6.5 million for irrigation projects, $72.9 million for Education Construction, $10.4 million for Public Safety and Justice projects, and $12.0 million for facilities improvements related to regional and agency offices serving tribal programs operations in Indian Country including construction program management.

**Indian Country Roads**—The BIA maintains nearly 29,000 miles of paved, gravel and earth surface roads; and more than 900 bridges. The 2019 budget request includes a $28.3 million infrastructure investment in Road Maintenance.

Promote Tribal Self-Determination

The 2019 proposed budget provides $291.5 million for programs that support Tribal Government activities. Within this, the request includes $157.8 million for self-governance compact activities for self-governance tribes and $72.6 million to support Consolidated Tribal Government Programs for tribes operating under P.L. 93-638 contracts.

**New Tribes Funding**—The budget requests $1.1 million to support new tribes. This includes $960,000 to provide initial Federal support for six Virginia Tribes federally recognized by an Act of Congress in January 2018.

**Contract Support Costs**—The 2019 requested funding for Contract Support Costs is $231.0 million. The request fully supports estimated needs assuming BIA program funding at the 2019 request. The 2019 budget continues to request funding for CSC in a separate indefinite appropriations account to ensure full funding for this priority.

**Tribal Grant Support Costs**—The 2019 request includes $74.0 million to fully fund estimated Tribal Grant Support Costs for tribes which choose to operate BIE-funded schools.

Protect Indian Country

**Public Safety Programs**—The 2019 budget includes a request of $350.1 million for Public Safety and Justice Activities, of which $326.6 million directly supports 190
law enforcement programs and 96 corrections programs run both by Tribes and by the BIA as direct services. The request also includes $22.1 million for Tribal Courts and $1.4 million for fire protection activities.

Within this request is an increase of $2.5 million to address the opioid crisis in Indian Country. Funding will provide for the hiring of 17 additional drug enforcement officers who will be instrumental in addressing the rising epidemic in Indian communities directly and will allow us to strengthen the Indian Country presence within Federal drug task force efforts to keep drugs from entering reservation areas to begin with.

**Support Indian Communities**

*Support Economic Opportunities*—In support of the Administration’s domestic energy dominance and economic development goals, the 2019 budget request funds the Community and Economic Development activity at $35.8 million and features investments in Indian energy activities, including resource management on tribal lands.

*Indian Guaranteed Loan Program*—The 2019 budget request for the Indian Guaranteed Loan Program is $6.7 million which will guarantee or insures $108.6 million in loan principal to support Indian economic development.

*Human Services Programs*—Sustaining families is critical to fostering thriving Indian communities. The Human Services activity request includes $115.4 million for programs providing social services which includes $65.8 million for Welfare Assistance, and $46.6 million for Social Services and Indian Child Welfare Act protections.

**Manage Trust Resources and Lands**

*Natural Resource Programs*—The 2019 budget request proposes $153.4 million for natural resource management programs which include agriculture, forestry, water resources, and fish, wildlife and parks activities.

The BIA helps to support the management of Indian forest lands by 300 Tribes across 18.7 million acres. The budget request includes $48.9 million for Forestry programs to support development, maintenance, and enhancement of forest resources in accordance with sustained yield principles included in forest management plans. The proposed budget includes $28.0 million for BIA’s Agricultural and Range program to continue support for multiple use and sustained yield management on over 46 million acres of Indian trust land dedicated to crop and livestock agriculture. The request also includes $11.4 million for Fish, Wildlife and Parks and $8.6 million for Water Resources management activities.

*Real Estate Services Programs*—To meet our fiduciary Trust responsibilities, the 2019 budget proposes $105.5 million for real estate services programs. The requested funding supports the processing of Indian trust-related documents such as land title and records and geospatial data to support land and water resource use, energy development, and protection and restoration of ecosystems and important lands. The proposed budget includes $11.0 million for probate services to determine ownership of Indian trust assets essential to economic development and accurate payments to beneficiaries.

**Foster Tribal Student Success**

The BIE serves as a capacity builder and service provider to support Tribes in delivering culturally appropriate education with high academic standards to allow students across Indian Country to achieve success. The 2019 budget request includes a total of $741.9 million for BIE programs. Funding includes $625.9 million for Elementary and Secondary programs, $82.7 million for Post-Secondary programs, and $23.3 million for Education Management. The budget prioritizes funding for core BIE school operations while giving lower priority to activities that do not directly support BIE-funded education programs or facilities.

**Land and Water Claims Settlements**

The 2019 budget request prioritizes funding to meet Indian Settlement commitments, and proposes $45.6 million. Interior is committed to honoring enacted Indian land and water rights settlements. Settlements often end decades of controversy and contention among tribes and neighboring communities. Securing tribal and individual Indian rights to historic land and ensuring permanent access to a clean and reliable water supply is important to tribal nationhood, quality of life, economic security, and sustained fundamental cultural values. This request provides sufficient funding to complete those payments for the Navajo Trust Fund and the Navajo-Gallop Water Supply Project, both of which have enforceability dates in 2019 for BIA.
Conclusion

This 2019 budget request maintains strong and meaningful relationships with Native communities, strengthens government-to-government relationships with federally recognized tribes, promotes efficient and effective governance, and supports nation-building and self-determination. The request delivers community services, restores tribal homelands, fulfills commitments related to water and other resource rights, executes fiduciary trust responsibilities, supports the stewardship of energy and other natural resources, creates economic opportunity, and expands access to education.

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

The CHAIRMAN. Rear Admiral Michael Weahkee.

STATEMENT OF REAR ADMIRAL MICHAEL WEAHKEE, ACTING DIRECTOR, INDIAN HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. WEAHKEE. Good afternoon, Chairman Hoeven, Vice Chairman Udall and members of the Committee. My name is Michael Weahkee, Acting Director of the Indian Health Service.

I want to thank you for your support and for the opportunity to testify on the President’s Fiscal Year 2019 budget. This budget advances our mission to raise the physical, mental, social and spiritual health of American Indians and Alaska Natives to the highest level. The IHS provides Federal health services to approximately 2.2 million American Indians and Alaska Natives from 573 federally recognized tribes in 37 States.

The President’s Fiscal Year 2019 budget proposes $5.4 billion in totally discretionary budget authority for the Indian Health Service. This is an increase of $413 million above the continuing resolution amount, which was the comparison level at the time that the budget request was developed.

This budget reflects the Administration’s strong commitment to Indian Country by protecting direct clinical health care investments. It increases IHS’s discretionary budget authority by 8 percent. In order to prioritize direct clinical health care services, the budget proposes to discontinue the Health Education Program and the Community Health Representatives Program. The budget request includes $58 million to address accreditation emergencies within IHS and to improve quality of care; $955 million for the Purchased and Referred Care Program; $80 million for construction of two facilities on the health care facility priority list; $159 million to staff six new or replacement health care facilities, including three joint venture projects; and an estimated $822 million for contract support costs, which remains a separate indefinite appropriation to guarantee full funding.

The IHS remains committed to addressing behavioral health challenges, including high rates of alcohol and substance abuse, mental health disorders and suicide in Native communities. The proposed budget for these services is $340 million. Further, the budget provides $10 billion in new resources across HHS to combat the opioid epidemic and serious mental illness. As part of this effort, the budget includes $150 million for IHS grants based on need for opioid abuse prevention, treatment and recovery support in Indian Country.
The Specialty Diabetes Program for Indians is instrumental in improving access to diabetes treatment and prevention services in Indian communities. Diabetes-related health outcomes have improved significantly. The long-time trend of increasing rates of diabetes ended in 2011, and we have observed a 54 percent decrease in new cases of kidney failure due to diabetes among Native adults. The budget continues funding for this program at $150 million.

We are working aggressively to address quality of care issues across our system. In spite of ongoing challenges, involving recruitment and retention of providers, aging infrastructure, and rural health facilities, today we are able to report progress. The Pine Ridge Hospital is back in compliance with a condition of participation for emergency services. The hospital is now in a reasonable assurance period, pending a full survey to determine if it has maintained compliance.

The Rosebud Indian Hospital satisfied the requirements of the systems improvement agreement with CMS in September of 2017 and we are now awaiting re-survey of that facility as well. We are also addressing concerns, Senator Udall, in your back yard, the Navajo area, in the Gallup Indian Medical Center, the Joint Commission and CMS surveys found the hospital emergency department out of compliance with standards and conditions of participation. We moved quickly to address the findings and efforts to restore accreditation of all services surveyed by the Joint Commission continue. The facility must now undergo a full CMS survey to ensure Medicare program compliance.

We have achieved progress in the areas of oversight and management of quality. Key accomplishments include credentialing and privileging policy and process modernization, development of a standardized patient experience survey, establishment of primary care patient wait time standards. I am proud of the efforts and the commitment of the staff for the progress that has been made thus far. We are firmly committed to improving quality, safety and access to health care for American Indians and Alaska Natives.

We appreciate all of your support and I am happy to answer any questions that you might have. Thank you.

[The prepared statement of Mr. Weahkee follows:]

PREPARED STATEMENT OF REAR ADMIRAL MICHAEL WEAHKEE, ACTING DIRECTOR, INDIAN HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Good afternoon Chairman Hoeven and members of the Committee. I am Rear Admiral (RADM) Michael D. Weahkee, Acting Director of the Indian Health Service (IHS). Thank you for your support and for inviting me to speak with you this afternoon about the President’s Fiscal Year (FY) 2019 Budget Request for the IHS. This budget supports and advances our mission to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives to the highest level.

The IHS, an agency within the Department of Health and Human Services (HHS), is responsible for providing federal health services to approximately 2.2 million American Indians and Alaska Natives from 573 federally recognized tribes in 37 states. The IHS system consists of 12 Area offices, which oversee 168 Service Units that provide care at the local level. Health services are provided through more than 850 facilities managed directly by the IHS, by tribes and tribal organizations under authorities of the Indian Self-Determination and Education Assistance Act (ISDEAA), 41 Urban Indian health organizations, and through services purchased from private providers.

Our budget plays a critical role in providing for a healthier future for American Indian and Alaska Native people. Likewise, it helps us maintain the progress we
have made over the years. The President’s FY 2019 Budget proposes $5.4 billion in total discretionary budget authority for IHS, which is $413 million above the FY 2018 Annualized Continuing Resolution. It also proposes Program Level funding of $6.6 billion, which is $263 million above the FY 2018 Annualized Continuing Resolution.

Prioritizing Clinical Health Care Services

The IHS provides comprehensive health care, including but not limited to primary medical services, dental care, behavioral health services, community health services, and public health services such as environmental health and sanitation facilities, through a network of 608 hospitals, clinics, and health stations on and near Indian reservations. The budget reflects the Administration’s strong commitment to Indian Country. Specifically, the budget protects direct clinical health care investments and increases IHS’s discretionary budget authority by eight percent. In order to prioritize direct clinical health care services and the staffing of newly-constructed health care facilities, the budget discontinues the Health Education Program and Community Representatives Program.

The budget requests an increased level of funding to address accreditation issues in the IHS system and improve quality of care. An additional $29 million is requested over the FY 2018 Annualized Continuing Resolution level for a total of $58 million in funding to assist IHS-operated hospitals that are at risk or out of compliance with the Centers for Medicare & Medicaid Services (CMS) Conditions of Participation. These funds will be used to address CMS findings and may be used to sustain operations of any affected service unit.

The budget increases Purchased/Referred Care program funding that is essential for ensuring access to care by our patients by providing $955 million, which is $32 million above the FY 2018 Annualized Continuing Resolution. This program provides critical health care services through contracts with hospitals and other health care providers to purchase specialized or critical care when IHS and tribally-managed facilities are unable to provide the services directly. In addition, it supports high-cost medical care for catastrophic injuries and specialized care.

Alcohol and Substance Abuse, Mental Health Disorders, and Suicide

The IHS remains committed to addressing behavioral health challenges, including high rates of alcohol and substance abuse, mental health disorders, and suicide in native communities. The proposed budget for these services is $340 million, which is $30 million above the FY 2018 Annualized Continuing Resolution. Further, the budget provides $10 billion in new resources across IHS to combat the opioid epidemic and address serious mental illness. As part of this effort, the budget includes an initial allocation of $150 million for IHS to provide multi-year grants based on need for opioid abuse prevention, treatment, and recovery support in Indian Country.

Special Diabetes Program for Indians

The Special Diabetes Program for Indians (SDPI) provides grants for evidence-based diabetes treatment and prevention services across Indian Country. These funds have been instrumental in improving access to diabetes treatment and prevention services for American Indians and Alaska Natives. Since 1997:

- 97 percent of American Indians and Alaska Natives have access to diabetes clinical teams, a 67 percent absolute percentage increase.
- 95 percent of American Indians and Alaska Natives have access to culturally tailored diabetes education programs, a 89 percent absolute percentage increase.

These efforts have had an impact. Diabetes-related health outcomes have improved significantly in Indian communities since the inception of the SDPI. Within our communities, the longtime trend of increasing rates of diabetes ended in 2011. The diabetes program has proven successful and has contributed to a decline in new cases of kidney failure due to diabetes of 54 percent among Native adults from 1996 to 2013. In addition, there has been an eight percent reduction in the average blood sugar level of American Indians and Alaska Natives with diagnosed diabetes between 1997 and 2015. Improved blood sugar control reduces complications from diabetes.

The SDPI grant program provides funding for diabetes treatment and prevention to 301 IHS, tribal, and Urban Indian health programs. To ensure sustained and additional improvements for the health of American Indians and Alaska Natives, the FY 2019 Budget continues funding for this essential program at $150 million and shifts funding from mandatory to discretionary. Your continued support of these
funds is saving lives, improving quality of life, and reducing the cost of care across Indian Country.

Health Insurance Reimbursements

The budget assumes $1.2 billion in estimated health insurance reimbursements from third party collections. The collection of health insurance reimbursements for the provision of care to patients covered by Medicare, Medicaid, the Veterans Health Administration, and private insurance allows IHS and tribally-managed programs to meet accreditation and compliance standards. It also allows IHS to expand the provision of health care services by funding staff positions, purchasing new medical equipment, and maintaining and improving health care facilities.

Access to Quality Health Care Services through Improved Infrastructure

The budget proposes $159 million for staffing of newly constructed health care facilities. This funding will support staffing and operating costs for three Joint Venture Construction Program (JVCP) projects: Muskogee (Creek) Nation Health Center, the Cherokee Nation Regional Health Center in Oklahoma, and the Yukon-Kuskokwim Primary Care in Alaska. Through JVCP agreements, IHS has partnered with the tribes to provide funds for staffing and facility operations while the tribes have invested in the design, construction, and equipment costs associated with the new facilities. These funds will allow the new facilities to expand access to health care.

These funds also provide staffing for new or expanded IHS constructed facilities, including Hau’pal (Red Tail Hawk) Health Center in Arizona, the Fort Yuma Health Center Replacement, and the Northern California Youth Regional Treatment Center in California.

The Health Care Facilities Construction budget includes funding to continue construction of two facilities on the priority list: the Alamo Health Center in New Mexico and the Dilkon Alternative Rural Health Center in Arizona. A total of $80 million is requested, $38 million below the FY 2018 Annualized Continuing Resolution.

Supporting Indian Self-Determination

The budget supports self-determination by continuing the separate indefinite appropriation account for contract support costs (CSC) through FY 2019. Authorized and required by the ISDEAA, CSC funding supports certain operational costs of tribes and tribal organizations administering health care service programs under self-determination contracts and self-governance compacts. The budget includes an estimate of $822 million to fully fund CSC, which is $22 million above the FY 2018 Annualized Continuing Resolution estimate. Maintaining the flexible funding authority of an indefinite appropriation allows the IHS to guarantee full funding of CSC, as required by the law, while protecting services funding for direct services tribes.

Quality of Care

We are working aggressively to address quality of care issues across our system. In spite of ongoing challenges involving recruitment and retention of providers, aging infrastructure, and rural health facilities, today we are able to report progress.

As a recent example, at the Pine Ridge Hospital, CMS notified us that its survey on February 13–15 found the hospital in compliance with the Condition of Participation for Emergency Services. Pine Ridge IHS Hospital is now in a “Reasonable Assurance” period to demonstrate the ability to maintain compliance. The Joint Commission will conduct a full survey with CMS deeming status to determine if Pine Ridge IHS Hospital has maintained compliance with all Medicare participation requirements. Pine Ridge IHS Hospital will be readmitted to participate in the Medicare program upon demonstrating full compliance by the second survey. I am proud of the efforts and commitment of the staff at Pine Ridge for the progress made thus far. We still have more work to do in the Great Plains to honor our commitment to American Indians and Native Alaskans, and I am reassured by the recent progress we have made.

At Rosebud Hospital, after satisfying the requirements of the Systems Improvement Agreement with CMS in September 2017, the hospital is preparing for Joint Commission accreditation this spring. Our application for survey was submitted to the Joint Commission in January, and we look forward to their review.

We are also addressing concerns in the Navajo Area at Gallup Indian Medical Center. Specifically, the concerns derive from a Joint Commission unannounced survey in November 2017 that also triggered a CMS survey in December 2017. The surveys found the hospital Emergency Department out of compliance with the Joint Commission standards and CMS Conditions of Participation. We moved quickly to
address these issues, and the hospital remedied the Joint Commission’s findings. Efforts to restore accreditation of all services surveyed by the Joint Commission continue. The facility also shifted under CMS’s survey authority for Medicare Program compliance and will receive a full CMS survey.

We developed the Quality Framework with tribal input, and brought together people and expertise from across the Department of Health and Human Services to focus efforts on improving the quality of care and patient safety. The Quality Framework has been a blueprint for system level improvements of processes and infrastructure to improve quality and safety throughout the agency. We have achieved remarkable progress in the areas of oversight and management of quality, modernizing credentialing and privileging policy and processes (aided by new, standardized software), accreditation master contracts for hospitals and ambulatory health centers, development of a standardized patient experience survey, and the establishment of primary care patient wait time standards. Following a year of implementation of the Quality Framework, IHS is moving toward sustainment of the gains and improvements with the development of a five-year strategic plan to enhance quality in all aspects of agency operations.

I especially want to thank the Congress for the funding that has been provided for accreditation emergencies. These funds have been critical to giving IHS the flexibility to address quality issues at impacted facilities and to offset lost third-party revenue, which is critical to the operating tempo of our facilities. The requested $58 million will be used to build on the improvements we have made to date. IHS does not have another reserve of funding to meet any significant emergency or emergent issues, and our existing reserves are simply not designed to meet a challenge of this magnitude.

Despite all of the challenges, we are firmly committed to improving quality, safety, and access to health care for American Indians and Alaska Natives, in collaboration with our partners in HHS, across Indian country, and Congress. We appreciate all your efforts in helping us provide the best possible health care services to the people we serve to ensure a healthier future for all American Indians and Alaska Natives.

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

The Chairman. Thank you, Admiral.

Mr. Payment?

STATEMENT OF HON. AARON PAYMENT, VICE PRESIDENT, NATIONAL CONGRESS OF AMERICAN INDIANS (NCAI)

Mr. Payment. Chairman Hoeven, Vice Chair Udall and members of the Committee, on behalf of the National Congress of American Indians, thank you for holding this hearing on the President’s Fiscal Year 2019 budget for Indian Programs.

My name is Aaron Payment. I am the Chairperson for the Sioux Ste. Marie Tribe of Chippewa Indians and the First Vice President for the National Congress of American Indians. Again, thank you for your efforts to protect the Federal treaty and trust obligations in the budget in a non-partisan way. We are grateful that the draft administrative budget is just a starting point, and that Congress will have the final say.

We once again will be counting on you as we seek the restoration of proposed cuts to many tribal programs, formula funding rather than grants for Department of Justice funding, set-asides for DOJ and the Crime Victims Fund, increases for the Census 2020 and other funding detailed in our written testimony. When it comes to the funding of tribal programs, we seek only those things promised and contractually obligated to us by the Constitution, treaties and agreements reached between tribal nations and the United States when tribal nations conceded to smaller land bases and the Federal Government proposed to safeguard our right to govern ourselves and to enable our nations to deliver essential services and the re-
sources to do so the honor and integrity of the Federal Government
depends on upholding these obligations.

Many of the proposed draconian cuts in the draft budget threaten
to limit or abrogate the treaty and trust obligation and is a clear retreat from the Federal commitments made to tribes. We support proposals that treat tribal governments equitably, such as the proposed tribal set-asides in the Department of Justice. Tribal parity should always be the driving principle for every Federal department or initiative, including addressing the opiate epidemic and the building and repairing of our infrastructure.

We are also heartened to see increases requested for the Indian Health Service. NCAI, however, was alarmed to see the proposed eliminations of the Indian Community Development Block Grant, Johnson O'Malley, Low Income Energy Assistance Program, Community Development Financial Institutions, Tribal Energy Loan Guarantee and more. We urge Congress to restore these devastating cuts.

The Administration's budget includes many drastic cuts. It includes 50 percent cuts to the BIA. This would take us back to the 2013 sequestration levels and adjusted for inflation, I have a graph here, this is lower than the 2003 levels and 21 percent lower than the Fiscal Year 2010 levels. NCAI urges Congress to reject the reductions in the BIA's proposed budget. Instead, we urge the investment in the programs ranked by tribes as the most in need of increases as part of Fiscal Year 2019 tribal budget formulation for which tribes from each BIA region outlined their top 10 budget items.

I like that graph that was shown earlier, and I am going to talk about it a little bit. The results of this process show that the BIA, Social Services and ICWA scholarships and adult education, tribal court and aids to government, tribal government made up the top five priorities. Unfortunately, most of the programs identified by tribes as needing increases would receive reductions or eliminations in the draft budget. The top 15 items identified by tribes are proposed to be eliminated. These are scholarships, adult education, JOM, Housing Improvement Program, Small and Needy Tribes. Social Services and ICWA would be cut by 37 percent and 27 percent. Both are disproportionately larger than the overall reductions in the Department of Interior.

Further, BIA public safety programs include proposed underfunding for tribal law enforcement at 20 percent, tribal detention at 40 percent and tribal courts at 3 percent of proposed needs. Further, NCAI recommends that DOJ eliminate the competitive grant process that pits tribes against each other. We recommend using appropriations as a base funding for tribes to determine their own priorities. NCAI has long advocated for a 10 percent set-aside in OJP funding that would streamline the Federal funding process by which tribes receive resources.

We were grateful to see the 3 percent tribal set-aside out of the Crime Victims Fund in the Fiscal Year 2018 Omnibus. We are hoping and looking for at least a 5 percent increase in the 2019 budget.

