

**BIA/TBAC**  
**Crowne Plaza Washington, Silver Spring**  
**May 22, 2007**

Invocation

Brian Patterson

Status of Congressional Action – FY 2008 Indian Affairs President's Budget

Mary Jane Miller, BIA Office of Budget Management Director

Handout and powerpoint presented (available on the NCAI website)

Budget Subcommittee Updates

Ron Allen, Jamestown S'Klallam Tribe Chairman

Chairman Allen said tribal representatives will have to work on the Senate side now. We will have to talk about how we're going to team up to work our various friends in the Senate and the House side. The subcommittee didn't talk more about the FY 2008 budget in the April meeting but more discussed the FY 2009 lanning. Chairman Allen mentioned that Janet Irwin at the Office of Management and Budget (OMB) is an important person to talk to and we should challenge them with our agenda. He asked the TBAC for any more input on FY 2008 action and what tribes have heard. Jim Gray asked Chairman Allen about his perspective of Indian programs in his bill. Chairman Allen said Congressman Dicks (Chairman of the House Interior Appropriations Subcommittee) said determining what is an earmark and what is not a earmark is difficult. Activities that have historically been included in the bill should not be included as an earmark, according to Congressman Dicks. He was the most critical of the *Cobell* settlement. He said it constrained the Interior appropriations bill for other high priority areas to assist tribes. Dicks seems aware that BIA funding is losing ground dramatically. Wallace Coffey thanked Chairman Allen's efforts and asked about the restoration of the Housing Improvement Program (HIP) funding. Chairman Allen said, if the House doesn't restore it, the Senate will likely restore it. Governor Senclair, Ysleta Del Sur Pueblo, said there is a commitment to restore this program. Darrel Seki said he would like to make a motion to advance a 3% increase for Indian programs; seconded. Gov. Senclair asked if the motion could wait to the tribal caucus. Darrel Seki tabled the motion until the tribal caucus.

Chairman Allen said FY08 is challenging to go after a 3% increase. The train has left the station. The administration is starting with a flat budget. We can chip away at the proposed cuts. In the FY09 budget, OMB is asking BIA and DOI to put forward a 3% cut. The Budget Subcommittee instead is proposing a 3% increase from the FY06 number. The Subcommittee is recommending to the Tribal representatives this different proposal, as opposed to last year when the Subcommittee met the planning target for FY08. He said, TPA has continued to erode, so the subcommittee proposed an across the board increase to TPA. Tribal courts, the Johnson O'Malley program (JOM), and other programs would be increased, under the subcommittee's proposal. BIA was proposed a

significant decrease to General Assistance (GA) programs. The subcommittee recommended a consultation with the tribes before the GA program is changed. The subcommittee recommended a 3% increase. We thought that this number is achievable.

#### FY 2009 Budget

The 3% that Chairman Allen alluded to was made of a few pieces. Mary Jane Miller said they asked for an exemption from the target.

Welfare assistance proposal: Jerry Gidner said the discussions on this proposal were the most heated. General Assistance (GA) has a lot of money in it compared to other line items and it sticks out. There are single employables on GA. Jerry Gidner said there was quite a policy debate. President Shirley, Navajo, said if we're going to be cutting GA, there should be more funding for economic development. Jobs are needed in Indian Country. As long as there are no jobs, Navajo needs this program. BIA Director Pat Ragsdale said the cut would target single employables. Welfare assistance is not working. The caseload for single young males is increasing. Chairman Allen said we knew this discussion would arise. He said if we kick off single employable males from GA, we have to provide jobs for them. Jerry Gidner said changing eligibility is necessary for this proposal. Loretta Bullard, President of Kawerak, Inc., said the proposal is presented as though the individuals on GA have an opportunity for employment, however there are no jobs in Alaska. Micheal Cook, USET director, asked a question. Categorically, he's hearing two things: he hears a mandated 3% decrease. The second thing is that under data collection, these cuts are performed under a performance matrix. He also hears that there's a lot of money in GA. He asked what data the rating of the GA program is based upon. This program received a program review of adequate.

Chief Jim Gray asked whose job would it be to convince OMB to accept the Advancing Self determination over target initiative. Governor Senclair said it will be the job of NCAI, the TBAC, and the budget subcommittee.

Carrie McMillan, Cook Inlet Tribal Council, asked how the priorities for DOI (Indian education and public safety) will benefit Alaska, as tribes there do not have either program.

Chairman Allen said with regard to the resolution, this will be a good roadmap to address our agenda. Going for the number is a no-brainer. The issue is how we spin it. The Secretary has his initiatives. The case also needs to be made that those initiatives are questionable if it's at the cost of degrading the existing programs. The current proposal comes at quite a cost – JOM, HIP, etc. How can tribes expect to create self-reliant communities when our funding is decreasing?

