



NATIONAL CONGRESS OF AMERICAN INDIANS

Testimony of the National Congress of American Indians on FY 2003 Commerce-Justice-State Appropriations Subcommittee on Commerce-Justice-State Appropriations

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On behalf of the National Congress of American Indians (NCAI) and its more than 200 member tribal nations, we are pleased to have the opportunity to present written testimony on FY 2003 appropriations for Commerce-Justice-State.

The tragic events of September 11 brought forth the strength and the determination of our nation to survive in the face of adversity. It is this same spirit that has carried Indian Country through years of annihilation and termination. It is this same spirit that has propelled Indian Nations forward into an era of self-determination. And it is in this same spirit of resolve that Indian Nations come before Congress to talk about honoring the federal government's treaty obligations and trust responsibilities throughout the FY 2003 budget process.

The federal trust responsibility represents the legal obligation made by the U.S. government to Indian tribes when their lands were ceded to the United States. This obligation is codified in numerous treaties, statutes, Presidential directives, judicial opinions, and international doctrines. It can be divided into three general areas – protection of Indian trust lands; protection of tribal self-governance; and provision of basic social, medical, and educational services for tribal members.

NCAI realizes that Congress must make difficult budget choices this year. As elected officials, tribal leaders certainly understand the competing priorities that members of Congress must weigh over the coming months. However, the fact that the federal government has a solemn responsibility to address the serious needs facing Indian Country remains unchanged, whatever the economic or political climate may be. We at NCAI urge you to make a strong commitment to meeting the federal trust obligation by fully funding those programs that are vital to the creation of vibrant Indian Nations. Such a commitment, coupled with continued efforts to strengthen tribal governments and to uphold the government-to-government relationship, will truly make a difference in helping us to create stable, diversified, and healthy economies in Indian Country.

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NCAI's statement focuses on our key areas of concern surrounding the President's budget request. Of course, there are numerous other programs and initiatives within the Commerce-Justice-State appropriations bill that are important to American Indians and Alaska Natives. Attached to this testimony is a breakdown of key programs for which we urge your support at the highest possible funding level as the appropriations process moves forward.

Public Safety

More than 200 police departments, ranging from tiny departments with only two or three officers to those with more than 200 officers, help to maintain public safety in Indian Country. According to a recent Justice Department¹ study, the typical Indian Country police department has no more than three and as few as one officer patrolling an area the size of the state of Delaware.

The same study found that inadequate funding is "an important obstacle to good policing in Indian Country." According to DOJ, the appropriate police coverage comparison may be between tribal departments and communities with similar crime problems. Because the violent crime rate in Indian Country is more than double the national average, we should compare our police coverage with large urban areas with high violent crime rates. According to the Bureau of Justice Statistics, cities like Baltimore, Detroit, and Washington have high police-to-citizen ratios of 3.9 to 6.6 officers per 1,000 residents. On the other hand, virtually no tribal police department has more than 2 officers per thousand residents.

We can certainly point to the lack of an adequate police presence as a contributing factor to the crime rate that plagues many of our communities. The Bureau of Justice Statistics has just released findings that the violent crime rate for American Indians and Alaska Natives is twice as high as the rate reported by Hispanics and Whites and one and one-half times that of African-Americans.

Another contributing factor is our extremely limited jails space in which to house adult and juvenile offenders. According to the Bureau of Justice Statistics, tribal jail capacity exceeded 118 percent in 2000, an increase of seven percent from the previous year.

Given that the Justice Department itself just published a study that justifies the need to increase resources for Indian Country law enforcement, it is astounding to see that our law enforcement programs actually took a \$40 million direct hit in the FY 2003

¹ U.S. Department of Justice, Office of Justice Programs, National Institute of Justice, *Policing on American Indian Reservations*, September 2001.

budget request. The budget would eliminate all \$35 million in tribal jail construction funding and would cut \$5 million in tribal law enforcement personnel funds. We strongly oppose these cuts, and request an increase to the FY 2002 funding levels for Indian Country law enforcement programs.

Economic Development

The Census Bureau's *Poverty in the United States* for 2000 showed that American Indians and Alaska Natives remain at the bottom of the economic ladder – with 25.9 percent of our population falling below the poverty line. This compares to an 11.9 percent poverty rate for all races combined. Today, unemployment rates in Indian Country are the highest in the nation, sometimes topping 50 percent. The development of new and diverse businesses in Indian Country is one cornerstone of self-sufficiency.

Many economic development programs that assist tribes would be cut or eliminated in the budget. The request for the Small Business Administration would eliminate One Stop Capital Shops, Micro-Loan Technical Assistance, New Markets Venture Capital, and BusinessLINC. The Administration also failed to request any funding whatsoever to establish the Office of Native American Business Development, as authorized in the Native American Business Development, Trade Promotion, and Tourism Act of 2000.