Our funding pursuant to our Constitution and treaty and trust responsibilities is not welfare. Reparations are based on race, but
was prepaid by the blood, sweat and tears of our ancestors and the millions of acres of land, as memorialized in treaties and contracts that pledge health, education and social welfare into perpetuity. We look forward to working with this Committee on the Fiscal Year 2019 budget as it moves through Congress, to ensure Federal commitment made to tribes are honored in the budget.

Megwich, thank you, and I welcome any questions you might have.

[The prepared statement of Mr. Payment follows:]

PREPARED STATEMENT OF HON. AARON PAYMENT, VICE PRESIDENT, NATIONAL CONGRESS OF AMERICAN INDIANS (NCAI)

On behalf of the National Congress of American Indians (NCAI), thank you for holding a hearing on the President’s FY 2019 Budget Request for Indian Programs. Overall, NCAI calls for restoration of cuts to many tribal programs, formula funding rather than grants for both Justice funding and opioids, a set-aside in the Crime Victims Fund, increases for Census 2020, and others listed below in our testimony.

Federal Commitments Funded in the Budget

Tribes seek only those things promised to us and every citizen by the Constitution, and the solemn treaties and agreements reached between our tribal nations and the United States. At the founding, the United States dealt with our tribal governments as sovereign equals. In exchange for Federal protection and the promise of certain benefits our ancestors gave forever to the people of the United States title to the very soil of our beloved country. To settle the process for admission of new states, the thirteen original states agreed to transfer western land claims to the United States under the principles in the Northwest Ordinance, including:

The utmost good faith shall always be observed towards the Indians; their land and property shall never be taken from them without their consent; and, in their property, rights, and liberty, they shall never be invaded or disturbed, unless in just and lawful wars authorized by Congress; but laws founded in justice and humanity, shall from time to time be made for preventing wrongs being done to them, and for preserving peace and friendship with them.

These provisions signify the intent of the Framers to provide for the governance of Indian country, a compact between the original States and all that followed. We have never asked anything except that these protections be continued. Many of the proposed deep reductions in the President’s Budget threaten to limit this protection and these benefits. The proposed budget cuts to tribal governmental services, if enacted, would represent a clear retreat from the federal commitments and treaty promises made to tribes.

The President’s budget would cut the Bureau of Indian Affairs (BIA) by about half a billion dollars, or 15 percent. BIA Social Services would be reduced by more than a third, Indian Child Welfare by more than a quarter, and critical human services programs, law enforcement and courts programs, environmental protection, housing, and education programs would face unconscionable reductions. Infrastructure programs, such as the Indian Community Development Block Grant would be eliminated, and the Indian Housing Block Grant and road maintenance would be reduced.

We support proposals that treat tribal governments equitably, such as the proposed set-asides in the Department of Justice for tribes. Tribal parity should be a principle for every other department or initiative as well, including addressing the opioid epidemic and building and repairing infrastructure. We are also heartened to see increases requested for the Indian Health Service (IHS).

Throughout our testimony, we call on Congress to uphold the federal government’s trust responsibility to tribal nations. When tribal nations agreed to accept a smaller land base, the federal government promised to safeguard our right to govern ourselves and to enable tribal governments to deliver essential services and provide them resources to do so effectively. That is the trust relationship embodied in the U.S. Constitution. Congress and the Administration is responsible for carrying out that trust in the federal budget.
Summary of Major Changes
As Congress has the final say on discretionary spending, NCAI notes the following proposals in the President's budget as significant. Some of the proposed eliminations include:

Eliminations
• Indian Community Development Block Grant (in Housing and Urban Development)
• Low Income Home Energy Assistance Program (LIHEAP)
• Indian and Native American Program (INAP in Department of Labor)
• Community Development Financial Institutions, Native American program (Treasury)
• Tribal Energy Loan Guarantee Program
• Eliminations within BIA include:
  — Small and Needy Tribes
  — Housing Improvement Program ($10 million)
  — Tribal Climate Resilience
  — Alaska Native Programs
  — Johnson O'Malley Program ($15 million)
  — Scholarships and Adult education ($35 million)

NCAI requests that Congress restore these eliminations. When programs are zeroed out in the President’s budget, even if they are eventually restored, holdbacks of zeroed out programs cause a disruption of high priority programs throughout Indian Country.

Major Reductions
• Native American Housing Block Grant cut from $654 million to $600 million, -8.2 percent
• Bureau of Indian Affairs cut by $433 million, or -15.6 percent

Major Reductions in BIA include
  — Social Services cut by $19 million, or -37 percent
  — Indian Child Welfare Act cut by $5 million, or -27 percent
  — Welfare Assistance cut by $8.4 million, or -11 percent
  — Rights Protection Implementation cut by $14.7 million, or -37 percent
  — Job Placement and Training cut by $4.4 million, or -35 percent

NCAI requests that Congress reject these proposed reductions. It is a particular concern that some proposed cuts target the programs identified by tribes through budget formulation as top ranked programs needing increases.

Proposed Increases
• Indian Health Service Clinical Services, increase of $353 million to expand direct health care services.
• IHS would receive $150 million for Opioid multi-year competitive grants based on need; this is out of the $10 billion proposal for opioid funding.
• In the Department of Justice, the budget proposes:
  — $115 million for Indian tribes through a 5 percent set-aside from the Crime Victims Fund for providing services to crime victims. Indian tribes have never directly received funding from the Crime Victims Fund;
  — A 7 percent set-aside from across the Office of Justice Programs totaling $93.8 million for tribal assistance.

Bureau of Indian Affairs
The 2019 President’s budget for Indian Affairs is $2.4 billion in current appropriations, a 15.6 percent decrease from the FY 2018 CR level. Nearly every line item in the BIA budget would see reductions in the FY 2019 budget request. One increase would be $2.5 million to fight the opioid epidemic, to “expand BIA capacity to address the increase in drug-related activities through interdiction programs to reduce drug use, distribution, and drug related crime.” The BIA’s budget provides funding for tribal base operations, including social services, education, road maintenance, water resources, forestry, law enforcement, tribal courts, and many other core governmental services.
The proposed overall level for BIA/BIE would take funding in nominal dollars back to the FY 2013 sequestration levels. However, adjusted for inflation, the proposed funding is lower than any enacted amount going back to FY 2003, and 21 percent lower than the level in FY 2010.

NCAI urges Congress to reject the steep reductions in the BIA’s proposed budget and instead invest in the programs ranked as most in need of increases as a part of the FY 2019 tribal budget formulation process. Figure 2 shows the roll up of the top 19 preferred programs identified by tribes as part of the Tribal Interior Budget Council (TIBC).1
Figure 2: 2019 PRIORITY RANKING RESULTS

Social Services (TPA) 11
Indian Child Welfare Act (ICWA) (TPA) 10
Scholarships and Adult Education (TPA) 9
Tribal Courts (TPA) 9
Aid to Tribal Government (TPA) 9
Criminal Investigations and Police Services 8
Housing Improvement Program (TPA) 6
Johnson O'Malley Assistance Grants (JOM) 5
Road Maintenance (TPA) 5
Detention/Correction 4
Forestry Program (TPA) 4
Wildlife & Parks Program (TPA) 3
Water Resources Program (TPA) 2
Consolidated Tribal Government Program 2
Welfare Assistance 1
Agriculture Program (TPA) 1
EQ Program (TPA) 1
Small and Needy Tribes 1
Indian Guaranteed Loan Program - Subsidies 1

Figure 3: PROPOSED DECREASES IN FY 2019

1. Social Services (TPA) -37%
2. Indian Child Welfare Act -27%
3. Scholarships and Adult Education -100%
4. Tribal Courts (TPA) -27%
5. Aid to Tribal Government -100%
6. Criminal Investigation and Police Services -5%
7. Housing Improvement Program -100%
8. Johnson O'Malley -100%
9. Road Maintenance (TPA) -6%
10. Detention/Correction -2%
11. Forestry Program (TPA) -3%
12. Wildlife & Parks Program (TPA) -3%
13. Water Resources Program (TPA) -3%
14. Consolidated Tribal Government Program -3%
15. Welfare Assistance -11%
16. Agriculture Program (TPA) -7%
17. EQ Program (TPA) -5%
18. Small and Needy Tribes -22%
19. Indian Guaranteed Loan Program -100%
As part of the FY 2019 budget formulation process, tribes from each BIA region completed a survey to outline which 10 budget lines they would prefer to provide increased funding to and why. The results of this process show that BIA Social Services, Indian Child Welfare Act (ICWA), Scholarships and Adult Education, Tribal Courts, an Aid to Tribal Government made up the top five.

Unfortunately, most of the programs identified by tribes as needing increases in FY 2019 would receive reductions in the FY 2019 President’s Budget Request. Four programs in the top 15 identified by tribes were proposed to be eliminated in the President’s Budget: Scholarships and Adult Education, Housing Improvement Program, Johnson O’Malley Program, and Small and Needy Tribes.

Social Services and ICWA would be cut 37 percent and 27 percent respectively, both cuts disproportionately larger than the overall reduction for the Department of the Interior, which would see a reduction of 16.8 percent.

For Public Safety and Justice Programs, Indian Country faces funding shortfalls in a number of areas while at the same time facing increased need due to a climbing drug trend. The BIA submitted a report to Congress in 2016 estimating that to provide a minimum base level of service to all federally-recognized tribes, $1 billion is needed for tribal law enforcement, $1 billion is needed for tribal courts, and $222.8 million is needed to adequately fund existing detention centers. Based on recent appropriation levels, BIA is generally funding tribal law enforcement at about 20 percent of estimated need, tribal detention at about 40 percent of estimated need, and tribal courts at a dismal 3 percent of estimated need.

The BIA Office of Justice Services (OJS) reports that at the end of 2014 and into 2015, Indian Country faced a drastic increase in violent crime, partially due to a change in Uniform Crime Reporting (UCR) definitions, but also due to increasing drug trends. Anytime the drug trend climbs, so does violent crime and property crime. In 2016 OJS had an increase in methamphetamine seizures of 106 percent over the year before and an increase of opioid seizures of 56 percent. With about 30 BIA criminal investigators nationwide to address that, the opioid and meth trends require a much higher level of staffing to adequately address the issue. NCAI recommends an increase in funding for BIA law enforcement and detention of $353 million for FY 2019.

Similarly, BIA Social Services help to address the underlying such as drug addiction, poverty, and violence that tend to create and perpetuate the circumstances that produce victims. Sub-activities include services in the areas of family and domestic violence, child abuse and neglect, and protective services. However, many tribes’ Social Services departments are understaffed and experience high turnover rate. As an example, in FY 2017, Osage Nation case workers averaged 25–30 cases a month each. This exceeds the standard of one case worker for every 15 cases administered. A lack of increased yearly funding tends to hinder these protective services.

With child welfare, tribal governments receive approximately one-half of one percent of all federal child welfare funds while their children represent approximately 2 percent of the United States population under the age of 18 and 4 percent of the child welfare population. ICWA funding is the foundation of most tribal child welfare programs. In order for AI/AN children and families to get the best possible services at home and in state systems and allow tribes to assist state agencies and courts, adequate funding must be provided to tribal governments to support their child welfare programs. At the time that ICWA was passed in 1978, Congress estimated that between $26 million-$62 million would be required to fully fund tribal child welfare programs on or near reservations. Even after recent increases in FY 2015, current funding levels fall far short of this estimate—especially after adjusting for inflation.

The need for every other program listed in the Figure 2 has similar levels of shortfall. NCAI urges Congress to invest in these areas as well as providing an overall increase to the BIA’s budget to support the base budget for core tribal programs.

**Indian Health Service**

One agency that would receive increases in the President’s budget is the Indian Health Service. Indian Health Service (IHS). Overall, IHS would receive $5.4 billion,
$413 million over FY 2018 CR and an 8 percent increase over the current FY 2018 CR. However, the proposal would also cut or eliminate several important programs at IHS. To put the request in context, the IHS Tribal Budget Formulation Workgroup recommended $6.4 billion in FY 2019.

A troubling proposal would be to move the Special Diabetes Program for Indians (SDPI) from mandatory to discretionary. Congress would provide funding to SDPI through the annual appropriations process. This proposal moves in opposite policy direction of what tribes have been calling for—to make the entire IHS budget mandatory instead of discretionary.4

The President’s Budget includes $10 billion to combat the opioid epidemic. IHS would receive $150 million “to provide multi-year competitive grants based on need for opioid abuse prevention, treatment, and recovery support in Indian Country.”5 Competitive grants are not the best way to administer this funding, and we instead request formula funding.

While the opioid crisis is plaguing communities across the country, studies indicate that American Indians and Alaska Natives (AI/ANs) are impacted at a higher rate than other groups. According to the Centers for Disease Control, the drug overdose death rates for AI/ANs in nonmetropolitan areas increased by more than 500 percent between 1999 and 2015. In addition, pregnant AI/AN women are nearly 9 times more likely than others to be diagnosed with opioid dependency or abuse. The epidemic has even led several tribal communities to declare public health emergencies.

Indian Country is resilient and determined to eliminate this deadly crisis from our communities. Many tribal nations have invested their own limited resources on prevention, treatment, recovery, and public safety. However, Indian Country needs Congress to uphold its trust and treaty responsibility. Congress missed a significant opportunity when it failed to provide direct funding to tribal communities in the 21st Century Cures Act. While we work diligently to remedy that situation, Congress has the chance to do the right thing at the outset as it finalizes funding for fiscal year 2018.

Accordingly, it is critical that Congress allocates a portion of the $6 billion for combating the opioid epidemic that was included in the recent budget agreement to address the unique needs of Indian Country. NCAI strongly encourages Congress to allocate funding directly to tribal communities in order to address this crisis in a flexible and culturally relevant manner.

**Department of Justice**

The President’s budget proposal for FY 2019 includes funding for several tribal programs at DOJ. Specifically, funding in the bill includes:

- $115 million for Indian tribes through a 5 percent set-aside from the Crime Victims Fund for providing services to crime victims. Indian tribes have never directly received funding from the Crime Victims Fund;
- A 7 percent set-aside from across the Office of Justice Programs totaling $93.8 million for tribal assistance. This compares to a 7 percent set-aside from certain OJP and OJJDP programs for FY 17 and is a significant increase in funding overall over FY 17 levels;
- $10 million for Community Oriented Policing Services Tribal Law Enforcement. In FY 16, this was funded at $30 million. For FY 17, the Attorney General has the discretion to take up to 7 percent from COPS programs overall for tribal assistance. The FY 19 budget proposal eliminates the COPS Office and merges the program into the Office for Justice Programs (OJP).
- An estimated $39.25 million for the Office on Violence Against Women’s (OVW) Grants to Tribal Governments Program through statutory set-asides from other appropriated programs. This is a slight increase over FY17 funding levels.
- An estimated $6.739 million for OVW’s Tribal Coalitions Program through statutory set-asides from other OVW appropriations. This is a slight decrease from FY17 funding levels.
- An estimated $3.5 million for OVW’s Tribal Sexual Assault Services Program through statutory set-asides from other OVW appropriations. This is the same level of funding as FY 17.

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• $4 million for implementation of Special Domestic Violence Criminal Jurisdiction. This is the same level of funding as FY 17.
• $1 million for research on violence against Native women. This is the same level of funding as FY 17.
• $500,000 for the National Indian Country Clearinghouse on Sexual Assault. This is the same level of funding as FY 17.

**Tribal Grants across the Department of Justice**

NCAI recommends that DOJ eliminate competitive grant funding process and utilize Justice Department appropriations as base funding where tribes and tribal courts themselves determine their own priorities.

One of the most significant issues with DOJ funding is that it is competitive funding awarded at the discretion of DOJ. In order to obtain this funding, tribes—on behalf of their justice systems—must compete against each other under DOJ’s priorities and guidelines. In the end, often the tribes that have the financial and human resources to employ experienced grant writers end up receiving funding, while the under-resourced tribes may be left without. Moreover, tribes cannot count on funding continuing beyond the current grant period, and Indian Country has numerous stories of successful programs disappearing at the end of a two- or three-year grant cycle.

Tribal governments have been asking for reforms to the DOJ grant making process for years in order to reduce administrative inefficiencies, improve program effectiveness, and increase the ability of tribal governments to leverage available DOI and DOJ funding to best address the comprehensive public safety and justice needs in their communities. Beginning in 2012, Congress has responded to this request from tribal leaders by appropriating a fixed amount for “tribal assistance” rather than appropriating funds for specifically authorized tribal programs. This approach gives DOJ considerable flexibility to work with tribal governments to determine how best to administer the appropriated funds. In FY 17, Congress shifted from a lump sum for tribal assistance to a percentage set-aside model for the first time, creating a 7 percent tribal set-aside from some COPS and OJP programs. Appropriators carved out several of the largest appropriation lines from the tribal allocation, however, resulting in an overall tribal funding decrease from FY16 levels. Both the House and Senate CJS bills for FY18 that are currently pending include a 7 percent tribal allocation from across a wider range of OJP and COPS programs. If enacted, this would help restore funding levels for DOJ tribal justice programs to a more appropriate level.

DOJ is currently engaged in government-to-government consultation with Indian tribes about its grant-making process, which we hope will improve the effectiveness of DOJ funding in tribal communities.

**OJP Tribal Set-Aside**

A flexible tribal set-aside from across OJP programs would allow for a more flexible funding structure at DOJ. In 2010, the Department of Justice launched its Coordinated Tribal Assistance Solicitation (CTAS). CTAS attempts to streamline the grant application process for tribes, enabling them to submit a single application for DOJ programs, as opposed to previous years in which they were required to submit multiple grant applications. However, this streamlined application model still results in multiple grant awards with separate reporting requirements, award periods, and grant managers. CTAS will not achieve its intended purpose of streamlining tribal grants until it is accompanied by a streamlined funding mechanism.

NCAI has been advocating for a 10 percent OJP tribal set-aside that would streamline the federal funding process by which tribes receive resources to establish tribal courts; assist in developing detention facilities; provide legal assistance; develop and maintain juvenile delinquency prevention programs; and provide substance abuse prevention programs. Further, the tribal set-aside gives tribes the flexibility to develop a comprehensive strategy on how best to spend those resources. It would also create new possibilities for coordinating BIA and DOJ funding to reduce inefficiencies and unnecessary administrative costs.

**Crime Victims Fund 5 percent set-aside**

The Victims of Crime Act (VOCA) is the largest source of federal funding for crime victims. Currently, the Crime Victims Fund (CVF) contains more than $12 billion collected as fines and penalties in federal criminal cases. In FY 2015, distributions from the Crime Victims Fund were increased more than three times to over $2.3 billion. In FY 2016 2017, distributions increased again to more than $3 billion. Despite having the highest rates of crime victimization in the country, none of these funds are directed to tribal governments. Instead, tribal governments are forced to
rely on pass-through funding from the states. Over the past five years, states have passed-through less than 0.5 percent of available funds. NCAI recommends that 5 percent of CVF distributions should be directed to tribal governments in order to ensure that tribal crime victims are able to access victim services and victim compensation.

**Department of Labor, Employment and Training**

The President’s proposed FY 2019 budget zeroes out funding for the Department of Labor’s Division of Indian and Native American Programs (DINAP). DINAP is a vital workforce development division specifically dedicated to working with tribal nations and Native organizations—specifically Workforce Innovation and Opportunity Act (WIOA) Section 166 grantees—to support the provision of quality employment and training services to unemployed and low-income Native people. As the only federal employment and job training program that serves American Indians and Alaska Natives who reside both on and off reservations, it is imperative that funding be maintained at an adequate level for the WIOA Section 166 program.

**Department of the Treasury**

Of great concern to Indian Country is the President’s proposal to eliminate funding for Community Development Financial Institutions (CDFIs) through the CDFI Fund. In FY17, Congress appropriated $15.5 million for the Native American CDFI Assistance (NACA) Program, which, according to the Treasury Department, translates to $15.395 million in annualized CR funding for FY18. The President’s FY19 Request would eliminate funding for the NACA program and the three other discretionary CDFI grant programs.

The Native Initiative of the CDFI Fund is an important program that expands access to capital for individuals and small businesses in Indian Country. The NACA program makes awards that assist community development financial institutions (CDFIs) in increasing their lending services and financial products, and in building their own internal capacity to serve their target markets. Native CDFIs provide a wide range of low interest loans to microenterprises, small businesses, consumers, and for housing and homeownership. Native CDFIs also offer financial education and entrepreneurial development training, homebuyer education and foreclosure prevention counseling, credit counseling, small business planning, debt relief counseling, counseling to improve financial capability, match savings programs called Individual Development Accounts, and free tax preparation services in Native communities across the country. NCAI urges Congress to restore the Native American CDFI Assistance program and appropriate $16 million for the program in FY 2019.

**Department of Energy**

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The Office of Indian Energy Policy and Programs provides technical assistance, education and capacity building, and financial assistance to tribal governments. It also coordinates activities across the Department, and works with tribes, tribal organizations, and other agencies to promote tribal energy initiatives.

In FY19, the Department of Energy would receive $10 million to fund the Office of Indian Energy Policy and Programs, This marks a significant budgetary cut of $8 million dollars compared to FY2017 levels. An $8 million dollar reduction further limits the services and amount of resources available to tribes who are planning energy and infrastructure projects. Limitations on tribal energy development continue to be problematic for many tribes due to a lack of access to capital, capacity issues, and the complicated legal and regulatory structure governing the use of Indian lands.

The Tribal Indian Energy Loan Guarantee Program, which was authorized by the Energy Policy Act of 2005, received an appropriation for the first time in FY17. Congress provided $8.5 million for the loan guarantee and $500,000 for administrative expenses. The President’s Request would eliminate funding for this program.

**Census Bureau and the 2020 Census**

The U.S. population is enumerated every 10 years and census data are used to allocate Congressional seats, electoral votes, and is the basis for funding allocations for federally funded programs. Federal funding for Indian schools, Indian education programs, Indian health programs, Indian housing programs, water and sewage
projects, roads and economic development are based on data collected by the Census Bureau every ten (10) years. The allocation of congressional seats across the United States are directly tied to data collected by the U.S. Census. Public Law No. 94–171 data is used for redistricting at the federal, state, and local levels and an accurate count is necessary to ensure that American Indian and Alaska Native voters have an equal voice in the political process of non-tribal elections.

