

Standing with Indian Country

Meeting Our Greatest Challenges: The President's Fiscal Year 2017 Budget

Under the President's leadership, we have turned our economy around and created 14 million jobs. Our unemployment rate is below five percent for the first time in almost eight years. Nearly 18 million people have gained health coverage as the Affordable Care Act has taken effect. And we have dramatically cut our deficits by almost three-quarters and set our Nation on a more sustainable fiscal path.

Yet while it is important to take stock of our progress, this Budget is not about looking back at the road we have traveled. It is about looking forward and making sure our economy works for everybody, not just those at the top. It is about choosing investments that not only make us stronger today, but also reflect the kind of country we aspire to be – the kind of country we want to pass on to our children and grandchildren.

The Budget makes critical investments in our domestic and national security priorities while adhering to the bipartisan budget agreement signed into law last fall, and it lifts sequestration in future years so that we continue to invest in our economic future and our national security. It also drives down deficits and maintains our fiscal progress through smart savings from health care, immigration, and tax reforms.

The Budget shows that the President and the Administration remain focused on meeting our greatest challenges – including accelerating the pace of innovation to tackle climate change and find new treatments for devastating diseases; giving everyone a fair shot at opportunity and economic security; and advancing our national security and global leadership – not only for the year ahead, but for decades to come.

SUPPORTING TRIBAL SOVEREIGNTY AND NATION BUILDING

"I've often acknowledged the painful history, the broken promises that are part of our past. And I've said that while we couldn't change the past, working together, nation-to-nation, we could build a better future. I believed this not only because America has a moral obligation to do right by the tribes and treaty obligations, but because the success of our tribal communities is tied up with the success of America as a whole." - President Obama, 2015, White House Tribal Nations Conference

The Budget strongly supports tribal nation building and Federal treaty and trust responsibilities to Native Americans through a wide range of direct services and funding for programs administered by tribes. More than 20 Federal departments and agencies and all 567 Federally recognized tribes collectively provide services to more than two million American Indian and Alaska Native (AI/AN) peoples. The Budget provides significant increases across a wide range of Federal programs that serve Tribes including education, social services, health, infrastructure, and stewardship of land, water, and other natural resources and supports improved access to Federal programs and resources, particularly focused on youth through the Administration's Generation Indigenous initiative.

A One-Stop Approach to Federal Programs and Services.

The Budget supports an "all of government" approach to addressing Federal responsibilities and tribal needs. Coordination of this work across Federal agencies is being carried out through the White House Council on Native American Affairs (WHCNA), established by Executive Order on June 26, 2013, by President Obama and chaired by the Department of the Interior (DOI). DOI and its Bureau of Indian Affairs (BIA) play an important role in carrying out the Federal trust responsibility and in serving tribes. The Budget for BIA overall provides \$2.9 billion, a \$138 million (5 percent) increase over the 2016 enacted level.

The Budget capitalizes on the role of BIA as a broad ranging provider of Federal services by investing \$4 million in a one-stop shop approach for facilitating tribal access to Federal funds and programs across the U.S. government. The "Native One-Stop," launched in 2015, is the first step to streamlining communication and information exchange to assist tribes and tribal organizations in fully accessing and leveraging Federal resources.

Tribes and tribal organizations have expressed long-standing concerns about the need for accurate, meaningful, and timely data collection in AI/AN communities. Tribal leaders and communities need access to quality data and information as they make decisions concerning their communities, economic development, and land and resource management. It is also critical that the Federal Government collect and analyze quality data to ensure that Federal agencies and programs are delivering effective services to meet tribal needs and deliver on Federal responsibilities.

To address the quality of data for AI/AN communities, the Census Bureau (Census) and BIA signed a memorandum of understanding (MOU) in January 2016 to promote communication and collaboration between the two agencies and improve the dissemination of accurate data for AI/AN. The Census and BIA agreed to work together to gain an accurate count of AI/AN, to share files that show boundaries for reservations and off-reservation trust and restricted lands, and to establish a workgroup to discuss and resolve data issues.

