

**EXAMINING THE PRESIDENT'S FY 2025
BUDGET REQUEST FOR THE
BUREAU OF INDIAN AFFAIRS, INDIAN
HEALTH SERVICE, AND OFFICE OF
INSULAR AFFAIRS**

OVERSIGHT HEARING

BEFORE THE

SUBCOMMITTEE ON INDIAN AND INSULAR AFFAIRS

OF THE

COMMITTEE ON NATURAL RESOURCES

U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTEENTH CONGRESS

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**OVERSIGHT HEARING ON EXAMINING THE
PRESIDENT'S FY 2025 BUDGET
REQUEST FOR THE BUREAU OF INDIAN
AFFAIRS, INDIAN HEALTH SERVICE, AND
OFFICE OF INSULAR AFFAIRS**

**Wednesday, May 8, 2024
U.S. House of Representatives
Subcommittee on Indian and Insular Affairs
Committee on Natural Resources
Washington, DC**

The Subcommittee met, pursuant to notice, at 2:16 p.m., in Room 1324, Longworth House Office Building, Hon. Aumua Amata Coleman Radewagen [Member of the Subcommittee] presiding.

Present: Representatives Radewagen, Carl, Moylan; Leger Fernández, Sablan, and Case.

Also present: Representative Stansbury.

Mrs. RADEWAGEN. The Subcommittee on Indian and Insular Affairs will come to order.

Without objection, the Chair is authorized to declare a recess of the Subcommittee at any time.

The Subcommittee is meeting today to hear testimony on the President's Fiscal Year 2025 budget request for the Bureau of Indian Affairs, Indian Health Service, and Office of Insular Affairs.

Under Committee Rule 4(f), any oral opening statements at hearings are limited to the Chairman and the Ranking Minority Member. I therefore ask unanimous consent that all other Members' opening statements be made part of the hearing record if they are submitted in accordance with Committee Rule 3(o).

Without objection, so ordered.

I ask unanimous consent that the gentlewoman from New Mexico, Ms. Stansbury, be allowed to sit and participate in today's hearing.

Without objection, so ordered.

I will now recognize myself for an opening statement.

**STATEMENT OF THE HON. AUMUA AMATA COLEMAN
RADEWAGEN, A DELEGATE IN CONGRESS FROM THE
TERRITORY OF AMERICAN SAMOA**

Mrs. RADEWAGEN. The Subcommittee is meeting today to examine the President's Fiscal Year 2025 budget request for the Bureau of Indian Affairs, or BIA; the Indian Health Service, or IHS; and the Office of Insular Affairs, OIA.

Under the Constitution, Congress has the responsibility to tax and spend wisely, making decisions on how best to prioritize the finite Federal resources. It is also Congress' job to provide oversight of how Federal funds are spent by agencies, and their prioritization of programs and policies.

The BIA is responsible for honoring the United States' treaty and trust responsibilities towards American Indians and Alaska Natives. The President's Fiscal Year 2025 budget requests \$2.9 billion in discretionary funding for the BIA. Additionally, the budget proposes that tribal leases and contract support costs be reclassified as mandatory spending beginning in 2026, bypassing the appropriations process from that point on.

The BIA administers 56 million surface acres and 59 million acres of subsurface mineral estates held in trust by the United States for the benefit of individual American Indians or tribes. The President's budget continues to focus on conservation and climate change programs that can limit tribal access to natural resource development on tribal lands. History has shown that we can balance conservation and resource development. Tribes have the knowledge and the experience to make it work, and BIA should be supportive of all efforts of self-determination.

Turning to health care, the IHS is the primary agency charged with providing medical services to Native people, such as primary care, emergency services, and substance abuse care. The President's budget requests \$8.2 billion and proposes moving all budgetary authority for the agency to mandatory spending starting in Fiscal Year 2026.

I think many would agree that there needs to be continued oversight and accountability of IHS. There continues to be concerns with the agency's ability to provide adequate care and the efficiency of the Purchased and Referred Care program.

Concerns also remain regarding the Indian health facilities construction list, as it has yet to be completed, and costs for these projects have ballooned. The average IHS hospital is 39 years old, which is three times the age of an average U.S. hospital. The President's budget does not include any innovative proposals to address this ongoing issue.

Additionally, questions remain regarding the hiring and retention of IHS medical and support personnel, how to best care for individuals suffering from substance abuse and mental health disorders.

Lastly, the OIA is charged with carrying out the responsibilities for the U.S. insular areas of American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands, as well as administering the implementation of the Compact of Free Association, or COFA.

OIA's budget shows an overall \$9.62 million decrease in discretionary funding. However, this decrease is attributable to the expiration of the previous COFA agreements. If we look at the non-COFA-related spending, the OIA budget request is actually increasing discretionary funding by \$2.44 million. I hope the testimony from our OIA witness today will clearly explain why the OIA has requested this increase, and how they calculated these costs.

I would like to stress that Congress will continue to oversee OIA's implementation of COFA. We will not stand idly by, and we will ensure that all provisions are carried out in the manner that Congress intended.

I would also like to remind the OIA of its responsibility to facilitate and coordinate the work of the interagency group on Freely

Associated States. I urge the Department to be transparent and communicate timely with Congress on the status of COFA implementation.

Energy security and reliability are of crucial concern for the insular areas. I want to ensure that the Department advances insular economic opportunity and self-determination to increase energy reliability and affordability.

In general, the Federal Government has increased spending over the last decade, leading to a higher deficit and an increased worry for our nation's fiscal future. It is important that this Committee continues to provide oversight of the BIA, IHS, and OIA to ensure they are fulfilling their missions effectively in a fiscally responsible manner and for the benefit of those they serve.

I want to thank the witnesses for being with us today.

The Chair now recognizes the Ranking Minority Member for any statement.

STATEMENT OF THE HON. TERESA LEGER FERNÁNDEZ, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Ms. LEGER FERNÁNDEZ. Thank you so very much, Madam Chair, for your opening statement, and thank you so very much to the witnesses for being here with us today on the budget request for the Bureau of Indian Affairs, Office of Insular Affairs, and the Indian Health Service.

This Subcommittee has held 16 hearings this Congress discussing a wide range of issues and legislation that impacts Indian Country.

We held a hearing on public safety in tribal communities and heard the consequences suffered by Native Americans from the lack of tribal law enforcement officers. In many cases, there are only a few tribal officers to patrol hundreds of miles to keep the community safe. And too often we hear that tribes must use their own funds to make up the funding shortfalls from Congress.

In response, our Committee passed the Parity for Tribal Law Enforcement Act. This is a very important bill. But to actually make a difference and to have the parity work, we need to actually provide the funding so that we can get to parity. We need to make sure we appropriate the money to pay the salaries, to hire officers, and to purchase the needed patrol vehicles and other equipment.

When we hear about priorities, I believe it is a priority, in fact, one of the most urgent priorities, given our trust responsibility to Indian tribes to fund the solutions to the problems we have heard about in this Committee room. For example, we recently heard about Purchased and Referred Care services at the Indian Health Service, and how the IHS needs to improve. But let's look at the funding numbers. The Indian Health Service's per capita expenditure per person was only \$4,078 in Fiscal Year 2019, compared to the U.S. national health expenditure of \$9,726 per person. That means that tribal citizens are seeing less than half the investment for their health.

And I want to remind everybody, and myself, that we have taken on a trust responsibility and obligation to provide that health care. It was part of the promise we made in exchange for everything that

the United States has received from the first Americans. It is unacceptable.

[Chart.]

Ms. LEGER FERNÁNDEZ. This chart tells it all. It shows the fact that for urban Indians it is even worse, \$672.

So, these highlight a common theme across all the hearings we have had in this Committee room this year and a half, stories from tribal leaders illustrating that Congress needs to be doing more to uphold our trust responsibility.

Even when we heard about the benefits tribes see from 638 contracts and compacts to the 477 workforce program at the BIA, it was coupled with agencies only having one or two staff to handle hundreds of applications. Deputy Secretary, you shared the increase in the requested self-determination contracts that you are seeing, but you have not increased the number of people to process that.

And while we continually hear the benefits communities are seeing from the Bipartisan Infrastructure Law and the Inflation Reduction Act, I want to recognize that the bulk of the work mandated by these laws was sent to the Department of the Interior, including the BIA.

I know that you are all working, processing more. I know that you are all working because we need to do more and do the kind of oversight and fixing the problems that aren't about funding, but are about responsiveness, communication, and transparency that you must do. But we will also need to couple that with the resources you need. The Indian Health Service and Bureau of Indian Affairs will see under your budget a 16 percent and 18 percent increase in your budgets. This is a welcome increase, but we know it is not enough. Congress must do more when it comes to resources for Indian Country.

Turning to the budget for our fellow U.S. citizens in the insular areas, the insular areas might be seen as small, isolated, and dependent on one or two main sources of income. But in our travels there we understand and we recognize the important role they play for America's national security and our identity in the blue continent. The insular areas are also on the front lines of the impacts of our changing climate, facing catastrophic hurricanes and typhoons almost annually.

In many of the islands, Federal programs are the major source of government revenues. According to the Office of Insular Affairs statistics, Federal funds are 20 percent of the U.S. Virgin Islands government income, 33 percent in Guam, 34 percent in the Mariana Islands, and 65 percent in American Samoa. Yet, despite these facts, the budget for the Office of Insular Affairs has remained constant for the past decade. It is my hope that, starting with today's hearing, we can, on a bipartisan basis, explore ways to ensure that adequate resources are provided to OIA to enable them to address the unique, important challenges that are faced by some of the most vulnerable members of our American family.

Once again, thank you to the witnesses for being here today. Thank you for the work that you do for tribes and the insular areas.

And I want to again go back to the theme of recognizing that you and your staff are processing more and more requests without a substantial increase in funding. And I would like to remind myself and my colleagues of the importance of funding these programs. Unlike any other Federal agencies, we have a trust responsibility to Native Americans because they don't have any other sources of funding. So, we will take that into account, and I look forward to hearing from you.

With that, Madam Chair, I yield back.

Mrs. RADEWAGEN. Thank you. I will now introduce our witnesses for our panel.

The Honorable Bryan Newland, Assistant Secretary for Indian Affairs, Department of the Interior, Washington, DC; the Honorable Carmen Cantor, Assistant Secretary for Insular and International Affairs, Office of Insular Affairs, Department of the Interior, Washington, DC; and the Honorable Roselyn Tso, Director, Indian Health Service, Department of Health and Human Services, Rockville, Maryland.

Let me remind the witnesses that under Committee Rules, they must limit their oral statements to 5 minutes, but their entire statement will appear in the hearing record.

To begin your testimony, please press the "talk" button on the microphone. We use timing lights. When you begin, the light will turn green. When you have 1 minute left, the light will turn yellow. And at the end of 5 minutes, the light will turn red, and I will ask you to please complete your statement. I will also allow all witnesses on the panel to testify before Member questioning.

The Chair now recognizes the Honorable Bryan Newland for 5 minutes.

STATEMENT OF THE HON. BRYAN NEWLAND, ASSISTANT SECRETARY, INDIAN AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR, WASHINGTON, DC

Mr. NEWLAND. Thank you, and good afternoon, Madam Chair and members of the Subcommittee. My name is Bryan Newland, and I have the privilege and honor of serving as the Assistant Secretary for Indian Affairs at the Department of the Interior.

And I want to thank you, Madam Chair and members of the Subcommittee, for allowing me to present the Department's views on President Biden's budget request for Fiscal Year 2025 for Indian Affairs. That budget request totals \$4.6 billion, which is an increase of \$651 million over the Fiscal Year 2024 enacted level of funding. This funding would go toward the Bureau of Indian Affairs, the Bureau of Indian Education, the Bureau of Trust Funds Administration, as well as programs within the immediate office of the Assistant Secretary, and this funding is an important step forward to meeting our trust obligations to Indian Country, and we believe that it supports the President's Executive Order to reform Federal funding and promote the next era of self-determination.

Madam Chair, I have submitted a written statement for the record. I want to use my limited time here today to focus on three important areas of the President's budget: mandatory funding for

legally required payments, funding for public safety programs, as well as management improvements.

First, we have proposed reclassifying tribal contract support costs and 105(1) tribal lease payments as mandatory funding beginning in Fiscal Year 2026. We are required by law to provide these payments to tribes upon their request, and in recent years those costs have grown significantly. In Fiscal Year 2025, the Department will need an additional \$232 million just to cover these costs without cutting funding for existing programs, programs like public safety, transportation, and education. Reclassifying these funds as mandatory aligns our appropriations with our legal obligations, and it protects funding for other programs that are essential for Indian Country.

I also want to speak directly to funding necessary to meet our trust obligations to protect people across Indian Country. In Fiscal Year 2022 and 2023, we were able to work with Congress to secure an additional \$131.2 million for public safety and justice programs within the BIA. I want to thank the Subcommittee and Congress for working with the Administration on those increases to our public safety and justice funding.

But even with those increases, our most recent report to Congress under the Tribal Law and Order Act shows that the United States funds public safety and justice programs at only 13 percent of the total need of Indian Country. In addition, appropriations law directed 52 percent of that increased funding in Fiscal Year 2022 and 2023 to just 16 tribes. That left only \$11.5 million in additional funding to distribute across 182 tribes throughout the country.

The President's Fiscal Year 2025 request would increase public safety and justice funding by 17 percent over the Fiscal Year 2024 enacted amount. That would include a \$33.5 million program increase in criminal investigations and police services, which is specifically targeted to increase the number of officers and investigators on the ground across Indian Country. That would fund an additional 222 Federal and tribal police officers in tribal communities, and would also add an additional 120 Federal and tribal corrections staff at detention facilities.

