



The Confederated Tribes of the Colville Reservation



Prepared Statement of the Honorable John Sirois, Chairman
Confederated Tribes of the Colville Reservation

House Committee on Appropriations,
Subcommittee on Interior, Environment and Related Agencies

Public Witness Hearing—Native Americans

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Good morning Chairman Simpson, Ranking Member Moran, and members of the Subcommittee. On behalf of the Confederated Tribes of the Colville Reservation (“Colville Tribes” or the “CCT”), I thank you for this opportunity to provide testimony to the Subcommittee. I am here today to discuss two recommendations for the Subcommittee to consider as you draft the FY 2014 spending bill. The first relates to the challenges that the Colville Tribes and other Indian tribes face in getting adequate staffing for facilities constructed under the existing programs administered through the Indian Health Service (IHS). The second would ensure that the \$1.9 billion that has already been appropriated for the Indian Land Consolidation program as part of the *Cobell v. Salazar* settlement can be invested to maximize the number of fractionated interests that can be acquired over the next 10 years.

The Colville Tribes recommends that the Subcommittee:

(1) include \$50 million for the Small Ambulatory Grant Program in the Indian Health Services, Health Care Facilities Construction account for FY 2014 and allow for grants for short-term facility staffing from this program; and

(2) include bill language that authorizes the Secretary of the Interior to invest the \$1.9 billion already appropriated for the Indian land consolidation program and utilize the supplemental amounts to maximize resources available under that program.

BACKGROUND ON THE COLVILLE TRIBES

Although now considered a single Indian tribe, the Confederated Tribes of the Colville Reservation is, as the name states, a confederation of twelve aboriginal tribes and bands from all across the plateau region of the Northwest and extending into Canada. The present-day Colville Reservation encompasses approximately 1.4 million acres and is located in north central Washington State. The Colville Tribes has more than 9,500 enrolled members, making it one of the largest Indian tribes in the Pacific Northwest. About half of the CCT’s members live on or near the Colville Reservation. The Colville Reservation has more than 800,000 acres of forest land and forestry and wood products have been the CCT's traditional source of revenue.

THE SMALL AMBULATORY FACILITIES GRANT PROGRAM AND STAFFING NEEDS AT IHS FACILITIES

There are currently three paths to constructing a new health facility under the IHS system. The first is the priority list system, which has been in effect since the early 1990s and provides funding for construction of the facilities included on the list as well as 80 percent of the annual staffing costs. The second is the joint venture (JV) program, which generally requires an Indian tribe to pay the entire up-front cost of construction of a facility in exchange for IHS providing a portion of the annual staffing costs. The third is the Small Ambulatory Grant program (SAP), which is just the opposite of the joint venture program – IHS pays for the construction costs for the facility and the tribe is responsible for all staffing costs. The priority list has been closed since the early 1990s and the JV and SAP programs have been funded only sporadically during the past decade.

Like many Indian tribes with large service delivery areas, the Colville Tribes faces a health delivery crisis. The CCT's original IHS clinic in Nespelem, WA, was constructed in the 1930s. The CCT tried in the 1980s and early 1990s to construct a new facility through the IHS priority list system. We understand that at one point, the CCT's request for a new clinic in Nespelem was near the top of the priority list but was removed because of concerns that the facility was a historical site. That priority list has been locked since 1991 and some IHS Area Offices, including the Portland Area (of which the CCT is a part), have never had any facility constructed under the priority list system.

Because the CCT's need for a new facility was so great and the priority list had been closed, the Tribe ultimately was forced to utilize a variation of the SAP to construct a new facility. Of a total contract amount of \$4,693,000 for the Nespelem facility, the Tribe funded \$3,324,000 and IHS funded \$1,369,000, with no additional staffing package.

Despite the relatively new facility, the CCT has an ongoing issue with adequate staffing of the facility. Without sufficient staff the facility cannot treat patients to its full capacity. With the reauthorization of the Indian Health Care Improvement Act more opportunities exist for tribes to generate additional revenue through third party reimbursements. Additional staff are required to process these reimbursements, however, so the promise of additional revenue becomes a chicken and egg conundrum. With a short term infusion of funds for staff to maximize reimbursements, tribes would be in a position to make these reimbursements and accompanying staff self-sustaining. This would provide opportunities for tribes like the CCT that have staffing shortages to generate additional revenue from existing facilities and hire new staff.

The FY 2014 request does not contain any funding for the SAP in FY 2014. Indian tribes that desperately need new health facilities and staffing needs would benefit tremendously if this funding were made available in FY 2014.

Suggested Language:

“Changes to the Request include \$50 million for the Small Ambulatory Program (SAP). The Committee directs IHS to provide eligibility for short term staffing packages for new or existing IHS facilities in implementing the SAP.

**ALLOW DOI TO INVEST THE \$1.9 BILLION
ALREADY APPROPRIATED FOR THE BUY-BACK PROGRAM**

As the Subcommittee is aware, the Claims Resolution Act of 2010 (CRA) provided for the settlement of the *Cobell v. Salazar* litigation. As part of the settlement the CRA appropriated \$1.9 billion for the voluntary buy-back and consolidation of fractionated land interests, which is administered by the Department of the Interior (DOI) through the Land Buy-Back Program for Tribal Nations (Buy-Back program). The intent of the Buy-Back program is to acquire as many of these small, fractionated interests from willing Indian sellers as possible to reduce the burden and expense on DOI in administering them and to prevent a future *Cobell* case. Under the terms of the settlement any unspent amounts from the \$1.9 billion will revert to the U.S. Treasury after 10 years.

There has been tremendous interest in Indian country in the Buy-Back program since DOI unveiled its implementation plan earlier this year. DOI has identified 40 Indian tribes that would initially be able to participate in the program and many more not on that list have expressed interest in participating as well.

Somewhat surprisingly, the CRA did not include any language that allows DOI to invest the \$1.9 billion and retain the earnings for the Buy-Back program. A significant portion of the \$1.9 billion will sit in an account for a period of years as the program is rolled out on reservations across the country. It only makes sense to maximize the amount of funds available to purchase fractionated interests by allowing DOI to invest these funds and retain the supplemental earned amounts for the Buy-Back program. Because the 10 year clock has already begun ticking for the \$1.9 billion principal to be spent, every fiscal year that goes by without this money being invested represents money and opportunity lost.

Suggested Bill Language:

The amounts comprising the Trust Land Consolidation Fund made available to the Secretary in Section 101(e) of Pub. L. 111-291 may be transferred and invested by the Secretary in a manner consistent with the Secretary’s investment of tribal trust funds. The Secretary shall retain the supplemental amounts only for uses consistent with the Land Consolidation Program for the duration of the Trust Land Consolidation Fund.

The above language would allow the Secretary to invest the \$1.9 billion in the conservative, federally guaranteed securities that the Secretary currently invests tribal trust funds in. It would allow the supplemental earnings to be used by DOI only for the Indian land consolidation program. The capitalized terms are taken directly from and are defined in the CRA.

I appreciate this opportunity to testify today. At this time I would be happy to answer any questions the Subcommittee may have.
