



UTE INDIAN TRIBE

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U.S. House of Representatives Committee on Appropriations Subcommittee on Interior, Environment and Related Agencies

Testimony on American Indian/Alaska Native Programs

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My name is Irene Cuch. I am the Chairwoman of the Ute Indian Tribe of the Uintah and Ouray Reservation. Thank you for inviting me to testify today.

Last year, I testified that Congress and the Administration need to begin taking Indian energy seriously. There has long been much agreement on this issue. Over the last 5 years, the House and Senate Indian Affairs Committees have built an extensive record about the need for additional staff, expertise, resources, and improved permit processing. Over this same period, Indian Affairs leaders within the Administration have been looking under every rock for additional funding and ideas to reform the current bureaucracy. Yet, not much has changed.

The Ute Indian Tribe and other tribes have already told Congress and the Administration what is needed. The answers to these problems are not so difficult to figure out, but Congress appears to be more interested in waging political battles than solving the problems that energy producing tribes face. We ask that Congress make a serious commitment to bring federal support for Indian energy into modern times.

A prime example is energy staffing. Our Uintah and Ouray Reservation is the second largest reservation in the United States, about 4.5 million acres, and the Tribe is a major domestic oil and gas producer. The Tribe leases about 400,000 acres for oil and gas development. We have about 7,000 wells that produce 45,000 barrels of oil a day. We also produce about 900 million cubic feet of gas each day.

Despite these tremendous resources and the value of these resources to the Tribe and to domestic energy production, we have only 2 or 3 Bureau of Indian Affairs (BIA) staff involved in the oversight and processing of oil and gas permits on our Reservation. Each of these permits must undergo thorough environmental and technical reviews, and each permit must comply with a number of federal laws and regulations. As you can imagine the delays can be extensive.

As the oil and gas companies who operate on the Tribe's Reservation often tell the Tribe, the federal oil and gas permitting process is the single biggest risk factor that they face when trying to develop oil and gas resources on our Reservation. As a result, it is no secret that the oil and gas companies operating on our Reservation are currently limiting their operations based on the number of permits the federal agencies involved are able to process. This unnecessarily limits the number of drilling rigs they are willing to operate on our Reservation. It also limits the Tribe's financial growth and the level of services we are able to provide to our members.

We need dramatic changes so that we can unlock our energy resources, provide long-term economic resources for our communities, and increase the Nation's supply of domestic oil and gas. We ask that you provide Interior the funding and resources necessary to organize BIA energy staff, and the other Interior agency staff working in Indian energy, into Indian Energy Development Offices or "one-stop shops." In fact, this is already being done for federal lands. Why is Congress leaving Indian lands behind?

In 2005, Section 365 of the Energy Policy Act authorized the Bureau of Land Management (BLM) to initiate a "Pilot Project to Improve Federal Permit Coordination." The law allowed BLM to establish 7 pilot offices and streamline federal permitting by co-locating staff from different federal agencies in these offices. Just a few weeks ago, the Senate Energy and Natural Resources Committee voted out a bill that would expand these pilot offices. In addition, the President's fiscal year 2014 budget proposed reforms to revamp and improve these BLM one-stop-shops. This is exactly the kind of support that we need for oil and gas permitting on Indian lands.

The President's budget also supports increased funding for BLM management of oil and gas permitting activities. The President proposes a \$23 million increase over fiscal year 2012 for staff and resources to promote oil and gas development on federal lands. While some of these BLM staff also oversee permitting activities on Indian lands, the Tribe has to wonder why there was not a \$23 million increase in BIA funding for oil and gas permitting.

As we all know, BIA is already short on oil and gas permitting staff and expertise. In addition, the impacts of the budget sequestration will put additional strain on the remaining staff. Consequently, there will be less tribal development and we will have less funding to provide services to our members or invest in our Reservation and regional economy. To correct the President's misguided budget, and fulfill the federal government's trust responsibility of ensuring the most beneficial use of our Reservation homelands, Congress should reallocate the \$23 million from BLM's energy activities to the BIA's energy activities.

The only benefit proposed in the President's fiscal year 2014 budget for Indian oil and gas are more "strike teams." These "strike teams" are being developed in the Office of Indian Energy and Economic Development to serve reservations where there is significant tribal oil and gas development. The Tribe is currently benefited from one of these strike teams. A team of contractors has joined our local BIA Agency Office and is assisting with environmental reviews and providing energy expertise.

While the benefits of additional staff and expertise are undeniable, when these contracts run out or these strike teams are needed elsewhere, who will provide the needed staff and expertise? What lasting reforms will remain in place to ensure that we are not again subject to a bureaucratic permitting process?

