

**TESTIMONY OF
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CHUGACH REGIONAL RESOURCES COMMISSION
HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON INTERIOR, ENVIRONMENT AND RELATED AGENCIES
ON THE FY2014 BUDGET
APRIL 7, 2014**

As Executive Director of the Chugach Regional Resources Commission (“CRRC”), located in Alaska, I am pleased to submit this testimony reflecting the needs, concerns and requests of CRRC regarding the proposed FY 2015 Budget. As is everyone, we are aware of the ongoing economic problems in the United States, and the growing concern over the federal deficit. While the government is trimming its spending, the federal government must still fulfill its legal and contractual spending obligations. The Bureau of Indian Affairs not only has a legal and contractual obligation to provide funding for the CRRC, but the CRRC is able to translate this funding into real economic opportunity for those living in the small Alaska Native villages located in Prince William Sound and Lower Cook Inlet.

We have reviewed the President’s FY 2015 Budget and we are once again pleased that the BIA has recognized the importance of natural resource funding for CRRC and has requested \$410,000 for CRRC in tribal management and development in FY 2015. We urge the Subcommittee to support this funding and include it in the final bill along with the full amount needed for contract support.

We describe first, our specific requests and recommendations on the budget, and then why these are so important to us and the Alaska Native Villages and their members who we serve.

1. Budget Requests and Recommendations.

CRRC funding. Again, we are very pleased that the BIA has recognized the importance of natural resource funding for CRRC and has requested \$410,000 for CRRC in FY 2015 as part of the Trust-Natural Resources program, Tribal Management/Development subactivity. In its FY 2015 Budget Justification, the BIA recognized CRRC’s role in developing the capabilities of its member Alaska Native Villages to better facilitate their active participation in resource use and allocation issues in Alaska. We urge the Subcommittee to include CRRC funding as proposed by the BIA.

BIA Trust-Natural Resources Management. The President’s overall budget for the BIA’s Trust – Natural Resources Management programs would not increase at all. Rather, it would decrease the Natural Resources subactivity by \$76,000 and decrease the Fish, Wildlife and Parks subactivity by \$246,000, both from internal transfers. We do not support these decreases to those programs and encourage the Subcommittee to bolster the funding for BIA’s Trust – Natural Resources Management programs in the final bill and discourage the BIA from decreasing its funding for the Natural Resources and the Fish, Wildlife and Parks subactivities.

U.S. Fish & Wildlife. In contrast to the budget request for the BIA, the President is proposing a significant increase to the U.S. Fish & Wildlife Service budget. Currently, Tribes in Alaska manage migratory birds through the Alaska Migratory Bird Co-Management Council (AMBCC), a regulatory body comprised of state, federal and Native representatives who develop regulations for the spring-summer harvest of migratory birds for subsistence. The funding for this management program is provided and administered by the U.S. Fish & Wildlife Service; however, this funding is discretionary: it is provided by decision of the Region 7 Regional Director on an annual basis. Tribes have neither a say on how much funding should be allocated to the AMBCC nor notice on how much funding will be allocated. Although the Regional Director has remained committed to funding the AMBCC, the total amount of funding has been inadequate to permit the AMBCC to address all of the migratory bird issues. In addition, over the last few years, funding for AMBCC has decreased from \$1 million to approximately \$700,000. Although the FWS budget request for Migratory Bird Management is \$46.9 million (a \$166,000 increase over FY 2014), the President's budget requests an increase of \$71.7 million over the 2014 level for Resource Management, FWS's principal operating account. We request that \$1 million of the proposed increase to the USFWS budget for Resource Management be directed to the Alaska Migratory Bird Co-Management Council.

New Financial Management System (FBMS). In FY 2013, the Department of the Interior changed its financial system from the Federal Financial Systems (FFS) to the Financial and Business Management System (FBMS), thereby moving payment management of awards to a government-wide system. Because agency staff are not as familiar with the new system, however, CRRC continues to experience funding delays. For example, we have received our BIA and U.S. Fish and Wildlife funds in February, but these were only partial amounts. These delays inhibit our ability to pay those we employ and to implement the programs described below. We encourage Congress to ensure that these agencies have adequate funds for training their staff on the new financial management system and to emphasize the importance of well-trained agency personnel in avoiding further delays in payment.

Contract Support Costs. We support the Administration's proposal to fully fund contract support costs for Tribes for FY 2015. These payments are necessary for Tribes to administer their self-governance contracts and for the United States to fully honor contracts and agreements made under the Indian Self-Determination Act. We urge the Subcommittee to support this funding and include it in the final bill.

2. CRRC's Budget Request Justification

The importance of adequate funding for these programs is based on the following.

Chugach Regional Resource Commission History and Purpose. CRRC is a non-profit coalition of Alaska Native Tribes, organized in 1984 by the seven Tribes located in Prince William Sound and Lower Cook Inlet in South-central Alaska: Tatitlek Village IRA Council, Chenega IRA Council, Port Graham Village Council, Nanwalek IRA Council, Native Village of Eyak, Qutekcak Native Tribe, and Valdez Native Tribe. CRRC was created to address environmental and natural resources issues and to develop culturally-sensitive economic projects at the community level to support the sustainable development of the region's natural resources.