However, in the 2010 Census, the Census Bureau estimates that American Indians and Alaska Natives living on reservations or in Native villages were undercounted by approximately 4.9 percent, more than double the undercount rate of the next closest population group. Additionally, uncertainty about FY 2017 funding levels and lack of appropriations resulted in the Census Bureau canceling planned field tests on the Standing Rock Reservation in North and South Dakota and the Colville Reservation and Off-Reservation Trust land in Washington State, which eliminated critical testing of methods for the 2020 Census for counting people in tribal areas lacking street addresses, testing methods of making in-person counts in Native households, and determining how to use oversampling to counteract the undercount facing Native people living on reservations and in Native villages. Inadequate funding has compelled the Census Bureau to announce “pauses” and modifications for key 2020 Census activities, which could greatly diminish the Bureau's ability to take an accurate, cost-effective census and is expected to increase the disproportionate undercount of American Indian and Alaska Natives, especially those living in rural, low-income, geographically isolated, and/or linguistically isolated households.

The Census Bureau must have a significant funding ramp-up and receive the funding on time for the next two years, to ensure a fair and accurate census—one that counts all communities including Indian County.

To keep 2020 Census preparations on track and preserve other vital Census Bureau data, Congress should allocate $4.735 billion for the U.S. Census Bureau in FY2019, which is $933.5 million above the president's request, but only $475.5 million above the Commerce Department’s own cost estimate for 2020 Census activities. Here's the breakdown of our FY2019 funding recommendation (compared to the president’s request):

- $912.5 million for 2020 Census preparations and early implementation, for a total of $3.328 billion
- $21 million to restore vital ongoing economic and demographic surveys to their FY2017 funding level of $270 million in the Current Population and Surveys account

Conclusion

For a nation that bases its greatness to a significant degree on its rule of law, treaties and intergovernmental agreements carry paramount importance. We look forward to working with this Committee as the FY 2019 budget moves through Congress to ensure federal commitments made to tribes are honored in the FY 2019 budget.

The CHAIRMAN. Thank you, Mr. Payment.
Mr. McGhee?

STATEMENT OF HON. ROBERT MCGHEE, VICE PRESIDENT,
UNITED SOUTH AND EASTERN TRIBES

Mr. McGhee. Chairman Hoeven, Vice Chairman Udall and members of the Committee, thank you for the opportunity to testify today and for your willingness to conduct an oversight hearing on the President’s budget request for Fiscal Year 2019.

My name is Robert McGhee, Vice President of the Porch Band of Creek Indians. I am here today in my capacity as the Vice President of the United South and Eastern Tribes Sovereignty Protection Fund. As is acknowledged by the 100th Congress, the United States owes an historical debt to tribal nations. This debt includes many injustices that Native people have suffered as a result of Federal policy, including Federal actions that sought to terminate tribal nations and assimilate Native people.
It also involves a ceding of our land holding and natural resource, oftentimes by force, to the United States, resulting in perpetual trust obligation to tribal nations. These resources are the very foundation of this Nation and have allowed the United States to become the wealthiest and the strongest world power in history. Federal appropriations to Indian Country are simply a repayment on this debt.

This is not merely a question about addressing poverty or needs. Our relationship is more than this. This is ultimately a question about honor, about fulfilling commitments and promises. A great nation keeps its word. America must fulfill its promise to us in not just words, but action.

While this Administration claims to prioritize Indian Country, this budget request reveals otherwise. It proposes deep cuts to the Bureau of Indian Affairs, eliminates and makes changes to the Indian Health Service programs without consultation, and a host of other eliminations and cuts, both directly and indirectly impacting Indian Country.

Like Senator Udall mentioned, we are being told that this request is just a messaging document, and that if Indian Country does not agree with its proposals, we should look to Congress to ensure the trust responsibility is delivered upon. While we understand that only Congress has the power to appropriate funds, the Administration is sending a powerful negative message to Indian Country. In reducing, eliminating and calling into question the constitutionality of Federal Indian programs, this Administration is ignoring and undermining its trust responsibility to tribal nations. This is unacceptable.

Because of our history and our unique relationship with the United States, the trust obligation of the Federal Government to Native peoples, as reflected in the Federal budget, is fundamentally different from ordinary discretionary spending and should be considered mandatory in nature. Recently, some in Congress have called for mandatory funding for IHS. We strongly support this proposal, which is more consistent with the Federal trust obligation, and urge that this be expanded to include all Federal Indian programs.

Continued underfunding results in tribal nations having to subsidize greater and greater levels of the trust obligation, a violation of our sacred agreement that has persisted, regardless of Administration. We urge this Committee and Congressional appropriators, as they have previously, to reject the deep cuts found in this President’s request and work to fund the trust obligation.

Now I would like to turn to some of the specific comments we have on the President’s budget request. Regarding the proposals for infrastructure package, it is critical that tribal nations have direct access to funding available via any infrastructure package. While we acknowledge that the President’s infrastructure plan does state that some money will be set aside for tribal nations, additional details remain unclear. The President’s plan also proposes to streamline infrastructure permitting.

We are concerned that without strong tribal consultation and cultural review requirements, these proposals could serve to under-
mine tribal sovereignty and the protection of cultural resources and public health.

The request also allocates funding from the BIA budget for the reorganization of the Department of Interior. The Secretary has yet to significantly consult with or provide much detail to tribal nations on the reorganization of the Department. All that we are aware of is meetings held with Federal employees and other units of government, as well as draft regional plans.

The request for Indian Affairs is a 15.6 percent decrease from the Fiscal Year 2018 CR and a 20 percent decrease from the Omnibus. Nearly every line item in the BIA budget would see reductions. However, the Interior’s budget justification describes the request in the following way: “The 2019 budget supports the Administration’s commitment to help promote tribal nation-building and self-determination, empower tribal communities, foster tribal self-sufficiency, create educational and economic opportunities, ensure safe Indian communities, preserve and foster cultural heritage, and steward natural resources.” From our perspective, it is difficult to see how any of this can be true, considering the deep reductions and eliminations found in the request.

The Fiscal Year 2019 budget request for IHS is 8 percent above the 2018 CR, a slight decrease from the Omnibus. We strongly support the increases to the chronically under-funded agency. Despite these increases, we and others in Indian Country are strongly opposed to the elimination of the Community Health Representatives Program, as well as other eliminations and decreases found in the request. Finally, the request also proposes to move Special Diabetes Programs from mandatory to discretionary spending.

In closing, while we take a firm position that all members of Congress have an obligation to tribal nations, the members of this Committee have a greater role in understanding and working toward fulfillment of this obligation. As leaders who have consistently demonstrated a true understanding of this commitment, we implore this Committee to lead the change within Congress that is necessary to improve how the United States views, honors and fulfills its promises to Indian Country. The Federal budget is a reflection of this commitment. We recognize that there are many causes and issues that this body considers. However, we ask that you always remember to seek and deliver upon this Nation’s first promise to its First People, the trust obligation. Thank you.

[The prepared statement of Mr. McGhee follows:]

PREPARED STATEMENT OF HON. ROBERT MCGHEE, VICE PRESIDENT, UNITED SOUTH AND EASTERN TRIBES

Chairman Hoeven, Vice Chairman Udall, and members of the Senate Committee on Indian Affairs (SCIA): thank you for the opportunity to testify today and for your willingness to conduct an oversight hearing on the President’s shameful Budget Request for Fiscal Year (FY) 2019. My name is Robert McGhee, Vice Chairman of the Poarch Band of Creek Indians. I am here today in my capacity as Vice President of the Executive Officers Committee of the Board of Directors for United South and Eastern Tribes Sovereignty Protection Fund (USET SPF).

USET SPF represents 27 federally-recognized Tribal Nations from Texas to Florida to Maine.¹ USET SPF member Tribal Nations are within the Eastern Region

¹ USET SPF member Tribal Nations include: Alabama-Coushatta Tribe of Texas (TX), Aroostook Band of Micmac Indians (ME), Catawba Indian Nation (SC), Cayuga Nation (NY),
and Southern Plains Region of the Bureau of Indian Affairs (BIA) and the Nashville Area of the Indian Health Service (IHS), covering a large expanse of land compared to other regions. Due to this large geographic area, USET SPF Tribal Nations have great diversity in cultural traditions, land holdings, and resources. This allows our region to mirror the great diversity found in Indian Country nationwide.

Legal and Constitutional Basis for the Fiduciary Trust Responsibility

From the earliest days of the United States, the Founders recognized the importance of America’s relationship with Tribal Nations and Native peoples. They wove important references to those relationships into the Constitution (e.g., Art. I, Section 8, Cl. 3 (Indian Commerce Clause); Article II, Section 2, Cl. 2 (Treaty Clause)).

Tribal Nations influenced the Founders in the development of the Constitution as recognized by the 100th Congress, when the Senate and the House passed a concurrent resolution acknowledging the “historical debt” the United States owes to Tribal Nations.

"[O]n the occasion of the 200th Anniversary of the signing of the United States Constitution, acknowledges the historical debt which this Republic of the United States of America owes to the Iroquois Confederacy and other Indian Nations for their demonstration of enlightened, democratic principles of government and their example of a free association of independent Indian nations; . . . "

One has only to walk the halls of the Capitol to see many works of art and sculpture that depict the central role that Tribal Nations have played in the development of America’s national identity. Not depicted on the walls of the Capitol are many of the injustices that Native peoples have suffered as a result of federal policy, including federal actions that sought to terminate Tribal Nations, assimilate Native people, and to erode Tribal territories, learning, and cultures. Where these injustices are depicted, our tragedies are romanticized and told through a revisionist lens. The true story involves the cession of vast land holdings and natural resources, oftentimes by force, to the United States out of which grew an obligation to provide benefits and services in perpetuity to Tribal Nations. These resources are the very foundation of this nation, and have allowed the United States to become the wealthiest and strongest world power in history. Federal appropriations to Tribal Nations and Native people are simply a repayment on this perpetual debt.

The Indian provisions in the Constitution were given immediate life in treaties that the United States entered into with Tribal Nations beginning with the Treaty with the Delaware in 1778 and continuing through another 373 treaties. Additionally, in the first decades of the United States, numerous laws were enacted addressing the details of the Federal-Tribal relationship (e.g., Trade and Intercourse Acts of 1790, 1793, 1796, 1799, 1802, and 1834), even as the Federal courts defined the Federal government’s trust obligation to Indian nations (e.g., Cherokee Nation v. Georgia (1831)). This period reflected an acknowledgement of and respect for our independent and sovereign existence, with the United States taking action within our lands only after securing our consent, including through treaty-making.

As it became more powerful and maintaining strong relations with us became less necessary, the United States quickly moved from an approach based on consent to an approach based upon the notion of domestic dependency and plenary authority. Notwithstanding the Constitutional foundation, the federal government engaged in many actions that betrayed the treaties and trust obligation to Tribal Nations, such as the seizure of Tribal lands and the forced assimilation efforts of the Indian boarding school system. Fortunately, Tribal efforts to exert our sovereign rights in collaboration with our federal partners have led to more enlightened policies since the boarding school era, reflected in a host of laws that support Tribal sovereignty and are critical to the vitality and well-being of Tribal communities. Regrettably, these laws are rarely funded to the level necessary to achieve their intended purposes.

Chitimacha Tribe of Louisiana (LA), Coushatta Tribe of Louisiana (LA), Eastern Band of Cherokee Indians (NC), Houlton Band of Maliseet Indians (ME), Jena Band of Choctaw Indians (LA), Mashantucket Pequot Indian Tribe (CT), Mashpee Wampanoag Tribe (MA), Miccosukee Tribe of Indians of Florida (FL), Mississippi Band of Choctaw Indians (MS), Mohegan Tribe of Indians of Connecticut (CT), Narragansett Indian Tribe (RI), Oneida Indian Nation (NY), Pascua Yaqui Tribe (AZ), Passamaquoddy Tribe at Indian Township (ME), Passamaquoddy Tribe at Pleasant Point (ME), Penobscot Nation (ME), Poarch Band of Creek Indians (AL), Saint Regis Mohawk Tribe (NY), Seminole Tribe of Florida (FL), Seneca Nation of Indians (NY), Shinnecock Indian Nation (NY), T产业升级計画に、ウェブノートとテクノロジーを提供する。
The chronic underfunding of federal Indian programs continues to have disastrous impacts upon Tribal governments and Native peoples. As the United States continues to break its promises to us, Indian Country and Tribal citizens experience some of the greatest disparities among all populations in this country—including those in health, economic status, education, and housing. The 2003 “Quiet Crisis” report issued by the U.S. Commission on Civil Rights (USCCR) revealed deep disparities in funding the federal trust responsibility, and was meant to galvanize action on the part of Congress and the Executive Branch. 15 years later, very little has changed. Though there was an effort to reissue the report in 2016, USCCR faced its own funding and infrastructure issues, and this was never accomplished. Nonetheless, USET SPF expects an updated report would likely have mirrored its earlier version. This is not a question about addressing poverty and needs across Indian Country. Our relationship is much more than this. This is ultimately a question about honor, about fulfilling commitments and promises. A nation’s exceptionalism is grounded in these principles.

The Unique Role of the Senate Committee on Indian Affairs

While USET SPF takes a firm position that all members of Congress have an obligation to Tribal Nations, the members of this Committee have a greater role in understanding and working toward fulfillment of this obligation. As members of the only full Congressional Committee charged with, “study[ing] the unique problems of American Indian, Native Hawaiian, and Alaska Native peoples and . . . propos[ing] legislation to alleviate these difficulties,” it is incumbent upon every Senator on this dais to advocate for and demand the inclusion of Indian Country’s priorities in all relevant legislation before the Senate. While we appreciate the amplification of these priorities through the work of the Committee via hearings, letters, and relevant legislation, it is equally, if not more, important, that the Members of this Committee use this role to elevate our voices in Congress’ other Committees, as well as on the Senate floor. Indian Country expects and demands that you carry our messages into conversations with colleagues who may be less familiar with the trust obligation.

As leaders who have consistently demonstrated a true understanding of this commitment and obligation, we implore you to lead the change within Congress that is necessary to improve how the United States views, honors, and fulfills its promises to Indian Country. The federal budget is a reflection of this commitment. We recognize that there are many causes and issues that this body considers. However, we ask that you always remember this nation’s first promise to its First People—the promise that resulted in an exchange responsible for the vast wealth, power, and influence of this country.

The President’s FY 2019 Request for Indian Programs Violates the Trust Responsibility

In his 2017 Native American Heritage Month proclamation, the President stated, “My Administration is committed to tribal sovereignty and self-determination. A great Nation keeps its word, and this Administration will continue to uphold and defend its responsibilities to American Indians and Alaska Natives. Together, we will strengthen the relationship between the United States Government and Native Americans.”

A great nation does keep its word. The first step toward fulfillment of America’s promises is not just words, but action. While this Administration professes to prioritize Indian Country, this Budget Request reveals otherwise. At all levels of the Administration, from the Office of Management and Budget (OMB) to BIA to IHS, Tribal Nations and others objecting to this draconian budget request are being told that the request is just a “messaging document.”

While we understand that only Congress has the power to appropriate funds, the Administration is sending a powerfully negative message to Indian Country. In reducing, eliminating, and calling into question the constitutionality of federal Indian programs, this Administration is ignoring and undermining its trust responsibility to Tribal Nations. Moreover, the message that this sends to all American citizens is one of disregard and dishonor, further exacerbating the challenges we face in educating the nation on our history, sovereignty, and the continued obligation to Tribal Nations. Finally, the agencies most directly charged with delivering on the fiduciary trust responsibility—BIA and IHS—are demonstrating no accountability for budget request numbers and instead, are directing Tribal Nations to advocate for funding with Congress. This is a failure on the part of the Administration to take seriously its role as trustee.
Funding Requests and Mechanism do not Reflect Trust Obligations

Because of our history and unique relationship with the United States, the trust obligation of the federal government to Native peoples, as reflected in the federal budget, is fundamentally different from ordinary discretionary spending and should be considered mandatory in nature. Inadequate funding to Indian Country needs to be viewed as unfilled treaty and trust obligations and should not be vulnerable to year to year “discretionary” decisions by appropriators. Recently, some in Congress have called for mandatory funding for IHS. USET SPF strongly supports this proposal, which is more consistent with the federal trust obligation, and urges that this be expanded to include all federal Indian programs.

We further note the long-lasting effects of continued underfunding for federal Indian programs. The FY 2019 Budget Request fails to reflect a prioritization of trust obligations and the related promises that are at the core of our special and unique relationship. These unfulfilled treaty and trust obligations will ultimately lead to hearings by this very Committee, as the consequences of this Request results in the problems and difficulties that SCIA is charged with addressing.

Constitutionality of Federal Indian Programs

Several times now, this Administration has called into question the constitutionality of programs or targeted accommodations for American Indians and Alaska Natives (AI/AN). As this Committee well knows, all federal Indian programs are based on a political, government-to-government relationship between the U.S. and Tribal Nations. Appropriations that support programs and services such as this are provided in perpetuity in exchange for the millions of acres of land and natural resources ceded, often times by force, to the U.S. In addition, the Executive Branch, regardless of party, has a decades-long history of policy-making that includes exemptions or accommodations from federal actions for Tribal Nations and Native people.

Infrastructure Plan

For generations, the federal government—despite abiding trust and treaty obligations—has substantially under-invested in Indian Country’s infrastructure, evident in the breadth and severity of its unmet infrastructure needs as compared to the rest of the nation. While the United States faces crumbling infrastructure nationally, there are many in Indian Country who lack even basic infrastructure, such as running water and passable roads. According to a report released in 2017 by National Congress of American Indians, there exists at least $50 billion in unmet infrastructure obligations across Indian Country. Decades of chronic underfunding of the federal government’s trust obligations has resulted both in a dangerous lack of infrastructure, as well as infrastructure that is severely degraded.

If this Congress and Administration intend to modernize and repair infrastructure throughout the country, the deep infrastructure needs of Indian Country must be addressed. It is critical that Tribal Nations have direct access to any funding available via an infrastructure package. We must not be restricted to partnering or competing with another entity in order to be in receipt of infrastructure dollars. Additionally, in support of Tribal self-determination, these dollars should be eligible for inclusion in Self-governance contracts and compacts.

While we acknowledge that the President’s infrastructure plan does state that some funding will be set aside for Tribal Nations within its proposed Rural Infrastructure Program, it remains unclear exactly how much funding is being proposed and whether Tribal Nations would have access to other parts of the President’s plan. With a renewed focus on domestic issues and putting America first, this focus must also include a commitment to rebuilding the sovereign Tribal Nations that exist within the domestic borders of the United States. Much like the U.S. investment in the rebuilding European nations following World War II via the Marshall Plan, this Congress and Administration should commit to the same level of responsibility to assisting in the rebuilding of Tribal Nations, as our current circumstances are, in large part, directly attributable to the shameful acts and policies of the United States.

The President’s plan also proposes to streamline infrastructure permitting processes. While there remain many unknowns associated with these streamlining measures, USET SPF is concerned that these proposals could serve to undermine Tribal sovereignty, and the protection of cultural resources and public health. We note that the Federal Communications Commission is already planning to move forward, over the strong objections of Tribal Nations, with a Report and Order this week that restricts Tribal cultural reviews and illegally redefines the meaning of ‘federal undertaking’ under the National Environmental Policy Act and the National Historic Preservation Act.
Tribal governments must be consulted in any infrastructure project planning or permitting on ancestral lands. Any infrastructure build-out in Indian Country and beyond must not occur at the expense of Tribal consultation, sovereignty, sacred sites, or public health. Consultation must include Tribal consent for projects that significantly impact or threaten Tribal interests. This point should be strengthened in the law, and not just in regulations. In the short term, we must move beyond the requirement for Tribal consultation via Executive Order to a strengthened model achieved via statute. In the long term, we must return to the achievement of Tribal Nation consent for federal action as a recognition of sovereign equality.

**Interior Reorganization**

USETF SPF is deeply concerned that the reorganization of the Department of the Interior is moving forward in the absence of Tribal consultation. Although Interior Secretary Ryan Zinke recently stated, “we’re going to go into consultation, as we should, and it’s really up to the tribes whether they’re going to participate or not, and I respect sovereignty,” a consultation has yet to be initiated on the specifics of the reorganization plan. The Secretary has yet to significantly consult with or provide much detail to Tribal Nations on the reorganization of the Department, although we are aware of meetings held with federal employees and other units of government. Yet, we note that new DOI regions have been proposed and there is $900,000 set aside in the BIA Budget Request for its share of initial pre-planning responsibilities (with the knowledge that this figure will increase significantly in the out years). USETF SPF urges this Committee and this Congress to withhold any funding for Interior reorganization pending confirmation that the Reorganization will not impact funding to Tribal Nations or inherent federal functions, as well as meaningful consultation with Tribal Nations resulting in consent for or an exemption from the reorganization.

**Role of Office of Management and Budget in Inadequate Budget Requests**

The Office of Management and Budget (OMB) asserts that over $21 billion in federal dollars funds Indian Country annually. From the perspective of Tribal advocates, including those who serve on budget formulation committees for federal agencies, this number seems to be an over-estimate, with far less actually reaching Tribal Nations and Tribal citizens. We suspect that OMB arrives at this figure by tallying the amount for which Tribal Nations and entities are eligible, regardless of whether these dollars actually reach Indian Country. The Tribal Interior Budget Council has asked OMB for a full accounting of federal funding distributed to Indian Country. To date, OMB has not responded to this request and continues to take the position that as an extension of the Executive Branch, it does not have the same consultative responsibilities as other federal agencies. USETF SPF requests that in the spirit of transparency, this Committee consider supporting report language that would ensure OMB provides Indian Country with an accurate inventory of its own federal funding on an annual basis. In addition, USETF SPF contends that Indian Country would be better-served by an Indian-specific desk at OMB rather than analysts with portfolios that include other interests.

**FY 2019 Request for the Bureau of Indian Affairs**

The FY 2019 President's Budget Request for Indian Affairs is $2.4 billion in current appropriations, a 15.6 percent decrease from the FY 2018 CR level. Nearly every line item in the BIA budget would see reductions in the FY 2019 budget request. However, Interior's Budget Justification describes the Request in the following way.

"The 2019 budget supports the Administration’s commitment to help promote tribal nation-building and self-determination, empower tribal communities, foster tribal self-sufficiency, create educational and economic opportunities, ensure safe Indian communities, preserve and foster cultural heritage, and steward natural resources. Indian Affairs programs deliver community services, restore tribal homelands, fulfill commitments related to water and other resource rights, execute fiduciary trust responsibilities, support the stewardship of energy and other natural resources, create economic opportunity, and expand access to education."