Furthermore, programs designed to help tribes close the “dial-tone divide” and improve the telecommunications infrastructures in their communities are eliminated outright or severely reduced in the President's budget. Nowhere is the lack of telecommunications infrastructure more apparent than in Indian Country. According to Commerce Department statistics, nearly forty percent of rural Native American households lack basic telephone service, and less than ten percent have a personal computer or any kind of access to the Internet.

Since 1994, the Technology Opportunities Program (TOP) has helped to improve the technology infrastructure in American Indian and Alaska Native communities. In FY 2002, a record \$4.23 million was provided to projects directly benefiting Indian Country. These grants, combined with contributions from the private sector and state and local organizations, extend the benefits of advanced telecommunications technologies to underserved communities.

Reducing or eliminating economic development tools for Indian Country is unthinkable in the face of the compelling needs that exist. NCAI has approved

numerous resolutions² calling for increased support of economic development programs within the Small Business Administration and Department of Commerce, and we urge that these programs and others that are designed to promote tribal community development be fully funded.

Conclusion

Thank you for this opportunity to present written testimony regarding Commerce-Justice-State appropriations programs that benefit Indian Country. The National Congress of American Indians calls upon Congress to fulfill the federal government's fiduciary duty to American Indians and Alaska Native people. This responsibility should never be compromised or diminished because of any political agenda or budget cut scenario. Tribes throughout the nation relinquished their lands and in return received a trust obligation, and we ask that Congress maintain this solemn obligation to Indian Country and continue to assist tribal governments as we build strong, diverse, and healthy nations for our people.

² See attached resolutions SPO-01-019, SPO-01-020, SPO-01-022, SPO-01-024.

**Attachment A:
Commerce-Justice-State Appropriations Benefiting Tribes**

Department of Commerce

The budget request for the Commerce Department is approximately \$5.2 billion, \$14 million less than the estimate for the current year. Like last year, the Administration has proposed elimination of the Technology Opportunities Program, which in FY 2001 provided \$4.2 million in competitive grants to tribes and tribal organizations for the purpose of expanding telecommunications and technology in their communities. No funds were requested to establish the Office of Native American Business Development, as authorized in the Native American Business Development, Trade Promotion, and Tourism Act of 2000.

Commerce (\$ in millions)	FY 2001 Enacted	FY 2002 Enacted	FY 2003 Request
Economic Development Administration	412.0	335.0	317.2
Minority Business Development Agency	27.0	28.4	29.8
Public Telecommunications Facilities	43.5	43.5	43.6
Technology Opportunities Program	43.5	15.5	0

NCAI Resolution #SPO-01-020 – Supports a \$300 million increase to the Economic Development Administration in FY 2003 to support increased financial assistance to tribal economic and development and planning projects, including tribal manufacturing.

NCAI Resolution #SPO-01-022 – Supports funding for the Office of Native American Business Development.

Department of Justice

Indian Country law enforcement programs took a hit in the FY 2003 DOJ request, with the Administration proposing to eliminate all \$35 million in tribal jail construction funding and to cut \$5 million in tribal law enforcement personnel funds.

DOJ (\$ in millions)	FY 2001 Enacted	FY 2002 Enacted	FY 2003 Request
U.S. Attorneys	5.00	0	0
Jail Construction	33.93	35.19	0
Tribal Courts	7.98	7.98	7.98
Alcohol and Substance Abuse	4.99	4.99	4.99
Juvenile Justice ³	12.47	12.47	12.47

³ FY 2002 Juvenile Justice Funds also can be used for prevention activities focusing on alcohol and drugs.

DOJ (\$ in millions)	FY 2001 Enacted	FY 2002 Enacted	FY 2003 Request
Law Enforcement Personnel (COPS Grants) ⁴	40.00	35.00	30.0

Small Business Administration

The FY 2003 request for the SBA is \$798 million, down from \$1.1 billion in FY 2002 spending. While funding for Small Business Development Centers would rise under the President's proposal, many other programs that assist tribes would be eliminated.

SBA (\$ in millions)	FY 2001 Enacted	FY 2002 Enacted	FY 2003 Request
Small Business Development Centers	88	88	161
One Stop Capital Shops	3	0	0
Micro-Loan Technical Assistance	20	18	0
New Markets Venture Capital	37	0	0
BusinessLINC	7	2	0

NCAI Resolution #SPO-01-019 – Support \$25 million for SBA Office of Native American Affairs in FY 2003 to provide training and technical assistance and to develop and expand Tribal Business Information Centers.

NCAI Resolution #SPO-01-024 – Supports \$750,000 in FY 2003 to the SBA Office of Women-Owned Businesses to establish an American Indian, Alaska Native, and Native Hawaiian Women Entrepreneur Outreach and Technical Assistance Pilot Project.

⁴ As in previous years, FY 2002 law enforcement personnel funds can be used for equipment and training.