

JAMESTOWN S'KLALLAM TRIBE

Written Testimony of **THE HONORABLE W. RON ALLEN, TRIBAL CHAIRMAN/CEO JAMESTOWN S'KLALLAM TRIBE submitted to the** House Appropriations Subcommittee on Interior, Environment and Related Agencies **"2021 Appropriations Testimony for BIA and IHS"** February 12, 2020

On behalf of the Jamestown S'Klallam Tribe, I am honored to submit this written testimony on our funding priorities and requests for the Fiscal Year 2021 Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS) budgets. Our Tribe relinquished vast tracks of our Tribal homelands and resources in exchange for the U.S. Government's solemn promise to uphold and provide adequate resources to secure the health and well-being of our Tribal citizens and community. Despite minimal increases to certain Tribal programs and services, funding to address the unfulfilled Federal obligation in Tribal communities is at a crisis level as documented by the U.S. Commission on Civil Rights 2018 Report, "Broken Promises: Continuing Federal Funding Shortfall for Native Americans." The Report found that inadequate Federal funding undermines Tribal sovereignty and that the Federal Government's failure to uphold the trust obligations has resulted in American Indians/Alaska Natives (AI/AN) facing disproportionate challenges as compared to other Americans in health, education and employment outcomes. These sub-standard statistics are exacerbated by the insufficient funding levels. In order to address these inequities and Treaty and trust violations, the Commission has recommended that Congress substantially invest in AI/AN programs and services.

The need for providing steady, equitable, non-discretionary funding directly to Tribal Nations to support core government programs and services is well documented and we have shown time and again that the Federal investment in our community is a good investment. Self-Governance has allowed us to redesign programs and services and provides the flexibility to utilize the Federal investment in a way that best addresses the needs of our community. Some of our more notable successes include most of our Tribal citizens seeking secondary or higher education degrees, the growth of our Tribal businesses and revenue, our esteemed Family Health and Dental Clinics, and the Tribe's status as the second largest employer in the Clallam County Region on the Northern Olympic Peninsula. The success we have attained demonstrates that continued Federal support is invaluable to growing sustainable Tribal economies and bolstering surrounding regional economies. Yet, as we seek to identify opportunities that support our goal of self-reliance, we must also acknowledge the barriers that impede our ability to reach our full potential, including, the severe and persistent underfunding of Tribal programs and services, the substandard or non-existent data collection throughout the Federal system for Tribal programs, management weaknesses¹ and the consistently late distribution of funding. In the four decades since the current system for budgeting and spending, Congress has managed to pass all its required appropriations measures on time only four times: in fiscal 1977 (the first full fiscal year under the current system), 1989, 1995 and 1997.² All of these, and many other factors attribute to the persistent shortfalls and overwhelming unmet needs/unfulfilled Federal obligations in

¹ GAO High Risk Reports on BIA, IHS and BIE – GAO-17-589T, GAO-17-790T, and GAO-18-616T

² FACTTANK News in Numbers, Pew research Center, January 2018

Tribal communities.³ The agencies need to be held accountable and directed to work in partnership with Tribes to collect data that quantifies the true unmet needs/unfulfilled Federal obligations in Indian country with credible metrics that will provide an accurate profile of the unmet needs in Indian country.

Tribal Priorities and Recommendations for the BIA/BIE and IHS:

- 1. Advanced Appropriations for Tribal Programs and Services
- 2. Increase Funding for Tribal Base Budgets/Recurring Programs
- 3. 105(l) Leases Separate and Indefinite Appropriation
- 4. Invest in Tribal Infrastructure

Advanced Appropriations for Tribal Programs and Services - Providing appropriations one year in advance will mitigate the adverse financial effects of Federal budgetary uncertainties on Tribes and enable the BIA and IHS to uphold their fiduciary obligations and more adequately and effectively serve AI/AN. Continuing Resolutions and late distributions of funding, sequestration, across the board budgetary rescissions and/or reductions, spending caps and numerous and prolonged government shutdowns have further exacerbated the well-documented funding crisis in Indian country. Tribal Nations are resilient, however, the persistent delays and/or lapse of Federal funding disrupts our governmental programs and services and attenuates our ability to protect the health and well-being of our communities and citizens. In addition, the 35 day government shutdown of 2018-2019 put our Treaty rights at risk jeopardizing the survival of our resources, inhibited our economic development potential, stifled our ability to recruit and retain staff, delayed the process for the reacquisition of our Tribal homelands and, most significantly, jeopardized our sovereignty and culture. In order to mitigate these potentially devasting impacts to our Tribal citizens and our community, we had to identify alternative revenue sources through limited Tribal funds, loans, or other means to keep programs and services operational. Advanced Appropriations will allow Tribes to engage in more effective strategic planning, spend funds more efficiently, grow our Tribal economy and businesses and increase the quality of care and well-being of our Tribal citizens and community.

Increase Funding for Tribal Base Budgets/Recurring Programs – We urge Congress to increase funding for Tribal base budgets by funding Tribal Priority Allocations and other Recurring Programs. For decades, funding reductions/permanent rescissions of Tribal programs and services has become commonplace in order to pay for tax cuts, wars, natural disasters and technology upgrades. These budgetary rescissions are permanent, unsupportable reductions to Tribal base programs - our core governmental programs and services. Factoring in the inflationary rate, Tribes are not even maintaining level funding. Compounding the fiscal volatility of Federal funding, there has been a growing trend among agencies to fund Tribal programs and services with grant dollars rather than providing base and recurring funding. Grant funding undermines Self-Governance because it is competitive short-term funding which creates uncertainty in planning, imposes extensive regulation and reporting requirements and restricts the use of indirect costs. Grant funding is also inconsistent with the Federal trust obligation.

