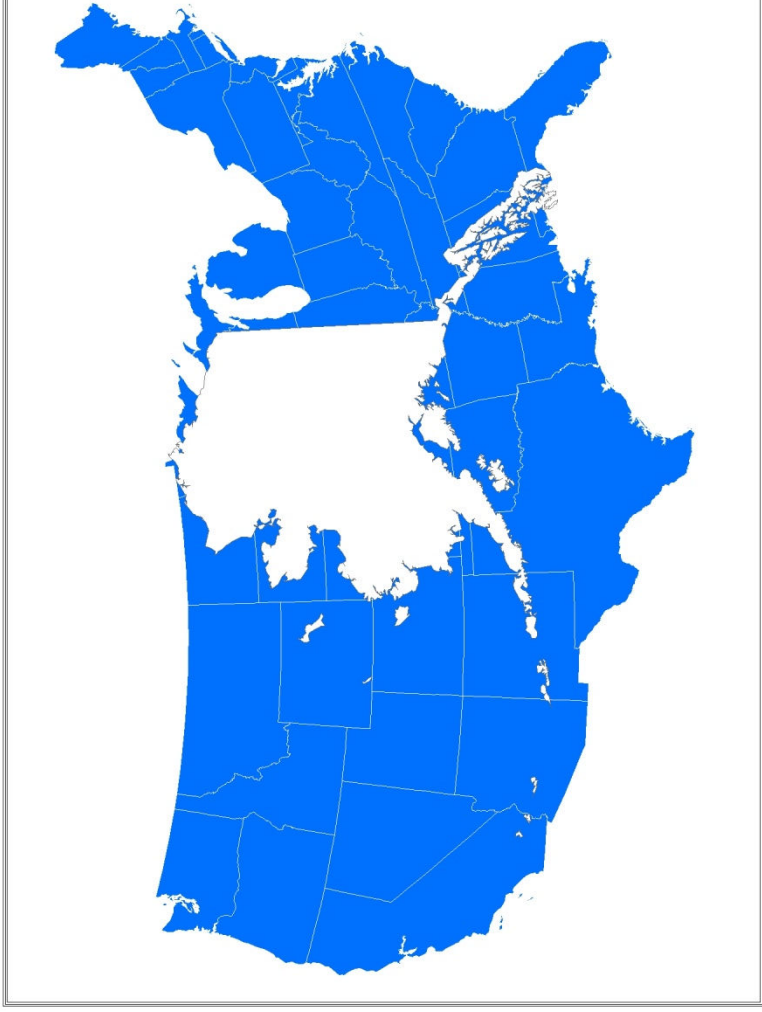


Alaska Region Presentation to the Tribal Budget Advisory Committee

May 12, 2009

Thank you for this opportunity to present the BIA Budget needs of Alaska Tribes and Tribal Members.

First some background and common indicators on Alaska Natives.



Alaska has 231 federally recognized tribes spread across the State of Alaska, which is approximately 663,000 square miles. Enrolled Tribal members number approximately 125,000 – 130,000;

Most Alaska Natives continue to rely on subsistence caught foods for much of their nutrition. Our cultures are based on hunting, fishing and gathering off the land – which is still practiced extensively in rural Alaska.

Subsistence hunting and fishing are important not only for cultural, but also for economic reasons.

Community	Fuel Price
Brevig Mission	\$7.11
Diomedede	\$7.28
Elim	\$8.33
Gambell	\$7.88
Golovin	\$5.32
Koyuk	\$8.06
Saint Michael	\$8.06
Savoonga	\$7.65
Shaktolik	\$7.18
Shishmaref	\$7.91
Stebbins	\$7.98
Teller	\$6.78
Unalakleet	\$7.23
Wales	\$7.98
White Mountain	\$6.31
Nome	\$5.80
Average	\$7.30



Air freight – Anch to Nome - \$.83/lb.

