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Interior Assistant Secretary for Indian Affairs Ross Swimmer said today the President's fiscal year 1988 budget request of $985 million for the Bureau of Indian Affairs (BIA) will enable the Bureau to carry out its responsibilities to the Indian people of this country and still hold the line against increased deficit spending.

The FY 1988 budget request for the main operating account, Operation of Indian Programs, totals $910.2 million, about $11 million less than the current 1987 estimate or about a one percent reduction.

With the budget request, the Bureau is introducing a series of initiatives to "provide incentives and opportunities for self-improvement of both tribes and individual Indians,'' Swimmer said. "All of the initiatives will strengthen the tribes, enhance self-determination, and provide greater opportunity for preservation of Indian culture. This will move the BIA away from the role of 'provider' to the appropriate role of 'enabler'."

The four major initiatives include: moving education away from Bureau control to local communities; an economic self-assistance/self-help program that will reform the general assistance grant program; increased assistance to small tribes through revenue sharing, and; control of drug and alcohol abuse through motivation and rehabilitation.

"These new initiatives are not budget driven, but we are introducing them in the budget process so that we will have the remainder of the current fiscal year to think about them and formulate them into final policy after input from the tribes and from Congress," Swimmer said. "Comments from the tribes and the Congressional hearing process will further shape these programs."

Swimmer said the education initiatives focus on the quality of education for Indian children and propose moving the management of BIA schools to the tribal or state school system. The Bureau has simply not been doing a good job of educating Indian children," Swimmer said. "Despite the fact that the Bureau spends more per student in its schools than public and private schools, test scores by McGraw-Hill reveal that by the time BIA students reach the 12th grade, they are over three years below the national norm. He said that there is need to get away from a system that permits as many as five separate school systems on a reservation to vie for Indian student enrollment and where students move from BIA, to tribal, to public, private and even to off-reservation boarding schools. "Common sense suggests that such a system is not conducive to quality education," he added. The Bureau operates or contracts for the operation of 181 schools in 23 states.

In its post-secondary schools, Haskell Indian Junior College, Lawrence, Kansas; Southwestern Indian Polytechnic Institute, Albuquerque, H.K., and; Institute of American Indian Arts, Santa Fe, N.M., the Bureau will require students to pay a tuition of approximately $850. Students currently not paying any tuition are eligible for all U.S. Department of Education campus-based financial aid as well as BIA higher education grants. In the higher education area, BIA will develop a program in which recipients of higher education scholarships for post-graduate studies will be required to serve in either the BIA or their tribe after graduation in order to receive college grants. Such a "service obligation" requirement

has worked successfully for the Indian Health Service.

Another initiative proposes implementation of an economic self-assistance/self-help program that requires able-bodied recipients of general assistance payments to work or enter job training programs to receive their grants. "We anticipate that most of the jobs or training programs would be in public service, building and repairing homes, laying water lines, sewers, and other needed services on the reservation,•• Swimmer said. The programs would be similar to the Tribal Work Experience Program (TWEP) currently used by some tribes. Recipients would receive some pay for their work or training in addition to their general assistance grant and would eventually leave the "welfare" rolls. Tribes would have an incentive for .putting their members in paying jobs by receiving a share of the savings achieved due to a decreasing percentage of grants paid out in general assistance.

Swimmer said that the initiative would combine the general assistance program ($66 million in 1987); employment assistance ($26 million); and, housing improvement program (about $16 million). The basic mission of the three programs would not change, but would be redirected to encourage and enable self-assistance by Indian individuals.

Small tribes of from 150 to 1,500 members would receive direct funding to operate their tribal governments under another initiative. The current small tribes program funded in FY 87 at $2.8 million would be raised in FY 88 to $6.8 million with expanded criteria of eligibility and purpose.

Continued efforts will be made to reduce the use of drugs and alcohol by Indians, with renewed emphasis on motivation and rehabilitation programs, especially through school counseling and construction or rehabilitation of emergency shelters. Nationally operated programs already proven effective against alcohol and drug abuse will be implemented on the reservations through joint efforts of the BIA and the Indian Health Service.

NOTE: Re attached budget comparison tables showing FY 87 and 88 budget figures. A FY 87 proposal for a single tribe/agency line item was not implemented at the direction of Congress. In FY .1988, five separate sub-activities have been established for requesting tribe/agency funding. As a result, comparisons between the individual line items in the 1988 budget request and the 1987 appropriation are generally meaningless. Major differences in the 1988 request generally reflect the tribe/agency line changes.