Indian lands need at least the same resources and attention the Congress and the President are lavishing on federal lands. Instead, while the President proposed a \$23 million increase for BLM conventional energy activities, BIA funding remains the same as fiscal year 2012. The Tribe is saddened by the contrasting energy initiatives contained in the President's budget, and the lack of Congressional focus on these issues.

I am therefore here to ask the Subcommittee to reallocate the \$23 million proposed for BLM to provide the funding necessary to support the creation of Indian Energy Development Offices which are designed specifically to improve both the BIA's and the BLM's traditional and renewable energy permitting systems. As former Senator Dorgan and many in Congress have noted, the oil and gas permitting process is a bureaucratic maze of federal agencies. Indian Energy Development Offices would bring all of the agencies into the same room and would streamline the processing of the federally required permits. These agencies could then work collaboratively to eliminate backlogs and delays in approving leases, rights-of-way, and applications for permits to drill.

On our Reservation, we need 10 times as many oil and gas permits as we are currently able to get approved. Currently, about 48 Applications for Permits to Drill (APD) permits are approved each year on our Reservation. The Tribe and its business partners estimate that about 450 APDs will be needed each year as the Tribe expands its operations. The Tribe believes that a one-stop shop is the best way to get the BIA, the BLM, and other federal agencies working efficiently with the Tribe to manage the high level of permitting needed on our Reservation. We need your assistance to make that happen.

The Ute Indian Tribe also asks that funding be restored for lease compliance, unresolved rights, and cadastral surveys performed by the BIA's Western Regional Office. These programs were established in the 1980's to support research, negotiation, and pre-litigation activities necessary for the protection of tribal trust lands and the rights of Indian landowners. Despite the vital need for these programs to protect tribal lands and Indian landowners, the President's fiscal year 2012 Budget eliminated the funding, which had been moved to the Real Estate Projects line item, while also reducing the funding available for cadastral surveys.

Much of this funding is needed to address title, boundary and jurisdictional issues within our Reservation, and to resolve long-standing trespass issues - within our Reservation and the Region as a whole - with properly documented easements, and in negotiating and documenting easements for expired and new transmission lines throughout the Western Region.

The Tribe also testified a year ago about the need for an increased focus and resources in law enforcement. Again, not much has improved. Despite the fact that we live on the second largest Reservation in the United States and that criminal jurisdiction on our Indian lands rests strictly with the federal government and the Tribe, our Reservation continues to be served by

only 8 federally funded police officers. This leaves us with only 2 or 3 officers per shift to cover an area that is larger than the State of Connecticut. Now with budget sequestration, our police manpower is going to be reduced even further by federally mandatory furloughs.

How are we supposed to implement the provisions of the Tribal Law and Order Act (TLOA), the Violence Against Women Act and the Sex Offender Registration and Notification Act under these conditions? Today, more than two years after the passage of TLOA many of our police calls, including those involving domestic violence, still go unanswered. Even when an officer is available to answer a call, it is difficult to bring a successful prosecution because the officer arrives long after the crime and well after the evidence has been lost, destroyed or tainted.

To make matters worse, about 10 years ago, we lost our federally owned tribal jail to condemnation. Due to our limited federal budgets, the BIA has only allowed funding for 10 temporary rental beds at our local county jail. As a result, even when we can bring a successful prosecution we have no place to put that convicted individual.

While we are pleased that BIA is requesting an additional \$5.5 million to hire and support additional officers in Indian country, at the local level know that this increase will not even begin to address our problem. Taking into account the actual cost of operating a law enforcement program on a large reservation, when that \$5.5 million is distributed Nation-wide it will do little more than cover the increase in gasoline prices that our police departments have had to contend with over the last two years. While we appreciate all of the help that we can get, please do not be misled into believing that a \$5.5 million increase equates to a “new initiative” or “a serious effort to combat crime in Indian Country” because it simply does not.

Instead the Tribe is stepping forward with its own resources. After almost ten years of waiting for the BIA to replace our jail, seeing convinced individuals returned to our streets, and watching tribal members abused in tribal detention in our local county rental cells, the Tribe said enough is enough. We are currently using more than \$35 million of our own tribal funds to build our own tribal justice center to house our adult and juvenile prisoners, our existing tribal court, including our prosecutors, and the programs that support these systems.

The BIA is supporting us in this effort and we will continue to work closely with the BIA throughout this construction process, but we are counting on them, and on you, to fulfill the federal government’s responsibilities to the Tribe and help us fund the detention staff which will be required to operate this new building when it is completed in fiscal year 2016.

Thank you for your consideration of these important issues. We ask that Congress dramatically support Indian energy development. As you can see from the financial support we have provided for the new tribal jail, the revenues the Tribe earns from its energy development helps us to fund vital governmental services and provide for our members.