



Oklahoma Tribal Flag Plaza on the North Mall of the Oklahoma State Capitol, Oklahoma City, Oklahoma.

Credit: Tomfs.

SUPPORT FOR TRIBAL GOVERNMENTS

Providing tribes with the tools for effective governance is critical to fulfilling the promise of the Indian Self-Determination and Education Assistance Act. To build a more prosperous American future, the following policy changes are essential.

Key Recommendations

Shared Responsibility:

DEPARTMENT OF THE INTERIOR AND DEPARTMENT OF HEALTH AND HUMAN SERVICES

Interior – Environment Appropriations Bill

- *Fully fund Contract Support Costs at the Bureau of Indian Affairs and Indian Health Service.*

The Indian Self-Determination and Education Assistance Act of 1975, (Pub. L. 93-638) allowed tribes to manage federal trust programs for the benefit of their citizens that would otherwise be administered by the US government. Under contracts or self-governance compacts, tribes administer a vast array of governmental services, including healthcare, law enforcement services, education, housing, land and natural resource management, and other vital social service programs. Program flexibility has allowed tribes to determine internal priorities, redesign programs, and reallocate financial resources to effectively and efficiently address the needs of their respective communities. Tribal communities rely on these programs to help provide the basic requirements of food, clothing, and shelter. However, the greatest impediment to the successful administration of these trust programs is the failure on the part of the US government to fully fund contract support costs. When contract support costs are not paid, tribes cannot fill vital positions in areas such as healthcare and law enforcement, or they are compelled to divert resources to cover these expenses, placing a great economic burden on the tribes and jeopardizing the health, welfare, and safety of their tribal communities. When the US government fails to provide these costs, the government is failing to live up to its trust obligations. These contractual obligations must be fulfilled, so that critical jobs that serve tribal communities can be restored.

DEPARTMENT OF THE INTERIOR

Interior – Environment Appropriations Bill

Bureau of Indian Affairs

- *Fully fund Fixed Costs and Tribal Pay Costs.*

Most federal agencies receive annual increases to their Fixed Costs rates each year to address inflationary costs associated with Fringe Benefits and Pay Costs. Historically, tribes have been disadvantaged because they have never received Fringe Benefit Fixed Cost adjustments. Previous Administrations have only partially funded pay costs. Partially funding or failing to fund pay costs for tribes has devastated tribal communities in terms of critical job losses. Over 900 tribal jobs have been lost and an estimated 300 more jobs will be permanently lost on an annual basis if 100 percent of Pay Costs are not provided. The tribal losses are being further exacerbated by recent projections of costs that have been significantly underestimated. At an estimated total tribal salary level of \$380,624,156 in FY 2013, a nominal pay cost rate of 2 percent would require \$7.6 million dollars. The current US inflation rate is 3.5 percent, and the Cost-of-Living Adjustment (COLA) level was calculated to be 3.6 percent in FY 2012. In FY 2013, the tribal pay cost need is estimated at approximately \$13.7 million to achieve parity with the general US cost predictions.