(All dollar amounts in thousands) Detailed Program Titles ---------- ---OPERATION OF INDIAN PROGRAMS---	(1) FY 1987 Approp.	(2) FY 1988 Base	(3) FY 1988 Request	(4) Change Col. 3 minus Col.2 + or (-)
EDUCATION				
School Operations	185,471	188,451	187,411	(1,040)
Johnson O' Malley Education Assistance	22,750	20,351	20,351	0
Continuing Education	58,559	26,911	25,869	(1,042)
Substance Abuse/Alcohol Programs	5,400	5,400	2,400	(3,000)
SUBTOTAL, Education	272,180	241,113	236,031	(5,082)

INDIAN SERVICES				
Tribal Government Services	32,429	6,770	6,592	(178)
Social Services	111,601	89,969	90,516	547
Law Enforcement	53,413	7,438	3,177	(4,261)
Self-Determination Services	21,624	45,618	50,682	5,064
Employment Development	26,182	2,225	2,436	211
Tribe/Agency Operations-Ind. Svs.	0	150,052	146,321	(3,731)
SUBTOTAL, Indian Services	245,249	302,072	299,724	(2,348)
NAVAJO/HOPI SETTLEMENT PROGRAM	2,431	2,402	1,971	(431)
ECONOMIC DEVELOPMENT				
Business Enterprise Development	14,296	10,792	13,146	2,354
Road Maintenance	23,157	267	767	500
Tribe/Agency Operations-Econ. Dev.	0	27,061	25,061	(2,000)
SUBTOTAL, Economic Development	37,453	38,120	38,974	854
NATURAL RESOURCES DEVELOPMENT				
Natural Resources, General	2,630	1,581	1,888	307
Agriculture	22,820	2,897	3,506	609
Forestry	33,504	10,060	6,631	(3,429)
Water Resources	11,012	1,967	467	(1,500)
Wildlife and Parks	29,582	10,114	10,301	187
Fire Suppression	25,000	0	0	0
Minerals and Mining	10,259	8,574	6,836	(1,738)
Irrigation Operation & Maintenance	7,587	7,618	7,618	0
Tribe/Agency Operations - Nat. Res. Dev.	0	65,961	58,452	(7,509)
SUBTOTAL, Natural Resources Dev.	142,394	108,772	95,699	(13,073)
T**RUST RESPONSIBILITIES**				
Indian Rights Protection	17,815	20,602	18,849	(1,753)
Real Estate & Financial Trust Svs	32,312	14,231	19,513	5,282
Tribe/Agency Operations-Trust Resp.	0	23,862	23,937	75
SUBTOTAL, Trust Responsibilities	50,127	58,695	62,299	3,604
FACILITIES MANAGEMENT	89,845	87,797	80,907	(6,890)
GENERAL ADMINISTRATION				
Management and Administration	49,726	34,071	38,194	4,123
ADP Services	17,551	16,781	17,731	950
Employee Compensation Payments	7,538	12,203	12,131	(72)
Program Management	5,848	5,927	6,127	200
Consolidated Training Program	840	840	840	0
Tribe/Agency Operations-Gen. Admin.	0	19,553	19,553	0
SUBTOTAL, General Administration	81,503	89,375	94,576	5,201
TOTAL, OPERATION OF INDIAN PROGRAMS	921,182	928,346	910,181	(18,165)
---------CONSTRUCTION				
IRRIGATION SYSTEMS	17,885	9,214	8,194	(1,020)
BUILDINGS ANO UTILITIES	48,110	40,610	32,360	(8,250)
LAND ACQUISITION	0	0	0	0
HOUSING	22,606	16,543	17,340	797
TOTAL, CONSTRUCTION	88,601	66,367	57,894	(8,473)
-------ROAD CONSTRUCTION--------				
Base Program (Direct Appropriations)	0	0	0	0

----REVOLVING FUND FOR LOANS----				
Current Appropriation	0	0	0	0
Limitation on Direct Loans (Non-Add)	16,320		13,000	
-------LOAN GUARANTY-------				
Current Appropriation	2,452	2,452	3,285	833
Limitation on Loan Guarantees (Non-Add)	0		23,500	
----WHITE EARTH TRUST FUND----				
Base Program (Direct Appropriations)	6,600	6,600	0	(6,600)
----MISC. PAYMENTS TO INDIANS----				
WHITE EARTH LAND SETTLEMENT ACT	0	0	788	788
(Adm.)	0	0	2,140	2,140
OLD AGE ASSISTANCE	0	0	10,700	10,700
PAYMENT TO TOHONO O'ODHAM NATION	0	0	13,628	13,628
TOTAL, MISC. PAYMENTS TO INDIANS				
****GRAND TOTAL - BIA - FEDERAL FUNDS**	1,018,865	1,003,765	984,988	(18,77
TRUST FUNDS (Definite)	1,000	0	0	0
TOTAL-CURRENT AUTHORITY - BIA	1,019,835	1,003,765	984,988	(18,777)
PERMANENT & TRUST ACCOUNTS:				
*MISCELLANEOUS PERMANENTS (BA)	54,000	51,000	51,000	0
*OPERATION & MAINT. OF QUARTERS (BA)	9,000	9,000	9,000	0
*COOPERATIVE FUND (Papago)	1,100	896	932	36
MISC. TRUST FUNDS:				
• Tribal Trust (Permanent)	405,887	394,100	397,570	3,470
• Other Trust Funds	258	210	500	290
*SUBTOTAL, MISC. TRUST FUNDS	406,145	394,310	398,070	3,760