The 2017 Budget supports this effort with an increase of \$12 million for BIA to enable the DOI to work with tribes to improve Federal data quality and availability, to create a reimbursable agreement with Census to address data gaps in Indian Country, and to create an Office of Indian Affairs Policy, Program Evaluation, and Data to support effective, data-driven, tribal policy making and program implementation.

Promoting Tribal Self-Determination through Federal Contracting.

The Budget fully funds estimated Contract Support Costs (CSCs) for tribes that administer programs funded through the BIA and Indian Health Service (IHS). This includes \$278 million for BIA and \$800 million for IHS – an \$82 million increase over the 2016 enacted level. The Budget also includes a long-term proposal to fully fund CSC by reclassifying both BIA and IHS CSC to mandatory funding beginning in FY 2018.

SUPPORTING NATIVE YOUTH THROUGH GENERATION INDIGENOUS

An "All of Government" Approach to Addressing Native Youth Issues.

The Budget supports Native youth through the Generation Indigenous Initiative, which takes an integrated, comprehensive, and culturally appropriate approach to help improve the lives of and opportunities for Native youth. As a part of the Generation Indigenous Initiative, the Office of Management and Budget (OMB) released budget guidance on Native youth, encouraging agencies to coordinate, measure progress and make investments in Native youth programs to address educational outcomes, access to the internet, the availability of teacher housing, Indian Child Welfare Act implementation, tribal criminal justice, and reducing the suicide rate. Multiple agencies, including the Departments of the Interior, Education (ED), Housing and Urban Development (HUD), Health and Human Services (HHS), Agriculture (USDA), and Justice (DOJ), are working collaboratively with Tribes to address these and other issues facing Native youth. Agencies are working through the WHCNAA to coordinate around and measure progress in the areas outlined in the OMB budget guidance. The WHCNAA is tracking a number of short and long-term metrics including:

- Percent increase in teacher quarters at the Bureau of Indian Education (BIE) schools that are classified as "Good" in their Facilities Condition Index (FCI)
- Percent of tribal youth participating in federally-funded, tribally controlled programs who offend and/or reoffend
- Percent increase in ICWA-preferred adoptive placements
- Percent increase in the number of students at BIE schools who complete a regular high school diploma within four years from date of 9th grade entry

The Budget enhances efforts to better coordinate and demonstrate results from across the Federal government to serve Native youth through multiple investments, including:

- \$1 billion to support DOI's comprehensive redesign and reform of the BIE, including \$138 million to improve facilities conditions and \$25 million to extend broadband internet and computer access at BIE-funded schools and dormitories;
- \$20 million for HUD-funded community facilities to support Native youth and teacher housing and \$8 million for DOI's efforts to address teacher housing needs;
- \$55 million in HHS's Substance Abuse and Mental Health Services Administration and IHS, to support the Administration's priority of expanding access to mental health services to Native youth;
- \$26.6 million for HHS's Administration for Children and Families to support Native youth resiliency and leadership development, implement special programs to increase and improve Native American language instruction across the educational continuum, and increase the ability of tribes to effectively serve Native youth involved in the child welfare system, as well as \$242 million in mandatory funding over 10 years to strengthen the capacity of tribal child welfare systems, including tribal courts; and
- A \$30 million increase to the Native Youth Community Projects at ED to support community-driven, comprehensive strategies to improve college and career-readiness of Native youth.

The increased investments paired with inter-agency coordination and measurement of progress will provide programmatic support to improve services for Native youth.

Transforming the Bureau of Indian Education (BIE).

The Budget supports a comprehensive redesign and reform of the BIE to provide students attending BIE-funded schools with a world-class education, and transform the agency to serve as a capacity-

builder and service-provider for Tribes in educating their youth. Total funding for BIE elementary, secondary and post-secondary schools is \$912 million, an increase of \$60 million (7 percent) over the 2016 enacted level. The Budget supports this transformation with investments to: increase opportunities and improve outcomes in the classroom; provide excellent instructional services and teacher quality; promote enhanced Native language and cultural curricula and programming; enhance Broadband and digital access; and incentivize creative solutions to school transformations. The Budget also includes \$138 million for education construction to improve school infrastructure and facilities.

