



National Congress of American Indians

# NCAI News

June 28, 2002  
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## Senate Appropriations Committee Approves FY 2003 Interior Spending Bill

On Thursday, June 27, the Senate Appropriations Committee approved a FY 2003 funding bill for the Department of Interior and Related Agencies. The bill and accompanying report language have not been filed, but NCAI has obtained a copy of the report language containing the Indian provisions, which are outlined below.

As we reported in Broadcast #02-044, the House Interior Appropriations Subcommittee approved its version of the bill earlier this week. Because the full bill is not yet available, we include funding levels contained in the House bill only where we have been able to obtain this information.

### **Bureau of Indian Affairs**

#### Operation of Indian Programs

The Senate bill contains 1,859,135,000 for Operation of Indian Programs, a \$59.3 million increase above the FY 2002 enacted level and \$22 million above the budget request. The House bill includes a similar funding level.

The Senate bill includes the full amount requested for BIA trust and trust reform programs, restores proposed cuts to tribally controlled community colleges and several earmarks, and increases funding for law enforcement activities along the Mexican and Canadian borders.

(\$ in thousands)	FY 2002 Enacted	FY 2003 Request	FY 2003 House Bill	FY 2003 Senate Bill
BIA Operation of Indian Programs				
Tribal Priority Allocations	752,156	775,534	780,654	775,534
Other Recurring Programs	586,968	596,192	n/a	595,642
Non-Recurring Programs	72,798	67,510	n/a	72,360
Central Office Operations	58,106	72,490	n/a	72,490
Regional Office Operations	62,679	64,223	n/a	64,223
Special Programs/Pooled Overhead	267,102	261,131	n/a	278,886
Pension System/Employee Health	0	21,876	n/a	0
Total – Operation of Indian Programs	1,799,809	1,858,956	1,859,064	1,859,135
BIA Construction				
Education	292,503	292,717	292,717	295,717
Public Safety and Justice	5,541	5,046	n/a	5,046
Resources Management	50,645	39,173	n/a	39,173
Construction Management	6,264	6,134	n/a	6,134
General Administration	2,179	2,182	n/a	2,182

(\$ in thousands)	FY 2002 Enacted	FY 2003 Request	FY 2003 House Bill	FY 2003 Senate Bill
Pension System/Employee Health	0	1,053	n/a	1,053
Total – BIA Construction	357,132	345,252	345,252	348,282
Indian Land and Water Claims Settlements				
Miscellaneous Payments To Indians	60,949	57,949	60,949	57,949
Indian Guaranteed Loan Program	4,986	5,493	5,493	5,493

School Privatization – The Senate bill rejects the proposed \$11.9 million BIA school privatization initiative, which already had been dropped for the year by the Administration due to opposition from tribes and Congress.

Indian Land Consolidation Act – The Senate bill report includes language instructing the Interior Department to report to Congress on the obstacles that are preventing the full implementation of the Indian Land Consolidation Pilot project and the implementation of the Indian Land Consolidation Act Amendments of 2000. No additional funds were requested for FY 2003 because of past years' unexpended balances that were carried over.

Trust Reform – The Senate bill report includes language proposed by Senator Daschle to prevent the use of FY 2003 funds to implement BITAM or other proposals that would affect the BIA's trust authority. The language states:

The Committee finds that, while reforming the management of Indian trust accounts for both individual Indians and Indian tribes must be a top priority for the Secretary, the tribes and individuals directly affected by any changes in trust fund administration had not been adequately consulted on possible solutions and reforms, and the proposals currently being advanced do not sufficiently reflect their input. For this reason, the Committee directs the Secretary to refrain from using any funds appropriated under this title for the implementation of the Department's plan to create the Bureau of Indian Trust Asset Management (BITAM), or for any other use that would remove, reallocate, diminish, or alter the Bureau of Indian Affairs' individual and tribal trust authority in FY 2003.

#### Office of Special Trustee

(\$ in thousands)	FY 2002 Enacted	FY 2003 Request	FY 2003 House Bill	FY 2003 Senate Bill
Office of Special Trustee	99,224	151,027		151,027
Indian Land Consolidation	10,980	7,980		10,980

#### Indian Health Service

The Senate bill includes \$2,841,045,000 for the Indian Health Service, a \$24.7 million increase over the budget request and \$82 million over the FY 2002 funding level. The House bill contains \$2,900,621,000 for the IHS.

The original Chairman's mark of the Senate bill contained a \$99.6 million increase for the IHS. In a surprising development, \$75 million of this increase was stricken shortly before Committee consideration up on Thursday. Because of this last-minute action, the funding allocations in the Committee report are no longer accurate. We are continuing to work with Hill staff to obtain this information, and will provide it as soon as it becomes available.

Restructuring – We can report that the Senate bill restores \$9.7 million in proposed administrative reductions and transfers within the IHS services account and rejects the proposed transfer of the IHS Legislative Affairs offices to the Office of the Secretary, stating that "Native American health issues merit greater emphasis and attention than would be gained in a consolidation at the Department's headquarters level."

Retirement Annuity Payments – The Senate bill mandates the Department of Defense to continue to cover retirement annuity payments for Commissioned Corps officers. The budget request had proposed using \$11.9 million in IHS funds for this purpose.

Sanitation Facilities – Bill language is included to prohibit the use of IHS funds for sanitation facilities construction associated with new homes built using HUD dollars.

We will provide a more detailed analysis of the House and Senate bills as more information becomes available.

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