The 2025 budget request would get us from 13 percent of the overall need for public safety and justice in Indian Country up to 19 percent. Without this requested increase, the Department would have to reduce other public safety and justice programs to meet court-ordered obligations to the Navajo Nation. It would delay maintenance, as well as operating requirements at tribal courts.

And lastly, I want to highlight the work our Indian Affairs leadership team is doing to improve our operations. We are prioritizing recruitment and retention of staff in critical areas such as law enforcement, awarding officials which move the money from the Bureau of Indian Affairs out to tribal governments, as well as our realty staff.

Within our law enforcement programs we have worked to ensure that BIA officer salaries are in line with their counterparts at other DOI bureaus to improve our retention and recruitment rates and be competitive with other agencies.

We are focused on infrastructure investment by exploring opportunities to address the growing number of 105(l) leases and data improvements related to facilities.

We are also improving timelines for land into trust and other realty activities, and we are working to approach these issues from multiple angles, including resourcing and staffing levels, to improve our processes.

Madam Chair, I want to thank you once again for the opportunity to testify, and I look forward to answering any questions members of the Subcommittee may have. Thank you.

[The prepared statement of Mr. Newland follows:]

PREPARED STATEMENT OF BRYAN NEWLAND, ASSISTANT SECRETARY—INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR

Good afternoon, Chair Hageman and members of the Subcommittee. Thank you for the opportunity to provide a statement on the President's Budget Request for Fiscal Year 2025 (FY 2025) for Indian Affairs. The FY 2025 budget request for Indian Affairs programs totals \$4.6 billion, which is an increase of \$651 million over the FY 2024 Enacted level of funding.

As the Assistant Secretary for Indian Affairs, I oversee the numerous programs within the Bureau of Indian Affairs (BIA), the Bureau of Indian Education (BIE), and the Bureau of Trust Funds Administration (BTFA) along with other programs within the immediate Office of the Assistant Secretary for Indian Affairs (IA or Indian Affairs). All of these programs play important roles in carrying out Federal trust, treaty, and other responsibilities to 574 federally recognized Indian Tribes. Programs serve more than two million American Indians and Alaska Natives in Tribal and Native communities. The BIA provides direct services and funding for compacts and contracts for Tribes to provide Federal programs for a wide range of activities necessary for strong Tribal communities, including natural resource and land management, public safety, and social service programs, among many others in Indian Country. BIE manages and serves a school system of 183 schools, funds 29 Tribal Colleges and Universities (TCUs) and two Technical Colleges, delivering educational services and resources to approximately 40,000 K-12 students, as well as thousands of pre-school children and post-secondary college students. The BIE also operates two post-secondary schools. The BTFA is responsible for the financial management of approximately \$8.8 billion of Indian trust funds held in about 4,200 Tribal accounts (approximately \$7.2 billion) and about 411,000 Individual Indian Money (IIM) Accounts (approximately \$1.5 billion). Indian Affairs programs are built on strong and productive government-to-government relations with Tribes.

The FY 2025 budget request continues to invest in programs that are a foundation of Indian Country's strength. The request for the individual organizations is as follows: IA/BIA—\$2.9 billion, an increase of \$485.1 million above FY 2024 Enacted; BIE—\$1.5 billion, an increase of \$154.6 million above FY 2024 Enacted; and BTFA—\$111.3 million, an increase of \$11.3 million above FY 2024 Enacted.

The funding requested is an important step forward to meet our obligation to Tribes. To support fully meeting our obligation to Tribes, the President signed Executive Order 14112 (EO), Reforming Federal Funding and Support for Tribal Nations to Better Embrace Our Trust Responsibilities and Promote the Next Era of Tribal Self-Determination. The EO directs Federal agencies to increase their deference to Tribal decision-making, streamline application processes for Tribes to obtain funding, and remove some restrictions and cost-sharing requirements, consistent with applicable law or to recommend changes to existing law. The EO also directs the establishment of a one-stop Tribal funding clearinghouse and requires agencies to measure and report annually on Tribe-related funding need shortfalls. We have already established an initial clearinghouse and will continue to expand its contents and make it more user friendly to utilize for Tribes. I look forward to reporting to you on our further progress to meet the requirements of the EO.

Before I dive into the details of the budget, I want to stress the importance of mandatory funding proposals for Indian Affairs and underline my focus on management improvements. Regarding mandatory funding, Contract Support Costs, payments for 105(l) Tribal leases and Water Rights Settlements costs are growing, legally required payments. These three programs should have mandatory funding to align with the mandatory legal requirements associated with each. If the funding

associated with these programs is not transitioned to mandatory funding, it could force cuts to other critical operations such as law enforcement and school operations.

Regarding continual management improvements, I want to let you know that our Indian Affairs leadership team is focused on operational improvements. One key area of focus is on improving recruitment and retention of staff in critical areas such as law enforcement, awarding officials and realty staff. Another area is infrastructure investment, this includes exploring opportunities to address the growing number of 105(l) leases to process and data improvements related to facility improvement and repair and construction. We have also focused on improving timelines for land into trust status and other realty activities. In each of these areas, we are looking at these issues from multiple angles, including appropriate resources and staffing levels, process improvement and better use of technology. Now I will turn to highlights for the FY 2025 budget.

Strengthen Tribal Communities

Tiwahe means family in the Lakota language and symbolizes the interconnectedness of all living things and one's personal responsibility to protect family, community, and the environment. To empower federally recognized Tribes to realize this potential, IA launched the Tiwahe Initiative in FY 2015. The Tiwahe Initiative is an extensive and bold approach to furthering Indian self-determination. The Tiwahe Initiative fosters systemic change in the delivery of services to children and families through the integration of Tribal practices, customs, values, and traditions. Each participating site's Tiwahe Initiative plan offers Tribes the flexibility to design programming and services to address the gaps and needs of their individual communities. To date, the Tiwahe Initiative has focused on improving collaboration and coordination across core programs like social services, Indian Child Welfare Act (ICWA), recidivism, housing, and job placement and training. The 2025 Budget requests an increase of \$28.6 million to expand the Tiwahe program by extending that coordination to include Healing to Wellness Courts and economic development needs as well as supporting the participation of new Tribes while sustaining the existing 10 Tiwahe Tribes.

Federal Boarding School Initiative

The BIA is uniquely positioned to assist in the effort to recover the histories of Federal Indian boarding schools. In 2023, as part of the Secretary's Federal Boarding School Initiative (BSI), Secretary Haaland and I completed a 12-stop Road to Healing tour, during which we traveled to locations across the country giving Indigenous boarding school survivors the opportunity to share their stories and connect with trauma-informed support. The 2025 budget includes \$7.0 million to continue the Secretary's BSI and its comprehensive review of Federal boarding school policies. This funding will continue to implement recommendations laid out in the May 2022 Federal Boarding School Initiative Investigative Report Volume 1, including continued historical research and documentation, and work to identify and protect the remains of those identified. The funding will also support an oral history project to document and make accessible the experience of the generations of Indigenous children who attended the Federal boarding school system. Through the BSI, the Department is seeking to work with Tribal Nations to begin the long healing process through transparency and accountability.

Protect Indian Country

The BIA Office of Justice Services (OJS)-administered public safety and justice programs fund law enforcement, corrections, and court services to support safe Tribal communities and schools serving Indian Country youth. These programs safeguard life and property, enforce laws, maintain justice and order, and ensure detained American Indian and Alaska Native offenders are held in safe, secure, and humane environments. These programs also directly support the Administration's commitments to Indian Country, by increasing safety on Tribal lands and tackling the crisis of violence against Native women, children, and the elderly.

The 2025 budget includes \$651.2 million for Public Safety and Justice (PS&J) operations, an increase of \$95.7 million above the 2024 Enacted level. Operational funding supports the expanding Tribal needs in policing, detention, and Tribal courts. The budget includes a \$33.5 million program increase in Criminal Investigations and Police Services, specifically targeted to increase the number of officers and investigators on the ground in Indian Country. A program increase of \$2.0 million is also requested to enhance functions within the OJS Professional Standards Directorate, including recruitment and retention initiatives, development and evaluation of law enforcement policies, program reviews, and training.

The 2025 budget also includes \$16.5 million to address the crisis of Missing and Murdered Indigenous People. The Missing and Murdered Unit engages in cross-departmental and interagency collaboration to identify gaps in information sharing and data collection to more effectively investigate these cases. As part of the proposed expansion to the Tiwahe Initiative, the budget includes a program increase of \$1.9 million for the Office of Tribal Justice Support to provide technical assistance to Tribes looking to develop and operate Healing to Wellness courts. These courts serve as alternatives to incarceration and provide a culturally appropriate forum to support those within the criminal justice system by assisting in addressing underlying behavioral health and substance abuse issues.

The recently released 2021 Tribal Law and Order Act report identified a total funding need of \$3.5 billion for law enforcement, detention/corrections, and Tribal Court needs. (see: https://www.bia.gov/sites/default/files/media_document/2021_tloa_report_final_508_compliant.pdf). The total requested increase for law enforcement is an important step forward.

Economic Opportunities

The 2025 budget funds the Community and Economic Development activity at \$43.0 million, a \$12.5 million increase above the 2024 Enacted level, to advance economic opportunities in Indian Country. Job Placement and Training is funded at \$13.9 million to assist Tribal members in obtaining job skills and finding and retaining jobs. Economic Development projects are funded at \$24.5 million and include a request for an additional \$11.5 million investment in Native language revitalization, which is crucial to preserve endangered languages, promote self-determination, and strengthen Tribal communities. A \$1.2 million program increase in Community Development Oversight is requested to support the implementation of Native language activities, the administration of the Native American Business Incubators program, and oversight of other grant programs.

Manage Trust Resources and Lands

Tribal sovereignty and economic development cannot be achieved without addressing land needs. The FY 2025 budget continues to invest in Indian Land Consolidation with a request of \$11 million to address fractionation and incorporate lessons learned from previous programs. This program has been especially important since the Land Buy-Back Program for Tribal Nations (LBBP), established as part of the Cobell Settlement, ended in November 2022. If the land consolidation program is not funded at a sufficient funding level, all the gains from reducing fractionation from LBBP funding could be lost by 2038, and we project that Indian Country will be back to the same level of fractionated interests as of 2012, preventing Tribes from effectively using large land areas. (see: U.S. Department of the Interior, “Ten Years of Restoring Land and Building Trust 2012–2022, Land Buy-Back Program for Tribal Nations,” pg. 1 (December 2023)) The Land Consolidation program continues to be complimented by the \$2 million provided for land acquisitions within Trust Real Estate Services through the Operation of Indian Programs account in FY 2024 enacted.

Trust Natural Resource Management

The budget includes \$359.3 million, a \$37.0 million increase over the 2024 Enacted amount, for critical trust natural resources activities and investing in climate resilience and environmental justice. Of that amount, \$48.8 million is provided for the Tribal Climate Resilience program. This program includes the Climate Relocation Grant program, which is funded at \$13.5 million, \$4.0 million more than the 2024 Enacted amount, to provide relocation, managed retreat, and protect-in-place support for critically vulnerable communities. Also included in the request is \$26.8 million for the Tribal Climate Adaptation Grant program, which helps Tribes better assess and address their growing adaptation needs. The Tribal Climate Resilience program also includes \$7.8 million for Tribal youth corps programs. The Tribal youth corps program is an important jobs initiative to tackle climate change on the ground, ensure a living wage, and provide skills and a pathway to employment. These funds will also support Tribes in developing science, obtaining tools, training, planning, and implementing actions to build resilience into resource management, infrastructure, and community development activities. The budget supports the America the Beautiful initiative by honoring Tribal sovereignty and supporting the Trust Natural Resources priorities of Tribal Nations.

Included in the budget request are two new elements of the Tribal Climate Adaptation program. First, it includes a \$500,000 increase to fund the BIA's role in the National Seed Strategy. This funding will advance critical scientific requirements by supporting botanists and ethnologists who will seek out Indigenous

knowledge to incorporate into restoration practices. The funding will also support co-developed climate adaptation and resilience best management practices for seed production and use in restoration. Second, in support of the White House national strategy to prioritize nature-based solutions (NBS) that benefit people and nature, advance equity, are evidence informed, integrate continuous improvement, and advance collaboration/co-stewardship opportunities, the BIA is requesting \$250,000 to establish a Resource NBS expert to implement the NBS roadmap and strategies. The BIA will develop and maintain a tool for Tribes and decision makers that allows access to data needed to invest in protecting, sustainably managing, and restoring natural ecosystems.

The budget also includes \$41.0 million to support Agriculture and Range efforts and \$33.6 million for Energy and Minerals activities, which includes investment in the deployment of clean energy in Tribal communities. IA views renewable energy as one of many tools available to American Indians and Alaska Natives to create sustainable economies on Indian land; many Indian reservations are well positioned to access or provide a stable source of competitively priced, low-carbon clean energy. These efforts also support the Justice40 Initiative, ensuring that at least 40 percent of the overall benefits from certain Federal investments are delivered to disadvantaged communities.

Construction

The 2025 budget includes \$154.8 million for BIA Construction activities. The funding supports replacement and deferred maintenance projects to address needs at PS&J facilities. It also includes the irrigation rehabilitation program, which addresses critical deferred maintenance and construction needs at BIA-owned and operated irrigation facilities, including 17 Indian irrigation projects. The Safety of Dams program is responsible for 141 high-hazard dams on 42 Indian reservations. The Construction program also addresses needs at regional and agency offices serving Tribal programs and operations in Indian Country.

Within Construction activities, the budget includes \$10.0 million to address water-quality issues at BIA-owned water infrastructure, including systems of concern identified by EPA. In addition, \$1.4 million is included to support the Administration's governmentwide goal to accelerate the use of zero-emission vehicles (ZEVs) to enable a clean transportation future. Funds will be used to acquire ZEVs, install solar panels and related charging infrastructure, and perform planning and integration to support the initiative across Indian Affairs.

