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**Testimony to the House Appropriations Subcommittee
on Interior, Environment, and Related Agencies
Regarding the Fiscal Year 2014 IHS and BIA Budget Request**

On behalf of the Hoopa Valley Tribe, I submit the following testimony regarding the FY 2014 budget request. The Tribe requests the following:

- Funding for Ambulance Services: \$470,516.
- Full funding for Fire Suppression: \$561,689.
- Funding for Construction of Waste Treatment Facility: \$26.9 million.
- Provide adequate appropriations to act as matching funds for broadband system construction: \$15 million.
- \$25 million to construct a micro-hydroelectric facility to serve the Reservation.
- Fully fund BIA & IHS contract support costs, and reject the Administration's proposed caps.
- Funding to carry out law enforcement under the Tribal Law and Order Act: \$1.5 million.

The Hoopa Valley Indian Reservation is the largest reservation in California, covering approximately 144 square miles. The Hoopa Valley Tribe has 3,006 tribal members. Hoopa Valley was one of the first self-governance tribes in the nation, which has allowed us to leverage federal funds into effective programs to benefit tribal members and our neighbors in the community. However, we still face funding shortfalls that prevent us from growing our economy. We briefly highlight our priorities below.

K'ima:w Medical Center Ambulance Program Operations

The Tribe's healthcare facility, the K'ima:w Medical Center (KMC), serves as a critical healthcare link for people on and off the Hoopa Valley Reservation, in Humboldt, Trinity, and Siskiyou Counties. A vital part of that link is the KMC's ambulance program. The nearest hospital is nearly 80 miles away (which can be a trip of two and half hours over windy mountain roads), and the care we provide en route can be the difference between life and death.

While the ambulance responds to nearly 1,000 calls a year, the runs reimbursed by 3rd-party insurance or other payers do not provide enough revenue to support our operational costs. The IHS subsidizes the cost of leasing ambulances, but unfortunately does not provide operational costs to any of the IHS-affiliated EMS program. Our ambulance program had an average budget shortfall of \$470,516.

To ensure the availability of critical, lifesaving tribal ambulance services like ours, we ask that the Committees supply \$470,516 in funding for operations of ambulance programs.

Wildland Fire Suppression and Preparedness

The Tribe has run its wildfire suppression program since 2001 under a self-governance compact with the BIA. The BIA funds an escrow account for the program at \$175,000 a year, but the account balance has never been adequate to meet the program needs. The Tribe ends up covering the federal government's portion, which—while reimbursed years later—hampers the Tribe's ability to perform other programmatic services. The solution to this dilemma is to use the method Congress uses to allocate funding to federal fire agencies, which is based on the "ten year average cost for suppression of fire." The ten-year average Congress uses to allocate funds includes the costs incurred by the Hoopa Tribe. With this, the funding we are asking for is routinely included within the annual allocation already—just not sent to the Tribe. Notably, the Fire Suppression costs we have identified and are requesting are those the Tribe has paid out and not the total actual costs for suppressing all fires. We request the Committee provide \$561,689 to meet the Tribe's fire suppression needs.

Improve Waste Treatment and Water Supply

Our Reservation is home to roughly 3,000 people living in nearly 900 single-family dwellings. All homes and businesses are served by individual-on-site septic systems, which have proven inadequate at containing and managing the wastewater created. We must improve our sanitary systems to keep pace with our water use and supply.

We have systems built without adequate percolating capacity for the soil conditions of certain areas of our valley floor. Many leach fields are failing due to age and soil content. Further, roots entering leach fields are a major factor for failing tanks. Most wells in the Valley have been discontinued for drinking water due to contamination, and septic tank systems have failed to meet public health standards. Our disposal area is out of compliance with EPA standards (40 CFR 503), and we have mandates to resolve waste treatment needs valley-wide.

A new waste treatment facility is of critical importance, but we do not have adequate annual funding to operate, maintain and replace existing septic systems—which would be wasteful considering the light of the need for a proper water treatment facility.

We are prepared to construct a community waste treatment facility in phases. Our proposed phasing would allow us to use the infrastructure as it is constructed. Our valley is made up of eight fields: Norton, Mesket, Hosler, Agency, Campbell, Soctish, Chenone and Matilton, and the phasing is based upon these fields with the first phase being the most expensive: Phase I (\$12,172,980), Phase 2 (\$7,809,420), and Buildout (\$6,956,580) for a total need of \$26,938,980. We look forward to working with you regarding this project.

Providing Connections to the Internet for Valley Residents

In order to build our economy to meet the needs of our members, the Tribe has an immediate need for a broadband network. Whether it is for video conferencing to participate in federal programs and government-to-government exchange, telemedicine for monitoring of elders and the disabled and to allow access to advanced medical diagnostic and referral services off-Reservation, or for private-sector commercial development in general for our Reservation, broadband Internet access is the crucial enabling technology for these essential activities.

