



Squaxin Island Tribe

10 SE Squaxin Lane, Shelton, WA 98584

(360) 426-9781

<http://www.squaxinland.org>

**Testimony of Kristopher K. Peters, Chairman
Squaxin Island Tribe
Submitted to the House Interior, Environment and Related Agencies
Appropriations Subcommittee
on the Fiscal Year FY 2027 Budgets for the
Bureau of Indian Affairs, Indian Health Service, Environmental Protection Agency and
the U.S. Fish and Wildlife Service
March 18, 2026**

On behalf of the Squaxin Island Tribal Leadership and citizens, it is an honor to provide our priority funding requests and recommendations for the FY 2027 Budgets for the Bureau of Indian Affairs (BIA), Indian Health Service (IHS), Environmental Protection Agency (EPA) and the U.S. Fish and Wildlife Service. We applaud the Committees' support for advance appropriations in the IHS and request that you continue this support and consider permanent advance appropriations for continuity of services and program planning. We emphasize the benefits of advance appropriations to include the BIA and Bureau of Indian Education. We further ask the Committee to shift funding for all Tribal programs to mandatory rather than discretionary appropriations. Overall, we continue to urge Congress to exempt Tribal program funding from sequestrations, rescissions, and disproportionate cuts.

SQUAXIN ISLAND TRIBE Specific Requests:

- 1. +\$6 Million – Water and Sanitation for Infrastructure of Squaxin Island Wellness Center - IHS**
- 2. +\$20 Million Deschutes Estuary Restoration – Phase 1 - EPA and USFWS**
- 3. +\$1.29 Million -- Water and Sanitation for Phase I of the Noo-Seh-Chatl Housing Infrastructure Project -IHS**
- 4. +\$900,000 – Shellfish Management – BIA**

The Squaxin Island Tribe supports National and Regional FY 2027 Budget Requests and Recommendations by the National Congress of American Indians, National Indian Health Board, National Indian Education Association, Affiliated Tribes of Northwest Indians and the Northwest Indian Fisheries Commission.

Squaxin Island Tribe Background

We are native people of South Puget Sound and descendants of the maritime people who lived and prospered along these shores for untold centuries. We are known as the *People of the Water* because of our strong cultural connection to the natural beauty and bounty of Puget Sound, going back hundreds of years. The Squaxin Island Indian Reservation is in southeastern Mason County, Washington and the Tribe is a signatory to the 1854 Medicine Creek Treaty. Our treaty-designated reservation is approximately 2.2 square miles of uninhabited forested land, surrounded by the bays and inlets of southern Puget Sound. The Tribe has a current enrollment

of 1,123 and an on-reservation population of 426 living in 141 homes. Squaxin has an estimated service area population of 2,747; a growth rate of about 10%, and an unemployment rate of approximately 35%.

Squaxin Island Tribe Specific Requests/Justifications:

1. +\$6 Million – Water and Sanitation for Infrastructure of Squaxin Island Wellness Center (IHS)

Wellness centers are vital hubs for fostering community-based support and social connections essential for long-term health and well-being in Tribal communities. The Squaxin Island Tribe Wellness Center will offer culturally tailored, holistic care that integrates traditional practices with modern medicine. There are no hospitals or IHS operated facilities located on Tribal lands in Washington state and systemic gaps in health care can be attributed to the lack of infrastructure which continues to cause severe disparities in access to care for Tribes.

The Administration has frozen or terminated millions in Federal infrastructure funding since 2025. With sixty-nine percent of Federal funding being discretionary, the ask for projects such as the Wellness Center are in limbo. Funding is requested to extend critical infrastructure planning and development—including the operation of safe water, wastewater, the solid waste system and related supported facilities—to adequately support the construction and operation of a new Squaxin Island Wellness Center and adjacent mixed-use housing development. Immediate water and sanitation infrastructure are projected to be approximately \$6 million. The infrastructure investment is essential for creating a fully integrated and sustainable community environment, improving quality of life, and ensuring the long-term viability and success of this critical community development.

The construction of the Wellness Center will be requested in the Rural Development – Community Facilities Program and Rural Community Development Initiative Grants in the U.S. Department of Agriculture.

2. +\$20 Million Deschutes Estuary Restoration Project – Design & Permitting Phase I (EPA and USFWS)

The Restoration Project will improve ecological conditions, achieve state water quality standards, improve climate resilience, and restore recreational boating and fishing in the waterbody. In addition to the removal of the 5th Avenue Dam, an approximate 500-foot-wide opening will be created to reintroduce tidal flows to the project area and restore 260 acres of estuarine conditions and salt marsh habitat at the mouth of the Deschutes River.