Contract Support Costs and Tribal Grant Support Costs

Contract Support Costs funding is critical for Tribal sovereignty, enabling Tribes to assume responsibility for operating Federal programs by covering the costs to administer the programs. The budget proposes to reclassify Tribal Contract Support Costs from discretionary to mandatory funding beginning in 2026 while estimating \$426.2 million in discretionary funding needs in 2025 to fully cover projected requirements.

The BIE 2025 request includes \$100.7 million in Tribal Grant Support Costs. These funds provide operating and staffing resources to Tribes who choose to operate BIE-funded schools. Nearly 70 percent of all BIE-funded K-12 schools are operated by Tribes.

Payments for Tribal Leases

Section 105(l) of the Indian Self Determination and Education Assistance Act (ISDEAA) provides that Tribes and Tribal organizations carrying out Federal functions under a self-determination contract or self-governance compact may enter into a lease agreement with the Department for the Tribally owned or rented facility used to carry out those functions. This critical Tribal sovereignty payment is allowing IA to get Tribes closer to meeting the full cost of program implementation and improving their facilities. The 2025 budget proposes to reclassify 105(l) lease agreement requirements from discretionary to mandatory funding beginning in 2026 while estimating \$120.0 million in discretionary funding needs in 2025 to fully cover projected requirements. The budget also includes an increase of \$2.2 million in Executive Direction which will help fund additional staff to meet the growing level of requests of Tribes. The annual number of Tribal lease requests currently exceeds 600. This funding for additional staff is critical to meet this demand in a timely manner.

Land and Water Claims Settlements

Tribal land and water rights settlements ensure that Tribes have access to land and water to meet domestic, economic, and cultural needs. The 2025 budget proposes \$45.9 million for the Settlements account. The 2025 funding request covers the continuing implementation of the White Earth Reservation Land Settlement Act (Public Law 99-264) and Truckee River Operating Agreement (Public Law 101-618). The request also includes initial funding of \$45.0 million for Federal payments authorized in the Hualapai Tribe Water Rights Settlement Act of 2022 (Public Law 117-419). The Hualapai settlement authorizes discretionary appropriations of \$317.0 million plus indexing to the Tribe for the construction of the Hualapai Water Project and other domestic water supply infrastructure on the Hualapai Reservation. Payments to satisfy the settlement must be made by April 15, 2029.

The Administration is interested in working with Congress to find a solution to meet Federal commitments regarding current and future Indian water rights settlements, including the Hualapai settlement. The 2025 President's Budget proposes legislation to provide robust mandatory funding for Indian Water Rights Settlements, building on the Indian Water Rights Settlement Completion Fund (IWRSC), established in the Bipartisan Infrastructure Law (Public Law 117-58). The IWRSC went a long way in clearing the backlog of settlement obligations and the Department has allocated over \$2.4 billion of the \$2.5 billion appropriated. However, more remains to be done. At this time, there are four Indian water settlements pending before Congress and a number of other water settlements are in negotiation and may be introduced soon. The proposal would provide the fund \$2.8 billion: \$250.0 million annually over 10 years for existing and future water rights settlements and \$34.0 million a year over 10 years for on-going requirements implemented by the Bureau of Reclamation associated with the operation, maintenance, and repair costs of the Ak Chin Indian Water Rights Settlement Project, the Animas-La Plata Project (Colorado Ute Settlement), the Navajo Gallup Water Supply Project, and annual responsibilities under the Columbia and Snake River Salmon Recovery Project (Nez Perce Settlement).

Foster Tribal Student Success

The 2025 budget for the BIE is \$1.5 billion in current appropriations, a \$154.6 million increase from the 2024 Enacted level. The budget includes key investments to strengthen the BIE's autonomy as a Federal agency and improve local services for Tribally controlled and bureau-operated schools while also advancing equity for historically underserved Tribal communities.

The United States has a trust and treaty responsibility to provide eligible Indian students with a quality education. The BIE serves as a capacity builder and service provider to support Tribes in delivering culturally appropriate education with high academic standards to allow students across Indian Country to achieve success. Funding for the BIE supports classroom instruction, student transportation, Native language development programs, cultural enrichment, gifted and talented programs, behavioral health and wellness services, school safety, security, and education technology investments. The BIE operates two postsecondary institutions, administers grants for 29 Tribally controlled colleges and universities, funds two Tribal technical colleges, and supports multiple scholarship programs for highly qualified Native American students.

The 2025 budget invests in improved educational opportunities and service delivery for Native American students from their earliest years through college. Under the BIE, the FY 2025 budget includes \$310 million for Education Construction activities, supporting critical school construction, deferred maintenance for schools and TCUs, and new employee housing and repair to support teacher recruitment and retention in underserved communities. With the 2025 budget request and Great American Outdoors Act Funding anticipated through 2025, the BIE expects to support the planning, design, and construction work at four BIE schools and address inflationary cost increases at schools funded in prior years. As the BIE continues to strengthen delivery of services to underserved communities as an independent bureau, the 2025 request includes a \$6.3 million program increase in Education Program Management, which includes additional support for critical grant specialists, facilities specialists, and education information technology specialists. To ensure current and additional resources are well targeted, the BIE has developed and recently completed Tribal consultation across Indian Country regarding its 2024-2029 strategic plan, which will be published this summer. The BIE strategic plan creates a roadmap for the future to support Tribes in educating their youth and to deliver a world-class and culturally appropriate education.

Trust Fund Management

The 2025 budget includes \$111.3 million, an \$11.3 million increase from 2024 Enacted, to support Tribal and Individual Indian Money financial functions managed by the Bureau of Trust Funds Administration (BTFA). The BTFA was established within the Office of the Assistant Secretary—Indian Affairs in 2020 to house the ongoing financial trust management functions of the Office of the Special Trustee for American Indians. Trust funds include payments from judgment awards, settlements of claims, land-use agreements, royalties on natural resource use, other proceeds derived directly from trust resources, and financial investment income. Trust financial management functions include receipting, investing, disbursing, reconciling, and reporting of trust funds on behalf of individual Indians. We appreciate Congress’s full recognition of BTFA as a bureau in the FY 2024 Enacted Appropriation, which will allow the organization to focus on its mission of serving Indian Country.

Conclusion

This FY 2025 budget request maintains strong and meaningful relationships with Native communities, strengthens government-to-government relationships with federally recognized Tribes, promotes efficient and effective governance, and supports nation-building and self-determination. The request delivers community services, restores Tribal homelands, fulfills commitments related to water and other resource rights, executes fiduciary trust responsibilities, supports the stewardship of energy and other natural resources, creates economic opportunity, expands access to early childhood, K-12, and post-secondary education, and assists in supporting community resilience in the face of a changing climate.

Thank you for the opportunity to appear before you today. I am happy to answer any questions the Subcommittee may have.

QUESTIONS SUBMITTED FOR THE RECORD TO THE HON. BRYAN NEWLAND, ASSISTANT SECRETARY FOR INDIAN AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR

The Honorable Bryan Newland did not submit responses to the Committee by the appropriate deadline for inclusion in the printed record.

Questions Submitted by Representative Westerman

Question 1. As discussed during the hearing, the Committee has heard testimony from tribal members that are fearful of the influence criminal drug cartels have on tribal lands. Would you commit to work to form a multiagency task force focused specifically on the international drug cartels actions throughout Indian Country?

Question 2. In your written testimony, you mentioned the Missing and Murdered Unit and how it has engaged in cross-departmental and interagency collaboration for data collection and information sharing.

2a) Are there any barriers to interagency data sharing on this topic?

2b) What legislative changes would the Department make to resolve any barriers to interagency data sharing?

Question 3. The Land Buy Back Program spent \$1.69 billion dollars to reduce land fractionation on reservation lands. However, as mentioned in your written statement, long-term forecasts indicate land fractionation levels will return to pre-program levels by 2038 without further sustained efforts.

3a) Has the Department considered what programmatic changes to the Land Consolidation Program should be made to make sure funds appropriated for land consolidation are used sustainably?

Question 4. The President’s budget proposes \$8 million for a Tribal Land and Water Conservation Fund.

4a) Why does the fiscal year 2025 budget proposal move the Land and Water Conservation Fund from the BIA’s account to the DOI?

4b) Will this hinder BIA’s ability to manage this suggested tribal set aside for the Land and Water Conservation Fund?

4c) Is there concern that purchasing lands for tribes with LWCF funds will curtail the future use of these lands in a way that will prevent tribes from developing lands in multiple ways?

Questions Submitted by Representative Hageman

Question 1. I continue to hear from tribes across the country about issues associated with the responsiveness of the Bureau of Indian Affairs (BIA), especially in relation to the regional offices. These reported problems are not limited to one state or region, but are instead an agency wide responsiveness issue that impact a variety of tribal services.

1a) Assistant Secretary Newland, are there processes or systems in place to track the questions and inquiries received, as well as BIA's responsiveness to the tribes they serve, including, but not limited to, metrics on the time it takes to respond to inquiries, and whether the substance of such responses actually resolve the issues raised by the tribes?

i) Could you share with the Subcommittee any documents, forms, intake materials, etc., that will shed light on how the BIA responds to tribal inquiries and requests?

1b) If the BIA does not have any particular processes or systems in place to track tribal inquiries and agency responses (including time and substance), will you commit to reviewing this responsiveness issue and putting systems in place to address the complaints being received, including an oversight mechanism to gather the metrics on the inquiries being received and how quickly the BIA responds to messages?

Questions Submitted by Representative Grijalva

Question 1. The Department issued a final rule for the Implementation of the Native American Graves Protection and Repatriation Act that went into effect in January. Could you explain how the budget request will support the implementation of this new rule?

Question 2. This year's budget request includes a budget proposal to transfer the Office of Subsistence Management (OSM) from the Fish and Wildlife Service to the Assistant Secretary for Indian Affairs. Could you expand on how this transfer would support the expansion of tribal co-management partnerships and the incorporation of Indigenous knowledge into subsistence management?

Question 3. Are you able to provide us with a current estimate of the Bureau of Indian Affairs and Indian Education's deferred maintenance backlog and how BIA and BIE are utilizing this budget request to work through the deferred maintenance backlog?

Question 4. The FY25 budget request includes a proposal to shift funding from the Office of Hearings and Appeals Probate Hearings Division to the BIA from the Bureau of Trust Funds Administration. The Committee often hears from many tribes that they experience lengthy delays in completing probate cases due to the lack of available probate judges, leaving many tribal members having to wait up to 7 years for probate cases to be processed, even when the decedent has a will and often resulting in heirs dying before a decedent's probate is processed.

4a) How will this proposal address the current delays and increase efficiency in handling probate cases?

Question 5. The BIA's budget justification appropriately notes the critical need for additional funding for Tribal law enforcement and courts to serve their communities. I remain supportive of fully funding BIA programs to ensure that tribal communities have the resources they need yet historical underfunding has left many tribes without adequate funding for law enforcement. For example, for the Quechan Tribe in my district, tribal membership has grown significantly since its police department and tribal court were established. These crucial community services have been operating out of small buildings, which hinders the Tribe's ability to serve tribal members effectively and efficiently. The courthouse, for example, is currently a temporary modular structure and the Tribe has been exploring options to relocate the court at its own expense.

5a) How will the increased funding in this budget request be distributed to Tribes to improve law enforcement and judicial infrastructure to meet the needs of growing tribal communities?

Question 6. The Department was previously asked by Committee Republicans how Congress can assist the Department in providing more resources to tribal police departments for retention efforts without providing more funds.¹ Do you believe there is a legislative path forward to address all the public safety needs in Indian Country, that does not include additional funding? How will public safety and infrastructure in Indian Country be further exacerbated by not fully enacting this budget request?

Question 7. The FY25 budget includes \$11 million for the Indian Land Consolidation Program. The primary goal of the Program is to strengthen tribal sovereignty and self-determination while reducing fractionation on Indian land.

7a) If no action is taken to reduce fractionated interests, how do you expect the situation to look 10 years from now?

7b) What is DOI doing to reduce the probate backlog? What are the current projections for its reduction over the next year?

Question 8. How is BIA working to ensure transparent and fair property appraisals to ensure that Tribal members receive appropriate compensation for leasing their lands.

Mrs. RADEWAGEN. I thank the witness for their testimony. The Chair now recognizes the Honorable Carmen Cantor for 5 minutes.

STATEMENT OF THE HON. CARMEN CANTOR, ASSISTANT SECRETARY FOR INSULAR AND INTERNATIONAL AFFAIRS, OFFICE OF INSULAR AFFAIRS, U.S. DEPARTMENT OF THE INTERIOR, WASHINGTON, DC

Ms. CANTOR. Madam Chair and members of the Committee on Natural Resources, thank you for the opportunity to testify on the Fiscal Year 2025 budget request for the Office of Insular Affairs, OIA.

OIA is responsible for administering the Federal Government's relationship with the territories of American Samoa; the Commonwealth of the Northern Mariana Islands, CNMI; Guam; and the United States Virgin Islands, USVI. OIA also administers the financial assistance provided to the Freely Associated States, FAS, of the Federated States of Micronesia, FSM; the Republic of the Marshall Islands, RMI; and the Republic of Palau under the Compacts of Free Association.

The OIA request for current appropriations for 2025 is \$119.1 million. This amount is a decrease of \$4.4 million from the 2024 enacted current appropriation. Included in this current appropriation request are \$91.4 million in discretionary funding and \$27.7 million in mandatory funding. The President's 2025 budget request continues support for core OIA programs within the assistance to territories appropriation. These programs provide the territories with much-needed funding for the delivery of public services such as health and education, infrastructure investments, and technical assistance.

