

June 11, 2004
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House FY 2005 Interior Appropriations Details – On June 9, the full House Appropriations Committee marked up and approved the FY 2005 Department of Interior and Related Agencies Appropriations Bill, which funds the Bureau of Indian Affairs and Indian Health Service. The bill has been placed on the House calendar and is expected to be considered by the full House on June 16.

Bureau of Indian Affairs Summary

The Committee recommends a total of \$2.33 billion for the Bureau of Indian Affairs for FY 2005, \$29 million or 1.3% above current funding and \$81 million or 3.6% more than the Administration's request. The Committee restores funding for the BIA School Construction program, Crownpoint Institute, and United Tribes Technical College and recommends a \$79 million decrease for the Office of Special Trustee and language to cap historical trust accounting at \$58 million. Highlights are described below and the funding charts provide further details.

Tribal Priority Allocations – The Committee recommends the same amount as requested by the administration, \$775.6 million for FY 2005, .65% and \$5 million over current funding.

Other Recurring Programs – The total is \$612 million, an \$11.4 million increase over the FY05 request which includes increases of \$1,942,000 for student transportation, \$3 million for the Administrative Cost Grant Fund, \$4 million for the Timber-Fish-Wildlife program, \$320,000 for Upper Columbia United Tribes, \$630,000 for Lake Roosevelt management, \$600,000 for Wetlands and Waterfowl Management, and \$100,000 for the Intertribal Bison Council. The Committee reports restoring the \$3 million for start-up administrative costs and overhead as incentives for tribal school boards to begin to assume responsibility for the remaining schools that are still managed by the Bureau. The Committee expects this to be a separate fund to enable the conversion of Bureau operated schools without compromising funding for tribally operated schools.

Non-Recurring Programs – \$73 million for Non-Recurring Programs includes an increase of \$150,000 above the budget request for water management planning and pre-development for the Seminole tribe to address water quality programs as part of Everglades restoration efforts.

Central Office Operations – The Committee recommends a \$10.5 million more than the Administration's request for a total of \$145 million. Changes from the request include an increase of \$20.5 million to reflect internal transfers made in FY04 and a decrease of \$10 million for information resources technology.

Regional Office Operations – The total recommended is \$41.9 million, a decrease of \$20.5 million below the budget request which reflects internal transfers made in FY 2004.

Special Programs/Pooled Overhead – The Committee recommends an increase of \$3,914,000 to the budget request: \$3 million for the United Tribes Technical College, \$515,000 for the National Ironworkers Training Program, and \$1,308,000 for the Crownpoint Institute.

Construction – \$348.6 million would fund Construction, \$65.5 million above the budget request and \$1.8 million above current funding. The Committee included \$294,583,000 for education construction, recommending \$65.5 million to restore the school construction program, with \$7 million to restore partially the facilities improvement and repair program. The Committee states that the funding restored for replacement school construction is sufficient to begin the replacement of the highest priority schools on the updated priority list provided to the Committee transmitted February 24, 2004.

BIA Funding Table

(in thousands)	FY04 Enacted	FY05 Request	FY05 House Committee	Change from FY05 Request
Total – Bureau of Indian Affairs	2,305,814	2,253,795	2,334,851	81,056
BIA Operation of Indian Programs				
Tribal Priority Allocations	770,634	775,631	775,631	0
Other Recurring Programs	614,137	600,611	612,103	11,492
Non-Recurring Programs	75,642	73,011	73,161	150
Central Office Operations	88,506	134,444	145,021	10,577
Regional Office Operations	63,685	62,523	41,946	(20,577)
Special Programs/Pooled Overhead	280,101	283,257	287,171	3,914
Total – Operation of Indian Programs	1,892,705	1,929,477	1,935,033	5,558
BIA Construction				
Education	294,954	229,083	294,583	65,500
Public Safety and Justice	4,983	4,985	4,985	0
Resources Management	38,678	40,857	40,857	0
General Administration	2,156	2,156	2,156	0
Construction Management	6,056	6,045	6,045	0
Total – BIA Construction	346,827	283,126	348,626	65,500
Indian Land and Water Claims Settlements				
Miscellaneous Payments To Indians	59,865	34,771	44,771	10,000
Indian Guaranteed Loan Program	6,417	6,421	6,421	0

Office of Special Trustee for American Indians

The Committee recommends a total of \$238 million for Office of Special Trustee (OST) and Indian Land Consolidation, \$79.4 million below the Administration's request.

Office of Special Trustee -- The President had called for a 32% increase of \$60 million for OST, but the Committee recommends a 4.8% increase of \$9 million over the FY04 level for OST. The change from the request is a decrease of \$51.4 million for the Office of Historical Trust Accounting. The Administration had called for an increase of \$53 million for Indian Land Consolidation for FY 2005; the Committee recommends a \$20 million increase for a total of \$42 million in FY 2005.