It is difficult to see how any of this could be true, considering the deep reductions and eliminations found in the Request. Moreover, on a February 12th conference call, Tribal leaders and advocates were told that the BIA budget request supports the "core mission" of the Agency, but with nearly every line item receiving a decrease, it is impossible to determine what the Administration deems its "core mission." According to the BIA's website, its mission is, "to enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and
improve the trust assets of American Indians, Indian tribes and Alaska Natives.”
By any measure, this Budget Request fails to uphold these words.
As National Congress of American Indians notes, overall, Human Services programs would fall by 27 percent, Natural Resource programs by 23 percent, Public Safety and Justice by 9 percent, and the Bureau of Indian Education by 16 percent. Similarly, the top priorities identified by the Tribal Nations of the Eastern Region for FY 2019 would all see drastic reductions or eliminations:

- Social Services—cut by 37%
- Scholarships and Adult Education—eliminated
- Indian Child Welfare Act—cut by 27%
- Tribal Courts—cut by 28%
- Aid to Tribal Government—cut by 10%

One of the few increases would be $2.5 million in the Law Enforcement Special Initiatives budget to fight the opioid epidemic by, “expand[ing] BIA capacity to address the increase in drug-related activities through interdiction programs to reduce drug use, distribution, and drug related crime.” While USET SPF welcomes any funding provided directly to Indian Country to combat the opioid epidemic in our communities, including for law enforcement, $2.5 million in what may be one-time funding falls short. To increase the number of BIA drug enforcement officers, USET SPF has requested no less than $11 million annually.

FY 2019 Request for the Indian Health Service
The FY 2019 Budget Request would include $5.4 billion for IHS, $413 million or 8 percent above the FY 2018 Continuing Resolution. While we acknowledge and support increases to this chronically underfunded agency, we also note that for FY 2019, the Tribal Budget Formulation Workgroup (TBFWG) which meets annually and is comprised of Tribal leader representatives from each of the 12 IHS Areas, recommended $6.4 billion.

While we continue to await the IHS’ full FY 2019 Congressional Justification, we support increases to several critical IHS line items: an increase for clinical services, including an increase of $268 million for Hospitals and Clinics for a total funding amount of $2.1; increase of $32 million for purchased/referred care (PRC) for total funding of $955 million; and increase of $340 million for Mental Health, and Alcohol and Substance Abuse Programs, which is $30 million above current spending levels. These line items were the top four funding priorities of Tribal Nations in the Nashville Area of IHS. However, as with overall funding for IHS, it is important to recognize that these increases fall far short of IHS’ obligation to the health of Tribal Nations, as well as the TBFWG’s recommendations. We continue to support and urge the adoption of a plan to phase-in full funding for IHS. USET SPF maintains that until Congress fully funds the IHS, the Indian Health System will never be able to fully overcome its challenges and fulfill its trust obligations.

Despite these increases, the President’s Budget also proposes cuts and eliminations to other parts of the IHS budget. USET SPF and others in Indian Country are strongly opposed to the elimination of the Community Health Representatives program and health facilities construction, as well as other eliminations found in the Request.

The Budget Request proposes a total $10 billion in new funding to combat the opioid epidemic. Under the proposal, IHS would receive $150 million “to provide multi-year competitive grants based on need for opioid abuse prevention, treatment, and recovery support in Indian Country.” Considering the disproportionate levels of opioid abuse and mortality in Tribal communities, a small amount of funding delivered through competitive grants, while welcome, does not even begin to scratch the surface. Further, the source of this funding remains unclear. USET SPF calls upon this Committee and this Congress to prioritize substantial direct funding to Tribal Nations as it seeks to address the opioid crisis. Among the direct funding proposals we support are: S. 2270, the Mitigating METH Act, S. 2545, the Native Health Access Improvement Act, and S. 2437, the Opioid Response Enhancement Act.

The Request also proposes to move the Special Diabetes Program for Indians (SDPI) from mandatory to discretionary spending. When asked for an explanation on an “All-Tribes” call, IHS indicated that all health extenders are proposed to be moved from mandatory to discretionary. This proposal has not received any Tribal consultation, in violation of IHS’ & HHS’ Tribal consultation policies. From USET SPF’s perspective, this proposal represents the exact opposite of what we are trying to achieve—which is mandatory funding for all federal Indian programs.
FY 2019 Request for Other Agencies, Operating Divisions, and Line Items

While some may view “federal Indian programs,” as limited to those administered by BIA and IHS, USET SPF maintains that all federal agencies have a trust responsibility to Tribal Nations. In addition and as a practical matter, it is important to recognize that Tribal Nations access funding from nearly every federal agency. Reductions and eliminations at other agencies and operating divisions, then, would have significant impacts in Indian Country and further compound cuts at BIA and IHS. This Administration and Congress must recognize that the President’s Budget Request as whole reflects its commitment to Indian Country and the trust obligation. While by no means an exhaustive list of priorities, we would like to highlight funding levels for some additional agencies, operating divisions, and line items.

Centers for Disease Control and Prevention (CDC)

Outside of IHS, Tribal Nations receive a significant amount of funding from the CDC for public health promotion and surveillance, disease prevention, vaccinations, and other purposes. As such, the overall 12 percent cut to CDC is troubling. We are especially opposed to the proposed elimination of Good Health and Wellness in Indian Country (GHWIC), a $78 million initiative that started in 2014 and continues through 2019, supporting the health surveillance and promotion work of Tribal Nations, Tribal organizations, and Tribal epidemiology centers (TECs). USET’s TEC and 5 subawardees are supported in part through this initiative. GHWIC interventions focus on reducing tobacco use and exposure, improving nutrition and physical activity, increasing support for breastfeeding, increasing health literacy, and strengthening team-based health care and community-clinical links. While FY 2019 proposes to be the final year of a 5-year funding cycle, we expect that participating Tribal Nations will continue to sustain health promotion efforts at its conclusion.

Medicaid Block Grants and Changes to the Affordable Care Act

The FY 2019 budget request proposes to make major changes to programs authorized under the Patient Protection and Affordable Care Act (ACA). Under the Request, Medicaid spending would be replaced with a block grant to states leading to the elimination of the ACA’s Medicaid expansion and drastic cuts in Medicaid over the next decade. As this Committee is well aware, Indian Country is universally opposed to this type of proposal, as it would create barriers to AI/AN Medicaid access, violating the trust responsibility to provide health care and resulting in deep cuts in 3rd party revenue to the already chronically underfunded Indian Health System. In addition, the Request proposes to eliminate subsidies for the ACA’s health insurance marketplace, which would pose further barriers to health care access and vital 3rd party dollars.

Administration on Children and Families

The Administration has zeroed out funding for the Rural Community Facilities line item in the ACF account. The Administration argues that this program is duplicative and that grantees under this program continue to receive funding in spite of underperformance. However, this grant is one of the only sources of funding available to Indian Country to provide Tribal-specific water and wastewater operator training, including that provided by USET. When Tribal community members are trained as operators, the result is operational continuity, cultural competency, and self-determination. Without this funding, Tribes will have to turn to state-certified operators who are unlikely to be members of the community, unlikely to stay in the job for very long, and do not have knowledge of the unique jurisdictional and legal framework that applies to Tribal water systems. We urge appropriators to once again provide funds for this invaluable program.

Department of Justice

USET SPF was pleased to see and strongly supports a 5 percent Tribal set-aside from the Crime Victims Fund in the Request for the Department of Justice. In addition, while we are glad to see support for the Tribal Access to Crime Information Program (TAP) in the Request, we note that up to $3 million in funding would be sourced from existing Tribal dollars. Indian Country must not be forced to choose among critically important Tribal justice programs. TAP funding must be appropriated separately.

Department of Homeland Security

Despite a responsibility for emergency management and response in Indian Country, Tribal Nations and Tribal emergency management organizations have limited access to direct funding from the Department of Homeland Security (DHS), as the current funding mechanisms require Tribal Nations and their emergency management organizations to seek funds through state governments. USET SPF calls upon
appropriators to work with Tribal Nations to identify and eliminate both procedural and current eligibility impediments to additional direct DHS funding for Tribal governments.

**Environmental Protection Agency (EPA)**

USET SPF also opposes reductions in funding to Tribal Nations found in the FY 2019 Budget Request for EPA. Although the Administration continues request increases and a Tribal set aside in the Clean Water State Revolving Fund program, the Request proposes a nearly $575 million cut to State and Tribal Assistance Grants. While some of this funding was restored in an addendum, it remains troubling that a number of line items specific to Tribal Nations were targeted.

**Department of Commerce**

The Budget requests $9.8 billion for the Department of Commerce, a $546 million or 6 percent increase from the 2017 enacted level. However, the Budget would eliminate the Economic Development Administration, which is a primary source of funding for economic development activities in Indian Country, including USET’s own Economic Development Department. The Budget also proposes to reduce funding for the Minority Business Development Agency from $34 million in FY17 ($33.769 FY18 CR) to $10 million in FY19, which includes funding and direct services to Tribal Nations and Native people.

**Department of Treasury**

USET SPF opposes in the strongest possible terms the elimination of funding for Community Development Financial Institutions (CDFIs) through the CDFI Fund, including the elimination of the Native American CDFI Assistance (NACA) Program. While this Administration purports to prioritize the creation jobs and economic opportunities in Indian Country, elimination of the NACA program would prove otherwise. As USET works to establish the first Native CDFI serving our entire region, we urge this Congress to ensure our funding is maintained.

**Conclusion**

While USET SPF recognizes this Committee’s strong, long-standing commitment to Indian Country, we cannot accept funding for federal Indian programs that continue to fall far short of fiduciary trust obligations. This Committee must use its influence to ensure that Congressional appropriators uphold the fiduciary trust obligation to Tribal Nations in FY 2019 and beyond. In pursuit of a relationship more reflective of this obligation, USET SPF urges this Committee, Congress, and all branches of the federal government to ensure that full funding for the trust obligation is realized in our lifetimes. USET SPF looks forward to partnering with the Committee to bring this to fruition.

The CHAIRMAN. Thank you, Mr. McGhee. We will have five-minute rounds of questioning.

First, for Mr. Tahsuda. There is funding in the budget for repair of BIE schools, which is good. The 2019 budget request has $18 billion in the public lands infrastructure funds to address public lands issues and needed repairs at BIE schools. Talk to me about how you are going to consult with tribes in determining which projects are selected, and prioritizing the needs and so forth for the schools.

Mr. TAHSUDA. Thank you, Chairman. We are going through the process now, as we did with preparing for the budget, of looking at the priority list for deferred maintenance. From that, determining what would be priorities as far as adding to the 2016 list. We already have—actually, let me back up. We already have one priority list, 2016, which we hope to finish out first as far as construction of new schools.

Following up on that would be a determination from the deferred maintenance backlog as to which schools would be more appropriate to just be replaced. We would consult with the tribes, obviously, in doing that. But we have a significant level of information about the condition of the schools and hopefully, the Congress passes this and we would then be able to address all these schools
over a short period of years, instead of having to continually add to new priority lists.

The CHAIRMAN. In the 114th Congress, I introduced, and we passed, the Native American Children’s Safety Act. In the 2019 budget, there is a proposed cut of $19.4 million for Social Services programs. My question is, how are you going to be able to not only enforce that law, but also what impact would that reduction have on making sure that we are keeping Indian children safe in their communities, and certainly in foster homes?

Mr. TAHSUDA. Thank you, Chairman. When Congress passed the Native American Child Safety Act, it didn’t specify any additional funding for that. So for us, it is an unfunded mandate, which we are working to meet. A lot of the work will also be on the tribal side of that, and we are in the process of finalizing guidelines that they will use as far as meeting the new statute.

And we work with them through the current programs they have to provide, from their side, to provide the training that they need. We provide training through our staff as it is now. This has been part of the process I was working through the consultations, developing the guidelines. We have planned out, after the guidelines become final, I believe it is June 3rd, under the statute, we have several months planned of training with the tribes, so that they will be able to implement these new guidelines in short order.

But we have to work within the funding that we have for that.

The CHAIRMAN. Mr. Weahkee, the Fiscal Year 2019 budget does propose $340 million for mental health, alcohol and substance abuse programs. How would you use this? There is an increase there. How would you propose to use that? Also, last month our Committee held a hearing on opioid abuse. How do you propose to do more to address the opioid crisis?

Mr. WEAHKEE. Thank you, Chairman Hoeven. I believe our first step needs to be to sit down and consult with the tribes on where the priority areas are in both mental health and in opioids. So our plan would be to initiate consultation to discuss where the tribal priorities are. We still have significant issues with suicide, with alcohol, substance abuse, methamphetamine use, heroin use and the targeted opioid funding is meant to address prevention, treatment and recovery support services. That is step one, let’s sit down with the tribes and determine what their priorities are.

The CHAIRMAN. Mr. Payment, talk to me for a minute about the importance of the Small and Needy Tribes program, if you would.

Mr. PAYMENT. First, I really appreciate Senator Murkowski’s reference to Alaska Natives. Too often they get left behind. I have made it my personal mission to advocate for them. All tribes have been in a similar situation with having lack of resources. So our small and needy tribes, the funding is proposed to be cut, actually zeroed out in this draft budget. The President’s priority is to zero out the Small and Needy Tribes proposal.

Tribes that need it the most are the ones that are small and needy in rural communities. So I don’t support that, NCAI doesn’t support that. We stand in unison with our small and needy tribes in rural communities.
The CHAIRMAN. Also, you mentioned several others like Johnson O’Malley, adult education, some others. Talk to me about the importance and the effectiveness of those programs.

Mr. PAYMENT. Johnson O’Malley goes back to right after the enactment of the Indian Reorganization Act as a way of trying to undo what the Federal Government did with forced assimilation and boarding schools, and bringing back culture and opportunities for tribes to program that, so they can bring back self-esteem and so that people can, our people can exceed at all levels. Johnson O’Malley is a big part of that, and adult education is a big part of that, so we can become self-determined.

In 1974, we passed the Self-Determination Act. It was a dedication and a pledge to move forward, to undo the past and to provide for tribes to be able to provide for themselves. So those are critically important programs.

I would note, there is a real disconnect between the increases that we see that we are grateful for in the IHS budget and some of the real serious, and I use the word draconian, cuts in the BIA side. I know both are not headed up by tribal leaders yet, and we are looking forward to filling those positions as soon as possible.

But there are some real serious and alarming cuts coming out of the BIA. We believe it is because of a lack of leadership in the Asia position.

The CHAIRMAN. Both IHS and BIA are two areas where we push for more funding, obviously health care and education being so important.

Mr. PAYMENT. It seems to be registering right now in this Administration in the IHS portion, but not so much on the BIA side.

The CHAIRMAN. Yes, okay.

Vice Chairman Udall?

Senator UDALL. Thank you very much, Chairman Hoeven. As I said in my opening, the Administration’s budget simply does not reflect Indian Country’s priorities. What results is a “messaging document” that tells Indian Country their concerns have fallen on deaf ears. Vice President Payment, NCAI’s testimony really highlights how this Administration hasn’t just ignored Indian Country priorities, but actually cut or eliminated every single priority funding area. It appears the Administration’s consultation with HHS and the Tribal-Interior Budget Council was just a check the box exercise.

Vice President Payment, do you agree?

Mr. PAYMENT. I would say that for Interior, yes, I think that the obligation to proceed with the Tribal-Interior budget committee process, for which I served as an alternate for the Midwest Region, was a check the box. When you look at the sheet, and I really appreciate this graph, because a picture says a thousand words. You see the priorities that tribes identify in your graph here. And then you see the cuts, 100 percent cuts to scholarships and adult education, housing improvement, Johnson O’Malley, small and needy tribes.

Then you see 30 percent cuts. We are losing ground, going back to the Self-Determination Act. So somehow, with these consultations of reorganizing the BIA, maybe more attention should have
been paid to listening to tribal leaders and our needs and trying to propose funding that meets our needs.

Earlier, we heard Mr. Tahsuda saying they are trying to do with what they have. Well, that is not the job of the trustee. The trustee is to advocate to meet the needs of the tribes. If it is not coming out of the trustee, where can it come from? Thankfully, Congress has a role in this.

Senator Udall. Thank you. The chart you are referring to I think are the ones also we have up here on the left hand side of the dais.

The Administration’s budget cuts are deep and wide and almost no area is spared, including infrastructure. It eliminates Indian Country development block grants, reduces Indian housing block grants and cuts road maintenance and funding for important water projects. The Administration proposes to make up for these cuts through other proposals, like the Infrastructure fund.

Mr. Tahsuda, it is my understanding that this fund is supposed to address the $600 million BIE maintenance backlog. Is that right?

Mr. Tahsuda. Yes, sir. Senator, the fund will address that. But the proposal is relatively broad, though. I think we would be happy to work with Congress to expand it. Again, there are a number of schools that it would be more fiscally responsible to replace than continue to keep maintenance going on. That would be something we would appreciate working with Congress on, to have the authority to do that as well.

Mr. Udall. When we talk about addressing the backlog, the Administration’s proposed fund doesn’t address the $4.1 billion BIE construction backlog, is that correct?

Mr. Tahsuda. I am not sure where that number comes from. We have the deferred maintenance backlog and we have the remaining schools on the 2016 priority list.

Senator Udall. That number that I used, Mr. Tahsuda, that number was given to us by the BIE director at the briefing where they briefed us. So that is your Interior Department number. You have proposed here a $600 million BIE maintenance backlog. But in fact, the actual construction backlog is $4.1 billion, is that correct? That is the number we were given. I just need a yes or no answer on that.

Mr. Tahsuda. If you wrap that all together with all the replacement schools, including the ones that are currently on the list, that is probably close to the number.

Senator Udall. For Vice President Payment, do you support cutting infrastructure line items and replacing them with this fund?

Mr. Payment. I support funding the need as identified through budget priorities, through past testimony, on the record. It almost feels like a bait and switch. So I don’t support the promise of something else down the road in exchange for not funding it now. I believe that we have identified the priorities in past Administrations and in this Administration, and funding it now, not on the promise that we might fund it some day.”

Senator Udall. Vice President McGhee, what priority areas would you want this infrastructure fund to include?
Mr. McGhee. The USET tribes have looked at various ways, we are pleased that there is BIE education money in there and health facilities money. But we shouldn’t have to choose. We have priorities all across there. So the tribal infrastructure that we are looking at is physical infrastructure, jobs, public safety, justice infrastructure, communications and such. There are many more concerns than just those two that were funded within this fund. I think it is one of those things that we shouldn’t have to decide between the two. Infrastructure funding is necessary, but it is not about two programs. It is about across Indian Country and the Federal obligation to help us build those infrastructures.

Senator Udall. Thank you very much. I yield back to Senator Murkowski.

Senator Murkowski. [Presiding.] Thank you. Since I have the gavel and I am generous and magnanimous, I am turning to Senator Heitkamp.

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

Senator Heitkamp. I want to thank my colleagues, Senator Murkowski, but I also want to greatly thank my colleagues, Senator Smith and Senator Cortez Masto. I have another appointment and I of course always have burning questions. I promise they will be questions, not diatribes.

I want to start with one of my greatest concerns, as you know, which is public safety. I have had a chance to visit with a lot of you, addressing the challenges. I understand your staffing and your challenging needs.

But I don’t understand this budget. So in 2016 BIA submitted a report to Congress estimating that to provide a minimum, a minimum, base level of public safety and judicial services to all federally-recognized tribes, it would cost approximately $2.3 billion. And so currently, BIA has only met a fraction of that.

If BIA knows that we need additional increased funding, and that we haven’t met that need, to meet baseline, and that is the words of BIA, are we sending a message to our tribes that their public safety isn’t as important as the public safety of any other citizen in this Country? We will start with you, Mr. Tahsuda.

Mr. Tahsuda. Thank you, Senator. Law enforcement is obviously a very important priority for this Administration. It is obviously important for those who live on reservation communities. The number that you cited I think includes a broad range of situations that exist around Indian Country. As you know, the jurisdictional map that is Indian Country varies greatly. And so we have some large land-based reservations——

Senator Heitkamp. Can I just interrupt? I don’t have a lot of time. How can you possibly say you are getting enough to protect Native women, Native children and Native people when you are actually looking at almost a decrease in public safety?

Mr. Tahsuda. Well, we are focusing on the——

Senator Heitkamp. No, these numbers are yours.

Mr. Tahsuda. Yes.

Senator Heitkamp. Two point three billion, that is your number, that is BIA’s number. So if that is your number for baseline sup-
port, then why isn’t that in the budget? Why isn’t that number the request for the budget? Because the biggest challenge that I have in my State is public safety. I just talked to the police chief of Belcourt. He is begging, begging for help. I have people all over North Dakota in Indian Country begging for help.

I need you guys to be the advocates. I need you guys to say, we are going to do the minimal amount that we need to provide public safety, and that includes places where people can be incarcerated.

So I don’t want to hear about how it can’t get done. I want to hear how you are advocating. I think Mr. Payment made a great point, which is, you are the trustee. You should be the advocate. I get that you may not want to fund housing, or you may not want to fund education, but fundamentally, keeping people safe has to be the highest priority. Security has to be the highest priority. Without that, we don’t have the opportunity for anything else.

And we need an advocate. Can you promise me, and I know this is tough, we need to take it back to the Secretary, we need to take it back to Mulvaney. I have talked to the Attorney General, Jeff Sessions, about this. This cannot get ignored. The Department of Justice needs to step up, BIA needs to step up if we are going to protect women and children in Indian Country.

And if we are not willing to step up, then let’s just admit that they are second class citizens. They aren’t entitled to the same protection that people in this Country are entitled to.

Can you say you are going to take our concerns back?

Mr. TAHSUEDA. I will take your concerns back. They are part of the discussion that we have. And again, we are trying to focus on, and I can’t speak to what happened before I came to the Department, but——

Senator HEITKAMP. Do you agree, do you personally agree with the $2.3 billion?

Mr. TAHSUEDA. I would have to go back, I am not sure where that number came from. I know there were prior efforts to put funding into area where we don’t have clear law enforcement jurisdiction. I am not sure if that is part of what was in that number. But we also have core responsibilities, including core jurisdictional responsibilities.

Senator HEITKAMP. If you don’t agree with that number, can you get me the number that you think? Can you give me a needs assessment, talking to, in consultation with all the other tribes on what it is going to take to get basic law enforcement services in Indian Country in this Country?

Mr. TAHSUEDA. Well, I think our budget reflects two goals, one of which is to strengthen law enforcement in the areas where we have clear jurisdiction, and we are, as you know, on several of your reservations, we don’t have the sufficient force there to do that. That is something we are working strongly on, as you suggested in our phone call the other day. We are turning over the rock the fifth time in certain matters. Part of this is training and getting more officers through our system.

