Indian Affairs - Office of Public Affairs

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Interior Secretary James Watt said today President Reagan's budget amendments sent to Congress this week include a reduction of seven percent -- $75.9 million for the Bureau of Indian Affairs for the fiscal year 1982 budget presently pending in Congress.

"Although the budget amendments propose a reduction in Bureau of Indian Affairs programs from $1.083 billion to $1.007 billion, this constitutes a seven percent cut, well below the Department's overall budget cut of 18 percent in annual appropriations," Watt pointed out. “I am confident that with the new initiatives to be taken to increase flexibility in working with available resources, we will be able to meet reservation needs,” he added.

By merging and consolidating several programs into a single appropriation activity, the Bureau plans to give tribes a simpler and more flexible method for setting priorities, as well as tribal goals and objectives.

James F. Canan, Interior's Acting Deputy Assistant Secretary for Indian Affairs, said the budget amendments propose a consolidation off budget activities now in use for Agricultural Extension, supplemental Johnson O'Malley Educational Assistance, Adult Education, Community Fire Protection, Direct Employment, Adult Vocational Training, Self-Determination Grants, supplemental Higher Education Grants, Indian Action Teams, and Housing. These programs presently total $162.1 million including $6.2 million for the Contract Support Program.

"By combining these programs and providing flexibility in their use, we believe savings can be realized while still meeting tribal needs. We are proposing a Consolidated Tribal Government Program activity of $120 million - - plus $1.5 million for program management -- to be used as block grants to be apportioned to the tribes for those programs," he added.

Canan said the single line item budget activity of $120 million will have approximately$40 million less than the total of all the previous individual programs, but the single budget activity offers greater tribal choice in allocating available resources to meet real needs of the tribes. As part of the budget consultation process, each tribe will be given the option of selecting, within an overall dollar level, the amounts and types of the consolidated programs the tribe or the Bureau will operate on the reservations during any budget year. If the tribe chooses to operate the program, they will do so with funds received under a new grant mechanism with the attributes of a block grant.

“This combination of a single budget activity and the new Bureau grant would give the tribes a more effective means of setting priorities and dealing with the operations of the programs consistent with Federal laws and regulations, as well as tribal goals and objectives,” Canan added.

Additional reductions will be made in Personnel and Travel, $10.9 million; Road Construction, $3 million; Facility Improvement and Repair, $12.7 million; Forestry Initiatives, $.7 million; Business Enterprise Development efforts, $1.4 million; Welfare Grants to Alaska, $5.7 million; and Tribal Managers Corps, $1 million, for an overall total of $75.9 million.

Canan pointed out that legal authority already exists to treat financial assistance under the programs to be consolidated as grants if operated by the tribes.

“We plan to start work immediately on distribution formulas, new guidelines and more detailed program design to implement the block grants. We will be guided in all these matters by the views of tribal leaders,” he added.