We should draft a letter to Fairweather and challenge them to attend our meetings. Governor Senclair said the last time the subcommittee met with OMB, their point was that they were short on data. Chairman Allen said he remembered the OMB discussion.

There may be confusion about the data issue. At some point, this is a shell game. Between OMB and the Department, we don't know exactly what they're looking for. We need better information from the Department and OMB. We have to make sure we're gathering pertinent data.

Roxanne Bighorn, Fort Peck, said she wanted to make sure that tribal courts funding is included in increases. Mary Jane Miller said there is a \$5 million increase proposed for tribal courts.

Roxanne Bighorn said the Indian Land Consolidation Program (ILCP) is also important. The federal representative from OST said ILCP will go in with an in target number as well as an over target.

Another comment was made that tribes should have input on the OST budget. Governor Senclair said we usually include OST in the agenda. Chief Gray said we receive the briefings from OST but usually we focus on BIA's budget.

Chairman Allen mentioned that CSC money is not out yet. In FY09, the over target column includes an additional \$30 million.

\$61.5 million would fully fund DCSC.

Mary Jane Miller mentioned that the numbers presented here cannot leave this room. Art Senclair said our deliberations are important but it has to stay within the TBAC.

Bob Middleton presentation  
Credit Program Consolidation

The credit program has a 20 to 1 output. Job creation is created at the small business level. Community Development Finance Institutions (CDFIs) will help finance small businesses. CDFIs will be encouraged to participate in the guaranteed loan program. The ceiling for the guaranteed loan program has been raised. Now we have to appropriate the money. Last year, \$108 million was put out in loans. Every year, OMB does a calculation of how much money can be put out on the street. The loss rate for this program is very low – 1.88%. SBA's loss rate is about 5%. The Indian Finance Act was put in place to serve the underserved community. Has the bureau tried to increase the amount, asked Chairman Allen. Wallace Coffey asked if the process for obtaining a loan could be simplified. Mr. Middleton said having a circuit rider is possible. There could be an online application process, like [www.ditech.com](http://www.ditech.com) or [www.lendingtree.com](http://www.lendingtree.com). Governor Senclair mentioned that there is an over target item for studying the economic development opportunity of regional detention facilities. There are numerous facets of this activity that should be studied first. Chief Jim Gray asked what the 20-1 ratio meant. Bob Middleton said the appropriation covers the risk for loss. If we have a 1.88% loss rate, OMB has a model that they run the numbers through to calculate the risk of the government. There are a large portion of loans that run well. The appropriation covers

the loss rate period. When \$6 million is appropriated, \$90 million in loans is put on the street.

Rick Gay, Umatilla, expressed concern about the inability to provide bond guarantees. Bob Middleton said the existing law before allowed issuance of bonds. Now, the language in the appropriations bill does not recognize. In the next 6 months, Dave Johnson has been working on Indian finance issues for about a decade, and he and a team, based on the consultations he's held, will be pulling these regulations together. He wanted draft regulations out on the street by the end of June.

Dave Brien, Turtle Mountain, said they testified in front of the MN state banking commission. Three tribal members will establish the first bank on their reservation. They have about 7000 members on the reservation and no full service bank. They can travel quite a ways to another reservation to about 90 bank teller windows. His tribe has no full service bank though. Bob Middleton said jobs in Indian Country are important. Small business creates 66% of the jobs in the US. The ability of tribes to create businesses for other businesses to spur off of are all important. A recent analysis looked at dollar flow on reservations. It looked at all the dollar flows into Indian Country. 95% of the dollars that went in to a reservation went out within 48 hours. Leslie Lohse expressed gratitude for Mr. Middleton's approach to this program. Leslie Lohse said the tribe has issues with bonding. She heard a lot about the Economic Summit. The Pacific Region had asked for training. Something regional and focused.

#### Old Business Update

(Separate document available on the [ncai.org](http://ncai.org) website)

#### Office of Justice Support Update

Chris Chaney

#### **Top Concerns of Regions**

#1 Law Enforcement Funding	9
# 2 (tie) Courts Funding	6
# 2 (tie) Corrections Funding	6
# 3 Drug Abuse (Meth)	5
# 4 (tie) Jurisdictional Problems	4
# 4 (tie) Officer Retention	4

#### **Law Enforcement Funding**

"There is a public safety crisis in Indian country...Basic law enforcement protection and services are severely inadequate for most of Indian country...American citizens living on Indian reservations do not receive even the minimum level of law enforcement services..." Deputy Assistant Attorney General (1997).