So it is not a simple answer of just saying, throw more money at it. It is trying to analyze how we are doing the job most efficiently and are we putting those resources to the best use. That is what we are trying to do.
Senator H EITKAMP. If you can just indulge me, one more question. Would you agree that right today, in North Dakota, which is what I know the most about, we have inadequate, grossly inadequate law enforcement services in Indian Country?

Mr. TAHSUDA. I think we have some difficulties, I will admit. It is a challenging environment. Again, we struggle to get people through the system and to identify where they can go, where they will be most effective. So it is also, in Indian Country, a march. We have a force that is probably less than most other law enforcement agencies deal with, and we have the greater territories to cover. More scarce populations. So that is a factor that —

Senator H EITKAMP. And some of the highest rates of violent crime in this Country.

Mr. TAHSUDA. Yes.

Senator H EITKAMP. The highest rates of drug use.

Mr. TAHSUDA. Yes.

Senator H EITKAMP. The highest rates of criminality and the lowest rates of protection by law enforcement. That is what I see in my State. So we have to fix this, and we need an advocate in your job. Thank you.

Mr. TAHSUDA. Toward that end, Senator, we have in the budget funding for an additional 17 drug enforcement officers. I hope that we get support for that.

Senator H EITKAMP. [Remark off microphone.]

Mr. TAHSUDA. Yes. Yes, they work in concert with other drug enforcement task forces.

Senator H EITKAMP. I could use 17 just in North Dakota.

Senator MURKOWSKI. Well, and not to pile on here, but it is one thing to have drug enforcement agents. But if you have nobody that is able to follow through with the prosecution, what happens in my State, because we do not have sufficient law enforcement, because we do not have the protection and public safety that Senator Heitkamp has been talking about, the bad guys come in and get away with bloody murder because they can, because we don’t have the resources to follow through with the protection.

I am going to turn to Senator Smith, because I know that she also has to go to another hearing.

STATEMENT OF HON. TINA SMITH,
U.S. SENATOR FROM MINNESOTA

Senator SMITH. Thank you very much, Chair Murkowski. I would just note that I am hearing on both sides of the aisle here a sense of real concern about the budget levels and this overall budget. I am not going to go down that path again as everyone else has.

Though I really have to say, I note with great interest the message that Vice President Payment and Vice President McGhee bring, which is that this is not just a question of priorities and scarce resources. This is a question of the solemn trust and obligation and agreement between the United States and our tribal nations. I think that is the message that I have here, not a message document that is a budget. So I want to say I really appreciate that, very much appreciate that.

But I want to ask about something actually that Senator Murkowski brought up at the beginning. I would like to go back to the
Special Diabetes Program funding. This is something of great interest to me because I am interested in taking this model, which I understand has been so successful, and applying it to the terrible challenges that we have with opioid and treatment and recovery in Indian Country. I am working with members of this Committee to develop legislation that would create a special behavioral health program, so that tribes can access the resources that they need, and using that diabetes program as a model for that strategy, so that we can have good, strong, locally-driven, culturally-specific and results and evidence-based programs.

So my question to you is, can you tell us, I am kind of looking at you, Vice President Payment, but anybody can respond. We are concerned, of course, about this shift from mandatory to discretionary funding. Could either of you just give me a sense of what impact that would have? What would be different if we made that shift?

Mr. PAYMENT. First of all, earlier, so we get glows and grows, and I talked very favorably about some of the proposed increases in IHS. So it is not an attack on IHS. Four years ago I testified in this Committee on the need to make Special Diabetes permanently reauthorized, mandatory and advanced appropriations for our health services. So we prepaid health, the health portion of health, education and social welfare is embodied in the treaties. And we prepaid that with our land.

So the Special Diabetes is one of the best-ranked, evaluated programs in terms of its return on investment, mainly because it empowers people to take care of their own health and acknowledge the types of statistics and data they should be looking at. So it is one of the very best programs that we have seen.

I don't support means testing for Indian programs and services, but I would say that Special Diabetes would meet anybody's means test.

In looking at the budget, Interior and IHS, it is inconsistent. There is almost a schizophrenic approach to proposing this budget. So going backward in time, making it from mandatory to discretionary, is not consistent with tribal leaders. I said previously on HHS Secretary Tribal Advisory, it is something we have been advising this Administration and the past Administration that it has needed to be mandatory and advance appropriated.

So I would like to hear how that changed and like to hear if tribal leaders have expressed at the tribal HHS Secretary Advisory Council if something has changed, or what fundamentally changed at IHS that they have a different position on it now. It is not what tribes want.

Senator SMITH. Would either of you like to respond to that and help me understand why there would be a shift from mandatory to discretionary?

Mr. WEAHKEE. Thank you, Senator Smith, I think that is in our ball park.

In the Special Diabetes Program for Indians, it is the only mandatory line that we have within the Indian Health Service budget. It is part of a greater Administration decision to move a number of different programs from the mandatory to discretionary side of the budget. So it is an Administration policy decision.
Senator SMITH. Fundamentally, that would probably relate in less resources for the Special Diabetes Program, yes?

Mr. WEAHKEE. The Administration supports the amount, which is $150 million. I think that in terms of how this would impact programming, there are concerns with funding level, if it goes into discretionary, impacts from continuing resolutions, planning, ability to plan for grants. These were some of the things that tribal leaders have expressed to me as concerns. But the movement would enable the Administration to make choices about their priorities and putting the dollars into their area of highest priority.

Senator SMITH. I see I am out of time. I want to thank you for your responses, but I am not convinced that this is a good idea, to make a move from mandatory to discretionary. It strikes me that it will end up in less support for something we know works very well.

Thank you very much, Madam Chair.

Senator MURKOWSKI. Thank you, Senator Smith.

Mr. Weahkee, you mentioned that one of the reasons behind this move from mandatory to discretionary was that you have effectively seen that the program has been working, that you are seeing a leveling of the diabetes. I have asked to get some better statistics within the Alaska Native community. Because it is my understanding that we are still faced with very, very serious issues as it relates to diabetes, both Type I and Type II.

So this is the first I have heard that we are actually getting to a better place. So if you have any information that you can share with us, I would certainly appreciate that.

I wanted to ask a question of you, Mr. Tahsuda. This relates to housing. Several of us mentioned the reduction in the BIA Housing Improvement Program, the HIP program. I don't think that we are unique in Alaska when it comes to the situation of housing. We just completed a statewide housing assessment and the percentage of overcrowded homes is twice the national average. There are more than 79,000 households that spend more than 30 percent of their income on housing, approximately 14,600 homes that are energy-inefficient, meaning they are burdened with high energy costs.

We then get the health impact study back that shows us what is happening with a deteriorating level of health within crowded households. When you have 15 people in a two-bedroom home, the spread of disease. When you have the example that I was using is, somebody is doing small engine repair in the middle of the house because it is winter time and you need to be inside, you have chemicals, you have issues that are in your air that is just wrong and unhealthy.

The need is just so critical. The need, everywhere that I go, in every community, is almost staggering in some places.

So we keep hearing the benefits of this program. And yet we zero it out within this particular budget. What is the logic here?

Mr. TAHSUDA. Thank you, Senator. One of the efforts that we have made in the Department in this Administration is to focus on our core responsibilities, core operations first and identify how we can best meet those.
I think it is no secret that the Bureau of Indian Affairs has struggled over the years in adequately meeting even its core responsibilities. That is something we are committed to.

Things like housing programs, there is a whole department that is dedicated to that. For us to put resources into something that is a very small part of our programs, but not be focused on our core operations is something that we have identified that we need to do better. We are looking at doing that, both through the budget and how we administer the program.

Senator MURKOWSKI. And I would challenge you on this. I take it back to a trip that I took with a Secretary of Education, this was Rod Paige back in the Bush days. He was up in the State to look specifically to education. He came out in a very rural, very remote place called Gambell, Alaska, out on St. Lawrence Island in the middle of the Bering Sea. He looked around and realized that, if I don't have housing for teachers, I can't keep a teacher in a school, which means the kids can't get educated. If I don't have adequate housing, I have disease, I have issues that relate to health that increases my costs here. If I don't have adequate housing—we moved forward on a housing initiative a dozen years ago. But it was multi-agency, it was multi-department. Because everything was so inextricably tied back to adequate housing.

So I hear what you are saying about core functions. I don't disagree. But I also think that you need to look outside of the silos, all of you, when we are thinking about how we provide for the health, safety and well-being. And Admiral, you say you want, this budget provides for the physical, the mental, the spiritual health to the highest level. Well, think about it as it encompasses so many different aspects.

Very quickly, because my time is just about out, and this is to you, Rear Admiral, YKHC is building a facility in Bethel. You know this is going to require a large staffing package. Your budget includes the staffing package for Fiscal Year 2019 at about $60 million.

The reason I am asking this question is because the Fiscal Year 2018 initial budget request was way off in its estimate of total need. You originally requested $20 million, but the need was roughly $60 million. As Chair of that Interior Appropriations Committee, we are paying pretty close attention to that. So I am asking for the assurance that the amount you are requesting for Fiscal Year 2019, including the funds that YKHC is looking for, fully meets the staffing needs for the facilities that you anticipate to open in Fiscal Year 2019?

Mr. WEAHKEE. Thank you, Senator, and yes, ma'am, these numbers are updated, assuming there are no slips in opening dates, beneficial occupancy dates. Those numbers are projected to meet all the needs for staffing currently.

Senator MURKOWSKI. We sure hope you are right on that. Thank you, Mr. Chairman.

The CHAIRMAN. [Presiding.] Thank you, Senator Murkowski, and thank you for presiding. I appreciate it.

Senator Cortez Masto.
STATEMENT OF HON. CATHERINE CORTEZ MASTO,
U.S. SENATOR FROM NEVADA

Senator CORTEZ MASTO. Thank you. Let me follow up on some of the concerns with affordable housing. In Nevada, this is a crisis. It is happening in Nevada in not only our urban but rural areas and our tribal communities as well. Obviously, it is an issue across the Country.

One of my primary concerns, however, is also with the HUD VASH vouchers. Mr. Tahsuda, and I will ask Mr. Payment as well. The President’s budget proposes a nearly 50 percent cut to the HUD VASH vouchers for Native Americans, to $3 million. Yet in 2015 alone, Nevada received HUD VASH vouchers worth more than $2 million. Can you please tell me the potential impact these cuts would have on our veterans and your concerns or thoughts on how you are going to address it?

Mr. Payment, I don’t know if you would like to go first.

Mr. PAYMENT. Sure. Again, I earlier talked about this inconsistent, or almost schizophrenic approach to proposing a Federal budget. We hear a lot from the Administration about the needs and concerns of our veterans. We serve the Nation at the highest rate of any racial-ethnic population, as part of our warrior tradition. As such, we have advocated for HUD VASH so that we can address those needs in our tribal communities. Our veterans are equal veterans as everybody else. This program is critically needed. We fought for it, we won it in the reauthorization of NAHASDA if that ever happens.

So I do think it is a retreat from the commitment to our veterans, for sure.

Senator CORTEZ MASTO. Mr. Tahsuda?

Mr. TAHSUDA. That is not a program that is part of our portfolio.

Senator CORTEZ MASTO. Thank you. So let me ask you this, then. There are also concerns about Native American housing, the block grants by $54 million. The concerns that I have there that I am hearing from this Administration. Again, affordable housing across this Country, this is something that we have seen, whether it is workforce housing or needs in our tribal communities. I don’t understand how we are putting forth a budget that is going to cut any type of needs in our community.

Let me move on, because I know something, Mr. Tahsuda, that is in your wheelhouse. I constantly hear, but I have not seen any discussion, but I heard a little bit about this from Mr. McGhee, which is, the DOI reorganization effort.

One thing I do know about it is BIA budget includes $900,000 to support the DOI reorganization effort. But what I just heard from, I believe it was either Mr. McGhee or Mr. Payment, the tribal communities have not been brought into the discussion on what this looks like. I know I have not, and many people in my community have concerns about the reorganization and its impact.

Can you enlighten me? What is the reorganization? What is the $900,000 used to support it? What are we looking at?

Mr. TAHSUDA. Thank you, Senator. The reorganization is department-wide. It would be the largest reorganization of the department at least since Teddy Roosevelt was President. Our part in that obviously has to do with the relationship with the tribes and
sort of how we geographically administer our responsibilities to them.

So the Secretary is committed from day one that the tribes would be consulted with, and they would not only get to look at the maps that everybody has but we will discuss with them how -

Senator CORTEZ MASTO. Have you consulted with them yet?

Mr. TAHSUDA. We have not.

Senator CORTEZ MASTO. Do you intend to?

Mr. TAHSUDA. We do. In fact we are finalizing plans to go out in a few months and start this process. This is not something that happens overnight. We wanted to proceed sort of carefully.

We also have been talking internally with our regional directors, who work very closely with the tribal leaders in their regions to try to identify some things that would be good to discuss at a consultation. So that will be prepared and be going out in a few weeks through the tribal leaders with some suggested dates and locations to do that consultation.

The $900,000 is in some ways a placeholder. One of the concepts in the reorganization is unified regions where you could have some common leadership in a region across the bureaus that are in that region. To do that requires little bit of planning.

Senator CORTEZ MASTO. Are these management areas that I hear about, common management areas?

Mr. TAHSUDA. Yes, that is one way to describe them. But it would be really to get better decision-making when you have different bureaus that weigh in on a particular matter that is before the Department. We often have that, where you have BLM land next to a tribal reservation or something, we have to do.

So the idea is that that would be a more efficient way to reach the decision-making on behalf of everybody.

Senator CORTEZ MASTO. Thank you. I know my time is about up. Let me just add one additional thing. I was just out at a Moapa Indian reservation in Southern Nevada. Same thing, concerns that I hear that I understand my colleagues talked about were the cuts to our law enforcement and basic law enforcement needs in our tribal communities. I cannot think of better use of this money than going into more money for victims of crime, more money for law enforcement, more money for the needs of our tribal communities who quite often are left behind when it comes to their law enforcement needs.

So I am hoping that as we look at this and we are looking at putting money back into this that the opportunity to continue to support our tribal communities, our women and our children and victims and law enforcement, is something that the agencies are going to focus on as well. So thank you. I know my time is up.

The CHAIRMAN. Vice Chairman, do you have any further questions for the witness?

Senator UdALL. Yes, since we are on the second round, and we have Senator Daines here. We have to take care of him on the first round, right?

The CHAIRMAN. Yes, Senator Daines, pardon me. I am sorry. Take six minutes.

[Laughter.]
STATEMENT OF HON. STEVE DAINES,
U.S. SENATOR FROM MONTANA

Senator Daines. Thank you, Mr. Chairman and Ranking Member Udall. I was certainly very pleased last month when Secretary Zinke visited the Blackfeet Reservation to authorize the first transfer of funds for the Blackfeet Water Rights Settlement. It was a long time coming. I worked with Secretary Zinke back when he was Congressman Zinke, when he was in the House, I was in the Senate. We got that across the finish line.

As you know, though, in order for the settlement to be effective, all funds must be appropriated by the 2025 deadline. Unfortunately, we won't get there on the current rate of funding proposed in the President's budget. To get back on track, over $50 million must be appropriated for the settlement each year.

Mr. Tahsuda, will the Department of Interior work with me to secure as much funding as possible to implement the settlement so it can become enforceable by the 2025 deadline?

Mr. Tahsuda. Thank you, Senator. Yes, implementation of the Blackfeet Water Settlement is a high priority for the Secretary. As you know, and to be supportive of your efforts in any way that we can to make sure that access to those settlements funds are appropriated in a timely fashion.

We generally do that across the board, because you know we have statutory deadlines like that that come up with various water settlements as they come up. We work to try to meet those.

Senator Daines. Can I also get your commitment to propose more funding for the settlement in both the Bureau of Reclamation and Bureau of Indian Affairs accounts in future budget requests, to ensure the settlement is implemented in a timely manner?

Mr. Tahsuda. Well, Bureau of Rec is a little out of my league, but I will certainly bring that back to the Secretary. I know we have a commitment from our Bureau, at least, in working on that. I am sure Bureau of Rec will be interested in working on that as well.

Senator Daines. I appreciate it. It is going to take a team effort, combined effort of the Administration, as well as the Montana Congressional delegation, to finally see this settlement put into action. Thanks for your help on that.

I would like to turn now to the physical maintenance needs in a certain school in the Northern Cheyenne Tribal Reservation, and that is in Busby, Montana. Specifically, it has rusty pipes, a dysfunctional kitchen where they can't cook the kids' food, the asbestos in the building. And because of it all, the low morale among the students and teachers.

And it really begs the question, how can we expect Native students to succeed if we can't create the most basic environment that promotes learning?

My question is, Mr. Tahsuda, will the Department support a legislative proposal consistent with the proposed Public Lands Infrastructure Fund in the President's budget request to support the repair and replacement of BIE schools that are in poor condition?

Mr. Tahsuda. Thank you, Senator. Yes, I think we are happy to work with Congress to determine the best way to implement that. As I mentioned earlier, we have the $634 million backlog on de-
ferred maintenance. So in the best fiscally responsible manner, it would probably be appropriate to look at some of those schools and replace them rather than keep up with deferred maintenance, which ends up being more expensive than having a new school facility.

So certainly, we are happy to work with you and the Chairman and Vice Chairman and the Congress to give us the authority we need to address the schools in the best way possible. The Secretary cares very much about this. As you know, he has been to several tribal schools now. It is a high priority.

Senator Daines. Yes. What are the needs the Department sees as most pressing as you look across the BIA system? I know you have mentioned 2016 and other lists in response to Chairman Hoeven. But I am looking for more detail.

Mr. Tahsuda. For the BIE system?

Senator Daines. Right.

Mr. Tahsuda. Clearly, infrastructure is the most pressing. But we also have a need to address teacher recruitment, infrastructure for teachers. As you know, many of the schools are in very rural locations. Getting good, qualified teachers to go to those locations often requires having housing available for them as well. So being able to provide the facilities for the kids, facilities for the teachers.

And we have some internal ideas about how we can do a better job of recruiting teachers as well. I don't think historically the BIE has been able, through its own internal policies, has been able to do the best job of recruiting the teachers that we need.

Senator Daines. Lastly, I am going to take the Chairman up on this extra minute, the BIA proposed budget also includes $2.5 million to address the opioid crisis in Indian Country. In Montana, and among Montana's Indian tribes, meth is actually more of our issue. They are both a problem; meth is the bigger problem. The Fort Belknap Indian Community, for example, is in a state of emergency over the meth epidemic. In fact, the Crow Tribe saw a meth-fueled triple homicide just last summer.

Mr. Tahsuda, will this funding also be used to combat the meth crisis?

Mr. Tahsuda. Thank you, Senator, are you talking about the $2.5 million?

Senator Daines. Yes. So along with the opioid questions, will you also address the meth issue?

Mr. Tahsuda. Yes, Senator. I would say, yes, we will be. Senator, as you know, the drugs don't separate themselves out when they come in. They often come in together. And in fact, I don't know if you saw earlier today, but the Secretary, along with the White House, made an announcement last week, we ran a major interdiction effort in New Mexico. In addition to other drugs, 48 pounds of meth was part of the confiscation.

So certainly, while you call it an opioid effort, our attention is to address the drug epidemic in general on the reservations, particularly with our law enforcement resources.

Senator Daines. Thank you very much. Thanks, Mr. Chairman.
The Chairman. Vice Chairman Udall?
Senator Udall. Thank you, Mr. Chairman.
Tribes are disproportionately impacted by rapidly-changing climates. I see that in New Mexico with my tribes. The tribes, I really feel, in many cases, on some of my visits, the tribes are at ground zero for things like drought, wildfires, fishery disasters. These things are happening all across the United States.

So given that tribes play a vital role in adapting to climate change, and given that 95 million acres of land managed either by tribes or for the benefit of tribes by the United States, and mind you, that is 11 million more acres than the entire National Park Service manages, Mr. Tahsuda, given the important role tribes can play in addressing climate change, why did Interior eliminate the Tribal Climate Resilience Program?

Mr. TAHSUDA. Thank you, Vice Chair. Again, the primary thrust of the budget, the underlying theme is focusing on our core operations, core priorities.

Senator UDALL. This is a core priority for tribes.

Mr. TAHSUDA. What is a core priority, I think, Senator, is addressing the impacts. We have, we follow the science and the law when it comes to these matters. We have a responsibility to address the situation on the ground. We provide resources to the tribes to do that. We provide them through, for grazing lands, we have, again, we try to help the tribes address those. In most instances, they are best addressed, they are in the best position to identify those impacts. Our job really is to assist them in addressing those. That is what we see as one of our core, not just a core priority but a trust responsibility.

Senator UDALL. I can just tell you from the things that I see on the ground in New Mexico, the resources are not there in any of the programs. This is severely, severely, underfunded. So eliminating a program like this Tribal Climate Resilience Program really hits to the heart of what tribes are trying to do to survive and continue their way of life.

The Centers for Disease Control and Prevention recently reported that the rate of Hepatitis C infection tripled between 2010 and 2015, mostly due to the use of needles by a growing number of drug users. These secondary health complications of substance abuse, things like increased rates of bloodborne infectious disease and of neonatal abstinence syndrome can prove just as costly to treat and just as deadly for many Native communities.

Mr. Weahkee, does IHS have any data on changing numbers of IHS patients presenting with opioid use-related bloodborne infectious diseases like Hepatitis C and HIV–AIDS, or house statistics on rates of neonatal abstinence syndrome?

Mr. WEAHKEE. Thank you, Senator Udall, for the question. With regard to Hepatitis C infection rates, we know nationally that approximately one in 30 baby boomers is infected. Our initial data tells us that we have approximately 34,000 patients in Indian Country infected with Hepatitis C. We know it is very costly to treat.

We are just now beginning to look at the tie between opioid use and rates of Hepatitis C and HIV–AIDS. So we are gathering the body of evidence to be able to come back and provide you with more finite information.
Senator Udall. Please do that and give us a very full answer in the record. We would really appreciate that.

Vice Chairman McGhee, do you believe that IHS and other agencies at HHS are requesting enough funding resources to deal with these related health complications in tribal communities we were just talking about?

Mr. McGhee. Even though we have had some increases, of course those increases are not enough. We talked about the increases, but yet we have also eliminated certain programs. We eliminated the Community Health program, that is a program that is vital to our Tribe, we use that program a lot. And if we are looking at the opioid crisis, if we are looking at these drug epidemics, like the meth problem that Senator Daines was talking about, there are various programs that all could work together. The other one is the Health Education Program that was eliminated, too.

