

April 16, 2004
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Self-Determination Pay Costs in the FY05 Budget -- Pay Costs (cost of living pay allowances) have historically been provided by the Administration and Congress in tribes' P.L. 93-638 contracts and self-governance compacts. The Pay Cost amounts for each tribe are determined each year based on wage and salary data submitted by tribes. Unfortunately, for the fourth year in a row, the President's FY 2005 budget includes a reduction in P.L. 93-638 Pay Cost funding for tribes. In FY 2002, all tribes received only 75% of their Pay Cost funds, in FY 2003 tribes received only 15% of their needed Pay Cost funding, and in FY 2004, tribes received only 30% of their Pay Cost funds.

The reduction in Pay Cost funding affects every tribe with a P.L. 93-638 contract or self-governance compact – virtually every tribe in the nation. Cuts to Tribal Pay Cost funds results in serious, long-term damage to Tribal service programs.

NCAI is calling on all tribes to communicate with the House and Senate Interior Appropriations Committees to ask that full P.L. 93-638 Pay Cost funding be provided to Tribes in FY 2005, and that future cuts to this critical item be taken off the table. Sample language on this issue is attached below. Letters should be faxed to Senate Interior Appropriations Subcommittee Chairman Conrad Burns (202-228-4532) and Ranking Member Byron Dorgan (202-224-1193), and to House Interior Appropriations Subcommittee Chairman Taylor (202-225-9069) and Ranking Member Norm Dicks (202-225-9476).

NCAI Resolution ABQ-03-005, which calls for restoration of full Pay Costs in FY 2005, is posted at www.ncai.org. For more information, contact Amber Ebarb at NCAI, (202) 466-7767.

SAMPLE LETTER LANGUAGE

Dear _____,

I am writing to request your assistance to restore Pub.L. 93-638 (Self-Determination Act) Pay Cost funding for contracting Indian Tribes in the FY 2005 Interior Appropriations budget at a level truly comparable to that provided federal employees.

Tribal governments have suffered unprecedented erosion in federal funding for their critical core governmental services in recent years. The only general increase tribes have been able to count on each year has been a cost of living pay increase under the 638 Pay Cost account. In the past, funding for that account has matched what the Administration and Congress provide for federal workers employed by federal agencies each year. But in recent years, even this cost of living pay increase has been under attack. Tribes received only 75% of their comparable 638 Pay Cost funding in FY 2002, only 15% of their comparable 638 Pay Cost funding in FY 2003, and about 30% in FY 2004.

The failure of the BIA, OMB, and Congress to protect Pay Cost parity between federal and tribal employees seriously undermines the federal Indian policy of self-determination. I ask for your assistance to restore full 638 Pay Cost funding for tribes in FY 2005 in the BIA and IHS budgets, and to consider restoring 638 Pay Cost funding not received in FY 2002-2004 through a special appropriations equitable adjustment.

I thank you in advance for your assistance in this important matter.