The Native Villages' action to create a separate entity demonstrates the level of concern and importance they hold for environmental and natural resource management and protection – the creation of CRRC ensured that natural resource and environmental issues received sufficient attention and focused funding. The BIA, in its FY 2015 Budget Justification, summarizes CRRC's work, stating:

Initially, the emphasis of the CRRC natural resource program was on the development of fisheries projects that would provide either an economic base for a village or create economic opportunities for tribal members. In FY 1996, CRRC initiated a natural resource management program with the objective of establishing natural resource management capabilities in the villages to facilitate their active participation in resource use and allocation issues that affect the tribes and their members. The success of these programs from both an economic and a social standpoint have made them an integral part of overall tribal development.

Through its many important programs, CRRC has provided employment for up to 35 Native people in the Chugach Region annually – an area that faces high levels of unemployment – through programs that conserve and restore our natural resources.

An investment in CRRC has been translated into real economic opportunities, savings and community investments that have a great impact on the Chugach region. Our employees are able to earn a living to support their families, thereby removing them from the rolls of people needing state and federal support. In turn, they are able to reinvest in the community, supporting the employment and opportunities of other families. Our programs, as well, support future economic and commercial opportunities for the region – protecting and developing our shellfish and other natural resources.

Programs. CRRC has leveraged its \$410,000 from BIA into almost \$2 million annually to support its several community-based programs. Specifically, the \$410,000 base funding provided through BIA appropriation has allowed CRRC to maintain core administrative operations, and seek specific projects funding from other sources such as the Administration for Native Americans, the State of Alaska, Bureau of Indian Affairs, the U.S. Forest Service, the U.S. Fish & Wildlife Service, the U.S. Department of Education, the *Exxon Valdez* Oil Spill Trustee Council, the North Pacific Research Board and various foundations. This diverse funding pool has enabled CRRC to develop and operate several important programs that provide vital services, valuable products, and necessary employment and commercial opportunities. These programs include:

Alutiiq Pride Shellfish Hatchery. The Alutiiq Pride Shellfish Hatchery is the only shellfish hatchery in the State of Alaska. The 20,000 square foot shellfish hatchery is located in Seward, Alaska, and houses shellfish seed, brood stock and algae production facilities. Alutiiq Pride is undertaking a hatchery nursery operation, as well as grow-out operation research to adapt mariculture techniques for the Alaskan Shellfish industry. The Hatchery is also conducting scientific research on blue and red king crab as part of a larger federally-sponsored program. Alutiiq Pride has already been successful in culturing geoduck, oyster, littleneck clam, and razor clam species and is currently working on sea cucumbers. This research has the potential to

greatly increase commercial opportunities for the region in the future. Alutiiq Pride's activities are especially important for our region considering it is the only shellfish hatchery in the state, and therefore the only organization in Alaska that can carry out this research and production.

Natural resource curriculum development. Partnering with the University of Alaska, Fairbanks, and the National Oceanic and Atmospheric Administration, CRRC has developed and implemented a model curriculum in natural resource management for Alaska Native students. This curriculum integrates traditional knowledge with Western science. The goal of the program is to encourage more Native students to pursue careers in the sciences. In addition, we are working with the Native American Fish & Wildlife Society and Tribes across the country (including Alaska) to develop a university level textbook to accompany these courses.

We have also completed a K-12 Science Curriculum for Alaska students that integrates Indigenous knowledge with western science. This curriculum is being piloted in various villages in Alaska and a thorough evaluation process will ensure its success in other schools in Alaska.

Alaska Migratory Bird Co-Management Council. CRRC is a member of the Council responsible for setting regulations governing the spring harvest of migratory birds for Alaska Natives, as well as conducting harvest surveys and various research projects on migratory birds of conservation concern. Our participation in this state-wide body ensures the legal harvest of migratory birds by indigenous subsistence hunters in the Chugach Region.

Climate change adaptation planning. With assistance from Bureau of Indian Affairs for climate change funding, CRRC has begun a climate change program currently focusing on adaptation planning. Few Alaska Native Tribes or Alaska Native organizations have climate change programs and limited access to financial resources for climate change inhibits their active participation in national climate change discussions. We anticipate that CRRC can assist in facilitating greater participation by Alaska Native Tribes through this program. In addition, the Alutiiq Pride Shellfish Hatchery is partnering with the National Marine Fisheries Service-Alaska Ocean Observing System to monitor nearshore marine conditions near Seward. Alutiiq Pride has the only "Burkolator" – an instrument measuring the partial pressure of CO₂ and, accordingly, ocean acidification – installed in Alaska. Because marine larval species are highly sensitive to pH changes, this instrument will allow Alutiiq Pride to detect changes in ocean acidity due to climate change that may inhibit shellfish growth.

Conclusion

We urge Congress to sustain the \$410,000 included in the BIA's FY 2015 budget for CRRC. We further ask that the Subcommittee bolster its funding for the BIA's Trust Natural Resources Management programs and discourage the BIA from decreasing funding for subactivities like Natural Resources and Fish, Wildlife and Parks. And we urge the Subcommittee to support the President's requests for increased funding for the U.S. Fish and Wildlife Service, but to designate \$1 million of the proposed increase to the USFWS budget for the Alaska Migratory Bird Co-Management Council. We also urge Congress to support Administration's proposal to fully fund contract support costs. We appreciate the opportunity to submit this important testimony.