All these programs could work together for us to determine what the issues are and how can we impact those issues. We need to look at the possibility of saying, okay, these programs are needed. We appreciate the increase that were made, but these programs that were eliminated are needed because they were doing an effective job by going into the community and addressing the problems and seeing what they are.

So I think, as Senator Murkowski related, all these things are connected. When you look at all of things, you have to look at the holistic approach to the issues that are impacting tribal nations, especially when it comes to health care. And it is holistic. We cannot look at one without looking at the other one.

I think this goes back to, she was talking about housing needs, she was talking about infrastructure needs. All of these have an impact, so when there is a cut or elimination of a program, you are impacting the tribes.

Senator Udall. Vice President Payment, do you have any thoughts on this same issue?

Mr. Payment. We were talking about the reductions and the incidence of Hepatitis C. I was just thinking, I am from a large family; I have three brothers that have Hepatitis C and two are deceased. So I think the urgency might be lost in the statistics a little bit.

Again, the budget proposal is good. So in some ways, there is a term in public policy called satisfice. And satisficing, because it is better than what we have had. But if you look at the budget formulation and self-governance committees and direct service tribes' groups and the advocacy of what is actually needed to fulfill the trust responsibility. We are only scratching the surface.

So certainly, any kind of cuts to programs and services that have demonstrated their utility is not warranted and not supported by tribal Indian Country.

Senator Udall. Thank you. I want to express my thanks to the entire panel today. Thank you very much, Mr. Chairman.

The Chairman. I would also like to express my thanks to all of you for being here today.

With that, if there are no more questions, then we will conclude the hearing. The hearing record will be open for two weeks and
memembers can submit additional questions in writing. We would ask that you respond to them as promptly as you can.

With that, again, thank you, and we are adjourned.

[Whereupon, at 4:22 p.m., the Committee was adjourned.]
APPENDIX

PREPARED STATEMENT OF AHIWAKE ROSE, EXECUTIVE DIRECTOR, NATIONAL INDIAN EDUCATION ASSOCIATION (NIEA)

Dear Chairman Hoeven:

On behalf of the National Indian Education Association (NIEA), I respectfully submit the following comments in response to the President’s Fiscal Year (FY) 2019 Budget Request for programs that impact Native students.

NIEA is the most inclusive national organization advocating for improved educational opportunities for American Indian, Alaska Native, and Native Hawaiian students. Our mission centers on ensuring that Native students have access to a high-quality academic and cultural education, a goal that is only possible if Congress upholds the federal trust responsibility to tribes.

The Federal Trust Relationship

Congress has a federal trust responsibility for the education of Native students. Established through treaties, federal law, and U.S. Supreme Court decisions, the federal government’s trust responsibility to tribes includes the obligation to provide parity in access and equal resources to all American Indian and Alaska Native students, regardless of where they attend school. The President’s Budget Request for FY 2019 represents a rupture in the federal trust responsibility, an obligation shared between the Congress and the Administration for federally-recognized tribes.

The President’s FY 2019 Budget for Native Education Programs

NIEA has significant concerns regarding the proposed budgets for the Department of Interior and the Bureau of Indian Education (BIE) as well as the Department of Education (DoED). Overall, the President’s Budget for FY 2019 proposed a 19 percent cut to the BIE and a five (5) percent cut to the DoED. These cuts disproportionately impact Native students, reducing tribal funding for resources and programs that support college, career, and community readiness.

The Administration’s budget reflects steep cuts of over $172 million in funding for BIE education programs and $165 million for BIE school construction and facilities improvement. Severe cuts and elimination of key programs, including the Johnson-O’Malley program, ISEP formula funds, post-secondary scholarships, early childhood education, and juvenile justice detention centers, represent a failure to uphold the BIE’s fiduciary responsibility through the federal trust relationship.

Despite estimates of over $1.3 billion in need for construction at Bureau funded schools, the President’s Budget completely eliminates funding for school and education facilities construction. Instead, the budget proposes $72.8 million to repair existing schools, which currently have a maintenance backlog of over $640 million. Such steep cuts to funding for safe and healthy classrooms for Native students amount to extreme neglect of Native students and families.

Similarly, the President’s Budget for FY 2019 fails the 92 percent of Native students in public schools by cutting over $602 million from programs that impact Native students. The proposed budget slashes and eliminates critical education programs in Native communities, including Title VI Indian Education Grants, Native Hawaiian and Alaska Native education programs, Tribal Colleges and Universities, Impact Aid, and Title I.

The BIE and DoED must uphold their constitutional obligations to tribal nations by fully funding programs that serve the unique academic and cultural needs of Native students. Tribes and Native communities must have access to the resources necessary for Native students to engage and thrive in the classroom and beyond. The following funding levels for key federal education programs would promote Native student success in the classroom and beyond:
DEPARTMENT OF THE INTERIOR

INTERIOR—ENVIRONMENT APPROPRIATIONS BILL

Education Construction—Provide $430 million for Bureau of Indian Education (BIE) school construction and repair. An increase of $191.7 million above FY 2018 enacted.

• This funding category includes school construction, facilities improvement and repair, and replacement school construction.
• The Department of the Interior’s Office of Inspector General published in September of 2016, an evaluation titled “Condition of Indian School Facilities,” estimated the cost of fixing the dilapidated BIE schools, concluding that more than $430 million would be needed to fix the problems already identified.

Broadband Internet Access—Provide $40 million to extend broadband Internet access. An increase of $21.15 million above FY 2018 enacted.

• Less than ten percent of Indian Country has access to broadband Internet technology and 60 percent of BIE schools do not have adequate digital broadband access, or computer access, to be aligned with college and career readiness standards.
• Expand e-rate for BIE schools, Native majority schools and Tribal Colleges and Universities.

Johnson O’Malley—Provide $42 million for full funding. An increase of $27.1 million above FY 2018 enacted.

• The Johnson O’Malley program has provided grants to supplement basic student needs by assisting with the unique academic and cultural needs of Native students since 1934.
• The federal government allocated $125 per student in JOM funding in 1995. Current funds (FY 2017) provide less than $63.80 per student, which are often the only source through which Native students—including those in public schools—can engage in basic education activities.

Juvenile Detention Education—Provide $620,000 for juvenile detention education in BIA-funded facilities. An increase of $120,000 above FY 2018 enacted.

• This essential funding is used to provide educational services to detained and incarcerated youth at 24 BIA-funded juvenile detention facilities.
• One of the best methods to rehabilitate individuals is through education and eliminating this program creates additional costs by increasing the rate of criminal recidivism.

Student Transportation—Provide $73 million for student transportation in the BIE system. An increase of $16 million above FY 2018 enacted.

• BIE schools incur disproportionately high costs in transporting Native students to and from school due to the often-rural location of BIE facilities.
• These high costs often lead to funding shortfalls, which then must either go unpaid or funded by diverting funds from other education programs.

Tribal Grant Support Costs—Provide $90 million for tribal grant support costs for tribally-operated schools. An increase of $9 million above FY 2018 enacted levels.

• Tribal Grant Support Costs fund the administrative costs of existing tribally-operated schools.
• Full funding is critical as these funds help tribes expand self-governance and tribal control over education programs. Schools must divert critical teaching and learning funding to cover any shortfalls in operational costs.

Facilities Operations—Provide $109 million for BIE facilities operations. An increase of $42.4 million above FY 2018 enacted.

• BIE schools use this funding for costs such as electricity, heating fuels, communications, GSA vehicle rentals, custodial services, and other vital operating expenses.
• For years, schools have only received roughly 50 percent of funding needed for these expenses. This shortfall is unacceptable as costs continue to rise for vital services.
Facilities Maintenance—Provide $76 million for BIE facilities maintenance. An increase of $16.5 million above FY 2018 enacted.

- BIE schools use this funding for the preventative and routine upkeep, as well as for unscheduled maintenance of school buildings, grounds, and utility systems.
- Underfunding of maintenance continues to be an issue as buildings are in poor conditions and cannot maintain proper standards.


- These funds provide the core budget account for BIE elementary and secondary schools by covering teacher salaries, aides, principals, and other personnel.
- ISEP funds are often reallocated to cover the program cuts in other areas of education.
- ISEP must have adequate funding to ensure all program needs are fulfilled and must not be reduced to provide funds for new initiatives that have not been vetted by tribes.

Bureau of Indian Education Immersion Demonstration Grants—Provide $5 million for BIE immersion programs. An increase of $3 million above FY 2018 enacted.

- According to UNESCO, 74 Native languages stand to disappear in the next decade, with only 20 Native languages being spoken by 2050.
- Providing Immersion Demonstration Grant funds protects the cultural and linguistic heritage of Native students in education systems by providing Native students immersion learning in order to strengthen language, improve academic outcomes, and become future leaders of their tribes.

Tribal Education Agencies/Departments—Provide $10 million to fund Tribal Education Agencies/Departments. An increase of $7.5 million above FY 2018 enacted.

- This funding assists Tribal Education Agencies (TEAs), who are uniquely situated at the local level to implement innovative education programs that improve Native education.
- TEAs would use this much-needed funding to develop academic standards, assess student progress, and create math and science programs that require high academic standards for students in tribal, public, and BIE schools.

Institute of American Indian Arts (IAIA) and Center for Lifelong Education—Provide $9.9 million to the Center & Museum under the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act. Level funding with FY 2018.

- IAIA is the only fine arts institution that awards bachelor and master degrees devoted to the study of contemporary Native American and Alaska Native arts.
- IAIA has graduated more than 3,800 students from federally-recognized tribes and beyond. Of the $16.9 million requested, provide $11.8 million.

Haskell Indian Nations University (HINU) and Southwestern Indian Polytechnic (SIPI)—Provide $25.0 million to HINU and SIPI under the Snyder Act. An increase of $6.7 million above FY 2018 enacted.

- These institutions are federally chartered and funded separately from the other tribal higher education institutions and require additional funding considerations.
- Of the $37.8 million requested, a one-time payment of $14.8 million is needed to forward fund these institutions, so that they can receive their institutional operating funds on an academic calendar (July 1), rather than the federal fiscal year (October 1).
Title I of the Every Student Succeeds Act (ESSA) provides critical financial assistance to local educational agencies and schools with high percentages of children from low-income families that ensure all children meet challenging state academic standards.

ESSA's appropriation for FY2018 is $15.5 billion. However, in order to counter annual inflation and sequestration, a drastic increase in funding is needed to meet the needs of Native students and students from low-income families.

ESSA Title VI: Indian Education Formula Grants—Provide $198 million for Title VI, Part A. An increase of $92.7 million above FY 2018 enacted. Authorized funding for Title VI, Part A for FY2017 is $105.3 million. Increases are needed as this critical grant funding is designed to supplement the regular school program and assist Native students so they have the opportunity to achieve the same educational standards and attain parity with their non-Native peers.

- Title VI funds support early-childhood and family programs, academic enrichment programs, curriculum development, professional development, and culturally-related activities.
- As Native students lag far behind their non-Native peers in educational achievement, increased funding is necessary to address this substantial gap.

ESSA Title VI, Part A, Subpart 2: Special Programs and Projects to Improve Educational Opportunities for Indian Children—Provide $67.9 million for Title VI, Part A, Subpart 2: Special Programs and Projects to Improve Educational Opportunities for Indian Children.

- ED's Native Youth Community Projects initiative provides better comprehensive, community-driven strategies to improve college and career-readiness of Native youth.


- Under the ESSA, language immersion programs are funded in public schools. It is well documented that Native students are more likely to thrive in environments that align with their language and culture.

ESSA Title VI, Part B: Native Hawaiian Education Program—Provide $36.4 million Title VI, Part B.

- The Native Hawaiian Education program empowers innovative culturally appropriate programs to enhance the quality of education for Native Hawaiians. When establishing the Native Hawaiian Education Program, Congress acknowledged the trust relationship between the Native Hawaiian people and the United States.
- These programs strengthen the Native Hawaiian culture and improve educational attainment, both of which are correlated with positive economic outcomes.

ESSA Title VI, Part C: Alaska Native Education Equity Assistance Program—Provide $36.4 million for Title VI, Part C.

- Alaska does not receive any BIE funding, making this source of funding the only resource available for Alaska Native tribes and organizations to provide supplemental programs that address the achievement gap for Alaska Native students.
- This funding is crucial to closing the gap between Alaska Native students and their non-Native peers as eligible activities include professional development for educators, activities carried out through Even Start programs and Head Start programs, family literacy services, and dropout prevention programs.

ESSA Title VII: Impact Aid—Provide $2 billion for Title VII. An increase of $589 million above FY 2018 enacted.

- Impact Aid provides direct payments to public school districts as reimbursement for the loss of traditional property taxes due to a federal presence or activity, including the existence of an Indian reservation.
- With nearly 93 percent of Native students enrolling in public schools, Impact Aid provides essential funding for schools serving Native students.

School Construction—Provide $500 million for school construction. Provide funding for school construction consistent with the Trump Administration's
focus on infrastructure by providing funding in communities where significant concentrations of Native students attend public schools.

- With 93 percent of Native students in public schools and more than 40 percent of Native students in rural communities with limited capacity for bonding, investing in Indian Country via schools will help prepare Native students for the 21st century economy.

HEA Title III: Tribal Colleges and Universities—Provide $65 million ($30 million in discretionary funding and $30 million in mandatory funding) for Title III-A grants under the Higher Education Act for Tribal Colleges and Universities.

- Titles III and V of the Higher Education Act, known as Aid for Institutional Development programs, support institutions with a large proportion of financially disadvantaged students and low cost-per-student expenditures.

HEA Title III: Tribal Colleges and Universities: Adult/Basic Education—Provide $8 million for American Indian Adult/Basic Education at Tribal Colleges and Universities, from existing funds appropriated for state block grant funding. No such set-aside from existing funds included in FY 2018 enacted.

- Despite an absence of dedicated funding, TCUs must find ways to continue to provide basic adult education classes for those American Indians that the present K–12 Indian education system has failed.
- There is a wide-ranging need for adult basic education and literacy programs and TCUs need adequate funding to support the ever increasing demand for adult education and remediation program services.

HEA Title III, Part F: Native American-Serving, non-Tribal Institutions—Provide $10 million for non-tribal, Native-serving institutions of higher education. An increase of $1.7 million above FY 2018 enacted.

- Funds provided under this line item serve as the primary source of federal funding for Native-serving, non-tribal institutions of higher education.
- With nearly 100 institutions potentially qualifying as Native-serving, non-tribal institutions, an increase in funding will provide the opportunity for more Native-serving institutions to better serve their students and increase graduation rates among Native students.


- Vocational education/training programs are very expensive to conduct, but are vital to preparing a future workforce that will operate safely and efficiently contributing greatly to the global economy.
- Currently, two TCUs participate in this funding program: United Tribes Technical College in North Dakota, and Navajo Technical University in New Mexico. The TCUs urge Congress to appropriate $10 million for Sec. 117 of the Act.

Infrastructure Proposal for BIE School Construction

Though NIEA is pleased to see BIE schools included in the $18 billion “Public Lands Infrastructure Fund” proposal from President Trump, we remain concerned that the means for obtaining funds could infringe on public lands. If the proposal were to fully respect tribal sovereignty and provide the full funding that BIE schools need—more than $640 million in immediate funding and at least $1.3 billion in funding for construction and maintenance—then NIEA will of course be interested in learning more about the proposal. If, however, the proposal is for funding that does not respect the inherent sovereignty of tribes, we could not support it.

NIEA is concerned about steep cuts to education construction for BIE schools without any details or tribal input regarding the current infrastructure proposal. As expressed by Chairman Payment of the Sault Ste. Marie Tribe of Chippewa Indians during the hearing, the Administration has slashed critical construction and maintenance funding for the BIE in exchange for the possibility of future funding in the infrastructure proposal. The proposed infrastructure package does not abrogate the federal trust responsibility to fund construction for BIE schools in the federal budget. Though current funding levels fail to fully address the $640 million need for construction, the need for construction and repair in BIE schools is too great to wait for a possible infrastructure package without ongoing funding to address construc-
tion needs. Native students must have access safe and healthy classrooms where they can learn and thrive.

Conclusion

With these concerns and through these recommendations on the President’s FY 2019 Budget Request for Indian programs, NIEA looks forward to working with the Chairman to pass a budget that serves the unique needs of the only students that the federal government has a direct responsibility to educate—Native students.

PREPARED STATEMENT OF CHRIS JAMES, PRESIDENT/CEO, NATIONAL CENTER FOR AMERICAN INDIAN ENTERPRISE DEVELOPMENT

The National Center for American Indian Enterprise Development (“The National Center” or “NCAIED”) appreciates this opportunity to present our views on the President’s Budget Requests for Fiscal Year (FY) 2019 for Indian Programs that most directly affect business, economic and energy development in Indian Country. With over 40 years of assisting American Indian Tribes and their enterprises with business and economic development, the National Center has evolved into the largest national Indian specific business organization in the United States. Driven by our motto—“We Mean Business of Indian Country”—we are actively engaged in helping Tribes and native enterprises and entrepreneurs realize their business goals. We fulfill our mission by assisting with business, financing and contracting needs, including trainings, business development and other guidance, marketing tools, access to capital, and procurement technical assistance. In addition to our American Indian Procurement Technical Assistance Center (AIPTAC), we will be expanding our procurement and technical assistance to new areas and developing the Native Edge Institute to offer one-on-one counseling to Native businesses and entrepreneurs. We are revamping our Native Edge online portal and will add a lending component through participation of Community Development Financial Institutions (CDFIs). Our growing annual Reservation Economic Summits (RES) will continue to offer conference sessions, training workshops, Buy Native Procurement Matchmaking, Trade Show, and other networking opportunities.

Overview of FY 2019 Budget Requests for Indian Programs

The National Center views many of the FY 2019 Budget Requests for Indian Programs with skepticism and opposes the deep cuts or elimination of several key programs that support business, economic, housing and community development in Indian Country. Programs that should be strengthened, not eliminated, include HUD’s Indian Community Development Block Grant Program, and Labor’s Indian and Native American (Jobs) Program. Given the federal trust obligations to sovereign tribal governments, the federal budget must provide the essential support that federal offices and programs need to fulfill those obligations, and that means maintaining current or increasing funding levels. Our recommendations include examples of the programs worthy of greater resources because of their targeted support for tribes and Indian communities specifically.

Federal Support as Leverage for Business and Economic Development in Indian Country

The National Center’s previous budget views on the FY 2017 and 2018 Budget Requests noted many of the programs that address our key priorities. We are pleased that the FY 2018 Omnibus Appropriations agreement increased funding for advance several of our priorities, but the FY 2019 Budget Requests propose cuts, some drastic, to these important programs. We urge the Senate Committee on Indian Affairs to consider our recommendations below and incorporate them into its own recommendations to the Senate Budget and Appropriations Committees:

Business and Procurement Technical Assistance

- **Procurement Technical Assistance Program:** In the FY 2019 Department of Defense (DOD) appropriations for Title III, Operations and Maintenance—Defense-Wide, Congress should provide the FY 2018 enacted level of $38.5 million for the Defense Logistics Agency’s Procurement Technical Assistance Cooperative Agreement Program to support the Procurement Technical Assistance Centers (PTACs) that operate across the country, and continue to set aside a specific amount for American Indian PTACs (AIPTACs). This funding helps leverage private matching funds of PTACs and AIPTACs to provide procurement technical assistance to small business contractors seeking contracts with federal, state, local and tribal governments. To enable AIPTACs to assist contractors seeking opportunities afforded by hikes in defense spending, and to match the
authorized funding level for AIPTACs, our FY 2019 recommendation: At least $38.5 million for all PTACs, including $4.5 million for AIPTACs.

- **5 percent Indian Incentive Program:** Congress should continue to include in Defense Appropriations, Title VIII—General Provisions, mandatory funding for this important program that supports defense procurement objectives by awarding eligible DOD prime and higher-tier contractors an incentive payment of 5 percent of the value of contract work awarded to and performed by subcontractors owned by American Indian, Alaska Native, or Native Hawaiian individuals or communities. Prior years’ funding of $15 million annual resulted in $1.7 billion worth of work subcontracted to native-owned companies, yet a substantial backlog remains (well over $30 million in qualified incentive payment requests). Working down this backlog will require a sustained funding effort, and the $20 million just approved for FY 2018 is a first step in that direction. To keep decreasing the backlog, and align with higher DOD procurement spending, our FY 2019 recommendation: $20 million for the 5 percent Indian Incentive Program.

- **Minority Business Development Agency:** The FY 2019 Budget Request proposes $10 million for the MBDA at the Department of Commerce, and reform of its service delivery model and re-orient its focus on policy, advocacy research and public/private partnership. Operating as an Executive Order agency, MBDA has funded some Native American-focused MBDA Centers and has provided the only funding ever made available for the statutorily authorized Office of Native American Business Development (ONABD). The FY 2018 enacted level for MBDA is $39 million for MBDA, with conference report language directing that no less than 50 percent of its funding be awarded through competitive agreements, external awards and grants. Just as level funding for MBDA is important, we strongly believe, as noted below on p. 4, that funding should be provided for the ONABD as authorized in the Senate-passed “Indian Community Economic Enhancement Act” (S. 1116). That bill places the ONABD within the Office of the Secretary of Commerce where it belongs, not under the purview of the MBDA. Our FY 2019 recommendation: $39 million for MBDA, with more support for Native-focused Business Centers.

- **Administration for Native Americans:** We are pleased that the FY 2019 Budget Request proposes $52 million for ANA, including its effective competitive grant program to implement Social and Economic Development Strategies (SEDS), and that the Senate just passed S. 1116 to reauthorize ANA and enhance the SEDS program. Our FY 2019 recommendation: At least $52 million for ANA.

### Leveraging Federal Funds to Increase Access to Capital

- **Indian Loan Guarantee Program:** Once again, needed funding for this key DOI loan guarantee program faces a proposed cut for FY 2019, down to $6.597 million with a cap of $108.55 million in aggregate loan value. Congress has been adding funds to this essential program, just approving $9.27 million for FY 2018, with a higher aggregate loan cap of $123.6 million, to help meet Indian Country’s financing needs. This program successfully incentivizes and leverages private sector lending for tribal, tribal enterprise and other native business projects for business expansion, economic or energy development. With a great track record of successful projects, the program produces a $16 return on each $1 of the federal investment. Our FY 2019 recommendation: $15 million to support as much as $250 million in private sector financing for Indian Country projects, including small infrastructure projects.