Capitol Lake was part of the Deschutes Estuary, where freshwater from the Deschutes River would mix with saltwater over expansive tide flats. The Deschutes Estuary has long-standing cultural and spiritual significance to local Tribes, particularly the Squaxin Island Tribe. An estimated 35,000 cubic yards of sediment is transported by the Deschutes River (and Percival Creek) into the Capitol Lake Basin each year, shallowing the Lake and resulting in conditions

that are visibly altered. Following construction of the 5th Avenue Dam, construction sediment accumulation reached up to thirteen feet thick in some areas. Water quality monitoring began in the 1970s in response to excessive growth of aquatic plants, dense algal mats, and reduced water clarity, which are caused by high nutrient levels.

In 2009, the presence of the invasive New Zealand mudsnail resulted in official closure of the waterbody to all public uses. This includes restricted access by the Squaxin Island Tribe to their usual and accustomed fishing grounds and stations.

In October 2022, a final Environmental Impact Statement was issued, and the Estuary Alternative was identified as preferred for long-term management of Capitol Lake because it will achieve project goals and has the greatest ability for long-term support. Some benefits of the project will include:

- a. Provide productive habitat for shellfish, salmon, and other anadromous species, including aquatic species listed as threatened under the Endangered Species Act;
- b. Serve as a key step in restoring productive migratory fisheries in south Puget Sound and advancing Orca recovery;
- c. Address chronic water quality violations by improving dissolved oxygen conditions in Budd Inlet;
- d. Increase climate resiliency across downtown Olympia by reducing maximum flood elevations by one foot compared to conditions with the 5th Avenue Dam in place;
- e. Produce habitat that will better sequester carbon than existing conditions; and,
- f. Celebrate the Pacific Northwest through native plantings, interpretive signs, and Tribal art installations.

3. + \$1.29 Million - Water and Sanitation for Phase I of the Noo-Seh-Chatl Housing Infrastructure Project – IHS

This high-priority initiative is designed to address a severe housing crisis within our community, currently characterized by a 24.1% overcrowding rate and a waiting list of over eighty applications for Tribal-owned low-income housing. The Noo-Seh-Chatl Housing Project can address these issues by laying the foundation needed to accommodate more single and multi-family homes that are accessible, supportive, and designed to support long-term stability for the community. This project represents Phase I of a larger, five-phase neighborhood development plan which will include multi-family and single-family homes, an integrative and complementary wellness center, and a community recreation facility. Through extensive community engagement, the Squaxin community expressed a strong desire to integrate additional housing with essential services and community spaces. This housing project will be an important addition to the Reservation, one that is guided by community input. This project expands Tribal housing stock and reduces housing insecurity for low-income families. With the incorporation of energy-efficient materials and appliances, families and the Tribe benefit from using sustainable and cost-effective solutions.

The Squaxin Island Tribe is demonstrating its full commitment by covering all associated soft costs, including design, engineering, and permitting.

4. + \$900,00 Shellfish Management – Operations and Management – BIA - The Squaxin Island Tribe faces an ongoing budget deficit to maintain and operate the shellfish program at its current level of operation—a level that leaves 20% of treaty-designated state lands and 80-90% of private tidelands unharvested due to lack of funding. In 2007 Puget Sound commercial shellfish growers and seventeen treaty Indian Tribes in western Washington reached a landmark agreement that addressed treaty shellfish harvest rights, preserved the health of the shellfish industry and provided greater shellfish harvest opportunities for everyone in the state. Funding for operations and maintenance (O&M) was not included in the agreement, and we were directed to seek appropriations to cover this cost rather than stall negotiations. We agreed but to date our efforts to secure O&M costs have not been successful as we have repeatedly included this request in our annual budget priority requests to Congress.

To address the shortfall and enable effective growth and development of the program, an annual minimum increase of \$900,000 remains a priority request in FY 2027 for the BIA. Shellfish have been a mainstay for the Squaxin Island people for thousands of years and are important today for subsistence, economic and ceremonial purposes. The Tribe’s right to harvest shellfish is guaranteed by the 1854 Medicine Creek Treaty. Today, we are unable to fully exercise our treaty rights due to the lack of Federal support for our shellfish management program.

Regional and National Budgets Requests:

- **BIA** – Strengthen Tribal Communities, Trust National Resources Management and Public Safety and Justice
- **IHS** - Purchased and Referred Care (PRC) - PRC funds are extremely important to the Portland Area Tribes because the Portland Area lacks hospitals and specialty care centers, so Tribes in the Northwest are forced to turn to the private sector to provide medical services
- **BIA and IHS** - Reclassify Discretionary Spending for Contract Support Costs and 105(l) Leases to Mandatory Spending Appropriations
- **BIA and IHS** – Continue full funding for Contract Support Costs and 105(l) Leases
- **BIA, IHS and BIE** - Advance Appropriations – Continue funding the IHS advance appropriations and include Tribal programs and services for the BIA and BIE to avoid disruption in services in the absence of passage of annual budgets

Thank you for considering these FY 2027 funding priorities and requests for the Squaxin Island Tribe.