



NATIONAL CONGRESS OF AMERICAN INDIANS

NCAI TESTIMONY ON FY 2005 DEPARTMENT OF AGRICULTURE APPROPRIATIONS

March 25, 2004

On behalf of the more than 250 member tribal nations of the National Congress of American Indians, we are pleased to present written testimony on FY 2005 appropriations for the Department of Agriculture.

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On February 4, President Bush proposed a \$83.3 billion budget for the Department of Agriculture that requests decreases for numerous Indian-specific programs within USDA, continuing the trend of consistent declines in federal per capita spending for Indians compared to per capita expenditures for the population at large. This trend demonstrates the abject failure of the federal government to commit the serious resources needed to fully honor its trust commitment to Indian tribes.

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.

We are deeply disappointed that this budget does not reflect leadership by this Administration to take on the "Quiet Crisis" which has resulted from underfunding of federal Indian Programs according to a 2003 report of the bipartisan U.S. Civil Rights Commission. While we recognize that this budget reflects fiscal belt-tightening across the board, we believe this quiet crisis should be a national priority to address—certainly as worthy of focus as programs such as sending a manned mission to Mars. We hope that Congress will work with tribes to see our priorities better reflected in the budget process.

The Department of Agriculture provides programs for American Indians through seven mission areas: Natural Resources and Environment; Farm and Foreign Agricultural Services; Rural Development; Food, Nutrition, and Consumer Services; Food Safety; Research, Education, and Economics; and Marketing and Regulatory Programs. Specific programs in USDA help spur economic development and address nutritional needs for a population continuously plagued by unemployment and poverty. According to the U.S. Census Bureau's *Poverty in the United States: 2001*, 31.2% of reservation inhabitants live in poverty, 2.7 times higher than the national poverty rate. Likewise, unemployment for American Indians averages 43%—twice the rate during the Great Depression—compared to the national rate of 5.5%. Critical to addressing this persistent poverty and unemployment is sustained rural development, a goal of the USDA since 1994 with the creation of the Rural Development Program.

Rural Development Programs

Congress has authorized USDA's rural development programs to assist in building economic growth in the rural areas of the nation with the highest percentage of low-income residents. The tribal program allocation within the budget request is only a very small percentage of the total funding available for Rural Community Advancement Programs, but it will go a long way toward helping to address the needs of some of America's poorest communities.

The President's request for the Rural Community Advancement Program Indian Set-Aside would drastically be cut from the amount enacted for FY 2004. Loans and grants to benefit Tribes for drinking water and waste disposal systems would fall in FY 2005. NCAI strongly supports funding for Water and Waste Disposal Direct Loans and Grants at the FY 2002 level. Funding for water and waste disposal systems for rural and native villages in Alaska would decrease by more than half, from \$28 million to \$11.8 million in FY 2005. In Alaska, 8,400 households face piped water or enclosed haul sanitation; nearly one-third of Native homes rely on "honey buckets" for sewage disposal and 60 villages lack running water. NCAI urges Congress to increase funding for these programs to address these infrastructure needs so critical to public health.

Census of Agriculture

The National Agriculture Statistics Service (NASS) has recently released the 2002 Census of Agriculture. This report states there are only 15,417 American Indian principal operators. This figure is a gross underestimation of American Indian involvement in agriculture production. By Agriculture Statistics Service's own admission, their traditional survey processes were only utilized on Indian Reservations in 3 states.

NASS statistics for the count of Indian principal operators in Arizona illustrates the gross under-estimation of the survey process. Arizona is home to 18 reservations that vary in size from 100,000 acres to 16 million acres. Primary land use on these reservations is agriculture. However, NASS only reports 287 American Indian principal operators. A fact that further illustrates the considerable under-count is that by NASS definition, a farm is one that sells \$1,000 in agriculture products or has the potential to sell \$1,000 in agriculture products. State level USDA funding, congressional districts, reservations, and Indian operators are being short-changed in appropriations based on inaccurate census data.

NCAI asks Congress to direct the National Agriculture Statistics Service to complete an accurate agriculture census on all Indian Reservations prior to 2007. We ask that Congress appropriate \$6.5 million to fund this effort.

Extension Indian Reservation Program

The Extension Indian Reservation Program (EIRP) provides agriculture education and 4-H Youth programs through 28 programs on Reservations nationally. The Omnibus

Appropriation Act of 2004 reduced the EIRP funding by 10.6% or to a level of \$1,667,000. This decrease in program dollars will have a detrimental effect on these important educational programs. Every attempt is being made to maintain the present number of programs.

Individual EIRP programs have received flat level funding since 1994 while salary costs have increased by 40%. There was a slight increase in the overall program funding in 2001 from \$1.667 million to \$1.997 million. This increase was used to add 3 programs to EIRP, one each in the states of Arizona, Idaho, and Montana. A funding level of \$1.667 million will strain the program to the point of inoperability in FY 2005. NCAI urges Congress to reinstate the \$200,000 cut from the FY 2004 level and approve the \$1.997 million Presidential budget request.

Conclusion

Thank you for this opportunity to present written testimony regarding the FY 2005 appropriations for the Department of Agriculture. 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.