The 2025 budget request for OIA's operational account is \$11.5 million, an increase of \$1.3 million over the 2024 enacted level. This account provides OIA the staff and other resources we need to support the delivery and oversight of over \$700 million a year

¹ May 25, 2023 IIA FY24 Budget Hearing—QFR from Rep. Hageman.

in current and mandatory financial assistance to our territories and the Freely Associated States.

The President's 2024 budget requested an increase of \$544,000 to offset increases for fixed costs. This increase was not funded in OIA's 2024 enacted appropriation. The 2025 budget once again requests this increase, along with an additional \$508,000 for 2025 fixed costs and \$200,000 for NEPA support and compliance. The requested funding level for this account will maintain our current services and ensure mission delivery.

OIA also requests an increase of \$500,000 for the Brown Tree Snake Control Program in the 2025 budget request. Rising costs underlie the need for increased funding to maintain the program's 100 percent inspection rate, the key to successful brown tree snake interdiction programs in Hawaii, Guam, and CNMI.

The U.S. territories and Freely Associated States face significant challenges related to infrastructure and resiliency. The President's budget supports these priorities for the insular areas by providing technical expertise and investments aimed to fortify and adapt both their public infrastructure and natural resources. OIA's technical assistance for \$23.3 million, Energizing Insular Communities, \$15.5 million; Coral Reef Initiative and Natural Resources, \$2.8 million; Capital Improvement Project, \$28.7 million; and Maintenance Assistance Programs, \$4.4 million, all contribute to strengthening island communities.

Mandatory funding for the Capital Improvement Project Program has not been increased or adjusted for inflation since the program's current authorization in 1996, and significant increases in construction and labor costs continue to erode the impact of the program on infrastructure needs in the territories. Considering this, the 2025 budget request includes \$1 million in discretionary funding to provide additional grant funding to the territories as they continue to address critical needs for infrastructure improvement.

For 2025, permanent mandatory commitments include an estimated \$380 million for fiscal payments to Guam and the U.S. Virgin Islands. Guam is estimated to receive \$80 million in income tax payments attributable to military and Federal personnel stationed in Guam. The USVI is estimated to receive around \$300 million for excise taxes paid to the Federal Government on rum produced in the USVI.

The Administration thanks Congress for passing the Compacts of Free Association Amendments Act of 2024, which extends \$6.5 billion in economic assistance to the Freely Associated States for another 20 years. Strong ties between the United States and the Pacific Islands, individually and collectively, form the foundation of U.S. engagement in the Pacific. The Department of the Interior is pleased to play once again a lead role as we move into the implementation phase of this newly-amended agreement.

Madam Chair, it is a pleasure to appear before your Subcommittee to discuss the 2025 budget request for the Office of Insular Affairs. Thank you.

[The prepared statement of Ms. Cantor follows:]

PREPARED STATEMENT OF CARMEN G. CANTOR, ASSISTANT SECRETARY—INSULAR AND INTERNATIONAL AFFAIRS, DEPARTMENT OF THE INTERIOR

Madam Chair and members of the Committee on Natural Resources, thank you for the opportunity to testify on the fiscal year 2025 budget request for the Office of Insular Affairs (OIA). OIA is responsible for administering the Federal government's relationship with the territories of American Samoa, the Commonwealth of the Northern Mariana Islands (CNMI), Guam, and the United States Virgin Islands (USVI). OIA also administers the financial assistance provided to the freely associated states (FAS) of the Federated States of Micronesia (FSM), the Republic of the Marshall Islands (RMI), and the Republic of Palau under the Compacts of Free Association.

Overview of the Fiscal Year 2025 Current Budget Request

The OIA request for current appropriations for 2025 is \$119.1 million. This amount is a decrease of \$4.4 million from the 2024 enacted current appropriation. Included in this current appropriation request are \$91.4 million in discretionary funding and \$27.7 million in mandatory funding.

The President's 2025 budget request continues support for core OIA programs within the Assistance to Territories appropriation. These programs provide the territories with much needed funding for the delivery of public services such as health and education, infrastructure investments, and technical assistance.

The 2025 budget request for OIA's operational account is \$11.5 million, an increase of \$1.3 million over the 2024 enacted level. This account provides OIA the staff and other resources we need to support the delivery and oversight of over \$700 million a year in current and mandatory financial assistance to our territories and the freely associated states. The President's 2024 budget requested an increase of \$544,000 to offset increases for fixed costs. This increase was not funded in OIA's 2024 enacted appropriation. The 2025 budget once again requests this increase along with an additional \$508,000 for 2025 fixed costs and \$200,000 for NEPA support and compliance. The requested funding level for this account will maintain our current services and ensure mission delivery.

OIA also requests an increase of \$500,000 for the Brown Tree Snake Control Program in the 2025 budget request. Rising costs underlie the need for increased funding to maintain the program's 100 percent inspection rate—the key to successful Brown Tree Snake interdiction programs in Hawai'i, Guam, and CNMI.

The U.S. territories and freely associated states face significant challenges related to infrastructure and resiliency. The President's budget supports these priorities for the insular areas by providing technical expertise and investments aimed to fortify and adapt both their public infrastructure and natural resources. OIA's Technical Assistance (\$23.3 million), Energizing Insular Communities (\$15.5 million), Coral Reef Initiative and Natural Resources (\$2.8 million), Capital Improvement Project (\$28.7 million), and Maintenance Assistance programs (\$4.4 million) all contribute to strengthening island communities.

Mandatory funding for the Capital Improvement Project program has not been increased or adjusted for inflation since the program's current authorization in 1996, and significant increases in construction and labor costs continue to erode at the impact of the program on infrastructure needs in the territories. Considering this, the 2025 budget request includes \$1.0 million in discretionary funding to provide additional grant funding to the territories as they continue to address critical needs for infrastructure improvement.

Fiscal Payments

For 2025, permanent mandatory commitments include an estimated \$380 million for fiscal payments to Guam and the USVI. Guam is estimated to receive \$80 million in income tax payments attributable to military and Federal personnel stationed in Guam. The USVI is estimated to receive around \$300 million for excise taxes paid to the Federal government on rum produced in the USVI.

2024 Compacts of Free Association

The Administration thanks Congress for passing the Compacts of Free Association Amendments Act of 2024, which extends \$6.5 billion in economic assistance to the freely associated states for another 20 years. Strong ties between the United States and the Pacific Islands, individually and collectively, form the foundation of U.S. engagement in the Pacific. The Department of the Interior is pleased to play once again a lead role as we move into the implementation phase of this newly amended agreement.

Madam Chair, it is a pleasure to appear before your subcommittee to discuss the 2025 budget request for the Office of Insular Affairs.

QUESTIONS SUBMITTED FOR THE RECORD TO THE HON. CARMEN CANTOR, ASSISTANT SECRETARY FOR INSULAR AND INTERNATIONAL AFFAIRS,
U.S. DEPARTMENT OF THE INTERIOR

The Honorable Carmen Cantor did not submit responses to the Committee by the appropriate deadline for inclusion in the printed record.

Questions Submitted by Representative Westerman

Question 1. The budget justification for the OIA continues to pick winners and losers in the energy sector by promoting taxpayer money for renewable energy, which is clearly seen through the OIA's Energizing Insular Communities program. The Biden administration is bypassing an all-of-the-above energy strategy by electing to prioritize renewables over more reliable sources.

1a) Do you agree that the territories should have access to reliable energy?

1b) Do you agree that the territories should be able to have self-determination in choosing the right energy options that fit their needs?

1c) Are you aware that U.S. territories such as the USVI continue to suffer from frequent outages despite transitioning to solar and wind energy?

1d) Will you commit to expanding energy options for the territories and not just the ones that the Biden administration deems as politically favorable?

Question 2. The budget requests an increase in discretionary funding to American Samoa Operations, Capital Improvement Projects, the Office of Insular Affairs, Technical Assistance, Brown Tree Snake Control, the Coral Reef Initiative, Natural Resources, and Energizing Insular Communities grants. According to your written testimony, these increases reflect an increase in costs to carry out these programs. However, it is not clear how the OIA calculated the funding levels in its request.

2a) Can you please elaborate on how the OIA came up with these costs?

2b) Were these increases requested by outside agencies? If so, what has the OIA done to ensure that these increases are justified and are fiscally responsible?

Question 3. There have been recent reports that the Federated States of Micronesia's (FSM) government signed ten memorandums of understanding (MOUs) with the People's Republic of China's (PRC) government. The PRC pledged to support the FSM with \$14 million (USD) to fund multiple projects. This is especially concerning as several of these MOUs are for cooperation on infrastructure and economic development, areas that the COFAs are meant to address. There are serious concerns about how COFA funds could be used, directly or indirectly, to fund the PRC and PRC-linked entities for carrying out projects under these MOUs.

3a) Is the Secretary of the Interior and the OIA aware of this news and agree that this is alarming?

3b) Has the DOI approached the FSM government about this news and raised its concerns with how they could affect COFA implementation?

3c) How will the DOI ensure that COFA funding is not going to be used to fund the PRC and any PRC projects?

Question 4. On May 1, 2024, Secretary Haaland stated that the DOI is working to appoint their required members to the Compact's Economic Management and Trust Fund committees.

4a) Can you provide us with an update on the appointment process?

4b) Can the DOI commit that they will appoint highly qualified, senior-level members who have strong expertise in financial and economic management to these committees?

Question 5. The renewed COFA's included provisions for the authorization of veterans' services to the FAS. As Co-chair of the Interagency Group, the Secretary of the Interior is tasked with coordinating federal agency implementation of the COFA

provisions. You mentioned in your testimony that OIA has been collaborating with members of the Interagency Group to provide veterans access to these services.

5a) Can you provide us with an update on the status of the implementation of veterans' services provisions?

5b) Can you confirm that the Secretary of the Interior has begun coordination with the Secretary of Veterans Affairs to ensure that these provisions are carried out in the manner they were intended?

Question 6. In the new Compact legislation, Congress mandated the formation of the Interagency Group on Freely Associated States. The purposes of the Interagency Group are to coordinate federal activity in or relating to the FAS, and to provide policy guidance and oversight to federal agencies with respect to COFA implementation. The Secretary of the Interior, as Co-Chair of the group, holds the responsibility to co-lead regular meetings of the group and to facilitate and coordinate the group's work. You mentioned in your testimony that the Interagency Group had their first meeting, and that the DOI appointed their representatives to the Interagency Group.

6a) Who are the representatives that the DOI appointed to the Interagency Group?

6b) Can you confirm that these representatives are at a senior-level and appropriate for the group? It is important that these representatives are at the most senior level possible in order to ensure proper coordination and to provide a clear signal to our FAS allies that we remain committed to the COFA.

6c) Does the group plan to meet more than once this year? If so, when?

Mrs. RADEWAGEN. I thank the witness for their testimony. The Chair now recognizes the Honorable Roselyn Tso for 5 minutes.

STATEMENT OF THE HON. ROSELYN TSO, DIRECTOR, INDIAN HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, ROCKVILLE, MARYLAND

Ms. TSO. Good afternoon, Madam Chair and members of the Subcommittee. Thank you for the opportunity to testify on the President's Fiscal Year 2025 budget request for the Indian Health Service.

I also want to first acknowledge and thank you for your work over the years to grow the Indian Health Service budget and prioritize health for Indian Country. We are especially grateful for the work in maintaining IHS advanced appropriations for Fiscal Year 2024. This is an historic achievement that has significantly changed delivery of health care for Indian Country.

I am also happy to report that, because of the 2024 advanced appropriations, IHS has made 100 percent of payments to eligible tribes through their contracts and compacts in the first 2 weeks of the Fiscal Year.

I also appreciate the opportunity to share with you steps that I have taken as the IHS Director to improve transparency, accountability, and oversight of the agency.

As we seek additional funding and new funding authorities, it is critical that the Indian Health Service improve internal operations to ensure safe, high-quality health care, protect and support its relationships with tribes and tribal organizations. To ensure that I fully understand the challenges and accomplishments throughout Indian Country, I value the time to visit with tribal leaders across the country to gain their input and perspective.

In support of building a high-performing organization, I have implemented the first agency work plan in January 2023 that achieved three major accomplishments, including a Total System

Safety Strategy, IHS patient safety policy, and improvements to the Purchased and Referred Care program such as establishing updated medical priority levels, establishing a financial monitoring tool, and staff training to obligate PRC dollars in a timely manner.

I know this Subcommittee held a legislative hearing on the Purchased and Referred Care Improvement Act for 2024. I am committed to the work with the Subcommittee and drafters of that legislation to improve and streamline the PRC program.

Building on the work plan, our 2024 work plan outlined steps IHS is taking to address priorities, as well as mitigate risk. The agency work plan addresses a wide range of issues, including patient safety, human capital, operations, finance, and compliance. The work builds on our efforts to meet the GAO high-risk list and removal of the high-risk list for the Indian Health Service.

With Congress' support, the IHS budget has grown by 69 percent in the last decade. We know that this type of growth is challenging to accomplish in this constrained discretionary funding environment. Over the years, the work with our tribal and urban partners underscores our shared goal to improve health outcomes for all American Indians and Alaska Natives. It is with this shared goal in mind that the Administration approached the 2025 budget request for the Indian Health Service.

We know that, despite our shared goals and shared efforts, IHS is still underfunded, which I believe that Chair Hageman and the Ranking Member have mentioned before. This underfunding of the Indian Health Service system directly contributes to the stark health disparities in tribal communities. For example, the life expectancy of American Indians and Alaska Natives born today is 9.9 years less than all American races.