Nome/Vill/Nome - \$314 RT

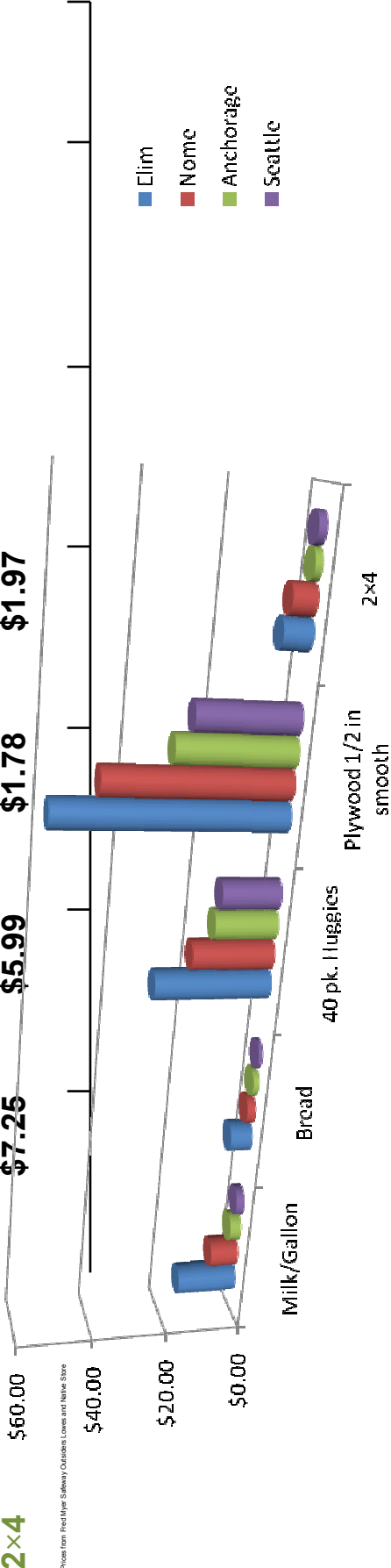
Barge Truck – Seattle To Nome - \$3,000 – \$5,700

Nome/Anch/Nome - \$550 RT

Nome/DC/Nome – 3 wk. advance -\$1,200
Last minute - \$1,800

Elim Nome Anchorage Seattle

Fuel Oil/Gallon	\$8.09	\$5.29	\$3.42	\$2.31
Gasoline/Gallon	\$7.25	\$4.99	\$2.35	\$2.13
Milk/Gallon	\$15.80	\$7.49	\$2.99	\$1.99
Bread	\$5.75	\$2.09	\$1.39	\$0.99
40 pk. Huggies	\$29.77	\$20.99	\$15.99	\$14.99
Plywood 1/2 in smooth	\$58.39	\$46.95	\$29.97	\$25.88
2x4	\$7.25	\$5.99	\$1.78	\$1.97



Common Indicators:

- Alaska Natives per capita income is 51% of the non-Native income;
- Half of Native families have incomes below \$30,000 a year – as compared with 25% of non-Native families. And since we know that Native families are on average larger, those lower incomes often support more people;
- Incomes are especially low in remote areas – Alaska Natives in remote areas have, on average, incomes about 60% of Alaska Natives in other parts of Alaska;
- Less than half of adult Natives have jobs, compared with 73% of non-Native men and 64 % of non-Native women. Native jobs are also more likely to be part-time or seasonal. Only 35% of jobs held by Native people are full-time year round compared to 60% of jobs held by non-Natives.
- The remote areas where incomes are lowest are also the places where costs are highest.

Table 4. Total cost of gas, electricity, and heating fuel for those who pay at May 2008 prices.

<i>Household Income</i>	<i>Anchorage</i>	<i>Kenai & Mat-Su</i>	<i>Mid-Sized & Roaded</i>	<i>Remote Rural</i>	<i>Total</i>
\$28,715 and below	avg. 16.2%	43.1%	29.9%	80.5%	37.6%
\$28,716-\$52,021	avg. 4.4%	9.7%	7.9%	18.2%	8.2%
\$52,022-\$78,601	avg. 3.8%	6.0%	6.6%	11.6%	5.9%
\$78,602-\$119,777	avg. 3.0%	4.1%	5.7%	8.1%	4.5%
over \$119,777	avg. 2.1%	2.7%	3.9%	5.7%	3.0%
<i>Total</i>	5.4%	14.2%	10.6%	31.6%	11.9%

*Source: Institute of Social & Economic Research (ISER)
University of Alaska, Anchorage*



Our population is young: 44% of the Alaska Natives in the State of Alaska are 19 years of age and younger;

Education Attainment

The Bureau of Indian Affairs operated village schools in much of rural Alaska. In 1985, all the BIA schools were transferred to the State of Alaska and the State became responsible for the education of Native children. Alaska Natives are not eligible to receive BIA school funding except for Johnson O'Malley funds.

73% of Alaska Natives statewide have high school diplomas as opposed to 90% of non-Natives though this varies widely by region. In the Bering Straits region, 47% of our adults 20 years of age or older – do not have a high school diploma.

6% of Alaska Natives have a four year college degree as compared with 25% of other Alaskans;

Approximately 10% of Alaska Native high school students statewide drop out of high school.



Public Safety

Public safety in Rural Alaska is provided by : 1) the Alaska State Troopers who are located in the sub-regional centers; and 2) State funded Village Public Safety Officers – there are approximately 60 funded positions state wide.

Almost $\frac{3}{4}$'s of the villages in rural Alaska either have no law enforcement at all or they have Village Police Officers –hired by the 2nd class cities or the tribes - who have no training whatsoever.

Alaska Tribes are not eligible for BIA Law Enforcement funding, nor do they receive Tribal Court funding, though many tribes have active Tribal Courts.