Historical Trust Accounting -- The committee lauded recent mitigation talks in the Cobell vs. Norton litigation: "the committee has appropriated millions of dollars in litigation related activities and feels very strongly that these funds could have been better used to fund health and education programs in Indian country." The Committee also reports that the House and Senate authorizing committees have committed to developing comprehensive legislative solutions to this problem. If the case continues unresolved, the Committee may face appropriating millions, or even billions, of dollars for an historical accounting, which "will likely provide more money to accountants and lawyers with little benefit for the individual Indian account holders." The FY05 request for the Office of Historical Trust Accounting within OST was \$109.4 million, an increase of \$65 million over the FY04 level. The Committee included language in the bill to cap the funding available for historical accounting at \$58 million.

(in thousands)	FY04 Enacted	FY05 President's Request	FY05 House Committee	Change from FY04 Enacted	Change from FY05 Request
Office of Special Trustee	187,305	247,666	196,267	8,962	(51,399)
Indian Land Consolidation Program	21,709	70,000*	42,000	20,291	(28,000)

*On May 11, the Administration sent Congress an amendment to reduce the initial request of \$75 million down to \$70 million, pointing to funding available from ILCP prior year unobligated balances.

Indian Health Service Summary

The Committee approved \$3 billion for the Indian Health Service, \$66 million above the President's budget request and \$112 million over current funding. Changes to the President's request include an additional \$15 million for the Indian Health Care Improvement Fund (IHCIF) to be distributed in the same manner as FY 2003 and an increase of \$498,000 in direct staffing and support costs at IHS headquarters. \$57.6 million was restored for Health Facilities Construction, for which the Administration had requested a \$52 million decrease.

(\$ in thousands)	FY04 Enacted	FY 2005 Request	FY05 House Committee	Change from FY05 Req
Indian Health Services				
Clinical Services	2,024,909	2,100,174	2115174	15,000
Preventative Health	106,930	112,196	112196	
Urban Health	31,619	32,410	32,410	
Indian Health Professions	30,774	30,803	30,803	
Tribal Management	2,376	2,376	2,376	
Direct Operations	60,714	61,795	62,293	498
Self-Governance	5,644	5,672	5,672	
Contract Support Costs	267,398	267,398	267,398	
Total – Indian Health Services	2,530,364	2,612,824	2,628,322	15,498
Health Facilities				
Maintenance and Improvement	48,897	48,897	50,897	2,000
Sanitation Facilities	93,015	103,158	93,158	(10,000)
Facilities Construction	94,555	41,745	99,345	57,600
Facilities/ Environmental Health Support	137,803	143,567	143,567	
Equipment	17,081	17,081	18,081	1,000
Total – Health Facilities	391,351	354,448	405,048	50,600

Historic Preservation Fund

The committee recommends \$2,963,000 for tribal grants, level with the amount enacted in FY04 and requested for FY05.

Federal Funding of Indian Programs

New budget authority for Indian programs in FY 2005 recommended by the Committee totals \$5.6 billion, an increase of \$62 million above the budget request and an increase of \$166 million above the amount appropriated in FY 2004. The following table shows spending for Indian services by the Federal government:

(\$ in thousands)	Appropriations Bills	FY 2003 Actual	FY 2004 Enacted	FY 2005 Request
Department of Agriculture	Agriculture	740,299	802,084	796,874
Army Corps of Engineers	Energy/Water	28,837	34,490	34,490
Department of Commerce	C/I/S	12,531	11,874	12,100
Department of Defense	Defense	18,000	18,000	--
Department of Education	Labor/HHS/Ed	2,195,514	2,387,557	2,494,007
Department of Health and Human Services	L/HHS/Interior	4,053,406	4,200,904	4,301,607
Department of Housing and Urban Dev	VA/HUD	726,250	733,545	672,036
Department of the Interior	Interior	2,749,917	2,891,122	2,964,881
Department of Justice	C/I/S	251,194	220,079	227,158
Department of Labor	Labor/HHS/Ed	70,553	69,602	70,015
Department of Transportation	Transportation	239,438	274,547	329,548
Environmental Protection Agency	VA/HUD	544	558	571
Department of Veterans Affairs	VA/HUD	229,800	231,956	231,152
Small Business Administration	C/I/S	2,000	2,000	--
Smithsonian Institution	Interior	59,413	51,630	46,572
Department of Treasury	VA/HUD	5,000	4,000	3,000
Other Agencies		97,724	96,758	43,039
Grand Total		11,480,423	12,030,706	12,227,050