



DEPARTMENT of the INTERIOR

news release

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BUREAU OF INDIAN AFFAIRS BUDGET REQUEST
FOR FY 1994 IS \$2.4 BILLION; AMONG LARGEST REQUESTS IN HISTORY

President Bill Clinton's fiscal year 1994 budget for the Bureau of Indian Affairs proposes to spend \$2.4 billion, an increase of \$261.3 million over the current year, according to documents released today by the Department of the Interior. This is a significant change from budget requests of the last decade, which often proposed substantial funding reductions for the Bureau.

"With this budget, the Clinton Administration is making sound investments to improve both safety and education on reservations," said Interior Secretary Bruce Babbitt. "We've also taken major steps toward the settlement of Indian tribal water rights claims."

The major increase in current appropriations is the establishment of a \$200 million fund to cover Indian land and water rights claims settlements. The FY 1994 request is the first of five \$200 million payments to be made into the fund. For 1994, the funds will be used for those settlements already enacted by Congress. For 1995-98, subject to appropriation, \$200 million per year would be available for funding the out-year costs of enacted settlements and for future land and water settlements negotiated by the Administration and enacted by Congress.

Another major proposed increase is the repair of high risk dams on Indian reservations. The 1994 budget proposes a total program of \$18 million, 64 percent more than the 1993 appropriation. Of the top 100 high-hazard dams on the Department's list, 44 are on Indian reservations; more than half of these are in poor or unsatisfactory condition. During the past two years BIA has made significant progress in accomplishing deficiency verification analyses and design for corrective actions. "The increased funds put the BIA in a position to move forward with design and construction contracts for dam modifications," Babbitt said.

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Corrective action will be completed on Ganado Dam in Arizona and Pablo Dam in Montana. Final design will be completed on six other dams: Equalizer Dam in Idaho; He Dog Dam, Kyle Dam, and Parmelee Dam in South Dakota; Weber Dam in Nevada; and Acomita Dam in New Mexico. Conceptual design will be undertaken on an additional three dams: Dulce Dam in New Mexico, East Fork Dam in Montana, and Indian Scout Dam in South Dakota. The Administration is committed to providing a total of \$138 million for this effort during the next five years.

The request for Operation of Indian Programs (OIP) which encompasses the BIA's day-to-day operating programs is \$1.47 billion, an increase of \$130.9 million. The program areas with major increases are education, self-determination, management improvements, and human services.

Funds for education of Indian children in BIA's 184 funded schools, is increased by \$51.4 million over FY 1993. Program increases include \$33.8 million for the Indian school equalization formula, \$3 million for student transportation, \$2 million for early childhood development, \$8.5 million for administrative cost grants, and \$4.2 million for school operations and maintenance. The requested funding level will support the significant increase in enrollment expected to continue in BIA schools. Enrollment in FY 1993 increased by five percent to 43,700 students. Tribally controlled community colleges will also receive an increase of \$2.4 million which will provide for additional curricula and a higher per student funding level.

Tribal Priority Allocations increased by \$33 million. Funding priorities for these programs are determined by the tribes. The program gives tribes the flexibility to prioritize their budgets according to their unique situations. Program increases include a general increase of \$10 million, an inflation adjustment of \$2 million, \$5 million for Indian Child Welfare Act implementation, and \$1.4 million for operation of six new juvenile detention centers. To provide sufficient contract support for expansion of contracted programs, contract support funds are increased by \$25 million in OIP.

An increase of \$22 million is requested to improve BIA management and accountability, including \$7 million for trust funds reconciliation and management, \$1 million for Indian gaming management, \$3.3 million for financial management improvements, \$2.5 million for automatic data processing decentralization, and \$1.7 million for land records automation. An increase of \$1 million will support additional Area office procurement staff primarily associated with additional road construction projects funded from the Federal Highway Trust Fund and P.L. 93-638 tribal contracts. A \$1 million increase is also requested in construction program management to begin addressing replacement of an automated system for the facilities programs. Further increases of \$5.5 million will be dedicated to strengthening management in areas such as property management, bureau directives, and Chief Financial Officer Act requirements.

Human services increases focus on Indian child welfare and welfare reform. An additional \$6.5 million is requested to start up the tribal grant program and joint BIA-Indian Health Service regional assistance centers authorized by the Indian Child Protection and Family Violence Protection Act of 1990. The Department will also provide an increase of \$5 million for welfare reform. Last year, Congress provided the tribes with increased flexibility and financial incentives to achieve long-term welfare reform goals, but most tribes lack the resources and expertise to develop the required tribal plans.

Most natural resources programs are funded in the budget at the previous year's enacted level. Increases include \$0.35 million for rights protection implementation and \$0.4 million for endangered species resources to manage Indian forests with marbled murrelet habitat. An additional \$1 million is requested in environmental quality services for the Midnite Mine in Washington state. The requested increase of \$4.3 million in irrigation operations and maintenance includes \$2 million to prevent further deterioration of existing systems; \$2 million for safety of dams operation and maintenance; and \$0.3 million for the administration of the Uintah Irrigation Project in Utah.

The requested budget for construction projects in BIA is \$114 million, a decrease largely due to reductions for one-time irrigation project work and the transfer of the Navajo Indian Irrigation Project to the Indian land and water rights claims settlements appropriation.

Increases in the construction program include \$3 million for construction contract support, \$5.4 million for school improvement and repair, \$2 million for jails, and \$2 million for other non-education facilities. In education construction, the budget proposes \$4 million for planning and design and \$13 million for new school construction. With these funds, BIA anticipates completing renovation of Haskell dormitories and completing the construction of the first six schools on the new school priority list.

The Department of Transportation is proposing legislation to increase the authority for Indian road construction for FY 1994 to \$199.4 million, an increase of \$8.4 million in the Department of Transportation Federal Highway Trust Fund. Up to 15 percent of these funds can be used for road sealing on Indian roads.