Long-standing health disparities were also compounded by the pandemic, with American Indians and Alaska Natives experiencing disproportionate rates of COVID-19 infections, hospitalizations, and death. That is why the budget proposes to build on the enactment of advanced appropriations by funding the IHS as discretionary in 2025, and then, beginning in 2026, the budget would make funding for IHS mandatory.

As we work towards securing stable, predictable, and adequate funding to meet the needs of Indian Country, we are committed to working closely with our stakeholders.

Thank you for the opportunity to speak with you today, and I am happy to answer any questions.

[The prepared statement of Ms. Tso follows:]

PREPARED STATEMENT OF ROSELYN TSO, DIRECTOR, INDIAN HEALTH SERVICE,
DEPARTMENT OF HEALTH AND HUMAN SERVICES

Good afternoon Chairman Hageman, Ranking Member Leger Fernandez, and Members of the Subcommittee. Thank you for your support and for inviting me to speak with you about the President's Fiscal Year (FY) 2025 Budget Request for the IHS.

The Indian Health Service (IHS) is an agency within the Department of Health and Human Services (HHS) and our mission is to raise the physical, mental, social, and spiritual health of American Indians and Alaska Natives (AI/ANs) to the highest level. This mission is carried out in partnership with AI/AN Tribal communities through a network of over 600 Federal and Tribal health facilities and 41 Urban Indian Organizations (UIOs) that are located across 37 states and provide health care services to approximately 2.8 million AI/AN people annually.

On March 11, 2024, the White House released the President's FY 2025 Budget, which builds on the historic enactment of advance appropriations for the IHS by taking a two-pronged approach. In FY 2025, the Budget proposes to fund all IHS accounts (other than the Special Diabetes Program for Indians) as discretionary, building on the advance appropriations already enacted. Beginning in FY 2026, the Budget would make all funding for IHS mandatory. The action taken in the FY 2025 President's Budget demonstrates the Administration's continued commitment to strengthening the nation-to-nation relationship. This historic proposal addresses long-standing challenges that have impacted communities across Indian Country for decades.

The Indian Health system is chronically underfunded compared to other healthcare systems in the U.S.^{1,2} Despite substantial growth in the IHS discretionary budget over the last decade, 69 percent from FY 2013 to the current FY 2024 enacted level, the growth has not been sufficient to address the well documented funding gaps in Indian Country. These deficiencies directly contribute to stark health disparities faced by tribal communities. AI/ANs born today have an average life expectancy that is 10.9 years fewer than the U.S. all-races population.

AI/AN life expectancy dropped from an estimated 71.8 years in 2019 to 65.2 years in 2021—the same life expectancy as the general United States population in 1944.³ They experience disproportionate rates of mortality from most major health issues, including chronic liver disease and cirrhosis, diabetes, unintentional injuries, assault and homicide, and suicide. AI/AN people also have higher rates of colorectal, kidney, liver, lung, and stomach cancers than non-Hispanic White people.⁴ The pandemic compounded the impact of these disparities in tribal communities, with AI/ANs experiencing disproportionate rates of COVID-19 infection, hospitalization, and death.

Leadership Priorities

In January, the IHS implemented the 2024 Agency Work plan⁵ and closed out the 2023 plan. The 2023 Agency Work Plan produced remarkable achievements across the Agency, including implementing the Total System Safety Strategy, the IHS Patient Safety Policy in November 2023 to support system level safety for the IHS workforce and patients, and improvements to the Purchased/Referred Care (PRC) program, such as new medical priority levels, a financial monitoring tool, and staff training to obligate PRC funding in a timely way.

The 2024 Agency Work Plan outlines steps the IHS is taking to address priorities as well as mitigate risks. The plan details critical actions that will ensure safe, quality, and patient-centered care, as well as improve IHS operations and communication. The IHS will achieve these goals through rigorous management and oversight of resources to ensure the health care needs of AI/ANs are met. The 2024 Agency Work Plan also includes actions that are necessary to meet the U.S. Government Accountability Office's criteria for being removed from their high-risk list.⁶

As I travel across Indian Country, I see the consequences of decades-long underfunding of the Indian health system. I see the promise of what could be accomplished with appropriate funding for the IHS in the achievements of IHS-operated hospitals and health clinics, Tribal Health Programs, and Urban Indian Organizations, despite resource limitations. I also see the immediate impact of predictable and timely funding through advance appropriations, including the IHS's fastest-ever distribution of annually appropriated funds and the continued focus on patient care uninterrupted by delays or potential lapses in appropriations. The FY

¹ Government Accountability Office Report—*Indian Health Service: Spending Levels and Characteristics of IHS and Three Other Federal Health Care Programs*, <https://www.gao.gov/assets/gao-19-74r.pdf>

² U.S. Commission on Civil Rights Report—*Broken Promises: Continuing Federal Funding Shortfall for Native Americans*, <https://www.usccr.gov/files/pubs/2018/12-20-Broken-Promises.pdf>

³ Centers for Disease Control and Prevention (CDC) Report—*Life Expectancy in the U.S. Dropped for the Second Year in a Row in 2021*, https://www.cdc.gov/nchs/pressroom/nchs_press_releases/2022/20220831.htm#:~:text=AIAN%20people%20had%20a%20life,total%20U.S.%20population%20in%201944

⁴ CDC—*Cancer Within American Indian and Alaska Native (AI/AN) Populations*, <https://www.cdc.gov/healthytribes/native-american-cancer.html>

⁵ Indian Health Service—*FY 2024 Agency Work Plan*, https://www.ihs.gov/sites/newsroom/themes/responsive2017/display_objects/documents/factsheets/2024_Agency_Work_Plan_Update.pdf

⁶ Government Accountability Office—*Key Practices to Successfully Address High-Risk Areas and Remove Them from the List*, <https://www.gao.gov/products/gao-22-105184>

2025 President's Budget moves the federal government closer to meeting its responsibilities to Indian Country than ever before.

Advance Appropriations and Long-Term Funding Solutions

The FY 2025 President's Budget builds on the historic enactment of advance appropriations. For FY 2025, the Budget includes \$8.2 billion in total funding for the IHS, which includes \$8.0 billion in discretionary funding, and \$260 million in proposed mandatory funding for the Special Diabetes Program for Indians. This is an increase of \$1.1 billion above the FY 2024 Enacted level.

Advance appropriations represent an important step towards securing stable and predictable funding to improve the overall health status of AI/ANs and ensuring that the disproportionate impacts experienced by tribal communities during government shutdowns and continuing resolutions are never repeated. While the progress achieved through the enactment of advance appropriations will have a lasting impact on Indian Country, funding growth beyond what can be accomplished through discretionary spending is needed to fulfill the federal government's commitments to AI/AN communities. Funding for IHS has grown substantially in the last decade, but this growth is not sufficient to address the historic underinvestment and persistent health disparities in AI/AN communities.

The Budget proposes to fully shift the IHS budget to mandatory funding in FY 2026. Under the mandatory proposal, IHS funding would grow automatically to address the growing cost of providing direct health care services, including pay costs, medical and non-medical inflation, population growth, key operational needs, and existing backlogs in both healthcare services and facilities infrastructure. This mandatory formula culminates in a total funding level of approximately \$42 billion in FY 2034. In total, the mandatory formula would provide approximately \$289 billion for the IHS over the budget window. When accounting for the discretionary baseline, the net cost of the proposal is approximately \$208 billion over the budget window.

The Administration continues to support mandatory funding for IHS as the most appropriate long-term funding solution for the agency and will continue to work collaboratively with tribes and Congress to move toward sustainable mandatory funding. Until this solution is enacted, it is critical that Congress continue to provide advance appropriations for IHS through the discretionary appropriations process to ensure funding for healthcare services and facilities activities are not disrupted.

Mandatory funding for the IHS provides the opportunity for significant funding increases that would be difficult to achieve within the limitations of the discretionary appropriations process. Further, this mandatory funding proposal would ensure greater predictability that would allow IHS, tribal, and urban Indian health programs the opportunity for long-term and strategic planning. This increased stability and ability to conduct longer-term planning will improve the quality of healthcare, promote recruitment and retention of health professionals, and enhance management efficiencies for individual health programs and the Indian Health system at large. The request also responds to the long-standing recommendations of tribal leaders shared in consultation with HHS and IHS to make IHS funding mandatory.

The Budget also exempts all IHS funding from sequestration, which is the legislatively mandated process of budget control consisting of automatic, across-the-board spending reductions to enforce budget targets to limit federal spending. Exempting the IHS budget from sequestration ensures funding for direct health care services for AI/ANs is not reduced and is consistent with the treatment of other critical programs such as veterans' health care benefits.

Lastly, the Budget proposes to reauthorize mandatory funding for the Special Diabetes Program for Indians and increase funding to \$260 million in FY 2025 and \$270 million in FY 2026. This program has proven to be effective at reducing the prevalence of diabetes among AI/AN adults.⁷ Potential net savings to Medicare due to averted cases of diabetes-related end-stage renal disease were estimated to be up to \$520 million over 10 years.⁸ The budget's proposed increases will enable the program to expand to additional grantees and allow local recipients to plan for larger and longer-term interventions more effectively.

⁷ British Medical Journal—*Prevalence of diagnosed diabetes in American Indian and Alaska Native adults, 2006–2017*, <https://dr.bmj.com/content/8/1/e001218>

⁸ HHS Assistant Secretary for Planning and Evaluation Issue Brief—*The Special Diabetes Program for Indians Estimates of Medicare Savings*, https://aspe.hhs.gov/sites/default/files/private/pdf/261741/SDPI_Paper_Final.pdf

Prioritizing High Quality Health Care

The Budget prioritizes investments that advance high quality health care and tackle the stark healthcare inequities 2.8 million Americans in the country who are AI/AN face every day.

In FY 2025, the Budget provides \$345 million to offset the rising costs of providing direct health care services. These resources will help the IHS to maintain medical care levels and address increasing costs affecting the operating budgets of IHS, Tribal, and urban Indian health programs.

Similarly, the Budget includes \$153 million to fully fund staffing and operating costs at ten newly-constructed or expanded health care facilities opening in FY 2024 and FY 2025.⁹ These funds will expand the availability of direct health care services in areas where existing health care capacity is overextended. Beginning in FY 2026, the mandatory funding formula fully funds current services and staffing and operating costs for newly opening facilities in the out-years, which ensure that health care services are maintained and/or expanded.

In FY 2025, the Budget also makes targeted investments to address our Nation's most pressing public health challenges, which disproportionately impact AI/AN communities, including an additional \$10 million to address HIV, Hepatitis C, and sexually transmitted infections and an additional \$10 million to address opioid use in Indian Country.

The Budget also makes numerous investments in high priority areas, such as the expansion of the successful National Community Health Aide Program and other activities that support high quality health care.

Likewise, from FY 2026 to FY 2030, the Budget requests an additional \$11.6 billion in mandatory funding for the Indian Health Care Improvement Fund to address the funding gap for direct healthcare services documented in the FY 2018 level of need funded analysis.¹⁰ The Budget would continue growth for direct services once the 2018 gap is addressed. This funding would be distributed using the Indian Health Care Improvement Fund formula. The formula targets appropriations to the sites with the greatest need, as compared to the benchmark of National Health Expenditure Data, which is maintained by the Centers for Medicare and Medicaid Services. The formula is the product of long-standing consultation with Tribes.

The Budget also prevents a sharp reduction in services by providing an additional \$220 million in mandatory funding in FY 2026 to partially sustain the one-time American Rescue Plan Act investments that were appropriated to expand access to mental health and substance abuse prevention and treatment services, and to expand the public health workforce in Indian Country.

Lastly, the Budget proposes dedicated funding to address disparities in cancer rates and mortality among AI/ANs, providing \$108 million in mandatory funding in FY 2026 for the Biden Cancer Moonshot Initiative. Through this initiative, the IHS would develop a coordinated public health and clinical cancer prevention program to implement best practices and prevention strategies to address incidence of cancer and mortality among AI/ANs.

Modernizing Critical Infrastructure

In addition to funding for direct health care services, additional investments are needed to address substantial deficiencies in physical and information technology infrastructure across the IHS system. Outdated infrastructure poses challenges in safely providing patient care, recruiting and retaining staff, and meeting accreditation standards. The Budget includes critical funding increases to reduce or eliminate existing facilities' backlogs and modernize the IHS Electronic Health Record (EHR) through implementation of a new system.

The current IHS EHR is over 40 years old, and the GAO identifies it as one of the 10 most critical federal legacy systems in need of modernization.¹¹ The IHS relies on its EHR for all aspects of patient care including the patient record, prescriptions, care referrals, and billing public and private insurance for over \$1 billion

⁹As the budget was developed before Congress completed action on full year FY 2024 appropriations, the request includes \$61 million to fully-fund staffing costs of 7 new or expanded facilities eligible for funds in FY 2024. Congress provided this funding in the FY 2024 Omnibus, so this funding would become recurring and these increases would not need to be provided again in FY 2025.

¹⁰Indian Health Service—FY 2018 Indian Health Care Improvement Fund Workgroup Interim Report, https://www.ihs.gov/sites/ihcif/themes/responsive2017/display_objects/documents/2018/2018_IHCIF_WorkgroupInterimReport.pdf

¹¹GAO-21-524T, INFORMATION TECHNOLOGY: Agencies Need to Develop and Implement Modernization Plans for Critical Legacy Systems, <https://www.gao.gov/assets/gao-21-524t.pdf>

reimbursable health care services annually. As a result of EHR modernization, patients and staff can expect improved patient safety, improved patient outcomes, better disease management, enhanced population health, improved clinical quality measures, opioid tracking, patient data exchange, third party revenue generation, and agency performance reporting, among others. Additionally, the new system will be interoperable with the Department of Veterans Affairs, Department of Defense, tribal and urban Indian health programs, academic affiliates, and community partners, many of whom use different health information technology platforms.