DEPARTMENT OF THE INTERIOR

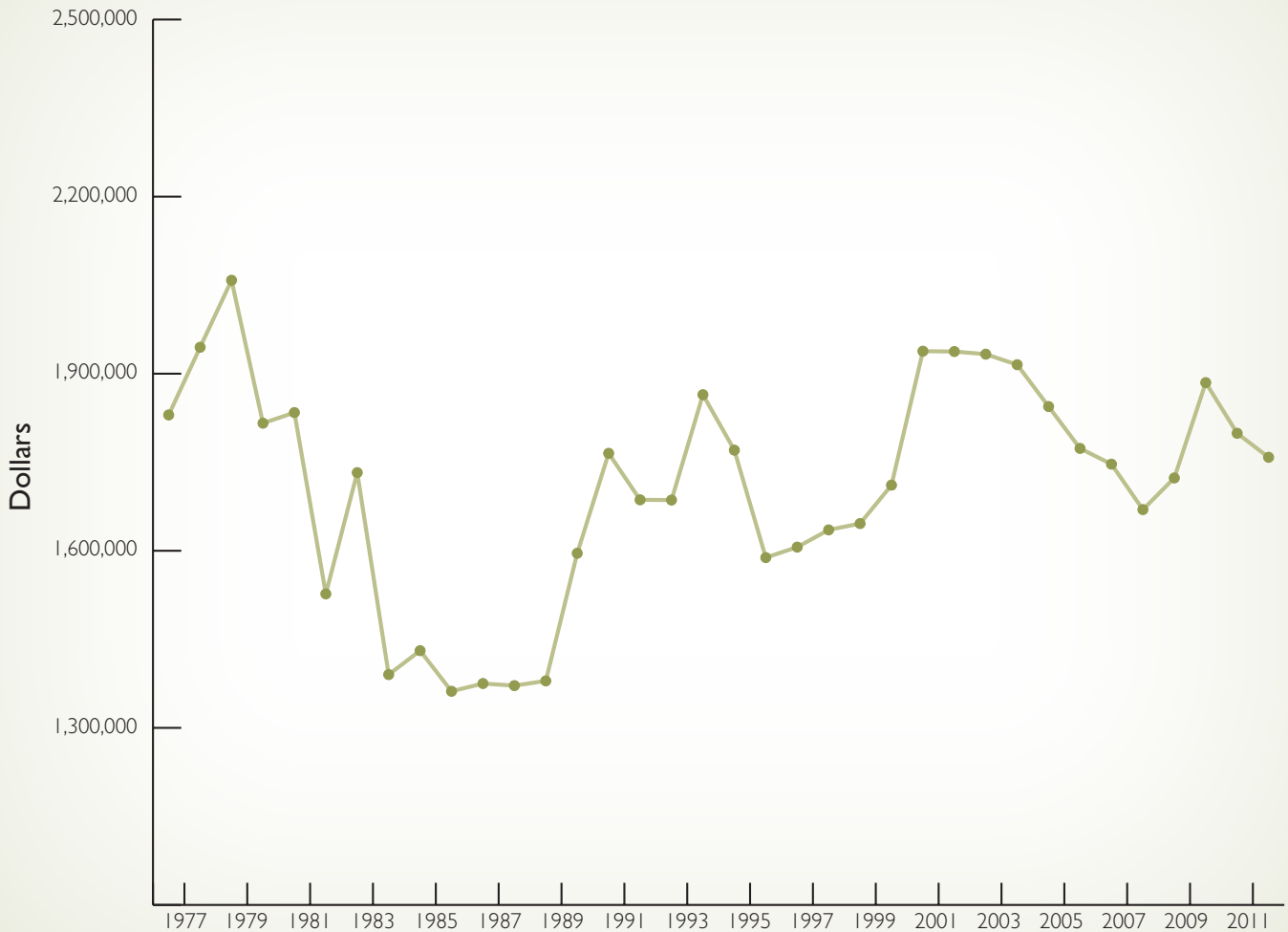
Interior – Environment Appropriations Bill

Bureau of Indian Affairs

- *Increase funding for Tribal Priority Allocations.*

Tribal priority allocations are a critical funding area for tribal governments because they cover such needs as economic development, general assistance, and natural resource management. Yet, for two decades, inadequate funding for Tribal Priority Allocations has hindered tribes from fully exercising their right of self-governance. Severe underfunding has contributed to an array of social injustices in tribal communities. Deficient law enforcement money has led to unacceptable crime rates. A \$40 billion dollar construction backlog is impeding safe and efficient transportation systems in tribal communities, and the failure to adequately fund Indian education has resulted in disparate rates of educational attainment for Native children. Figure 2 on the next page shows the funding provided for core tribal governmental programs through the BIA from FY 1977 through FY 2012 adjusted for inflation. The considerable fluctuations in federal funding that supports tribal governments and Indian programs have prevented tribes from taking full advantage of the Indian Self-Determination and Education Assistance Act. NCAI strongly encourages appropriate funding to fully cover these obligations in the FY 2013 budget.

Figure 2: BIA Funding, FY 1977-2012
(In Constant 1996 Dollars)



SOURCE: Walke, R. (1998). *Indian-Related Federal Spending Trends, FY 1975-FY 1999*. Washington, DC: Congressional Research Service and U.S. Department of the Interior (updated 1/06/2012). Retrieved on December 20, 2011, from www.doi.gov/budget/budget_general/data/pdf/tenyear.pdf.