Investing in Tribally Driven Education.

The Budget makes a series of investments to improve educational opportunities and quality for all our Nation's schools, which will provide significant benefits for the nearly 470,000 Native students enrolled in those schools. Namely, the Budget provides \$15.4 billion, a \$450 million increase, for the ED's Title I program, its largest K-12 grant program and the cornerstone of our commitment to supporting low-income schools with the funding necessary to provide high-need students with access to an excellent education. The Budget provides \$350 million for Preschool Development Grants, an increase of \$100 million over 2016 to help States, BIE, and Tribal Educational Agencies develop and expand high-quality preschool programs in targeted communities. The Budget also significantly expands the ED's Native Youth Community Projects initiative from \$23 million to \$53 million, to better support comprehensive, community-driven strategies to improve college and career-readiness of Native youth.

SUPPORTING STRONG COMMUNITIES AND FAMILIES

Supporting Strong and Resilient Families through the Tiwahe (Family) Initiative.

As part of the President's commitment to tribal communities, the Budget proposes \$141 million for the Tiwahe Initiative, a \$21 million increase over the 2016 enacted level. The Tiwahe initiative, in concert with support provided by other Federal programs, takes a comprehensive and integrated approach to addressing the interrelated problems of poverty, violence, and substance abuse in tribal communities. Through this initiative, social services and job training programs are integrated and expanded to address child and family welfare, job training, education, and incarceration issues, with the goal of promoting family stability and strengthening tribal communities.

Social Services for Indian Country.

The Budget provides robust funding for social services in Indian Country, including a total of \$971 million at HHS, a \$204 million increase over 2016. This includes \$916 million for programs serving tribes within HHS's Administration for Children and Families, a \$164 million (18 percent) increase over the 2016 enacted level, with \$231 million for Head Start, \$194 million for Tribal TANF, \$55 million for Tribal Child Support, \$212 million for Child Care programs, \$106 million for child welfare programs, \$53 million for the Administration of Native Americans, and \$65 million for other programs serving tribes. This also includes \$55 million in SAMHSA and IHS to reduce the incidence of suicide among Native youth.

At HUD, the Budget includes up to \$5 million to implement a demonstration of the Jobs-Plus model in Indian Country. Jobs-Plus, which combines job training with financial incentives to encourage work, has been shown to boost the annual incomes of public housing residents by \$1,300 on average.

Improving Access to Health Care.

The Budget includes \$5.2 billion for IHS, \$377 million above the 2016 enacted level, to strengthen Federal, tribal, and urban programs that serve more than two million AI/AN people at more than 650 facilities in 35 states. In the 2017 Budget, Contract Support Costs are funded within the IHS budget at the estimated full cost of \$800 million. The Budget includes a proposal to reclassify Contract Support Costs as a mandatory appropriation beginning in FY 2018. The Budget also provides increased resources to purchase health care services outside of the Indian health system when services are not available at IHS-funded facilities. In addition, the Budget proposes to extend the 100 percent Federal Medical Assistance Percentage (FMAP) for services provided to AI/AN through IHS under the Medicaid program. This expansion would include the entire Indian health system, including Urban Indian Health Programs (UIHP), bringing the federal match to UIHPs in line with current law for IHS and other tribally-operated programs.

Public Safety and Alternatives to Incarceration.

The Budget supports public safety and justice programs in Indian Country with \$418 million (a \$109 million increase over the 2016 enacted level) for DOJ and \$373 million for BIA. DOJ funding is provided for additional grants to address criminal justice issues, including tribal victims of violence, and for supporting the Office of Tribal Justice. BIA justice services programs continue investments in reducing violent crime in Indian Country and support continued implementation of a strategic goal to reduce repeat incarceration in targeted communities through a comprehensive "alternatives to incarceration" strategy, which seeks to address underlying causes of repeat offenses, including substance abuse and social service needs through tribal and Federal partnerships.

Housing and Community Development.