*****TOTAL, - BIA - PERM/TRUST FUNDS*****	470,245	455,206	459,002	3,796

*****TOTAL - BIA - ALL FUNDS*****	1,490,080	1,458,971	1,443,990	(14,981)

Bureau of Indian Affairs

1988 Budget Initiatives

The following is a summary and background on several of the BIA's major 1988 budget initiatives:

Indian Education

Elementary and Secondary Schools:

- In order to offer Indian students a better quality of education, the BIA in 1988 will expand the use of alternative delivery systems for federally funded Indian schools. The BIA proposes to increase

the use of contracting and cooperative agreements with tribal governments and public school systems.

- Federal funding will remain near the 1987 level for schools that enter into cooperative agreements with state education or into self-determination contracts with tribal governments. The Bureau was allocated $153.8 million in fiscal year 1987 to operate its elementary and secondary schools. In 1988 the Bureau is requesting $163.1 million.
- The BIA will retain oversight to ensure that cultural and traditional opportunities continue and to monitor academic progress. Federal responsibility will be enhanced rather than ended.
- Indians in public schools oftentimes score higher in basic skills tests than Indians in BIA schools. In New Mexico, for example, Indian students in public schools out perform Indians in BIA schools at every grade level.
- Approximately 40,000 or ten percent of all Indian children attend the BIA's 181 schools. The education they receive there oftentimes is alarmingly substandard. In some states, eighth graders in public schools test a full year ahead of BIA students. By the time BIA students reach the 12th grade they test on average at the eighth grade level, according to McGraw-Hill test scores. Nevertheless, the Bureau spends more per student than the nation's public school systems. Despite that, most BIA elementary and secondary schools are not in compliance with academic standards set by the Bureau of Indian Affairs.
- A 1986 field study conducted by the Edwin Gould Foundation for Children reported that "the quality of education on the reservation is poor" and "school administration is badly fragmented." There can be as many as four school systems on one small reservation, according to the report. BIA, public, private and contracted schools cause a duplication of services.
- "Despite improving scores from 1984 in every area of achievement, BIA students in grades 1-12 performed substantially below the national norms in reading, language and mathematics," according to McGraw-Hill researchers
- While 66.6 percent of all students in the United States graduate high schools, only 48 percent of the Indian population graduated, according to the 1980 Census. Nationwide, 16.2 percent of all students graduated college in 1980 while only 7.7 percent of the Indian population graduated.
- Except for minor adjustments in the elementary and secondary school budget, this initiative is revenue-neutral.

Higher Education:

- The Bureau of Indian Affairs in 1988 proposes to develop a program in which recipients of BIA graduate scholarships will be required after graduation to serve in either the Bureau or a tribe in order to receive college grants.
- A "service obligation" requirement has worked successfully for the Indian Health Services in the Department of Health and Human Services.
- More than 250 Indian graduate students receive funding each year through the BIA's special higher education program. Those students fall under these categories: 73 percent, master's degrees; 22 percent, doctorates; and five percent, certificates. Most are in the priority fields of health, business, education, natural resources and engineering.

Post-Secondary Schools:

- The Bureau of Indian Affairs proposes in 1988 to require students attending the BIA's three post-secondary schools to pay a tuition. Approximately 1,400 students attend the BIA-run Haskell Indian Junior College, Kansas; Southwestern Indian Polytechnic Institute, New Mexico; and the

Institute of American Indian Arts.
- Students, who currently pay no tuition, will be required to pay approximately $850 per year. They are eligible for all U.S. Department of Education, campus-based financial aid as well as BIA higher education grants.
- The BIA spends $12.2 million to operate the three schools.