We plan to construct a fiber-optic network connecting the Hoopa Valley reservation community, and the largely non-Indian communities of Willow Creek and Salyer, CA with an existing fiber-optic line at the cost of \$15 million for infrastructure installation. This would enable a later connection of nearby Yurok and Karuk tribal communities as well. The Tribe is working on grant funding opportunities, but significant matching funds would still be needed for such avenue to work. We respectfully request \$15 million for these purposes.

Securing the Tribe's Energy Needs and Infrastructure

The Tribe is currently dependent on non-renewable and fossil-fuel energy resources generated by outside entities. Our remote location puts us at particular risk that these sources will be cut off, or remain out for significant periods due to difficulty accessing the reservation. Therefore, the Tribe has developed a comprehensive strategic energy plan aimed at creating energy self-sufficiency for our Reservation. This includes micro-hydroelectric projects using existing water resources, and solar power generation.

These kinds of power will provide great utility while being environmentally friendly and inexpensive to operate and maintain. When fully developed, these energy sources will remove the Tribe from dependence on externally generated electricity and fossil fuels for heat generation on the Reservation. The BIA Office of Indian Energy and Economic Development should be a partner in this endeavor. Our current estimates to adapt and install micro-hydroelectric and solar power generation infrastructure on our Reservation would require \$25 million that would be used for equipment purchase and installation, supporting engineering, and initial operation start-up costs.

Congress Must Fully Fund Contract Support Costs

We are grateful for recent increases in Contract Support Costs, which enable, but there is still a ways to go in meeting the true need. Unfortunately, the President's proposed budget would continue the underfunding of CSC, particularly with regard to the IHS, crippling all tribes' ability to operate their programs as intended.

Indian Health Service

The President proposes \$477,205,000 for CSC in the IHS for FY 2014. This amount is far below the estimated need of \$617 million. While Congress has in the past appropriated additional funding for CSC owed to tribes and tribal consortia, those additional appropriated funds are not enough to eliminate the ongoing shortfall of CSC. As a result, the Tribe continues to endure significant financial restrictions that translate into less health care for our patients. The government has treated tribal contractors differently from other government contractors with regard to CSC payment. The Supreme Court ruled this disparity is unjustified, and in its decision *Salazar v. Ramah Navajo Chapter*, ordered the government to pay full CSC to tribal contractors.

In an attempt to sidestep this responsibility, the Administration proposes to limit CSC payments to tribal contractors by submitting a list of contractors to the House and Senate Appropriations Committees, with recommended, individual appropriations for each contractor. This proposed system is not only untenable and unwieldy; it is also unjust. The simplest and most fair answer is to fully fund tribal contractors' CSC. We urge the Congress to reject the President's proposal outright, and fully fund IHS contract support costs at \$617 million.

Bureau of Indian Affairs

The President proposes \$230 million for Bureau of Indian Affairs contract support costs. This amount is closer to the estimated full need of \$242 million than the IHS proposal, but we ask that Congress fully fund the BIA's CSC as well.

The President's proposal to limit CSC funding via contractor-by-contractor caps applies to the BIA as well. Again, we strongly reject this effort, particularly because the Administration has made no effort to include tribes and tribal contractors in the process of preparing the proposed CSC tables. Chronic CSC shortfalls are an effective penalty for engaging in self-governance contracting. Both the annual underfunding and the Administration's proposal for FY 2014 are contrary to the stated policy of both the Congress and the Administration to encourage tribal self-determination. We urge the Committee instead to fully fund the BIA contract support costs at \$242 million.

Securing the Hoopa Valley Community

The Tribe was happy to see the passage of the Tribal Law and Order Act, and seeks to assume concurrent criminal jurisdiction on our Reservation under the law. However, there has been very little federal assistance for these purposes.

The BIA currently provides only enough to cover hiring and staffing one to two officers. Currently, the Tribe funds ten officers, who are often the first and only responders to calls on our Reservation. As the largest reservation in the state, these officers are not enough to meet the public safety needs of our community, which faces significant and unique policing challenges due to rampant illegal drug trafficking and marijuana-related crime in the area.

Our Tribal Police Department is one of the first and only in the State of California to have a Joint Powers Agreement/MOU and a Deputization Agreement with the neighboring county, which is immensely important for cooperation purposes. However, the County provides no funds for law enforcement services; it merely deputizes our tribal officers who must rely entirely on the Tribe's resources. Our Police Department currently needs \$1.5 million in funding for operation and salaries to ensure adequate law enforcement coverage on our Reservation and to meet the promises of the TLOA.

Conclusion

On behalf of the Hoopa Valley Tribe, we thank you for the opportunity to testify on these important issues.