In FY 2025, the Budget provides \$435 million in discretionary funding for EHR modernization, an increase of +\$245 million above 2024 Enacted to support licensing, hosting, training, site remediation, implementation, and support costs to implement a modernized system. The Budget then builds funding for EHR by adding \$1.3 billion in mandatory funding each year from FY 2026–FY 2030 to fully fund the modernization effort. Once the EHR modernization effort is fully funded, the Budget maintains sufficient resources for ongoing operations and maintenance of the new system.

The Indian health system also faces substantial physical infrastructure challenges—IHS hospitals are approximately 39 years old on average, which is over three times the average age of hospitals in the United States. Infrastructure deficiencies directly contribute to poorer health outcomes for AI/ANs and limit services that can be provided. Starting in FY 2026, the Budget addresses these needs by fully funding the 1993 Health Care Facilities Construction Priority List over 5 years. The remaining projects on the list include the Phoenix Indian Medical Center, Phoenix, AZ; Whiteriver Hospital, Whiteriver, AZ; Gallup Indian Medical Center, Gallup, NM; Albuquerque West Health Center, Albuquerque, NM; Albuquerque Central Health Center, Albuquerque, NM; Sells Health Center, Sells, AZ; Alamo Heath Center, Alamo, NM; Bodaway Gap Health Center, The Gap AZ; and Pueblo Pintado Health Center, Pueblo Pintado, NM.

Furthermore, the Budget includes an additional \$454 million in mandatory funding over two years, from FY 2026 to FY 2027, to fully fund the medical equipment backlog. Many IHS hospital administrators report that old or inadequate physical environments challenged their ability to provide quality care and maintain compliance with the Medicare Hospital Conditions of Participation. The administrators also report that aging buildings and equipment is a major challenge impacting recruitment and retention of clinicians.

Maintaining reliable and efficient buildings is also a challenge as existing health care facilities age and the costs to operate and properly maintain health care facilities increases. Many IHS and Tribal health care facilities are operating at or beyond capacity and their designs are not efficient in the context of modern health care delivery. The Budget tackles this challenge by fully funding the 2023 Backlog of Essential Maintenance, Alteration, and Repair for IHS and Tribal facilities of \$2.0 billion over two years, from FY 2026 to FY 2027.

The mandatory budget ensures that these facilities investments can be rapidly addressed by providing sufficient administrative support increases. Specifically, the Budget increases the Facilities and Environmental Health Support funding to account for the growth in Health Care Facilities Construction and Sanitation Facilities Construction (SFC). This ensures adequate staff to properly oversee and implement facilities projects, as well as a comprehensive environmental health program within IHS.

Beginning in FY 2027, the Budget provides an additional \$250 million to address operation and maintenance costs for sanitation facilities projects, addressing long-standing recommendations from Tribes. In addition, the Budget dedicates \$10 million in mandatory funding to support a nation-wide analysis to understand the cost implications of implementing Section 302 of the Indian Health Care Improvement Act (25 U.S.C. 1632), which authorizes funding for operations and maintenance costs for tribes who choose to directly complete their own SFC projects. The results of this analysis will be used and implemented as part of the updated mandatory formula structure. These funds would be used by IHS and tribes to ensure that existing SFC projects are reaching their maximum life-cycle and operations of these projects are sustainable for as long as possible.

Supporting Self-Determination

IHS continues to support the self-determination of tribes to operate their own health programs. Tribal leaders and members are best positioned to understand the priorities and needs of their local communities. The amount of the IHS budget that is administered directly by tribes through Indian Self-Determination and Education Assistance Act contracts and compacts has grown over time, with over 60 percent of IHS funding currently administered directly by tribes. Tribes design and manage

the delivery of individual and community health services through 22 hospitals, 330 health centers, 559 ambulatory clinics, 76 health stations, 146 Alaska village clinics, and 7 school health centers across Indian Country. In recognition of this, the Budget maintains an indefinite discretionary appropriation for Contract Support Costs and Section 105(l) lease agreements with estimated funding levels of \$979 million for Contract Support Costs and \$349 million for Section 105(l) Lease Agreements in FY 2025. The budget also includes appropriations language to allow IHS not more than \$10 million for management and oversight activities in each of the CSC and Tribal Lease Payments indefinite discretionary appropriations. These resources are critical for providing appropriate technical assistance to tribes, supporting timely processing of CSC and Section 105(l) lease agreements, and overseeing these ever-growing programs. Starting in FY 2026, the Budget would provide mandatory, indefinite funding for these accounts across the 9-year budget window to ensure these payments to tribes are fully funded.

Future Emergency Preparedness

Throughout the COVID-19 pandemic, the IHS made incredible achievements to save lives and improve the health of AI/ANs across the nation. The IHS worked closely with our Tribal and Urban Indian Organization partners, state and local public health officials, and our fellow Federal agencies to coordinate a comprehensive public health response to the pandemic. Our number one priority has been the safety of our IHS patients and staff, as well as Tribal community members.

COVID-19 has disproportionately impacted AI/ANs. Deficiencies in public health infrastructure exacerbated the impact of COVID-19 on AI/ANs. To address the long-term impacts of COVID-19, in FY 2026 the Budget provides an additional \$130 million in mandatory funding to support IHS patients in recovery from the long-lasting effects of the COVID-19 pandemic, including treatment for long haul COVID-19. Based on data from 14 states, age-adjusted COVID-19 associated mortality among AI/AN was 1.8 times that of non-Hispanic Whites.¹² In 23 states with adequate race and ethnicity data, the cumulative incidence of laboratory-confirmed COVID-19 among AI/AN was 3.5 times that of non-Hispanic Whites. In the state of Montana, COVID-19 incidence and mortality rates among AI/AN were 2.2 and 3.8 times those among White persons, respectively.

Beginning in FY 2026, the Budget also establishes a new dedicated funding stream to address public health capacity and infrastructure needs in Indian Country. This funding will support an innovative hub-and-spoke model to address local public health needs in partnership with tribes and urban Indian organizations. Establishing a new program to build public health capacity is a key lesson learned from the COVID-19 pandemic, and a top recommendation shared by tribal leaders in consultation with HHS. This includes \$150 million in FY 2026, and would grow for inflation in the out-years under the formula, for a total of \$500 million over nine years.

These resources are necessary to develop appropriate public health and emergency preparedness capacity in AI/AN communities to prevent these disproportionate impacts in the future. Tribes do not receive dedicated public health funding from the Federal government, and the IHS does not currently have sufficient funding to support ongoing public health and emergency preparedness infrastructure. As of 2021, only four tribal public health agencies are accredited through the Public Health Accreditation Board. Comparatively, 40 State and 305 local public health agencies were accredited as of 2021.¹³ The proposal complements the Budget's proposed investments in public health readiness and pandemic preparedness by ensuring IHS and Tribal communities have comparable resources to prepare for the next pandemic.

Legislative Proposals

In addition to proposed investments to ensure IHS has adequate operational capacity, the budget also includes several legislative proposals that would provide IHS with critical new or expanded authorities to address operational issues. Many of these proposals seek to enhance the agency's ability to recruit and retain healthcare providers, and provide parity with other federal agencies to increase IHS'

¹² CDC—COVID-19 Mortality Among American Indian and Alaska Native Persons—14 States, January–June 2020, <https://www.cdc.gov/mmwr/volumes/69/wr/mm6949a3.htm#:~:text=Based%20on%20data%20from%202014,persons%20aged%2020%E2%80%93349%20years>

¹³ Office of Disease Prevention and Health Promotion—*Increase the number of tribal public health agencies that are accredited*, <https://health.gov/healthypeople/objectives-and-data/browse-objectives/public-health-infrastructure/increase-number-tribal-public-health-agencies-are-accredited-phi-03/data>

competitiveness when hiring for key positions. The IHS, as a rural health care provider, experiences difficulty recruiting and retaining health care professionals, physicians and other primary care clinicians in particular. Staffing shortages are particularly prevalent in the behavioral and mental health fields, which has only exacerbated the concurrent substance use crisis and suicide crisis that tribes across the country are facing in their communities. Workforce challenges—and the impacts on care that come with them—are one of the top concerns raised to the Department by tribes. The proposed legislative changes would: 1) Extend Title 38 personnel authorities, to enable IHS to offer specialized pay and benefits for health providers; 2) Provide tax exemption for recipients of IHS scholarship and loan repayment benefits, and allow these recipients to meet their service obligations on a half-time basis; 3) Enable IHS to fulfill mission-critical emergency hiring needs; 4) Provide IHS authority to hire and pay experts and consultants; 5) Enable IHS to provide on-call pay to its healthcare providers; and 6) Enable U.S. Public Health Service Commissioned Corps officers to be detailed to Urban Indian Organizations.

Closing

The FY 2025 Budget makes critical strides toward the goal of ensuring stable and predictable funding to improve the overall health status of AI/ANs. The Budget is a historic step and a continuation of an ongoing conversation with tribes to ensure the IHS system is meeting the healthcare needs in Indian Country. HHS looks forward to working in consultation with tribes, urban Indian organizations, and Congress to refine the FY 2026 mandatory proposal through the legislative process to strengthen the Nation-to-Nation relationship.

QUESTIONS SUBMITTED FOR THE RECORD TO THE HON. ROSELYN TSO, DIRECTOR—
INDIAN HEALTH SERVICE, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

The Honorable Roselyn Tso did not submit responses to the Committee by the appropriate deadline for inclusion in the printed record.

Questions Submitted by Representative Westerman

Question 1. Your written statement stated the need for a modernized Electronic Health Record at the Indian Health Service. Can you provide further details on the ongoing modernization effort, and what further steps are needed for full implementation?

Question 2. Can you provide further information on the 2024 IHS Agency Work Plan, specifically discussing how the 2024 Plan's goals align with the actions IHS needs to take to meet the criteria set forth by GAO to remove the IHS from GAO's High-Risk List?

Question 3. The 1993 Priority List for the IHS construction projects has not been completed. Why has it taken over 30 years to finish this priority list?

3a) Besides funding, what other considerations have impacted the delay in the completion of the list?

3b) After the 1993 Priority List is completed, how will the IHS decide on new facility construction priorities? And how will the delays in the finalization of the 1993 Priority List impact the way the IHS moves forward this time?

Question 4. Your written testimony stated that the IHS is working on to improve the Purchased and Referred Care program and obligate these funds in a timely manner.

4a) Can you provide the Committee with the total number of PRC funds carried over from the last fiscal year for all regions? And is the amount carried over been more or less compared to fiscal year 2022?

4b) What additional improvements to the PRC program is the agency working towards this fiscal year, particularly to ensure PRC funds are used in a timely manner?

Question 5. The Subcommittee has heard concerns surrounding the recruitment and retention of healthcare workers at IHS facilities, especially in rural America.

5a) What is the current vacancy rate, service-wide, for health care workers in federally managed health units?

5b) How does this compare to tribally run health units?

5c) What is the average timeline from job announcement to onboarding for a new hire? And what process barriers should be addressed to ensure timely hiring of healthcare workers?

Questions Submitted by Representative Grijalva

Question 1. One of the principles underlying IHS's budget justification is recruiting and retaining health care professionals.

1a) Could you elaborate on the declining medical employee and trainee recruitment and retention rates within IHS facilities and what factors contribute to poor recruitment and retention rates?

1b) Please expand on how lack of funding for the housing for medical professionals is affecting Indian Country, especially in rural tribal areas?

1c) What strategies is IHS implementing to address recruitment issues and to promote staff retention?

Question 2. This year's budget request includes an additional \$10.3 billion across 9 years to address Health Care Facilities Construction needs, including fully funding the remaining projects on the 1993 Health Care Facilities Construction Priority List.

2a) Could you provide the Committee with the number of projects remaining on this list, their status, and the cost needed to complete them?

2b) How does the status of this list constrained IHS' healthcare facilities?

2c) How does the limited capacity issue affect IHS' patient population relying upon those facilities?

2d) After the completion of all priority construction projects, what will be the next steps for IHS? Does IHS have a plan of action for other facilities construction?

Question 3. The Special Diabetes Program for Indians has been instrumental in addressing the diabetes epidemic in Indian Country. The FY2025 budget request includes \$260 million in proposed mandatory funding for the Special Diabetes Program for Indians and two proposals to exempt the program from mandatory sequester and reauthorization for the program.

3a) Could you briefly expand on the impact this program has had on addressing diabetes in tribal communities?

3b) Why is it so important to exempt the program from mandatory sequesters?

3c) What are the future ramifications to the health and well-being of tribal communities if the Special Diabetes Program is not reauthorized?

Question 4. The Bipartisan Infrastructure Law (Public Law 117-58) and provided \$3.5 billion for IHS through FY2022 and FY2026 for the IHS Sanitation Facilities Construction Program and the FY 2025 budget submission for Sanitation Facilities Construction is \$200 million.

4a) Could you briefly explain the importance of this program and how it contributes to money saved down the line in patient care?

Mrs. RADEWAGEN. I thank the witness for their testimony. The Chair will now recognize Members for 5 minutes for questions, and I will begin by recognizing myself.

Secretary Newland, the President's Fiscal Year 2025 budget calls for an approximately \$26 million increase for critical trust, natural resource activities, and investing in climate resilience and environmental justice. Does the Biden administration only support tribes who invest in so-called green energy, while punishing tribes who know how to balance the development of natural resources and conservation?

Mr. NEWLAND. Thank you for the question, Madam Chair. We are proud of the investments we are making in climate resilience and in tribal communities. We have invested more than \$100 million in efforts this year alone through the Bipartisan Infrastructure Law and Inflation Reduction Act to help more than 100 tribes across the country prepare for the challenges and deal with the threats that they are facing now as a result of climate change.