- **Tribal Energy Loan Guarantee Program:** After many years, Congress finally appropriated $9 million for FY 2017 for this important program to leverage private financing for energy project development in Indian Country. Sadly, the $9 million was rescinded, but Congress approved $1 million for FY 2018 and the Department of Energy’s Loan Programs Office is conducting listening sessions to arrive at the best approach to implementing the Tribal Energy Loan Guarantee Program, even though the FY19 Budget Request proposes to eliminate it. Our FY 2019 recommendation: $9 million to implement this key program.

- **Native CDFIs:** The FY 2019 Budget Request proposes to eliminate funding for Community Development Financial Institutions (CDFI) Fund grants, including grants for Native CDFIs as part of the Native American CDFI Assistance initiative, and provide only limited funding to support management of the CDFI Bond Guarantee Program, New Market Tax Credits, and certification and compliance for Native and other CDFIs. As barriers to capital access are nowhere more steep than in Indian Country, greater support (not less) for Native CDFI grants is critically necessary to make available more small and micro loans for
individuals and small businesses, and to facilitate financial literacy and more entrepreneurial development training, in Indian communities. Congress just approved $250 million for the CDFI Fund, and of the $161 million for financial and technical assistance grants, $16 million was provided for Native CDFIs as well as a waiver of the non-federal match requirement. Our FY 2019 recommendation: $20 million for Native CDFI grant funding.

- **New Market Tax Credits:** The FY 2019 Budget Request proposes insufficient support for the CDFI Fund generally, and for the New Market Tax Credit (NMTC) program. What should be provided is a set aside for, or emphasis on investments into, underserved tribal communities as the National Center and other national native organizations have urged. Our FY 2019 recommendation: Increased support for NMTCs and set aside of NMTC allocations for project development in Indian Country.

**Support for High Level Federal Offices Focused on Native American Affairs**

As noted in our previous years’ budget recommendations, the National Center is convinced that business, economic, community and energy development advances in Indian Country when there is a high level Office within a key federal department or agency to focus its resources on Native American initiatives. Most of the key federal departments have supported such a high level office, although the FY 2019 Budget Request reduces that support. Most unfortunate, the Department of Commerce (DOC) still has no operational Office of Native American Business Development (ONABD), as authorized in Public Law 106-464, to help facilitate access to the Department’s plentiful resources to promote commerce, international trade and tourism for Indian Country. As already noted, we strongly support speedy enactment of S. 1116 to elevate and fund this Office so that it can coordinate all of Commerce’s programmatic activities, as well as initiatives with other key federal departments, to increase business and economic development, trade and tourism in Indian Country!

Below are the National Center’s views on funding for these essential Offices:

- **Commerce—Office of Native American Business Development:** The ONABD should be placed in the office of the Secretary, with a $2 million budget, as authorized in Senate-passed S. 1116. Our FY 2019 recommendation: $61 million for DOC’s Departmental Management, within which $2 million should be set aside for the ONABD.

- **DOI—Office of Indian Energy and Economic Development:** The FY 2019 Budget Request continues to underfund the economic development activities of this important office. In addition to funds for energy development-related initiatives, funding should be increased for the Economic Development Division of OIEED so that it can enhance its economic development initiatives and implement programming for Native Business Incubators, as proposed in Senate-passed S. 607. Our FY 2019 recommendation: $7 million more for OIEED.

- **SBA—Office of Native American Affairs:** The FY 2019 Budget Request includes $1.5 million for Native American Outreach, down from $2 million enacted for FY 2018. This line item supports SBA’s Office of Native American Affairs, headed by an Assistant Administrator to manage the outreach activities. Such activities include multi-agency workshops, Native supplier events, and facilitation of Native contractors’ participation in SBA’s 8(a), HUBZone, women-owned business, veteran and service disabled veteran-owned, and other small business contracting programs. Our FY 2019 recommendation: $2 million for Native American Outreach.

- **USDA—Office of Tribal Relations:** The FY 2019 Budget Request proposes $2 million for the Office of Partnerships and Public Engagement, into which USDA has lumped four previously separate programs, including the statutorily authorized Office of Tribal Relations (OTR), previously funded at $500,000 or higher. The OTR has led many successfully initiatives to coordinate USDA programs to assist tribes and native agricultural enterprises, and target USDA’s assistance to enhance agricultural financing and market access, and promote business, economic, community and infrastructure development in Indian Country. We are pleased that Congress continued at least level funding of USDA’s Rural Development programs that have so effectively provided assistance to Indian communities, but we oppose the cuts proposed in the FY 2019 Budget Requests. Our FY 2019 recommendation: $500,000 at least for the OTR specifically, and preserve funding for the RD programs that best assist Indian community development.
• **DOE—Office of Indian Energy Policy and Programs:** The FY 2019 Budget Request of $10 million falls woefully short of what the OIEPP needs and the level of $18 million provided for FY 2018. We commend this Committee for having endorsed a higher funding level for this important office, and urge it to do so again. Our FY 2019 recommendation: $20 million for the OIEPP.

Thank you for the opportunity to present these views and reiterate our requests to increase support for the above programs that invest federal dollars as leverage to multiply exponentially the amount of tribal and private capital invested in Indian Country.

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**PREPARED STATEMENT OF THE NATIONAL INDIAN HEALTH BOARD (NIHB)**

Chairman Hoeven, Vice Chairman Udall, and Members of the Committee, the National Indian Health Board (NIHB) thanks you for holding the hearing, “The President’s FY2019 Budget Request for Indian Programs.” On behalf of NIHB and the 573 federally-recognized Tribes we serve the National Indian Health Board (NIHB) submits this testimony for the record. NIHB is a 501(c)3, not for profit, Tribal organization founded by the Tribes in 1972 to serve as the unified, national voice for American Indian and Alaska Native (AI/AN) health in the policy-making arena. Our Board of Directors is comprised of distinguished and highly respected Tribal leaders in AI/AN health. They are elected by the Tribes in each region to be the voice of the Tribes at the national level.

**The Federal Trust Responsibility**

The federal promise to provide Indian health services was made long ago. Since the earliest days of the Republic, all branches of the federal government have acknowledged the nation’s obligations to the Tribes and the unique trust relationship between the United States and Tribes.

The Indian Health Service is the primary agency by which the Federal Government meets the trust responsibility for direct health services. IHS provides services in a variety of ways: directly, through agency-operated programs and through Tribally-contracted and operated health programs; and indirectly through services purchased from private providers. IHS also provides limited funding for urban Indian health programs that serve AI/ANs living outside of reservations. Tribes may choose to receive services directly from IHS, run their own programs through contracting or compacting agreements, or they may combine these options based on their needs and preferences.

Today the Indian healthcare system includes 46 Indian hospitals (1/3 of which are Tribally operated) and nearly 630 Indian health centers, clinics, and health stations (80 percent of which are Tribally operated). When specialized services are not available at these sites, health services are purchased from public and private providers through the IHS-funded purchased/referred care (PRC) program. Additionally, 34 urban programs offer services ranging from community health to comprehensive primary care. To ensure accountability and provide greater access for Tribal input, IHS is divided into 12 geographic Service Areas, each serving the Tribes within the Area. It is important to note that Congress has funded IHS at a level far below patient need since the agency’s creation in 1955. In FY 2017, national health spending was $9,207 per capita while IHS spending was only $3,332 per patient.

The Federal Government has yet to live up to the trust responsibility to provide adequate health services to our nation’s indigenous peoples. Historical trauma, poverty, lack of access to healthy foods, loss of culture and many other social, economic and environmental determinants of health as well as lack of a developed public health infrastructure in Indian Country all contribute to the poor state of American Indian and Alaska Native (AI/AN) health. This underfunding of the IHS is clearly visible when examining the health disparities for AI/ANs. Among AI/ANs, the rate of drug overdose deaths is twice that of the general population, according to the IHS. Deaths from prescription opioid overdoses increased four-fold from 1999 to 2013 among AI/ANs. According to the Office of Minority Health, from 2009–2013, AI/AN men were almost twice as likely to have liver and inflammatory bowel disease (IBD) cancer as non-Hispanic White men and are 1.6 times as likely to have stomach cancer as non-Hispanic White men, and are over twice as likely to die from the same disease. AI/AN women are 2.5 times more likely to have, and almost twice as likely to die from, liver and IBD cancer, as compared to non-Hispanic White women. In 2015, AI/ANs were three times more likely to die from hepatitis C than non-Hispanic whites, and twice as likely to die from hepatitis B. In 2014, suicide was the second leading cause of death for AI/ANs between the ages of 10 and 34.
and adolescent AI/AN females have death rates at almost four times the rate for White females in the same age groups. ¹

In FY 2017, the IHS per capita expenditures for patient health services were just $3,352, compared to $9,207 per person for health care spending nationally. Even other federally funded health systems do better than IHS. The Veterans’ Health Administration’s direct health care budget is 14 times that of the IHS yet served only 4 times the population with direct care services.

Tribes are grateful for the recent increases to the IHS Appropriation over the last several years, but note that the increases have not allowed for significantly expanded services or improvements in equipment, buildings or staffing. While the IHS annual appropriated budget has increased by $2.2 billion (about 52 percent) since FY 2008 much of this increases simply covers needs associated with population growth, inflation, full funding of Contract Support Costs and maintaining current services. This leaves little extra money for making actual improvements in health services or to build public health infrastructure for American Indians and Alaska Natives who are only 2 percent of the population. Congress, please take the courageous and ethical step of adequately funding health care for this country’s first peoples.

The following testimony reflects the IHS Tribal Budget Formulation Workgroup recommendations for FY 2019. ² The Tribal workgroup is comprised of American Indian and Alaska Native Tribal leaders, technicians and researchers, nationwide, who come together each year to form Indian Country’s priorities as they relate to IHS. Through this process and product, this testimony reflects, therefore, the national Tribal voice.

Indian Health Service Budget

Tribes recommend $32 billion to fully fund IHS, to be phased in over 12 years. This includes amounts for personal health services, wrap-around community health services, facilities, and capital investments. Within this $32 billion is: $17.37 billion for Medical Services; $1.82 billion for Dental and Vision Services; $4.07 billion for Community and Public Health Services; $8.77 billion for facility upgrades and up-front costs (non-recurring investments). The Workgroup’s top 5 areas for program expansion at IHS for FY 2019 include:

1) Hospitals and Clinics
2) Purchased/Referred Care
3) Mental Health
4) Alcohol and Substance Abuse and
5) Dental Services

Hospitals and Clinics—In FY 2018, Tribes recommend $2.3 billion for Hospitals and Clinics (H&C) which is $246 million over the FY 2018 enacted level. Adequate funding for the Hospitals & Clinics (H&C) line item is the top priority for fiscal year 2020, as it provides the base funding for the 650 hospitals, clinics, and health programs that operate on Indian reservations, predominantly in rural and frontier settings. This is the core funding that makes available direct medical care services to AI/ANs. Increasing H&C funding is necessary as it supports medical care services provided at IHS and Tribally-operated facilities, including emergency care, inpatient and outpatient care, medically necessary support services, such as laboratory, pharmacy, digital imaging, information technology, medical records and other ancillary services. In addition, H&C funds provide the greatest flexibility to support the required range of services needed to target chronic health conditions affecting AI/ANs such heart disease and diabetes, treatment and rehabilitation due to injuries, maternal and child health care and communicable diseases including influenza, HIV/AIDS, and hepatitis.

Health IT—One area within the H&C line item is the area of Health Information Technology (HIT). IHS does not receive dedicated and sustainable funding for the agency to adequately support health IT infrastructure, including full deployment of electronic health records (EHRs). The current Resource and Patient Management System (RPMS), is a comprehensive suite of applications that supports virtually all clinical and business operations at IHS and most Tribal facilities. No new funds have been appropriated to support operations and maintenance for the RPMS suite. This has resulted in a mass exodus of Self Governance Tribes who have opted to

²The full FY 2019 Tribal Budget Request is available at http://nihb.org/legislative/budget_formulation.php
withdraw their IT shares to seek other commercial HIT solutions which promise to more readily address their needs. In fact, this has caused a domino effect in that the IHS agency technology budget is decreasing more rapidly because of the withdrawal of these shares. Without a viable solution, IHS Health IT system will be left behind, and IHS patients will be put at risk. With the VA’s announcement to move toward a commercial-off the shelf EHR, it is critical that IHS receive parallel appropriations to facilitate the replacement of RPMS, since our system is based on VA’s VistA program.

Purchased/Referred Care—In FY 2019, Tribes recommend $1.2 billion for the Purchased/Referred Care (PRC) program. This is $282 million above the FY 2018 enacted level. The PRC budget supports essential health care services from non-IHS or non-Tribal providers. In FY 2015, PRC denied over $423.6 million in services—that is 92,354 needed health care services that AI/ANs were denied receiving. This core funding is still a top priority for the Tribes, as some service Areas rely heavily on PRC dollars, and we hope to see it continued as a priority in FY 2019. These deferrals are real lives. The shortage of PRC funds directly contributes to the opioid crisis in Tribal communities. The deferral of care due to funding and workforce shortages has pushed more and more Tribal members towards prescription opioids to treat health conditions that would otherwise successfully be treated with non-opioid therapies. This endless cycle of deferral and opioid dependency is a direct result of the underfunding of the IHS system, and must be stopped.

Mental Health—In FY 2018, Tribes are recommending $207.791 million. This is $56.6 million above the FY 2018 enacted level. In the general U.S. population, 1 in 5 adults suffers from a mental illness. To enhance the capacity of Tribal communities to develop innovative and culturally relevant prevention programs that are greatly needed in Tribal communities. Research has shown that AI/ANs do not prefer to seek mental health services that rely solely upon Western models of care, which suggests that AI/ANs are not receiving the services they need. For example, NIHB spoke with a young woman from the Pine Ridge Reservation who courageously shared her story about her multiple suicide attempts. She went to an inpatient psychiatric facility in Rapid City, but did not feel that she received healing. It wasn’t until she attended a Lakota cultural healing camp that her life turned around. She said, “It made me feel powerful. I got to learn about my culture and it made me feel closer to who I am.” But the camp operates through donations and community support. Congress should provide dedicated funding for these types of activities. The geographic remoteness of most Tribal communities demands unique and innovative treatment options to address comprehensive mental health, substance abuse and psychiatric services.

Alcohol and Substance Abuse—In FY 2019, Tribes recommend $207.8 million for the Alcohol and Substance Abuse budget. This is $100 million above the FY 2018 enacted level. Of the challenges facing AI/AN communities and people, no challenge is more far reaching than the epidemic of alcohol and other substance abuse. For instance, the state of Minnesota reported that pregnant AI/AN women were 8.7 times more likely to be diagnosed with maternal opioid dependency, and that AI/AN infants were 7.4 times more likely to be born with neonatal abstinence syndrome (NAS)—meaning that the repercussions and trauma of this crisis are intergenerational. Other secondary impacts include the undue burdens imposed on many AI/AN families struggling with opioid and substance use disorders, the children forced into foster care, and the kinship care networks that are strained beyond their ability. As NIHB recently testified before this committee, the current opioid and substance abuse epidemic represents one of the most pressing public health crises affecting Tribal communities. While this epidemic is affecting many communities throughout America, it has disproportionately impacted Tribes and has further strained the limited public health and healthcare resources available to Tribes. Successful treatment approaches include traditional healing techniques that link the services provided to cultural practices and spiritual support. However, we now know that inadequate funding for alcohol and substance abuse services has a ripple effect on other services, such as overloading the agency’s outpatient clinics, urgent care departments, and emergency departments with unnecessary visits (typically funded by Hospitals and Health Clinic funds and third party collections).

Dental Health—For FY 2019, Tribes recommend $251.9 million for Dental Health. This is $56.6 million above the FY 2018 enacted level. In the general U.S. popu-
lation, there is one dentist for every 1,500 people, but in Indian Country, there is only one dentist for every 2,800 people. Nationally, American Indian children have the highest rate of tooth decay than any population group in the country. On the Pine Ridge Reservation, the W.K. Kellogg Foundation found that 40 percent of children and 60 percent of adults suffer from moderate to urgent dental needs, including infections and other problems that could become life-threatening. Nationally, 59 percent of AI/AN adult dental patients have untreated decay, this is almost three times as much as U.S. Whites. It is not uncommon to hear stories of elderly patients waiting out in the cold for one of just a few dental appointments available in one day. Or, for patients to wait for months to get an appointment. Patients get frustrated with this system and often abandon the search for care altogether. This delayed or deferred care has long-term impacts over a patient's overall health and wellbeing.

NIHB and the Tribes continue to support the expansion of Dental Therapists (DTs) to Tribes outside of Alaska as a safe, reliable, cost-effective means for Tribal members to access oral health services. Some Tribes in the lower 48 have created programs outside of IHS funding to allow them to utilize DTs, but sadly, provisions in the Indian Healthcare Improvement Act (IHCIA) make it difficult to use IHS resources to use these effective providers. People with healthy teeth and healthy smiles feel better about themselves and experience better overall health outcomes. Our communities need our people and especially our youth to smile again. We encourage the Committee to work with the other relevant authorizing Committees to repeal this section of the law so that IHS and Tribes can utilize scarce discretionary dollars in the most cost-effective way possible.

Facilities: In FY 2019, Tribes recommend prioritizing facilities funding in FY 2019. Increases will be used to increase maintenance and improvement on IHS facilities, speed up the funding of projects on the IHS Healthcare priority list, and improve sanitation conditions in Tribal communities. IHS facilities represent some of the oldest health facilities in the nation and at current rates of funding, a new facility built today would not be replaced for another 400 years. Investments in facilities will allow the care provided in our communities to be on par with other health systems in the United States. In Alaska, for example over 5,000 rural homes are considered unserved by running water and wastewater. Individuals, instead, must rely on "honey buckets" to dispose of waste. This is just unacceptable. The FY 2019 Budget Request proposes a decrease of $361.7 million from the FY 2018 enacted facilities budget. NIHB emphatically opposes this decrease and encourages Congress to continue to build funding for facilities in FY 2019.

FY 2019 President's Budget Request

The FY 2019 President's Budget Request includes $5.4 billion for the IHS discretionary spending in FY 2019. This represents $113.7 below the FY 2018 enacted budget. While we appreciate the proposals to increase funding for direct care and substance abuse, several items in the FY 2019 request are of particular concern for NIHB and the Tribes.

Community Health Representatives/Health Education:

The FY 2019 request eliminates funding for the Community Health Representative and Health Education programs. Tribes are unambiguously opposed to this cut. While the budget notes that the cut was proposed in order to "prioritize direct health care services," it is important to note that CHRs are direct care. CHRs provide services like in-home patient assessment of medical conditions, providing glucose testing or blood pressure tests to determine if the patient should seek further care, and providing transportation for medical care. They also help interpret prescriptions which is critical to patient safety and the elimination of this program would be detrimental to the health and wellbeing of many Tribal communities. There are more than 1,600 CHRs representing over 250 tribes in all 12 IHS Areas and exported CHR program data in FY 2016 demonstrated that CHRs conducted 340,270 home visits and provided 1,102,164 patient contacts/services on a variety of health related conditions. However, it is likely that there are far more contacts are made in reality but not reflected in data due to reporting challenges associated with the RPMS system.

The purpose of the Health Education program is to provide preventive health education, emergency response and public health, chronic and communicable disease

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25 U.S.C. 1616(d)

education. In addition, health educators serve as liaison between individual, health care providers, and community organizations to coordinate resources and services to promote health education programs. IHS receives little funding for preventative efforts, and these programs represent one of the few consistent investments in an essential public health service—helping to provide education efforts to community members in remote areas who may never otherwise encounter a health professional.

In March 2018, NIHB sent a survey to Tribes to collect information on the importance of CHRs and Health Educators in their communities. We received a record 370 responses. Over 92 percent of respondents noted that that could not provide health services at the same level without CHRs. As one survey participant noted,

> Both [CHR and Health Education] programs are essential to the communities they serve. Without their services preventive education and screenings will not be known. There would be no other resource for community members to go to for information or to have their questions answered quickly. It is extremely hard for patients to ask questions to their provider, because there is a time limit on one patient visit. Many of our elders and youth will fall through the cracks and chronic diseases will increase significantly.

In FY 2019, the TBFWG recommends CHRs are funded at $92.2 million, which is an increase of $29.3 million above the FY 2018 enacted level. The group recommends that Health Education is funded at $35.9 million, an increase of $16 million from FY 2018 enacted budget.

**Special Diabetes Program for Indians:**

The FY 2019 President’s budget also proposes to move the Special Diabetes Program for Indians (SDPI), and other health programs, from the mandatory side of the budget to discretionary funding. This major policy shift was made with no consultation with Tribes, and the budget offers no explanation of this change. NIHB and the Tribes remain concerned that this shift will make this highly successful program have less stable funding opportunities, and create additional pressure on the already strained IHS discretionary budget. Without a commensurate increase in other areas of the discretionary side of the budget, or to the 302(b) allocation of the Interior, Environment and Related Agencies Appropriations Subcommittee, SDPI funds are at serious risk. With a decrease of 54 percent in End Stage Renal Disease of for AI/ANs over a 20 year period, SDPI represents one of the greatest public health success programs this country has ever seen. It is simply irresponsible to make such a major shift without first understanding the ramifications that such a change would have. NIHB opposes this proposal and encourages Congress to fully reject it as well.

**Opioid Funding and use of Competitive Grants**

The FY 2019 President’s Budget Request also proposes $150 million in competitive grants to “combat the opioid epidemic and address serious mental illness.” This is part of the total $10 billion that the Department of Health and Human Services would receive. Firstly, this funding is a mere 1.5 percent set aside for AI/ANs despite the disproportionate disease burden in Tribal communities and the federal trust responsibility to Indian Country. Instead, the budget should focus on including at least 10 percent set aside for Tribes across all opioid related programs.

Secondly, Tribes are universally opposed to this funding being distributed in the form of competitive grants. The health needs of Indian people are chronic and multifaceted; such needs deserve to be addressed through committed, stable funding. In contrast, grant programs are temporary, unreliable, non-recurring, and unable to address the ongoing critical needs of Tribal communities. Under the grant making process, some Tribes receive assistance and benefit from somewhat consistent increases, while other Tribes do not. This creates two pools of Tribes—those that have technical experience and financial resources receive funding, while many others without this capacity see no benefit in appropriated increases. The strings attached to federal grants in terms of reporting, limitations on use of funds, and timelines distract from patient care. Since 2008, 50 percent (about $40 Million) of the increases to the total Behavioral Health budget (Mental Health and Alcohol & Substance Abuse Programs) is due to a growth in special grant programs and initiatives rather than increases to existing Behavioral Health programs. Instead of project or disease specific grant funds, the IHS needs to prioritize flexible, recurring base funds.

