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The President's 1987 budget request of $923.7 million in appropriations for the Bureau of Indian Affairs (BIA) puts new emphasis on the concepts of Indian self-determination and tribal self-government through the introduction of a new line item category for tribal/agency operations, putting almost one-third of the total BIA budget under more direct control of the tribes.

The 1987 request also proposes the transfer of the $22 million Johnson-O'Malley education program to the Department of Education (DOE) and the move of $11.5 million in Title IV education programs from DOE to the BIA. Special legislation to effect ·this change will be needed. The rationale is to have all programs affecting Indian students attending public schools administered in the Department of Education and to move Indian education programs affecting federal or tribal schools to the BIA.

Interior Assistant Secretary Ross Swimmer, who assumed direction of the Bureau of Indian Affairs in December, 1985, said he "was pleased that the 1987 budget request reflected the growing role of tribal governments in the operation of reservation programs." He added, "Even though the President's budget has been designed to comply with the deficit reduction requirements of the Gramm-Rudman act -- with no further reductions anticipated -- there is still an increase of $8.5 million provided for the operation of Indian programs." The 1986 total for BIA program operation is $853.6 million; the 1987 request is for $862.l million.

The Assistant Secretary said he intended to send all tribal chairmen a detailed explanation of the budget request, with further information about opportunities for consolidated grants, contracts and cooperative agreements under the new tribal/agency operations funding category.

The $295 million requested for tribal/agency operations includes funding for local service programs planned and operated at the reservation or .agency level and some other programs offering direct services to tribes and individuals. The consolidated funding of these operations will allow tribes more flexibility in making local decisions concerning fund usage to meet current needs and will reduce federal restrictions.

The program dollars budgeted for tribal/agency operations will be justified under the umbrella of a single budget activity with no subactivity line itemization. This will allow the tribes to request the use of the funds for various purposes within broad Congressional authorizations without going through the cumbersome and slow process of reprogramming required for exchanges between line items.

Comparisons between the individual line items in the 1987 budget request and those in the 1986 appropriation are generally meaningless because of the new tribal/agency operations category, which includes funds transferred from most of the other line item programs.

Programs receiving 1987 increases include self-determination services, $4.2 million; social services, $1.2 million; business enterprise development, $1.2 million; real estate and financial trust services, $4.6 million; management and administration, $1 million; and a new consolidated training program, $1.4 million.

The increase in self-determination services results from a $5.6 million increase for the indirect costs of new tribal contracts for reservation programs, an increase in technical assistance and a decrease of $1.7 million for small tribes core management grants.

The $4.6 million increase in real estate and financial trust services includes $3 million for cadastral surveys, mostly in Alaska, and more than $700,000 for land records improvement. An increase of $450,000 for financial trust services will be used to improve trust fund investment operations and to develop and implement a new trust fund accounting system.

The $1.4 million requested for the new consolidated training program will be used to recruit and train qualified Indians to improve the quality and efficiency of the services provided by the Bureau to tribal groups. The BIA will activate understudy, cooperative education and in-service training programs for its employees.

Some of the major decreases from the 1986 appropriation levels are accounted for by the transfer of the Johnson-O'Malley program, $22.1 million; reduced construction, $41. 7 million; and elimination of one-time payments of $6 million for emergency hay purchases and $7.5 million for payments to the Alaska Escrow account.

There has also been a reduction of $12 million for programs in Alaska. Because of the implementation of the Alaska Native Claims Settlement Act and the assumption by the state of greater responsibility for education and welfare programs, previous levels of federal financial support for Alaska Natives are no longer considered necessary.

BUREAU OF INDIAN AFFAIRS BUDGET REQUEST FOR 1987

	Adjusted FY 1986 Appropriation *	FY 1987 Estimate
	Amount	**Amount**
EDUCATION		
School Operations	181,235	185,596
Johnson O' Malley	22,053	0
Continuing Education	54,001	20,212
Base Transfer from Dept. of Edu.	0	11,500
SUBTOTAL, EDUCATION	257,299	217,308
INDIAN SERVICES		
Tribal Government Services	30,782	5,604
Social Services	108,337	93,103
Law Enforcement	46,481	3,101
Self-Determination Services	20,420	12,262
Navajo-Hopi Settlement Program	2,805	2,931
SUBTOTAL, INDIAN SERVICES	208,884	117,001
ECONOMIC DEVELOPMENT & EMPLOYMENT		
Employee Development	25,550	2,593
Business Enterprise Development	13,186	11,643
Road Maintenance	22,077	314
SUBTOTAL, ECON. DEV./EMPLOY.	60,810	14,550

	Adjusted FY 1986 Appropriation *	FY 1987 Estimate
NATURAL RESOURCES DEVELOPMENT		
Forestry & Agriculture	97,612	19,712
Minerals & Min/Irr. & Power	16,775	15,328
SUBTOTAL, NATURAL RES. DEV.	114,387	35,040
FACILITIES MANAGEMENT	87,372	88,597
GENERAL ADMINSTRATION		
Management & Administration	47,123	31,530
APA Services	17,163	17,651
Employee Compensation Payments	7,156	7,538
Program Management	4,325	6,148
Consolidated Training Programs	0	1,350
SUBTOTAL, GENERAL ADMIN	75,767	64,217
TRIBE/AGENCY OPERATIONS	0	295,088
TOTAL PROGRAM OPERATIONS	853,575	862,060
CONSTRUCTION		
Building & Utilities	33,844	28,960
Irrigation Systems	17,438	13,900
Land Acquisitions	2,283	0
Housing	42,564	16,295
Fire Suppression Transfer	4,689	0
TOTAL CONSTRUCTION	100,818	59,155
Indian Loan Guaranty and Insurance Fund	2,103	2,485
Payment to Alaska Escrow Account	7,493	0
TOTAL APPROPRIATION	963,989	923,700

* 1986 Appropriation figures have been adjusted to reflect a 4.3% Gramm-Rudman reduction.

(All dollar amounts are in Thousands.)