The Budget provides \$700 million for HUD's Native American Housing Block Grant program, a \$50 million increase over the 2016 enacted level. This program provides Tribes with funding for vital housing activities, such as construction, rehabilitation, and operations, to help address housing needs in Native American communities. In addition, the Budget provides \$80 million for HUD's Indian Community Development Block Grant program. This competitive program provides funds to Tribes for activities such as improving housing stock, developing community facilities, making infrastructure improvements, and expanding job opportunities. Within this program, up to \$20 million will be used for projects that directly support Native youth, such as community facilities, pre-school centers, and transitional housing, and to attract and retain high-quality teachers in Indian Country by improving the availability and physical condition of teacher housing.

SUPPORTING SUSTAINABLE STEWARDSHIP OF TRUST RESOURCES

The Budget strongly supports the sustainable stewardship of tribal trust lands, natural resources, and the environment in Indian Country, including the protection and restoration of ecosystems and important landscapes; stewardship of land, water, ocean, and energy resources; resilience in the face of a changing climate; and clean and sustainable energy development. The Budget provides \$377 million for the BIA to support tribes in managing resources and for trust real estate services, representing a \$33 million increase over the 2016 enacted level for stewardship of fisheries, wildlife, forests, water, and tribal lands.

Community Resilience in the Face of a Changing Climate.

Tribes throughout the United States are already experiencing the impacts of a changing climate, including drought, intensifying wildfires, changes in plants and animals important to subsistence and culture, and coastal erosion and sea level rise. The Budget provides \$29 million for BIA to support tribal communities in preparing for and responding to the impacts of climate change, a \$17 million increase over the 2016 enacted level. This funding will support tribes in developing science, tools, training, planning, and implementation of actions to build resilience into infrastructure, resource management, and community development activities. Discretionary funding will support Alaska Native Villages in the Arctic in evaluating options for the long-term resilience of their communities, while a portion of mandatory funding in DOI's new Coastal Climate Resilience program would be set aside to cover the unique impacts of climate change in Alaska where some Native Villages are so threatened by rising seas, coastal erosion, and storm surges that they must prepare for potential relocations. Recognizing the particular challenges facing Alaska Native communities, the Budget also provides \$2 million of funding as part of USDA's StrikeForce Initiative to provide technical assistance and enhanced outreach to Alaska Native Villages to accelerate economic development and improve resilience to the effects of climate change.

Protecting and Sustaining Rights and Access to Water.

The DOI Budget provides a total of \$216 million for work supporting Indian water rights settlements and management, an increase of \$5 million over the 2016 enacted level. These investments demonstrate the Administration's ongoing commitment to resolving tribal water rights claims and ensuring that Tribes have access to use and manage water to meet domestic, economic, cultural, and ecological needs. This includes investments to improve DOI's capacity to work with and support Tribes in the resolution of their water rights claims, develop sustainable water sharing agreements, and support water management activities.

Building Tribal Capacity to Protect Environment and Health.

The Budget strongly supports the improvement of environmental and human health outcomes for the 567 federally recognized Tribes. In 2017, EPA will provide \$96.4 million for the Tribal General Assistance Program, a \$31 million increase over the 2016 enacted level. Additionally, IHS will provide \$103 million for Sanitation Facilities Construction, to build and enhance the capacity of Tribes to implement environmental regulatory programs and address environmental and public health needs in Indian Country, including safe drinking water, sanitation, adequate waste facilities, and other environmental safeguards.

Supporting Clean and Sustainable Energy Development and Efficiency in Indian Country.

To improve the permitting of conventional and renewable energy and to support assessment of the social and environmental impacts of energy development on tribal lands, the Budget funds the DOI Indian Energy Service Center at \$5 million. The Department of Energy's Office of Indian Energy also includes \$18 million for its Tribal Energy Program to provide technical and financial assistance designed to help Indian Tribes and Alaska Native Villages and corporations overcome barriers to deploying small to medium-scale renewable energy generation projects (used for heat and electric power), as well as energy efficiency projects that result in reduced or stabilized energy costs, and more efficient use of energy. The program will support clean energy development, energy efficiency

improvements, electrification projects, remote community renewable energy hybrid systems, micro-grid deployment, water-energy project support, and other greenhouse gas emission mitigating technologies for Indian Tribes.