



IN REPLY REFER TO

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

WASHINGTON, D.C. 20245

8500

Bureau of Indian Affairs
For Release February 4, 1985

Shaw 202/343-4576

BUREAU OF INDIAN AFFAIRS 1986 BUDGET REQUEST IS \$927.4 MILLION

The President's 1986 budget request for the Bureau of Indian Affairs continues to stress the basic goals of strengthening tribal government, encouraging economic development and providing essential program services on the reservations.

The \$927.4 million requested includes increases for school operations, tribal courts, welfare grants, services to newly recognized tribes, and the loan guaranty program under the recently amended Indian Financing Act. There will also be increases for support funds for tribal contracting of reservation programs, for water policy implementation in the northern plains and for cadastral surveys in Alaska to expedite the transfer of land to Native corporations and individuals.

Two programs initiated in 1983, one to assist small tribes develop needed management skills and the other to provide "seed money" grants for reservation enterprises, will maintain funding levels increased in 1985 to \$4.9 million and \$9.8 million respectively. The request for \$47.6 million for law enforcement on the reservations similarly reflects an \$8.8 million increase received in 1985.

The 1986 budget request represents a reduction of \$66.3 million from the 1985 appropriation of \$993.7 million. The two major areas of retrenchment are construction — cut back \$43.2 million — and the Johnson-O'Malley (JOM) program of education assistance to public schools — reduced from \$25.7 million to zero.

The JOM funds are distributed to public schools and school districts enrolling substantial numbers of Indian students. It is supposed to be used for special supplemental programs for the Indians. A BIA education spokesman said this program was considered expendable because similar supplemental assistance is provided in the public schools through programs funded by the Department of Education and the Department of Health and Human Services. He added that reports by the General Accounting Office and the Interior Inspector General have indicated, also, that in many cases JOM funds have been used for basic public school activities, not aimed at the unique needs of Indian students.

Construction funding is requested only for ongoing projects, with no new starts planned for 1986.

(more)

The reservation road construction program of the Bureau will be funded by a \$100 million allocation of contract authority from the Highway Trust Fund of the Department of Transportation. These funds are in addition to those in the BIA request.

A change, mandated by Congress, in the way contract support funds are listed in the budget request makes a line item by line item comparison with the 1985 appropriation misleading.

In 1985, contract support funds totaling \$35.9 million were listed separately in their own line item categories. In 1986, the contract support funds are lumped together with program monies. This has the effect of making program increases seem larger than they really are and making it appear that some programs received increases when, in fact, they did not.

Contract support funds are used for overhead or administrative costs of programs operated by tribal groups under contracts with the BIA.

XXXX

BUREAU OF INDIAN AFFAIRS
F. Y. 1986 BUDGET REQUEST (IN THOUSAND DOLLARS)

	FY 1985 Approp. to date	FY 1986 Budget Request
School Operations	177,265	189,778
Johnson O'Malley Education Assistance.	25,674	---
Continuing Education	53,256	56,627
Education Contract Support	13,073	---
EDUCATION	<u>269,268</u>	<u>246,405</u>
Tribal Government Services	25,936	30,801
Social Services	104,984	113,677
Law Enforcement	44,354	47,620
Self-Determination Services	24,162	24,348
Navajo-Hopi Settlement Program	2,773	2,886
Indian Services Contract Support	14,935	---
INDIAN SERVICES	<u>217,144</u>	<u>219,332</u>
Employment Development	25,414	27,554
Business Enterprise Development	15,688	15,934
Road Maintenance	21,890	22,111
Econ. Develop./Employ. Contract Support	2,675	---
ECONOMIC DEVELOPMENT AND EMPLOYMENT PROGRAMS.	<u>65,667</u>	<u>65,599</u>
Forestry and Agriculture	84,932	90,693
Minerals, Mining, Irrigation and Power	20,758	16,381
Natural Res. Dev. Contract Support	4,460	---
NATURAL RESOURCES DEVELOPMENT	<u>110,150</u>	<u>107,074</u>
Indian Rights Protection	20,550	19,766
Real Estate and Financial Trust Services	28,301	30,456
Trust Responsibilities Contract Support	797	---
TRUST RESPONSIBILITIES	<u>49,648</u>	<u>50,222</u>
FACILITIES MANAGEMENT	<u>88,368</u>	<u>91,140</u>
Management and Administration	48,260	46,418
ADP Services ^{2/}	17,748	17,663
Employee Compensation Payments	6,858	7,523
Program Management	4,805	4,311
GENERAL ADMINISTRATION	<u>77,671</u>	<u>75,915</u>
OPERATION OF INDIAN PROGRAMS (Total).	877,916	855,687
Construction	98,574	70,245
Allocation to BurRec.	8,918	---
Road Construction (approp./reimb.) ^{1/}	5,880	---
Payment to Utah Paiute Fund	2,450	---
Indian Loan Guaranty & Insur. Fund	---	1,485
TOTAL, FEDERAL APPROPRIATIONS	<u>993,738</u>	<u>927,417</u>

^{1/} Does not include \$100 million in contract authority from Highway Trust Fund.

^{2/} New subactivity.