#### **Law Enforcement Staffing Shortages**

- BIA Law Enforcement: 1,153 officers needed but have only 358. Gap is 795 officers (69% unmet need).
- Tribal Law Enforcement – 3,256 officers needed but have only 2,197. Gap is 1,059 officers (33% unmet need).
- Total need is 1,854 law enforcement officers.

**President's FY 2008 Safe Indian Communities Initiative**

- **Law Enforcement** - \$5 million increase
- Funding to hire 26 BIA law enforcement officers
- Funding to hire 25 tribal law enforcement officers
- Total = 51 new officers

*Discussion:* Tribal programs have access to other resources as well. They go to DOJ or states and piece together grants.

**Courts Funding**

- Need to establish concrete numbers to quantify need.
- Hiring independent contractor to determine extent of staffing shortages.
- Information to be used in budget development.

**Courts Funding**

- FY 2008 – continue funding of \$1.48 million for Tribal Justice Support Division (new in FY 2007).

**Corrections Funding**

- BIA Corrections: 441 officers needed but only have 174 positions. Gap is 267 officers (61% unmet need).
- Tribal Corrections – 1,397 officers needed but only have 1,056. Gap is additional gap of 341 officers (24% unmet need).
- Total need is 608 corrections officers.

*Discussion:* These figures are from the BIA Gap Analysis. Copies are available to tribal leaders and anyone who would like to see the study. Rick Gay asked if the analysis took into account BIA enforcement having to enforce Fish and Wildlife issues. Chris Chaney said a number of factors could be taken into account as well, such as varying crime rates.

**President's FY 2008 Safe Indian Communities Initiative**

- **Corrections** - \$5 million increase
- Funding to hire 50 BIA corrections officers
- Funding to hire 41 tribal corrections officers
- Total = 91 new officers

**Drug Abuse (Meth)**

- Fueling homicides, sex offenses, aggravated assaults, child abuse/neglect, domestic violence, etc.

- Many tribal leaders across the US are saying this is the *Number One* public safety problem on their reservations.

**BIA OJS Meth Survey**

- 74% of IC law enforcement identified meth as the greatest drug threat
- High availability: powder meth – 43%; crystal meth – 46%
- Increases in crime – domestic violence – 64%; assault/battery – 64%, burglary – 57%; child neglect/abuse – 48%
- 90% need drug investigation training

*TBAC Discussion:* Tribal representatives offered stories of meth use increases on their reservations. Chris Chaney said meth is not just a law enforcement problem, but a health problem, social problem.

Leslie Lohse, Paskenta Band of Nomlaki Indians, said meth presents environmental problems as well as housing issues. Mr. Chaney said the meth labs are decreasing but there is some increases in smuggling. It's very expensive to clean up meth labs. 1 pound of meth is 10 pounds of toxic waste. It costs between \$1,000 and \$10,000. Mr. Chaney said this will be a multi-departmental effort.

Chairman Allen mentioned that this crisis illustrates the need to create a support system. We need to intercept these people before they ever reach an addicted scenario. Director Pat Ragsdale said the coming social services conference is meant to help delineate a comprehensive approach. This is a multifaceted problem that needs to be addressed through courts, drug prevention, social services, etc. This is a discussion about criminality in general. These people need something else to do.

**Federal Law Enforcement Authority**

- BIA OJS working with tribal police departments to provide federal Special Law Enforcement Commissions.
- Tribal police can then enforce federal laws including the federal drug offenses set forth in Title 21 of the US Code.
- Addresses some jurisdictional problems.

**President's FY 2008 Safe Indian Communities Initiative**

- **Meth-related Special Projects** - \$6 million increase.
  - Drug enforcement training.
  - Anti-meth publicity campaign.
  - High-Priority law enforcement needs.

GOAL: REDUCING CRIME IN INDIAN COUNTRY

Chris Chaney  
Deputy Director  
Bureau of Indian Affairs

Office of Justice Services  
U.S. Department of the Interior  
1849 "C" Street, N.W., MS-4551  
Washington, DC 20240  
(202) 208-2874  
Fax: (202) 208-6170

Turtle Mountain said they have 100% drug testing for their tribal council members.

#### Education Update

Tom Dowd

#### FY09 Framework

There is an interest on the part of Indian Affairs to fund safe secure learning environments. Dowd said we need to set the standard high for our high school students to attend higher education. First: we need to build safe, secure education environments for Indian students to learn in; second is strengthening k-12 education; and third is post-secondary education. There is no economic development without an educated and qualified workforce. In the over target area, there is a request for \$50 million for education construction in FI&R, which is under Jack Rever. There is a request for the JOM program.

#### Tribal Caucus