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HOUSE COMMITTEE ON APPROPRIATIONS SUBCOMMITTEE ON INTERIOR, ENVIRONMENT AND RELATED AGENCIES "2017 APPROPRIATIONS TESTIMONY FOR BIA AND IHS"

Thursday, March 17, 2016 Written Testimony of

THE HONORABLE W. RON ALLEN, TRIBAL CHAIRMAN/CEO JAMESTOWN S'KLALLAM TRIBE

On behalf of the Jamestown S'Klallam Tribe, I am pleased to submit this written testimony on our funding priorities and requests for the Fiscal Year 2017 Bureau of Indian Affairs (BIA) and Indian Health Service (IHS) budgets. A fundamental goal for our Tribe is achieving economic self-sufficiency/self-reliance through opportunities that enable us to generate our own unrestricted revenues to address the unmet needs of our community. In order to achieve this goal, we need to be treated on par with state and local governments with respect to revenue raising authority. The continued proliferation of state and local taxes on sales, personal property and transactions (including resource extraction) within Indian reservations has a direct negative impact on the self-sufficiency of Indian Tribes and Tribal governments, and an indirect and equally negative impact on Federal programs and appropriations. When Tribes are allowed to conduct activities on their own land subject only to their own taxes and regulations, Tribal governments are able to fund their own programs and Indian reservation economies can flourish.

Tribal Specific Appropriation Priorities

- 1. Waste Water System \$8.3 million
- 2. Tribal Courts TPA \$20,000
- 3. BIA Road Maintenance \$1.5 million

§8.3 million - Waste Water System - In order to engage in economic development and expand our Tribal business portfolio, the Tribe needs to invest in a waste water system. Our Tribal government cannot operate without adequate infrastructure and clean water. After years of careful planning and research, we have entered into a partnership with the City of Sequim to connect Tribal businesses and governmental facilities in Blyn to the City of Sequim Wastewater Treatment Plant. The installation of the project pipeline is approximately \$8.3 million with environmental and economic benefits to all.

\$20,000 - Tribal Courts TPA - Tribes cannot operate police departments and court systems on grant funding. Stable funding for Tribal courts is a prerequisite to ensure a safe, healthy and thriving Tribal community. Although Congress and the Administration have taken steps in recent years to try and address some of these concerns through the passage of the Tribal Law and Order Act (TLOA) of 2010 and the Reauthorization of the Violence Against Women Act (VAWA) of 2013, significant funding is needed in order to implement these new authorities to address the crisis level need in Indian country and elevate the safety and wellness of our Tribal citizens and communities.

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\$1.5 million - BIA Road Maintenance - Federal Appropriations for the BIA Road Maintenance Program has averaged only \$24.3 million annually for a number of years. However, a recent analysis completed by the BIA and Tribal representatives determined that the documented deferred road maintenance backlog is at \$203 million above FY2015 enacted funding levels. Substantial investment in Tribal transportation is primarily needed to ensure the safety of all persons who traverse these roads, Native and non-Native alike. Deteriorated roads are not only a health risk, they hinder governmental services, impede economic development and make getting to health clinics, schools, stores and employment centers more difficult. The Tribe plans to use transportation/road maintenance funding to complete a road safety project that is desperately needed on a very busy and well-traveled area of state highway that runs through our Tribal reservation campus. In summer months, traffic on the highway substantially increases due to a surge in tourism, which supports both Tribal and county economies.

<u>National Requests and Recommendations:</u> The Jamestown S'Klallam Tribe continues to support the requests and recommendations of the **National Congress of American Indians** and the **National Indian Health Board**.

National Requests and Recommendations BIA and IHS:

- 1. Contract Support Costs Mandatory Funding \$800 million for IHS & \$278 million for BIA
- 2. Hold Indian Country Programs Harmless from Budgetary Reductions, Rescissions and Sequestration

Contract Support Costs Mandatory Funding - The Tribe appreciates the bipartisan support of the Interior Appropriations Subcommittees for full funding of Contract Support Costs (CSC). Funding of CSC in FY2016 at an indefinite amount, helped to ensure that critical programmatic services were not abrogated in order to cover the CSC need. The Tribe maintains that the indefinite appropriation of CSC funding must be made mandatory and permanent. We thus support the Administration's proposal to move CSC funding to a mandatory funding basis, although, we would like it to begin in FY2017 rather than in FY2018. Should CSC funding not be made mandatory in FY2017, we otherwise are supportive of the President's request for an appropriation of "such sums as may be necessary," with an estimated \$800 million for CSC for IHS, and an estimated \$278 million for the BIA, in separate accounts in both the IHS and BIA discretionary budgets. However, we do not agree with the continued insertion of a proviso that could effectively deny the carryover authority granted by the Indian Self-Determination and Education Assistance Act. For FY2017 and thereafter, we thus request the removal of the following proviso: "amounts obligated but not expended by a Tribe or Tribal organization for contract support costs for such agreements for the current fiscal year shall be applied to contract support costs otherwise due for such agreements for subsequent fiscal years."

<u>Hold Indian Country Programs Harmless from Budgetary Reductions, Rescissions and Sequestration</u> - Decades of unfulfilled Federal obligations has devastated Tribal communities who continue to face persistent shortfalls and overwhelming unmet needs. Until Tribes attain exclusive taxing jurisdiction within their Tribal lands, Federal support remains critical to ensure the delivery of essential governmental services to our Tribal citizens. The Federal trust

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obligation must be honored and vital programs and services for Tribes must be sustained and held harmless in any budgetary deal enacted to reduce the national deficit.

