Media Contact: Shaw 202/343-4576
For Immediate Release: February 4, 1985
Print PDF

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.

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.