Self-Assistance

- The Bureau of Indian Affairs in 1988 proposes to implement an economic self-assistance program that will require able-bodied recipients of BIA general assistance payments to work or train in order to receive their grants. This initiative relies heavily on the concept of self-help, in which local residents work in their own communities on projects like building waterlines, housing and other needs.
- The plan coordinates three BIA programs -- General Assistance, which paid more than $66 million last year to 70,500 low-income Indians; Employment Assistance, a $26 million program designed to provide job training; and the Housing Improvement Program, which renovates sub-standard Indian homes. By coordinating these efforts, the self-assistance program opens a workforce in Indian Country that will continue to receive a check while working or training in the private sector as well as in self-help community projects.
- The short term goal of this initiative is to move general assistance recipients from unproductive roles to productive ones. The long-term goal is move recipients from the welfare roles to nonsubsidized payrolls.
- Unemployment oftentimes is the key to many of the socio-economic problems Indians face today. Alcoholism, which is responsible for 30 percent of the deaths per 100,000 Indians, is prevalent in areas of high unemployment. Nearly 30 percent of all Indians live below the poverty level. Indian unemployment, which stood at 13 percent nationwide in 1980, is the highest of any other race.

Tribal Government Assistance

- Recognizing the special needs of tribal governments, the Bureau of Indian Affairs proposes to establish Tribal Government Assistance, a program that will award revenue sharing grants to small tribes with populations between 150 and 1,500. These grants will enable tribal governments to maintain the basic management functions necessary to their survival.
- Tribal Government Assistance also will provide specialized technical assistance to any tribe whose ability to govern is threatened by indebtedness and other financial management problems.
- Tribal Government Assistance replaces and strengthens the BIA's "Small Tribes Initiative," which in 1987 offered $2.8 million to troubled tribes. In 1988 the BIA requests $6.8 million to better enable tribal governments to carryout their administrative responsibilities

Equity Funding

- The Fiscal Year 1988 budget request includes $700,000 to conduct a special study that will identify criteria and methods for determining equity in the allocation of BIA funding to tribal governments. Approximately $300 million in BIA funding currently goes directly to tribal governments.
- Tribes and other groups have expressed concern about the method by which the Bureau establishes funding for each tribe. The BIA has received numerous recommendations, most of which call for more "equity" in Bureau allocations.

- A federal court in 1980 required the Indian Health Service to develop an equity funding method.
- The Bureau of Indian Affairs is committed to maintaining a government-to-government, self-determination relationship with tribal governments. Therefore, federal funding levels should be distributed among the tribes based upon a rational and equitable method.
- BIA funding for tribes has evolved through arbitrary executive and legislative directions.
- The analysis envisioned for this initiative must review each BIA program in sufficient detail to determine the many factors leading to an equitable formula for resource allocation.

Improving Trusteeship

- In order to raise the quality and standard of trust responsibility, the BIA in 1988 will increase internal modernization of trust programs and systems and acquire private sector services that enhance the Bureau's trustee capabilities. To accomplish this, the BIA proposes the following initiatives:
- Establish agricultural technical assistance centers - Private sector contractors will offer technical assistance to tribes and individual Indians in the extension areas of agribusiness, soil conservation and range management.
- Offer forestry marketing assistance - Approximately six million commercial acres of forests held in trust make Indian umber owners a potential economic force in the timber and fiber industries. In order to maximize profits and better manage forest assets, the BIA will offer quality technical assistance from the private sector to improve marketing and sales incomes.
- Increase energy and mineral development opportunities - The BIA will emphasize offering contracts for energy and mineral development directly to Indian tribes. In the past, the BIA has conducted mineral inventory and assessment studies on its own. This will allow tribes locally to determine what opportunities exist and which ones to pursue.

Distribution of Bureau and Tribally-Contracted Schools by State

The following is a break down by state of BIA-funded schools run by either the Bureau or contracted by a tribal government:

Arizona
Students 13,445
Schools 54

California
Students 529
Schools 1

Florida
Students 100
Schools 2

Idaho
Students 93
Schools 2

Iowa
Students 74
Schools 1

Kansas
Students 80
Schools 1

Louisiana
Students 35
Schools 1

Maine
Students 316
Schools 3

Michigan
Students 85
Schools 1

Minnesota
Students 515
Schools 4

Mississippi
Students 1,126
Schools 6

Montana
Students 340
Schools 4

Nevada
Students 65
Schools 2

New Mexico
Students 9,411
Schools 43

North Carolina
Students 946
Schools 1

North Dakota
Students 3,346
Schools 11

Oklahoma
Students 510
Schools 5

Oregon
Students 360
Schools 1

South Dakota
Students 5,561
Schools 26

Utah
Students 225
Schools 2

Washington
Students 464
Schools 7

Wisconsin
Students 304
Schools 2

Wyoming
Students 322
Schools 1

TOTAL
States 23
Students 38,302
Schools 181*

* 64 of these are contracted by tribal governments.