But with respect to energy development, I want to make sure that I get into the record some important facts here about the work that the Department is doing across Indian Country. Since the beginning of 2021, the Department and the Bureau of Indian Affairs has approved six renewable energy leases on tribal lands. In that same time frame, the Bureau of Indian Affairs has approved 565 so-called conventional energy development leases on Indian lands across Indian Country. So, I think, Madam Chair, the notion that the Department is picking winners and losers when it comes to resource development in Indian Country doesn't match the facts.

And what we are trying to do is make sure that we are being supportive of tribes in developing their energy resources in the manner they choose, whether they are conventional energy resources or renewable energy resources, and trying to make sure that our activities and our investments are matching what tribes are asking us to do.

Mrs. RADEWAGEN. As previously discussed in this Committee at multiple hearings, several tribal members are in fear of testifying in front of Congress due to retaliation efforts by criminal drug cartels who have invaded tribal lands. These cartels have run rampant across Indian Country, particularly in the northwestern region of the United States.

Can you discuss the interagency coordination that BIA is involved in to tackle the human and drug trafficking in Indian Country?

Mr. NEWLAND. Thank you, Madam Chair. It is very clear in my conversations with tribal leaders, and I have seen some of the tribal leader testimony in front of this Subcommittee, that many communities are facing challenges when it comes to drug trafficking and public safety in Indian Country, and that is why we have proposed such a significant increase in public safety and justice funding.

When it comes to drug enforcement in particular, the Bureau of Indian Affairs has a division within our law enforcement agency called the Division of Drug Enforcement, and they coordinate with tribal law enforcement agencies, as well as other bureau law enforcement within the Department of the Interior on drug enforcement. And just in 2023, for example, just within the Division of Drug Enforcement, their work in Indian Country has led to the seizure of more than 33,000 grams of fentanyl across Indian Country, and almost 500,000 pill-form pills in fentanyl across Indian Country. That is a dramatic increase over what we saw just 5 and 6 years ago from the Bureau of Indian Affairs law enforcement.

So, there is no doubt, Madam Chair, that this is a challenge that tribal communities are facing. We are doing our best with the

resources we have to coordinate with other law enforcement agencies, including tribal law enforcement, to address drug trafficking in Indian Country. And I believe, with the President's budget request, we are going to continue to strengthen our ability to respond.

Mrs. RADEWAGEN. Thank you.

Secretary Cantor, on March 6, 2024, Congress passed legislation that renewed the Compacts of Free Association with the Republic of Palau, Republic of the Marshall Islands, and the Federated States of Micronesia. How is the OIA working to implement the compacts?

Ms. CANTOR. Thank you very much for the question, and thank you for supporting the approval and the enactment of the compacts, the compact three.

Implementation is well underway. Both the Secretary of State and the Secretary of the Interior designated their representatives to the interagency group on the Freely Associated States, and I would like to report that the group already had their first meeting about a week ago with a number of members from the interagency. It was a great, great meeting.

In terms of economic assistance, I can report to the Committee today that for the FSM in particular we have completed a transfer of \$231 million in USG contributions to the Compact Trust Fund. Funds that are available right now, we are awaiting for Palau to draw down \$50 million, the contribution from the United States to the Compact Trust Fund for Fiscal Year 2024. We are also waiting for Palau to draw down funds for \$10 million, the contribution of the U.S. Government for the Palau Fiscal Consolidation Fund. And today, on May 8, we are going to be transferring \$191 million to the RMI Compact Trust Fund.

So, everything, like I said, is going really well, considering that the amendment was just approved less than a month ago.

So, thank you so much for the question.

Mrs. RADEWAGEN. I would now like to recognize the Ranking Member for her questions.

Ms. LEGER FERNÁNDEZ. Thank you so very much.

Director Tso, you have in your written testimony the importance of addressing behavioral health, mental health. We just heard about the importance of interdicting fentanyl, and how the BIA in working with other Federal agencies has significantly, those were important numbers.

I would like you to get us the numbers that you just talked about, Assistant Secretary.

But I think it is really important, you didn't have time to go into that in your opening. Can you just tell us a little bit more about why that is so key?

And then I want to do a follow-up with regards to telehealth services regarding that.

Ms. TSO. Thank you very much for the question. So, two things I would like to identify in response to that.

One, in health care we are really looking at those social determinants of health. So, it is not just a person coming in for care and addressing that particular matter, it is all of that, what that person might be dealing with. And in this case, again, the need for mental

health and behavioral health is just first and foremost for Indian Country.

When I look across IHS, while a majority of these programs are contracted and compacted by tribes, there is still not a sufficient amount of funds there. Just yesterday, I was talking with a tribal leader that is trying to figure out in their tribal communities, housing is a huge issue, for example. So, there is no way to address the housing issues that we have as a result of substance use, or fentanyl, or the challenges that we have, so these homes are no longer livable. So, how do we address that issue so we can then look at the health part of that?

The part that we are looking at is far more than how do we do the care that we need to do? We are talking about transportation across Indian Country in terms of getting our people into the care that they need. So, the needs are significant.

And as I look into this more, I look across over at the Veterans Administration budget, just to give you an example of the vast difference there. They have close to \$14 billion for mental health to address mental health for our precious veterans. The Indian Health Service has just under \$4 million to address the needs that we have.

Ms. LEGER FERNÁNDEZ. Thank you, because I am running out of time, but I think that that is really key.

And you also have suggested legislative changes because one of the things we really need to do is increase personnel and find a way to recruit that in. I am very interested in doing that because that is an issue both in rural America and in Indian Country.

And as you know, I also think it is very important to make sure we have telehealth services, which we learned in one of the Committee hearings we don't. I have some legislation to address that, as well, because we need to make sure that we get this health care through all the means.

I want to go to Secretary Newland.

I am pleased to see that you are proposing funding for the Indian water rights settlement. If we don't fund those, we are not living up to the commitments we have made. Can you quickly, because I do have a question for Honorable Cantor, but can you talk about the importance of fully funding the Indian water rights settlements that we have already agreed to? These aren't the ones that we have to get to, these are the ones we have already agreed to.

Mr. NEWLAND. Thank you, Congresswoman. And I think you ended on an important point, that Congress has approved and we have signed into law authorizations for these water settlements. But that is only half the promise. The other half is to fulfill those water settlements. And what we have proposed is a \$2.8 billion mandatory funding proposal to fund those water settlements, and also within the budget we have included a request for \$45 million to begin funding the Hualapai Tribe's water settlement, which was enacted last year.

So, that \$2.8 billion we have proposed would be spent over 10 years; \$2.5 billion of that would go to fund enacted water settlements, as well as water settlements that we have been working with the Subcommittee on and other Members of Congress to get enacted.

Ms. LEGER FERNÁNDEZ. Thank you, that is great.

And I am so sorry, Honorable Cantor, that I am not going to have enough time, but I do recognize that we provided infrastructure funding, and I think it was very powerful, your statement that we haven't adjusted it for inflation, not just for the last several years following the pandemic and Russia's invasion of Ukraine, where we have seen a lot, but this has been decades in the making. So, thank you for that.

And I did want to ask about whether you have been able to advocate for a permanent increase in CIP funding. I will ask that you perhaps respond to that question in writing, so that we can make sure we get to that.

And my apologies. We always have so many more questions. We are so curious about so many things, and not enough time.

With that, I yield back.

Mrs. RADEWAGEN. I will now recognize Mr. Carl for 5 minutes for questions.

Mr. CARL. Thank you, Madam Chair.

Secretary Newland, I have brought this issue up numerous times, and it is concerning that the tribal public safety continues to face significant challenges, to say the least. The Bureau of Indian Affairs Office of Justice Services shoulders the responsibility of administering public safety and justice programs aimed at funding law enforcement, corrections, and court services to ensure the safety of the tribal communities.

However, questions have been raised about the OJS's effectiveness, particularly in combining drug trafficking and addressing the disproportional rates of violence experienced by the Native American and Alaskan Native communities. At a recent Oversight and Investigations Subcommittee hearing, it was revealed that illegal drug cartels are actively targeting Indian Country, posing a serious threat to tribal members and public safety. This highlights the critical need for securing our borders, including the southern borders, to prevent such criminal activities from entering vulnerable territories.

Additionally, Native Americans and Alaskan Native adults suffer from a high victimization rate, with more than four in five individuals experiencing some form of violence in their lifetime. This highlights the urgent need for enhancing safety measures within the tribal community.

Given these developments, how can the Bureau of Indian Affairs effectively address the challenges of recruiting and retention within law enforcement to ensure that the increased funding leads to significant improvements in the tribal public safety and justice services, especially in the light of the drug cartel targeting the Indian lands?

Mr. NEWLAND. Thank you, Congressman.

First, I would like to just note that there has been a long history of criminals who target Indian people in Indian Country, whether that is sexual assault, other forms of violence, or drug trafficking. Often because of the jurisdictional maze that we have built up for law enforcement in Indian Country, it makes it harder to enforce the law in Indian Country than it is in other places. Depending on who the perpetrator is or the victim, a different law enforcement

agency could be responsible for enforcing the law, and this is not a new problem that we are facing. But the challenges you have raised are very real, and those are challenges we are working to address.

One of the things that makes it difficult for our BIA law enforcement officers serving 34 different tribes is that they are often overtaxed, where they are working 6, 12-hour shifts alone, without backup. They often struggle to find housing in the communities they serve. So, they are either paying too much for housing or they have to commute a long distance to work. And these investments, by increasing staffing within the Bureau of Indian Affairs law enforcement can help our retention just by getting people back-up so they don't have to work 72 hours a week on their own.

Mr. CARL. Well, let me ask you this. What kind of technology are we providing these tribes to use to monitor this activity? Are we supplying them with drones and the technology to help that, or is it just everything is done old fashioned, by cars?

Mr. NEWLAND. Well, I think in a lot of communities, Congressman, our tribal law enforcement agencies and Bureau of Indian Affairs officers are dealing with equipment that is beat up and older than their counterparts in other agencies. And in a lot of places, their cell phones and their radios might not even work in these remote areas. So, we have to get our officers better equipment to help address a lot of these challenges.

Mr. CARL. Well, we have to address these challenges. And I think the IT approach is certainly one of them. It works well at the border, when we use it, for information. And I think the tribes need it probably worse than anybody, because there are so many miles they are actually trying to cover with one or two people. It is unfair for them.

Mr. NEWLAND. Thank you.

Mr. CARL. Thank you, and thank all the Members and speakers for being here today.

Thank you. I will return my time.

Mrs. RADEWAGEN. The Chair will now recognize Mr. Sablan for 5 minutes for questions.

[Pause.]

Mrs. RADEWAGEN. The Chair will now recognize Ms. Stansbury for 5 minutes for questions.

Ms. STANSBURY. Thank you, Madam Chairwoman.

First of all, I just want to say welcome and thank you to both of our Assistant Secretaries and to our Director. I believe that you three and your staff sitting behind you in the agencies that serve our sovereign nations and tribes, both here in the United States and in the Pacific, have among the hardest possible jobs in the Federal Government. So, I want to say thank you for your service. Thank you for everything that you do.

Now I am going to ask you some hard questions because we wouldn't be having a hearing, especially on tribal issues, if I didn't do that.

Assistant Secretary Newland, I want to start with education. One of the wonderful things that we have done in New Mexico is increase teacher pay at the local level across the state. But unfortunately, our teachers who are serving through our tribal schools

and through our BIE system are not having pay equity with our local school districts. And it is crucial that we increase funding for ISEP so that we can have pay equity. So, I want to ask you very briefly, can you tell me in this budget increase that BIE is requesting, will that increase in ISEP help our schools under the BIE and tribal systems increase teacher salaries?

Mr. NEWLAND. Yes. Thank you, Congresswoman.

Ms. STANSBURY. Awesome. Happy Teacher Appreciation Day. If there is any reason to advocate for an increase in BIE funding, there it is. We need to pay our teachers an equitable salary.

Secondly, I also want to ask about public safety. We have numerous issues around BIA public safety issues in New Mexico. I know you are well aware of the challenges that the Mescalero Apache are facing down south in New Mexico. We also have a number of requests from our Pueblos. As you just said, the issue has been ongoing for decades, probably since the inception of this program. But how can we increase recruitment and retention and quality of service in our BIA law enforcement?

Mr. NEWLAND. Thank you, Congresswoman, and thank you for your advocacy on these issues.

I actually had the opportunity to meet with leadership from the Mescalero Apache Tribe yesterday on these issues. And we discussed a positive development, which is the upcoming completion of a new jail and detention facility there so they will not have to send their inmates to distant counties for jailing.

I have said in this hearing already, Congresswoman, that simply getting more officers into tribal law enforcement as well as BIA law enforcement, where we have direct service responsibilities, will alleviate the pressure that our current officers face because they are so often working long shifts alone. And that helps with retention alone.

And one of the other challenges we faced when we began our work a few years ago was that our BIA law enforcement officers were not paid on par with their counterparts in other bureaus at the Department of the Interior, and it is really hard to see value in your own work when your employer is valuing your paycheck less than your colleague's. So, we set out to make sure that that was an easy fix, or easy thing for us to address, to make sure BIA law enforcement officers, as the Congressman just said and as you alluded to, they have some of the toughest jobs in policing. They were paid at least on par with their colleagues in the rest of the Department of the Interior to help both with recruitment and retention.

So, these are some of the things that we are working on to improve there.

Ms. STANSBURY. Thank you, Assistant Secretary. And I want to turn quickly to Director Tso.

Thank you for your service, and I think we face a similar issue with the Indian Health Service. I hear it every single day. We don't have enough doctors, enough nurses, enough clinicians. I have a workforce development bill that I worked on with IHS and my colleagues in the Native American Caucus. How can we recruit and retain more talent into the IHS system and to our tribes that contract for these services?