105(1) Leases Separate and Indefinite Appropriation – A separate, indefinite appropriation for 105(1) lease costs (similar to Contract Support Costs) needs to be appropriated in order to avoid adverse impacts to other lines in the IHS, BIA and BIE budgets. At the behest of any Tribe or Tribal organization, the agencies are legally required to enter into and fund Section 105(1) lease obligations in accordance with the Indian Self-Determination and Education Assistance Act

³ GAO-19-87 Interior Should Address Factors Hindering Tribal Administration of Federal Programs

(ISDEAA). In FY2019, the IHS received 205 lease proposals totaling approximately \$101 million, quadrupling the requests from FY2018. It is anticipated that the BIA/BIE will experience a similar number of requests, if not more, given the amount of programs under their purview. The U.S. Supreme Court ruled in *Maniilaq Association v. Burwell* that the leases must be paid in full and that the agency is required to make additional funds available for these growing requests. It is incumbent upon the agencies and Congress to establish a permanent full funding solution that does not implicate current budget lines and services to Tribes.

Invest in Tribal Infrastructure - Increased Federal funding and investments could effectuate Tribal infrastructure development and, in turn, promote Tribal economic growth and self-sufficiency. Tribal governments and their citizens face profound infrastructure challenges that are acute and longstanding. Decaying, unsafe infrastructure is not only a public health issue but an impediment to economic development and job growth and reflects a failure of the government to uphold its trust obligations. The breadth and severity of the unmet infrastructure needs must be addressed.

Tribal Priorities & National Requests and Recommendations for the BIA:

- **1.** Trust Natural Resources
 - \$56.5 million BIA Rights Protection Implementation
 - \$10 million Wildlife & Parks
- 2. \$25 million Economic Development TPA
 - \$25 million Indian Guaranteed Loan Program/Surety Bonds
- 3. Human Services
 - \$55 million Social Services
 - \$80 million Welfare Assistance
 - \$20 million Indian Child Welfare Act

<u>\$10 million - Natural Resources (TPA)</u> - The vitality and sustainability of our Natural Resources is integral to the health and welfare of our Tribal citizens, communities, culture and religious practices and economies. Our Tribal Treaty Rights are at risk. Sufficient natural resource funding is essential for our Tribes to effectively participate in the U.S./Canada Pacific Salmon process. Climate change is having a profound impact on Tribal communities, lands, resources and infrastructure and degradation of our natural environment is happening faster than we can restore it in the Northwest. The Federal investment in Tribal Natural Resources is essential to restore ecological functions, healthy habitats, and protect our resources. This investment fosters Tribal self-sufficiency and supports Tribal economies by allowing us to cultivate cross jurisdictional partnerships with state and local governments that create jobs and promote and advance trade. It allows us to preserve for future generations important cultural and religious practices.

<u>\$25 million- Indian Guaranteed Loan Program/Surety Bonds</u> - Increased funding, reduced regulatory burdens and greater access to financing tools and incentives will allow us to continue to diversify our successful business portfolio and expand our revenue generating opportunities resulting in a stronger Tribal economy and less dependence on the Federal component of our resources. Loan guarantees are an attractive financial tool because Tribes can leverage limited Federal funding in a prudent budgeting effective way and promote economic growth by investing in projects that can generate their own revenue streams. 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 and</u>

Surety Bonding for Indian contractors. Federal credit programs should continue to facilitate Tribal access to private capital markets where Tribes frequently encounter market resistance to conventional lending.

Human Services

Providing opportunities for personal growth through education, training and employment is a high priority for the Social and Community Services Department. While the programs cater to the needs of our most vulnerable populations by providing critical services to our elders, our children and Tribal families in need of guidance. They are structured with the goal of developing self-reliance, self-sufficiency and developing strong Tribal citizens and community members. The success of our human services programs is demonstrated through the high number of Tribal citizens and descendants entering higher learning and earning degrees, our 80% hiring rate and growing workforce of Tribal citizens, descendants and other Natives, our cultural preservation classes that create marketable products that can be sold through the Tribe's retail outlet and our flourishing language program. We lead our citizens down the path of self-sufficiency by developing their leadership skills, educational skills, job skills, fostering health and well-being in a culturally appropriate way.

Tribal Priorities & National Requests and Recommendations for the IHS:

- **1.** \$257 million to Support Current Services
- 2. \$485.7 million for Purchased and Referred Care

<u>\$257 million to Support Current Services</u> - It is critical that the IHS budget honors and respects the Federal trust obligation. To maintain current services, factors such as the inflationary rate, pay costs, contract support costs, population growth and staffing needs for recently constructed facilities all need to be fully funded. When these mandatory factors are not funded, Tribes must supplement programs with their own limited revenue, or chose between limiting services or shutting down services completely.

<u>\$485.7 million Purchased and Referred Care (PRC) -</u> PRC 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. Most IHS and Tribally-operated direct care facilities do not provide the required emergency specialty care services, so Tribes are forced to turn to the private sector to fulfill this need. When PRC funds are depleted, services are denied to Tribal patients.

The Jamestown S'Klallam Tribe continues to support the requests and recommendations of our Northwest Regional and National Indian Organizations including NCAI, NIHB, NPAIHB, NWIFC and ATNI. Thank you.