Budget proposal maintains commitment to improve tribal communities

Media Contact: Nedra Darling, OPA-IA Phone: 202-219-4152
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WASHINGTON – President Bush has proposed a $2.2 billion budget for the Bureau of Indian Affairs (BIA) for Fiscal Year 2006. The budget continues the Department's commitment to reform trust management and provides increases for law enforcement and detention centers, an economic development commission, and a leadership academy pilot program.

"The President's Fiscal Year 2006 budget request for Indian Affairs maintains his commitment to improving tribal communities by targeting federal dollars where they can produce the greatest results," said David W. Anderson, Assistant Secretary for Indian Affairs.

Together with a request of $304 million for the Office of the Special Trustee for American Indians (OST), the Fiscal Year 2006 budget proposes an investment of $2.5 billion in Indian programs.

The Fiscal Year 2006 budget request for Operation of Indian Programs is $1.9 billion.

The Fiscal Year 2006 budget request includes a $12.6 million increase to continue support for Secretary Norton's ongoing efforts to reform current trust systems, policies and procedures. The increase includes $3.0 million to continue to implement trust reform permitting more decisions to be made at the local level and more efficient management of trust assets. An increase of $9.6 million will strengthen the Bureau's efforts to address the current backlog in probating Indian estates. This increase includes $8.0 million for contractor costs associated with case preparation for over 23,000 probate cases and $1.6 million for contract support for title related workload associated with Indian land consolidation, administrative law judges and Youpee activities. The request for the BIA portion of the unified trust budget reflects a $5.2 million savings to the government due to elimination of one-time costs, project task completion, and management efficiency gains.

The budget request also includes $1.5 million for lease costs at the new National American Indian Training Center in Albuquerque, N.M. The center, which was established to provide standardized trust and program-related training, will provide a broad range of mission critical, leadership and career development training to employees of the BIA and OST.

The Fiscal Year 2006 budget request proposes a $16.7 million increase for BIA detention facilities. The proposed budget addresses issues raised by the Interior Office of the Inspector General (OIG) in its September 2004 report that documented poor conditions at BIA detention facilities. The increase includes $4.1 million to support detention operations at four new centers currently under construction with Department of Justice (DOJ) funds, and $3.2 million for facility operations and maintenance at 19 detention centers built with DOJ grants since 2001. The increase adds $4.4 million for detention center improvement and repair construction projects. The proposed budget also includes $5.0 million to

outsource detention of individuals in jurisdictions where BIA facilities do not comply with national standards.

The budget request includes $500,000 to establish an Economic Development Commission to increase tribal business opportunities and reduce unemployment on Indian lands. The commission will investigate impediments to tribal business development and develop an operational model for tribal businesses.

The President's Fiscal Year 2006 budget request for Indian School Operations provides $521.6 million to support 184 BIA-funded schools and dormitories. The BIA and the Department of Education continue to work together to ensure that BIA-funded schools meet performance and accountability requirements under the No Child Left Behind Act of 2001 (Public Law 107-110). The Fiscal Year 2006 budget request proposes a $2.0 million increase to implement pilot leadership academies at four BIA schools. The intent of leadership academies, which will seek to apply the best practices of innovative schools in the public and private sector, is to instill in students a life-long desire and aptitude for learning and encourage post-secondary education.

In addition, the budget seeks $60.9 million for post-secondary education to fund operating grants to 26 tribal colleges and universities and the BIA-operated institutions of Haskell Indian Nations University in Lawrence, Kan., and Southwestern Indian Polytechnic Institute in Albuquerque, NM. The request also includes a $500,000 increase to expand the BIA student loan repayment program, which was first implemented in Fiscal Year 2005 to improve the Bureau's ability to recruit highly qualified new employees.

The Fiscal Year 2006 budget request for Construction is $232.1 million.

Repairing and rebuilding BIA-funded Indian schools is one of Interior's highest priorities. The request for Indian school construction of $173.9 million provides funding for replacement schools and major facility improvement and repair projects. In 2001, 65 percent of BIA-funded schools were in poor condition with 35 percent considered good or fair. After compilation of the work funded through 2006, those numbers will be reversed, showing marked improvement in the condition of schools.

Between 2001 and 2005, funding was appropriated for 34 replacement schools, nine of which have been completed and are in operation. Twenty-five schools are in design or construction phases. Fiscal Year 2006 funding will allow replacement of the Porcupine Day School in South Dakota and fund Phase I of the replacement of the Crownpoint Community School in New Mexico, schools which are next in priority on the new Replacement School Construction Priority List published in March 2004. The reduction in the number of school replacements funded in the 2006 request will allow BIA to focus on completing the 25 schools already under design or in construction.

The Fiscal Year 2006 school construction request includes $128.4 million to fund four major facilities improvement and repair projects, annual maintenance needs, and minor repair projects. These projects will address critical health and safety concerns, improve compliance with code standards, and resolve program deficiencies at existing education facilities.

The Fiscal Year 2006 budget request for land and water settlements is $24.8 million. Settlements resolve long-standing claims to water and lands by Indian tribes. The request includes funds for the Cherokee, Choctaw and Chickasaw settlement in Oklahoma ($10.2 million), the Colorado Ute/Animas La Plata settlement ($8.1 million), and the Zuni water settlement in New Mexico ($5.4 million).

The Fiscal Year 2006 BIA budget request reflects reductions in funding levels for programs that lack performance accountability, duplicate other Federal or state programs, and have implemented management efficiencies. Program reductions include welfare assistance (-$6.4 million), Johnson-O'Malley grants (-$8.8 million), community fire protection (-$1.2 million), therapeutic residential model (-$3.0 million), consolidation of education line officers (-$1.4 million), energy development grants (-$.4 million), agency office administration costs (-$1.4 million), water management and planning (-$2.0 million), water rights negotiations and litigation (-$2.4 million), the endangered species program (-$2.0 million), one-time costs associated with the removal of the Chiloquin Dam (-$2.1 million), and projected savings related to improved fleet and space management (-$.8 million).

The Assistant Secretary - Indian Affairs has responsibility for fulfilling the Department's trust responsibilities to individual and tribal trust beneficiaries, as well as promoting tribal self-determination, education and economic development for the nation's 562 federally recognized American Indian and Alaska Native tribes and their 1.8 million members.