Ms. TSO. Thank you very much for that question, Congresswoman.

A number of things that we are doing at the Indian Health Service is taking some bold steps to make sure that we are doing everything we can on the retention side. The recruitment is just as important, but we have to retain the workforce that we have today. I will give you a couple of examples.

One is that, for example, our doctors that work in the ER, we have adjusted their schedules to where they can work any 20/80. Any 20/80 is the hours in a year. So, how do we maximize that? How do we use that kind of a system to have the provider work the hours that they can work for us? And then maybe they want to do something else, and they can have another life, perhaps, from that. So, we are making adjustments there.

We have also taken steps to do some housing stipends across Indian Country. Again, we know housing is a challenge for us. If they have to drive a little bit further, maybe we can help them with a housing stipend, just some creative things that we are doing.

We are also looking at the A19s, and making sure that our scholarships are the same, that there is equity across even HHS reimbursement for our scholars.

At Indian Health Service, it is taxed. When you go over to HRSA, they are not taxed. So, just getting those aligned to where we can have parity across HHS would be helpful.

Ms. STANSBURY. Great, thank you.

Thank you, Madam Chairwoman.

And thank you again for your service, and everything you do for Indian Country and for our islands.

Mrs. RADEWAGEN. The Chair will now recognize Mr. Moylan for 5 minutes for questions.

Mr. MOYLAN. Thank you, Madam Chair, for holding this hearing and giving me the chance to speak with Assistant Secretary Cantor about the upcoming budget for the Office of Insular Affairs, and exactly how they plan to spend it.

Assistant Secretary Cantor, first I want to express my thank you for all the visits that you come to Guam and really working closely with our administration and me, as well. But, of course, I do have some concerns, and I have expressed previously my sincere concerns that Guam is not being adequately reimbursed for the cost of housing of COFA migrants.

With the support of Chairman Westerman, we held a hearing on my bill, H.R. 6273, the Guam Host Community Compensation Act. That bill would reinstate compact impact payments, and require that those COFA migrants imprisoned on Guam be transferred to the Federal prisons to serve their sentence. We have a great deal of over-crowdedness in our prison, and this would have been very helpful.

This is the first time in decades that Guam would not have access to compact impact reimbursement funds. This is crucial. The Governor has spoken about this. We have spoken about this, and it is devastating that we can't supply this. But both I and the Governor have been assured that the compact impact fairness

would cover our cost of hosting migrants. That is the question I am going to relate to you.

Secretary Cantor, on Guam there is a lot of skepticism that CIFA will actually benefit our island. Can you please tell me, how can CIFA help Guam defray the cost of hosting COFA migrants? Is there a dollar amount per year you can give me?

Ms. CANTOR. Thank you so much for the question, Delegate, and you are right, we have had a number of conversations about this topic, including my deputy, the witness a couple of months ago, and you and him had a conversation about this, as well.

I cannot give you a number. I don't have that. I can tell you, like we have said in the past, that CIFA is going to address the issues that are related to the FAS migrants, citizens that are going not only to Guam and Hawaii, but they are already in the mainland.

Mr. MOYLAN. Secretary, thank you, and I understand that part. And, of course, we welcome the FAS. We are appreciative. We need this to continue. But the number is important. That is what I am asking from you. If you can come back to me with that number, that is what I need to know, please.

And then I would like to move on to the next question, Secretary Cantor. How does CIFA help offset the public safety concerns that my constituents have shared with me?

Our Guam police department is being asked to police thousands of migrants with no financial support from the Department of the Interior. Will OIA be providing financial support for them to hire and equip more officers?

Our vehicles are rundown. I visit my police officers. Our staffing is short. We are having difficulties. It is a constant occurrence. So, will the OIA provide financial support for them to hire and equip more officers for Guam?

Ms. CANTOR. Delegate, once again, we have offered to meet with you and members of your staff to discuss CIFA. It is a new law, and I am offering that again to you. I don't think that we can discuss this in the next 2 minutes, but it is an important issue and we are hearing your concerns.

Mr. MOYLAN. I appreciate that, and we will have the further discussion. We want to keep this open. We want to resolve this. We want to do what is right. So, thank you.

A final question. Thank you, Secretary Cantor, for this. It is related to education. CIFA does not cover any expenditures from the Guam Department of Education who have thousands of COFA migrants, children, in their already-over-crowded schools. Will OIA commit to providing expanded financial and technical assistance to the Guam Department of Education to help them make up these major shortfalls in their budget, help us with our education?

Ms. CANTOR. Delegate, you know, all the territories can apply to our technical assistance programs and maintenance assistance programs. Once again, this is CIFA-related. I offer to you a meeting with you and members of your team to continue this conversation.

Mr. MOYLAN. I appreciate that. I understand we have \$28 million available, and we are going to get to the bottom of that so we can help at least that part.

I am looking forward to your continuous visits. I am sure we can get this done. And I appreciate what you do, as well as the other panel here with you today. Thank you very much.

Thank you, Madam Chair.

Mrs. RADEWAGEN. The Chair will now recognize Mr. Sablan for 5 minutes for questions.

Mr. SABLAN. Thank you, Madam Chair. Good afternoon and welcome to our witnesses. I am going to start with Ms. Cantor.

Last week, I thanked Secretary Haaland, who was here, and I want to thank you also today for the President's 2025 budget request that maintains or increases programs vital to the Northern Marianas and all the insular areas. One of these, the Energizing Insular Communities program, supports the shared goal for most of us on both sides of this aisle to reduce reliance on expensive, foreign oil and increase domestic energy production. Not only will this program reduce the supply chain risk that comes with dependence on foreign energy, but it also holds the potential to cut the cost of electricity for my constituents. And the President's budget restores the funding that was cut in the 2024 appropriation. So, again, thank you.

That said, I am not satisfied with the way your office administers this program. Insular Affairs Director John Brewer testified here a few weeks ago that the purpose of the Energizing Insular Communities is to help, underscore help, the insular areas develop energy strategies. But you see, Public Law 113-235, authored by former Virgin Islands Representative Donna Christensen, and I, members of this Committee, clearly states it is the responsibility of your office to develop and implement these energy plans.

Of course, it would be useless for your office to develop plans for the insular areas without consultation or buy-in from them. But OIA has never accepted that it is primarily your responsibility to develop these plans and report to Congress on whether these milestones are being met. And I should know, because I sponsored the law.

Now, fortunately, in the Marianas and the other insular areas, I think people understand the risk of dependence on imported fossil fuels. They understand the economics now favor alternatives like wind and solar, which we have in abundance, of course, and we are taking action. But could we make this transition much faster and much more efficiently? We could make this if OIA provided the plans and the technical and financial expertise as Public Law 113-235 directs.

Will you, Madam Secretary, will you commit to follow the law?

Ms. CANTOR. Yes. We commit to following the law always.

Mr. SABLAN. All right. Well, you haven't been for several years now. Madam Secretary, I am asking you to please, this is really important. People in my district are paying close to \$0.50 an hour for one kilowatt of electricity. It is in the \$0.30, \$0.40 range.

Ms. CANTOR. Delegate, the law is clear that the insular area energy plants should reduce reliance on fossil fuel imports and develop renewable energy sources. The CNMI projects funded through the EIC—

Mr. SABLAN. I understand that, Madam Secretary. Please excuse me. I am saying the law. Before you give out money, the plan was

to build a plan for energy in the insular areas. You haven't done that. You have given out grants. I mean, Santa Claus does that on Christmas. You haven't done that. So, will you follow the law? Because it is on record, the law as written by Donna Christensen and I. Will your office follow the law, please?

Ms. CANTOR. Delegate, we follow the law.

Mr. SABLAN. All right. Madam Secretary, as you all know, Mariana's governor, Governor Palacios, recently asked President Biden for consultations for 902. The Marianas economy has never recovered from COVID. Last week, one of our crown jewel hotels, a Hyatt, announced permanent closure. The Governor wants to talk about direct financial assistance like Congress provides the Government of American Samoa, and he wants help in reviving tourism. He needs more skilled labor to put infrastructure dollars to work.

Can you tell me where the Administration stands on my governor's request for consultations, and whether you understand how dire the economic situation is in the Northern Marianas?

Ms. CANTOR. Yes, Delegate. I am aware that Governor Palacios sent a letter to President Biden. I received a copy of the letter. Governor Palacios and I actually spoke on the phone late last week. We are in the process of waiting for the White House to determine who the representative is going to be for these consultations. But we know that this is very important to the CNMI Government.

Mr. SABLAN. All right. Thank you, Madam Secretary. Again, really, thank you for what you do. I am not here to argue with you, but this thing is not something I bring up just here. It is every year. And I should know what the law is intending to do, because Donna and I wrote the law.

Thank you, I yield.

Mrs. RADEWAGEN. The Chair will now recognize Mr. Case for 5 minutes for questions.

Mr. CASE. Thank you, Madam Chair.

Ms. Cantor, adding my congratulations for achieving the compacts, a lot of people had a piece of this. I see Mr. Nakoia behind you. He was one of many, but he was an important one of many. And I am only singling him out because he is from Hawaii, so I feel a special obligation to do that.

But there comes a time at which we have to stop patting ourselves on the back and get it done. And it was very gratifying to hear your response to the Chair in terms of the progress you are already making in terms of, especially, the interagency working group trying to start to implement it. My questions are really just further along the lines of actual implementation, because I think the worst thing we could do at this point is to get it done and then let it lag. So, a couple of questions.

First of all, I assume that the interagency working group is about working through the COFA side of the compacts, really, trying to get that done. But is there a similar effort, going to Mr. Moylan's questions, on CIFA to work through the specific issues that exist both generally with CIFA, in terms of how to actually turn the Federal bureaucracy to the idea that these are now Federal obligations to specific concerns that some of the compact

resident communities, principal ones might face, including Guam and Hawaii?

Do you have some kind of an interagency working group? How are you coordinating that? What is your schedule to implement the actual coverage? Do you have to go through a regulatory process at this point, or can you just turn it on, pretty much?

Ms. CANTOR. Congressman, thank you so much for the question, and also thank you for the support that you gave us through this process.

And yes, Keone is one of the most valued members of my team, and I am very happy to know that he is from Hawaii, as you are.

I guess I mentioned the IAG met for the first time last week. We have not discussed whether we are going to be discussing the CIFA issues. We are going to be watching what happens with CIFA. We do know for a fact that the FEMA benefits that CIFA residents, CIFA migrants can receive, the ones that were in Maui last year because of the fires, this was applied retroactively, and they were able to receive some of those benefits.

But no, the answer is no, we haven't discussed the CIFA, but it is a good idea that I am going to take back and discuss with the other co-chair.

Mr. CASE. I think we need an organized plan on implementing CIFA as soon as possible. It is not quite as easy as it sounds. I am sure there are going to be a lot of questions. Thank you so much for the FEMA side of things, that was a very good development, but there are many other parts of CIFA, so I wouldn't want that to lag, for sure.

This all happened fairly recently, and I am sure the President's budget was in development long before we actually achieved approval of the compacts. But does the President's budget anticipate needs arising out of COFA in Fiscal Year 2025, or do you have to go back, and CIFA for that matter, or do you have to go back now and update your numbers for implementation of COFA and CIFA in Fiscal Year 2025?

Ms. CANTOR. We are going to be watching very closely. We haven't had any conversations yet, but if we do have to go back and make some adjustments and request some adjustments, we will do so.

Mr. CASE. OK.

Ms. CANTOR. Or in 2026.

Mr. CASE. Well, I am worried about 2025, because we are about to mark up those bills. I am on the Appropriations Committee, and I guess what I don't want to do is get through an appropriations season in the House and have to scramble before September 30 on a supplemental basis. Far better to know what the budget numbers are right now and get it into that process right now than play catch-up on it. That money has to last for the remainder of this year and for next year. So, if there are going to be expenditures that are not anticipated in the President's budget, we ought to know about them as soon as possible and get them into the mix. I would make that request back to you on a multi-agency basis, because it is not just your department.

Ms. CANTOR. Understood.

Mr. CASE. I am sorry. And then finally, I would highlight for you a particular issue that I think needs a little bit of expeditious implementation, and that is the provisions of the compacts that basically changed the construct that we follow for veterans, United States military veterans living in the compact countries. This is a persistent issue for those countries. We owe it to those veterans to treat them as any other veteran. The compact anticipated that those countries would now be able to provide that service on a reimbursable basis, and made other changes to really give them far more equity.

What I am concerned about is that lag. I spoke with two out of the three presidents on this issue just in the last week, and they highlighted it to me, I didn't raise it. So, this is a critical issue for all three countries. I commend that to you as something that we need to move along, and also the same question as to the budgeting of that in Fiscal Year 2025, in particular.

My time is up, but that is an important issue to not let get away from us.

Ms. CANTOR. No, and we are aware that this is a very important issue, not only for us, but the veterans and the presidents of the countries. We have been hearing from them, as well.

Let me tell you that we have been collaborating with the members of the interagency, trying to figure out how to help and provide the improved access that they deserve and they have earned.

Mr. CASE. Thank you very much.

Ms. CANTOR. Thank you.

Mrs. RADEWAGEN. I thank the witnesses for their valuable testimony and the Members for their questions.

The members of the Committee may have some additional questions for the witnesses, and we will ask you to respond to these in writing.

Under Committee Rule 3, members of the Committee must submit questions to the Committee Clerk by 5 p.m. on Monday, May 13, 2024. The hearing record will be held open for 10 business days for these responses.

If there is no further business, without objection, the Committee stands adjourned.

[Whereupon, at 3:25 p.m., the Subcommittee was adjourned.]