Natural Resources - Tribes and Tribal Consortia are very committed to insuring our continued ability to live off the land. Here you see Kawerak staff installing a fishery weir, so that we are able to count returning salmon and collect samples. Alaska tribes/tribal consortium receive very limited funding for Natural Resources Management. I.e., Kawerak received a total of \$218,987 in natural resources funds on behalf of the 18 tribes in our tribal consortium, out of the \$147 million appropriated in FY 08.



Spring fishing through the sea ice at Koyuk . . .



Because Alaska is so large and a relatively young state, there is a great need for infrastructure development, particularly in the remote, predominantly Native communities in the State. There are no roads to most of rural Alaska, so all food, consumer goods, building materials, comes in either by air freight or by barge during the summer months.



Infrastructure needs, continued

The following needs are representative of villages in rural Alaska.

- | | |
|---|--|
| <ul style="list-style-type: none">• <u>Golovin (1/30/07):</u>• Water and Sewer/Year 'Round Water Source• Relocation of Generator Building/Alternative Energy• Rock Quarry/Heavy Equipment• Erosion Control• Roads, Including to Subsistence Areas• New Store Building• Small Boat Harbor• Own Zip Code/New Post Office• Recreational Building/Day Care• Crosswind Runway | <ul style="list-style-type: none">• <u>Shaktoolik (6/4/07):</u>• bulk fuel tank farm/power plant• evacuation route/gravel site development• erosion control• multi-use building• new housing development• environment/subsistence/wildlife conservation• water system upgrade• Shaktoolik boat harbor• community roads upgrade land expansion and site control |
|---|--|

Alaska Tribes and Tribal Consortiums are increasingly able to access IRR's funding. Funds are used to address the transportation infrastructure needs in our villages.

Shishmaref – in need of protection for roads and infrastructure



After a seawall was installed to help protect Shishmaref's roads and buildings.



Typical village housing in Brevig.



Tribal Budget Priorities as approved/proposed by the TBAC

2007	2008	2009	2010	2011
Education	Education	Education	Pub. Safety	Pub. Safety
Law Enforce.	Law Enforce	Law Enforce	Education	Education
Contract Sup.	Cont. Sup.	Cont. Sup.	Econ. Devel.	Econ. Devel.
Natural Res.	Nat. Res.	Nat. Res.	Natural Res.	Natural Res.
				Contract Sup.

ARRA \$'s

In FY 09, significant amounts of new money was appropriated to the BIA for:

IRR Road Construction - \$310 million

BIA Road Maintenance - \$143

HIP - \$20 million

BIA School Replacement - \$132 million

BIA School Rehab - \$136 Million

BIA Workforce Const. Trng. - \$6 million



Budgetary Impacts on Contractors

In reviewing the budgetary impact to Kawerak between 2000 and 2009, we found that:

- Our total BIA funding had decreased 22.3%;
- Our direct dollars (excluding 477 and one time money) had decreased 2.4%;
- The consumer price index for Anchorage increased 22.82% between 2000 and 2009;
- We estimate our Tribal member service population increased by 10%.

Our funding level has gone down while the cost to provide services and our service population has increased. We have lost buying power because of inflation.



at the recommended minimum funding level of \$200,000 has never been implemented.

Recommendations

In reviewing where increases have been made to the BIA Budget over the years, much of the increases have been in areas of the BIA Budget, which Alaska Native Tribes are not eligible to access: Public Safety, School Operations, Public Safety and School Construction and Central Office operations.

In 1994, the BIA Budget Task Force recommended that all Small and Needy Tribes in the lower 48 should receive a minimum TPA allocation of \$160,000 and that Alaska Small and Needy Tribes should be allocated a TPA base of \$200,000. In 1998, the recommendation to bring all S & N tribes nationwide to \$160,000 was implemented. The recommendation to fund Alaska Small and Needy tribes

We respectfully request and recommend that:

- the minimum TPA funding level for Alaska Small and Needy tribes be increased to \$200,000 as recommended in the 1994 BIA Budget Task Force Report;
- Tribal Priority Allocation funding nationwide be increased by 25% to bring it current with inflation;
- further that TPA be adjusted annually, to keep it current with inflation;
- BIA use the authority per the 1937 Reindeer Act to make funds available to support the reindeer industry;
- \$10,000,000 be appropriated annually to ARO to provide fuel assistance vouchers to Native Households in remote rural Alaska (similar to the CITGO initiative) until such time as fuel prices substantially decrease and/or alternative energy is developed.

BIA TPA dollars are continuing funds that can be directed to areas of high need, unlike competitive grant dollars, that come and go. BIA TPA dollars constitute core funding around which other services revolve and we encourage continuing increases to this budget category in the BIA budget, such that TPA is kept current with inflation, population growth and the cost of providing services.

Quyanafor your attention. Any questions?