Grants create a “disease de jour” approach, where the funding is tied only to an identified hot topic issue. For instance, if a patient presents with an “unfunded” diagnosis that is not covered by grants for specific disease categories that patient is left without many alternatives. This does not bode well for the many chronic dis-
eases from which AI/ANs disproportionately suffer. For example, a large focus on the methamphetamine epidemic 10 years ago may have distracted from the rise in patients addicted to prescription pain medicine, thus contributing to the opioid crisis in Indian Country today. While the United States generally is now facing an opioid crisis, a particular service unit in one IHS area may struggle most with alcohol addiction and under the grant making process cannot redesign the available programs and services to meet Tribal community needs. As such, IHS should never use a grant program to fund ongoing critical Indian Health needs.

Other Sources of Indian Health Funding

Medicaid

While the above recommendations address the IHS budget, the federal trust responsibility for health extends beyond the IHS. For example, Medicaid system is a critical lifeline in Tribal communities. Moving Medicaid to a block grant system, as proposed in the President’s FY 2019 Budget Request, will have major fiscal impacts on Tribal health reimbursements, and would devastate Tribal health. Decreasing Medicaid decrease scarce resources available to cover our cost of care, and further restrict the eligible patient population. This puts an unequal burden on the IHS budget which is so reliant on these resources to make up our funding shortfalls. We urge Congress to ensure that American Indians and Alaska Natives are exempt from any burdens put on Medicaid like work requirements, so that fiscal strain doesn’t unintentionally fall back to the IHS. American Indians and Alaska Natives already have access to health care through the IHS, so work requirements only serve to inhibit the use of Medicaid in Tribal communities.

Good Health and Wellness in Indian Country

The President’s FY 2019 Budget request eliminated substantial funding from the National Center for Chronic Disease Prevention at the Centers for Disease Control and Prevention (CDC) along with zeroing out the Good Health and Wellness in Indian Country (GHWIC) program (currently funded at $16 million). The Good Health and Wellness in Indian Country Program is CDC’s largest investment in the wellbeing of American Indian and Alaska Natives. GHWIC funding must be restored. The twelve Tribes and eleven Tribal organizations in the program have utilized community-driven, culturally adapted strategies to improve public health in their communities. GHWIC is a lifeline for these communities who would otherwise have no public health investment. In fact, it is the only dedicated funding for AI/ANs at CDC. CDC has told Tribal leaders on March 1, 2018 that they are replacing GHWIC with the proposed “America’s Health Block Grant.” That funding has no indicated set aside for Tribes or epi-centers so there is zero guarantee that this funding would reach AI/AN communities. Instead, Congress should reject this elimination of GHWIC and double the size of the program to $32 million in FY 2019.

LIHEAP and SNAP

In addition, NIHB remains concerns about the proposed cuts in the FY 2019 budget to the Low Income Heating and Energy Assistance Program (LIHEAP) and the Supplemental Nutrition Assistance Program (SNAP). LIHEAP is a critical resource for low-income AI/ANs to heat their homes which contributes to the health and well being of AI/ANs. There are 153 Tribes and tribal organizations who receive these funds directly in the amount of approximately $37 million. The budget would also make major changes and cuts to SNAP which would cut 22 percent of the program and $213.5 billion over the next decade. The proposal would also would redesign SNAP by using a portion of benefits to buy and deliver a package of commodities instead of fresh food, and it is reflected in high rates of diabetes, heart disease and other chronic health issues among AI/ANs. Instead, Congress should grant authority to empower tribes to run their own SNAP programs through self-governance and support funding and programs targeted at local agriculture, community gardens, and access to fresh food.

Conclusion

Thank you again for holding this important hearing and for the opportunity to offer testimony for the record. You can find a more detailed FY 2019 IHS Budget Request at www.nihb.org.

DWAYNE HERRERA, GOVERNOR; EVERETT P. HERRERA, LT. GOVERNOR
Cochiti Pueblo, NM. April 16, 2018
Dear Honorable Senators, Congresswoman, Congressmen:

As the Governor of the Pueblo de Cochiti, I write this letter based on the understanding that the President’s 2019 IHS Budget has eliminated the Community Health Representative (CHR) and the Health Education line items. In a small rural reservation like Cochiti Pueblo, I know the CHR program allows us the only health providers that we have to address almost all of our health issues. They are the only health providers that live in our community and provide all types of services or give the community the knowledge and access to services. This Pueblo only receives 2 primary care clinic days a week from the Indian Health Service. The CHRs are available for many and any health questions we have as tribal leaders and educate us about Obamacare, Medicare, IHS, MCOs and any research and outside providers giving our community members health care. They have been doing this since the program was started in 1968. We recently testified about the CHR program elimination at the DHHS tribal consultation but to date, have not heard any response from the agency. Therefore let me re-emphasize some critical points of both line items by the following points:

- The CHR program is a 50 year old line item in the IHS. The CHR program is authorized under the Indian Health Care Improvement Act (IHCIA) and this legislation is now permanent federal legislation. Attached is the NMSCCHRA testimonies and the Pueblo wholeheartedly support both testimonies. As tribal leaders we expect federal agencies to follow funding guidelines established by Appropriations Committees especially those line items that have a significant tribal impact nationally.
- The CHR program is familiar to all tribal members and use the CHRs for their various health issues and needs. The Cochiti CHR program has always been administered, operated and staffed by Community based tribal health providers under our Public Law 93–638 contract. The CHR program is a basic public health service providing direct medical services, prevention and intervention under the Pueblo’s management structure. We have daily access to our CHR staff as they speak our tribal language and know all the community members of Cochiti Pueblo. The Cochiti staff serve as dental assistants, enrollment guides for Medicaid, Medicare and Private insurance, Emergency Management coordinators, health educators, transportation to dialysis/medical appointments, translators, homecare advocates and many other community health services that are started and completed by the staff.
- Cochiti is a small Tribe and not a gaming Tribe. We rely on federal funds to not only provide services but also have benefitted from the PL 638 funding including Contract Support Costs funding—Direct Contract support and Indirect Cost on a yearly basis. The overhead funds pays for the Tribal leadership, HR, Finance, Housekeeping salaries in addition to facilities and Other administrative costs such as audits, trainings, travel, supplies out of Indirect costs. For a small Pueblo like Cochiti, it sustains and impacts our Tribal government immensely. I can attest to the fact that I rely on the CHRs on assistance and clarification with outside health agencies, governments, vendors, MCOs, IHS, Veterans Administration and other interested health partners approach our tribal administration. Our staff are community members and I trust their input on health matters and services.

The elimination of the two line items will have a major impact to the Pueblo de Cochiti as our PL 638 contracted programs. As the Governor of Cochiti Pueblo, I respectfully request the CHR and Health Education line items remain in the IHS budget and be increased in the overall IHS budget.

Respectfully submitted,
Santo Domingo Tribal Council—Resolution No: 04–2018–15

Continued Support of and Reinstatement of the Community Health Representative (CHR) and Health Education Line Items in the President’s 2019 Indian Health Service Budget

WHEREAS, the Santo Domingo Tribe is a federally recognized tribe with inherent sovereign authorities to develop laws, plans, and essential health programs to meet our community needs, and has successfully administered the Community Health Representative Program (CHR), Emergency Medical Services (EMS), and Behavioral Health Services funding through the Indian Health Service (IHS) under PL 93–638 Indian Self-Determination Act and as authorized under the Indian Health Care Improvement Act (IHCIA); and

WHEREAS, Santo Domingo Tribe has provided direct medical services, patient care, delivery of patient medication, non-emergency transportation for appointments, health education & prevention, interfering with other public health & environmental services at the local community level and language interpretation by local staff; and

WHEREAS, the CHR has been and continues to be a focal point and cornerstone of most medical, public health, behavioral, environmental, emergency patient care in our tribal community with working knowledge of our community cultural values, norms and activities; and

WHEREAS, the CHR funding has supported, since its inception in 1968, the most essential primary healthcare, education, and environmental services that has become a crucial and important institutional and effective community-based health program; and

WHEREAS, Santo Domingo’s CHR program has recently provided 4,184 home visits, 1085 non-emergency transports to health facilities, and hosted 325 educational and special events in our community; and

WHEREAS, the tribal leadership has relied on the CHR’s for health interpretation, evaluations, input, health literacy, health insurance issues, health education, federal and state partnership initiatives; and

WHEREAS, the CHR’s are the only health providers and advocates when the local limited clinic hours and service providers are not available or accessible for health services and emergencies; and

NOW THEREFORE, BE IT RESOLVED that the Santo Domingo Tribe directs the 2019 President’s Indian Health Service budget reinstate the CHR and Health Education line items and increase the current funding amounts including the overall Indian Health Service budget; and

BE IT FURTHER RESOLVED that the US House of Representatives and US Senate assure that the mainstay of basic healthcare providers in our local tribal communities remain in the IHS budget and support the overall IHS budget as long as the United States has a responsibility to provide health services to the Native Americans under the various federal laws and federal protections afforded to Tribes.

CERTIFICATION

The foregoing resolution was enacted by the Santo Domingo Tribe Tribal Council on April 23, 2018 by a unanimous vote at a duly called meeting which a quorum of the Tribal Council was present.

Response to Written Questions Submitted by Hon. Tom Udall to RADM Michael Weahkee

Opioids and IHS Clinical Services

Question 1. The Centers for Disease Control and Prevention recently reported that the rate of Hepatitis C infections tripled between 2010 and 2015—mostly due to the use of needles by a growing number of drug users. Does IHS have any data on changing numbers of IHS patients presenting with opioid use-related bloodborne infection diseases like Hepatitis C (HCV) or HIV/AIDS? Moreover, IHS does not have the ability to monitor this correlation with its existing EHR infrastructure or personnel. However, IHS, in collaboration with the Centers for Disease Control and Prevention (CDC), is cur-
rently undertaking a vulnerability study looking at the risk of HIV or HCV transmission from injecting drug use.

Question 1a. Does IHS have any statistics on how rates of neonatal abstinence syndrome have changed over the course of the ongoing opioid crisis?

Answer. IHS has a limited capacity to evaluate American Indian and Alaska Native neonatal abstinence syndrome or neonatal opioid withdrawal syndrome rates. The majority of American Indian and Alaska Native births occur at tertiary referral hospitals making data sharing between the referral hospital and IHS challenging. IHS is currently evaluating the prospect of future collaborations and strategies to capture this data from other available data sets and partnerships.

Question 2. Your testimony states that IHS sought to “prioritize direct clinical health care services”. Please explain how that priority—and the Department’s priority of addressing the opioid crisis—would allow tribal communities to respond to substance abuse-related health complications?

Answer. Efforts to prioritize direct clinical health care services are important for helping tribal communities address the health complications of substance abuse. As part of this process, IHS will continue working with tribes, through consultation and collaboration, to improve access to prevention, treatment, and recovery services, including medication-assisted treatment. For many patients, primary care is the first point of entry into the health care system. Primary care and direct clinical health care enable patients to gain access to behavioral health support and other supports necessary for evidence-based care. IHS has a holistic approach, integrating physical, mental, spiritual, and cultural components. Additionally, direct care can help patients gain access to overdose-reversing drugs and support more effective methods of dealing with pain without using prescription opioid medications. Most importantly, as opioid use disorder is treated more effectively, we know from research and experience that secondary health complications decrease dramatically.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. JOHN MCCAIN TO JOHN TAHSUDA

Colorado River Indian Tribe, Arizona

Question 1. Water resources are critically important to western Tribes and my home State of Arizona. I understand that the Colorado River Irrigation Project (CRIP) on the CRIT reservation is operating at 53 percent efficiency. According to CRIT, the BIA is responsible for conducting priority maintenance in the CRIP system but failed to so from December 2017, and January and February of this year. Can you explain why BIA proceeded with the “dry-up” of the CRIP but did not conduct the maintenance work covered in the irrigation plan?

Answer. The BIA Colorado River Agency (CRA) Irrigation Project did complete a significant amount of the maintenance identified in the Tribe’s Draft Plan, as submitted. Maintenance activities were conducted on approximately 9 laterals and several sub-laterals, and included inspections; adjusting, repairing, or removing and replacing turnout check gates; cleaning, adjusting or replacing staff gauges; identifying additional gates to replace; repairing canal lining with placement of approximately 400 yards of gunite material; adding headwalls; replacing a major culvert on 6th Avenue; and re-grouting existing turnout rings and placing new turnout rings.

The Tribe’s Five Year Plan was submitted to the BIA in final draft as a deliverable for the Irrigation Engineering & Support Services Program, Self-Determination Contract (No. A15AV00449) between the BIA and the Tribe. The attached chart, derived from tables submitted in the draft plan, shows the status of the recommended maintenance items after maintenance work was conducted during the 2017 and 2018 dry ups.

Question 1a. Were there any BIA staffing shortages associated with the delays in repairing the CRIP system?

Answer. The Project is currently operating with 32 staff positions filled out of the total 64 approved positions. We have been moving to fill many of the vacant positions. All Irrigation System Operator (ISO) and Heavy Equipment Operator vacant positions are currently advertised on USAJobs and will continue to be until filled, which is a new approach. Applications will be reviewed every two weeks, and eligible candidates will be referred to the hiring official for consideration until all positions are filled.

Question 1b. The Tribe has asked BIA to increase its maintenance fees for CRIP. What is the status of those increases?
Answer. The Tribe provided a comment on May 26, 2017, in response to 2017 Proposed O&M rate (FRN 82–18774) recommending the O&M rate be increased from $54/acre to $60.25/acre. The BIA Irrigation System Manager determined there was adequate project funding for maintenance and rehabilitation work during 2017, and thus made the decision to postpone a Project O&M assessment rate increase for 2018. BIA will evaluate the Tribe’s recommended rate increase during the required budget planning process with the project water users, taking into consideration additional staff hired in the interim. The Tribe’s request will be included for discussion during that rate setting process.

**White Mountain Apache Tribe, Arizona.**

*Question 2.* As you may know, the WMAT is on high-risk status for failing to submit audits to the BIA on 638 services. The tribe is currently on a cost-reimbursement basis with BIA. My understanding is that the Tribe is working to provide the needed audits, but is still seeking information from BIA on how to be removed from the agency’s high-risk list and avoid re-assumption of services. Please provide a letter to the WMAT indicating what remaining steps the tribe must take to achieve compliance.

Answer. The BIA will provide this information to the Tribe in the near future.

**Attachment**
RESPONSES TO THE FOLLOWING QUESTIONS WERE NOT AVAILABLE AT THE TIME THIS HEARING WENT TO PRINT

WRITTEN QUESTIONS SUBMITTED BY HON. TOM UDALL TO HON. AARON PAYMENT

Infrastructure

Question 1. Interior’s budget includes a new “The Public Lands Infrastructure Fund,” the aim of which is to provide up to $18 billion to address what Interior calls
the department’s “deferred maintenance backlog,” according to a press release from the agency. The fund would support necessary repairs and improvement in national parks, national wildlife refuges, and BIE schools. Does NCAI have priority areas for this Infrastructure Fund, if enacted?

**Question 2.** The President’s FY 2019 budget proposal for the Department of Housing and Urban Development (HUD)’s Indian Housing programs administered by the Office of Native American Programs (ONAP) proposes significant cuts to Indian housing programs ($131.2M in cuts overall). One specific program, the Indian Community Block Grant (ICBG) was zeroed out because the Administration believes the program is duplicative of other HUD programs such as the Native American Housing Block Grant under NAHASDA. The ICBG is used by tribal housing authorities to leverage NAHASDA dollars for critical infrastructure improvements to homes. Does NCAI believe the ICBG program is duplicative or simply not needed?

**DOI Reorganization**

**Question 3.** Secretary Zinke proposes dividing Interior’s various bureaus into 13 geographic regions across the country based on watershed and other natural resource boundary lines, an idea modeled on John Wesley Powell’s proposal that state boundaries follow watersheds. Interior intends for these changes to improve agency collaboration and efficiency by shifting more authority from Washington to communities out West and by aligning regional offices for agencies like the National Park Service and the Bureau of Land Management.

a. Does NCAI have views on Interior’s proposed reorganization, especially its potential impact on BIA regions and other agencies that service Indian tribes, such as the Bureau of Land Management?

b. Has NCAI formally communicated these views to Interior?

**Natural Resources Management**

**Question 4.** Tribes manage 11 million more acres of land than the entire National Park Service (with 95 million acres of land managed either by tribes or the United States). Cuts to these natural resource management programs will affect everything from agriculture and forestry to water resources and wildlife and fish conservation.

Yet Interior’s proposed budget would cut funds for natural resources management by $46 million. Please explain why it is important that the federal government fully fund these natural resources programs.

**Question 5.** Previously funded at $9.9 million in FY 2017 and FY 2018, the BIA Tribal Resilience Program (formerly the “Tribal Climate Resilience Program”) provides federal resources to Tribes to build capacity and resilience through leadership engagement, delivery of data and tools, training and tribal capacity building. Direct funding supports go to tribally designed resilience training, adaptation planning, vulnerability assessments, supplemental monitoring, capacity building, and youth engagement. Interior’s budget proposal eliminates this program. Please explain NCAI’s views on the Tribal Resilience Program?

**Opioids**

**Question 6.** The President’s FY 2019 Budget Proposal includes a number of steep cuts to Indian Programs (e.g., -$131 million in HUD Native Housing Programs from FY2017 levels, -$22 million in cuts to BIA human services programs from FY 2017 levels, and -$27 million in cuts to BIA public safety and justice programs). How do cuts to federal funding for tribal housing, human services, and public safety programs impact tribes’ ability to continue efforts to combat the opioid and substance abuse crisis facing many communities in Indian Country?

**Question 7.** Within HHS, the President’s FY 2019 Budget Proposal lists addressing the opioid epidemic as the first priority discussed in its Budget in Brief document for the Department. The proposal also includes reserving $150 million of the total $10 billion in proposed opioid funding for the Secretary’s use in Indian Country. The Centers for Disease Control and Prevention recently reported that the rate of Hepatitis C infection tripled between 2010 and 2015—mostly due to the use of needles by a growing number of drug users. What impact would lack of sufficient funding for IHS clinical and preventive health combined with repeal of the Affordable Care Act and Medicaid Expansion—one of the President’s FY2019 Budget Proposals for CMS—have on tribes?
Infrastructure

**Question 1.** Interior's budget includes a new “The Public Lands Infrastructure Fund,” the aim of which is to provide up to $18 billion to address what Interior calls the department’s “deferred maintenance backlog,” according to a press release from the agency. The proceeds within the fund would go towards 150 Bureau of Indian Education schools in 23 states. The FY19 proposal cuts BIE funding from $885M to $741M, a reduction of $144M (or about 16 percent). Does USET support cutting infrastructure line items and replacing them with this Fund?

DOI Reorganization

**Question 2.** Secretary Zinke proposes dividing Interior's various bureaus into 13 geographic regions across the country based on watershed and other natural resource boundary lines, an idea modeled on John Wesley Powell's proposal that state boundaries follow watersheds. Interior intends for these changes to improve agency collaboration and efficiency by shifting more authority from Washington to communities out West and by aligning regional offices for agencies like the National Park Service and the Bureau of Land Management.

a. Does USET have views on Interior's proposed reorganization, especially its potential impact on BIA regions and other agencies that service Indian tribes, such as the Bureau of Land Management?

b. Has USET formally communicated these views to Interior?

Public Safety

**Question 3.** The Bureau of Indian Affairs distributes funding for law enforcement in Indian Country based on historical allocations. The BIA considers a number of factors to determine the budget increases to meet the areas with the greatest need. These factors include population, size of land base, staffing levels/shortages, violent crime rate, volume of calls, and prevalence of drug/gang activity. But law enforcement in Indian Country is severely underfunded and many tribal communities face high violent crime rates. The Administration is proposing a 7 percent cut to law enforcement funding in Indian Country. This cut will affect the hiring of more officers and worsen the response time to victims of crime. In addition to restoring funding and increasing budget allocations, how can Congress ensure that tribal communities are safer?

Natural Resources Management

**Question 4.** Tribes manage 11 million more acres of land than the entire National Park Service (with 95 million acres of land managed either by tribes or the United States). Cuts to these natural resource management programs will affect everything from agriculture and forestry to water resources and wildlife and fish conservation. Yet Interior’s proposed budget would cut funds for natural resources management by $46 million. Please explain why it is important that the federal government fully fund these natural resources programs.

**Question 5.** Previously funded at $9.9 million in FY 2017 and FY 2018, the BIA Tribal Resilience Program (formerly the “Tribal Climate Resilience Program”) provides federal resources to Tribes to build capacity and resilience through leadership engagement, delivery of data and tools, training and tribal capacity building. Direct funding supports go to tribally designed resilience training, adaptation planning, vulnerability assessments, supplemental monitoring, capacity building, and youth engagement. Interior’s budget proposal eliminates this program. Please explain NCAI’s views on the Tribal Resilience Program?

Opioids

**Question 6.** The President’s FY20 19 Budget Proposal includes a number of steep cuts to Indian Programs (e.g., -$131 million in HUD Native Housing Programs from FY 2017 levels, -$22 million in cuts to BIA human services programs from FY 2017 levels, and -$27 million in cuts to BIA public safety and justice programs). How do cuts to federal funding for tribal housing, human services, and public safety programs impact tribes’ ability to continue efforts to combat the opioid crisis?

**Question 7.** Within HHS, the President’s FY 2019 Budget Proposal lists addressing the opioid epidemic as the first priority discussed in its Budget in Brief document for the Department. One of the key pieces of combatting the opioid epidemic is putting more resources towards prevention—both addiction prevention and prescription misuse. But IHS’s proposed budget would cut preventative health funding by $71 million from FY 2017 levels—including a complete zeroing out of IHS health
education funding. Is there a misalignment between the Administration’s stated goal of addressing prevention as part of its opioid response plan and its cutting of preventative health at IHS?

Question 8. Within HHS, the President’s FY 2019 Budget Proposal lists addressing the opioid epidemic as the first priority discussed in its Budget in Brief document for the Department. The proposal also includes reserving $150 million of the total $10 billion in proposed opioid funding for the Secretary’s use in Indian Country. The Centers for Disease Control and Prevention recently reported that the rate of Hepatitis C infection tripled between 2010 and 2015—mostly due to the use of needles by a growing number of drug users. What impact would lack of sufficient funding for IHS clinical and preventive health combined with repeal of the Affordable Care Act and Medicaid Expansion—one of the President’s FY 2019 Budget Proposals for CMS—have on tribes?