BIA Requests:

- 1. Self-Governance Compacts \$171,468
- 2. Economic Development TPA \$200,000
- 3. Natural Resources TPA \$611,319
- 4. Indian Guaranteed Loan Program \$12.6 million

<u>\$171,468 - Self-Governance Compacts</u> - Tribal Self-Governance is the most successful policy in the history of Tribal-Federal relations because it stimulates efficient and effective government spending. Increases to Self-Governance Tribal Base Budgets will allow Tribes to fund core Tribal government programs such as community development, economic development, healthcare, and community safety. Funding Self-Governance not only fulfills the Federal Treaty and Trust Obligation, it positively impacts the surrounding regional economies.

\$200,000 - Economic Development (TPA) - Tribal governmental revenues depend entirely on effective economic development to support nearly every aspect of reservation life and Tribal governance. Chronic underfunding and the severe lack of private investment have left the economic potential of Indian country unrealized. Tribes are forced to rely on their own economic ventures to generate revenue to support programs and services for Tribal citizens. Yet, Tribes are expected to meet these economic challenges with fewer resources and greater restrictions placed on vital economic financing tools and incentives that are easily accessible and lucrative to other governments. Increased funding for Economic Development will allow us to continue to diversify our successful business portfolio and expand our revenue generating opportunities.

\$611,319 - Natural Resources (TPA) - In the Northwest, degradation of the environment is occurring faster than ever before. Climate change is having profound impacts on Tribal people and Tribal Treaty Rights are at risk. The Jamestown Natural Resource Department is charged with the responsibility to manage, protect, conserve, and nurture the Point-No-Point Treaty rights in our usual and accustomed areas for Tribal citizens and future Tribal descendants. The Federal investment in Tribal Natural Resources will foster Tribal self-sufficiency and support Tribal economies through the creation of jobs, the promotion of cultural vitality, religious practices, community cohesiveness, improve the environmental conditions on our Tribal homelands and in surrounding communities, and foster cross-jurisdictional partnerships between our Tribe and the local and state governments.

\$12.6 million- Indian Guaranteed Loan Program - The Federal government is in a unique position to help advance Tribal projects and provide sustainable economic opportunities for Indian businesses and Tribal governments through the Indian Loan Guarantee Program. The program provides attractive incentives for financial institutions to expand their services by underwriting loans in Indian country, provides Tribes and their citizens' access to capital, and promotes Tribal economies by encouraging lending to Indian-owned businesses. Loan guarantees are an attractive financial tool because Tribes are able to leverage limited Federal funding in and promote economic growth by investing in projects that are capable of generating their own revenue streams. The program, however, has been consistently targeted for cuts

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despite its positive return on the Federal investment. If not for the Loan Guarantee Program, many Tribes would be unable to secure loans from standard sources that are available to other entities and businesses. Federal credit programs should facilitate Tribal access to private capital markets where Tribes frequently encounter market resistance to conventional lending.

IHS Requests:

- 1. Support Advanced Appropriations for IHS
- 2. Fully Fund the Indian Healthcare Improvement Act Provisions in the ACA
- 3. Increase Funding for Purchased and Referred Care \$562.2 million

Support Advanced Appropriations for IHS - The Interior, Environment and Related Agencies Appropriations Bill, which includes funding for IHS, has not been enacted in a timely manner for the past twenty years, creating significant challenges to Tribes' ability to provide critical healthcare services to their Tribal citizens. When it comes to IHS funding, delays could mean the loss of life. Late funding not only affects quality of care, it constrains Tribal healthcare providers' ability to plan, budget, recruit and retain staff, and construct and maintain facilities. Tribal healthcare programs should be funded similarly to every other government health program in this country either through mandatory funding or advanced appropriations. Providing predictable, timely and sufficient funding will ensure the Federal government is upholding its trust responsibility to American Indians and Alaska Natives.

Fully Fund the IHCIA Provisions in the ACA – Although the IHCIA provides the authority and, with it, the opportunity to provide essential health care to Tribal citizens, it did not provide the necessary funds to the IHS to carry out these new statutory obligations. There are twenty three unfunded provisions in the Indian Health Care Improvement Act (IHCIA). Many of the provisions that remain unfunded would strengthen the Tribal health care workforce, provide greater access to behavioral health and support innovative initiatives for healthcare delivery to Tribal citizens. Funding these provisions is a necessary precursor to increase Tribal capacity, infrastructure and most importantly access to health care services. Significant Federal investment is needed to achieve a fully funded Indian Health Service and now is the time to act on opportunities made possible in the newly expanded authorities granted under the Indian Health Care Improvement Act.

<u>\$562.2 million - Purchased and Referred Care -</u> Most IHS and Tribal operated direct care facilities do not provide the required emergency and specialty care services so Tribes are forced to turn to the private sector to fulfill this need. CHS funds are used to purchase essential health care services, including inpatient and outpatient care, routine emergency ambulatory care, transportation and medical support services, such as diagnostic imaging, physical therapy, laboratory, nutrition and pharmacy services.

<u>Local/Regional Requests and Recommendations</u> - The Jamestown S'Klallam Tribe support the requests and recommendations of the **Affiliated Tribes of Northwest Indians, Northwest Portland Area Indian Health Board**, and the **Northwest Indian Fisheries Commission**.

I would like to extend my thanks to the Subcommittee for an opportunity to submit testimony on the FY2017 Appropriations.