

Attached is a summary of the President's Fiscal Year (FY) 2011 Budget Request for Federal funding for Native Americans.

This Administration is addressing the many challenges facing tribal communities. Last year, in the face of an economic crisis, President Obama took immediate action to help all Americans by signing the American Recovery and Reinvestment Act (Recovery Act) to spur economic activity and to create new jobs. The Recovery Act allocates more than \$3 billion to help tribal communities. These funds are being used to renovate schools on reservations across the country, spur job creation in tribal economies, improve housing and energy efficiency, and support health facilities and policing services.

President Obama's FY 2011 budget request proposes \$18.482 billion, a 5% increase over the FY 2010 budget, in total federal funding for Native American programs. This funding will help to increase educational opportunities, promote economic development, support lending in low-income communities, combat crime in tribal communities, and increase access to health care. While it may not make up for our past deficiencies, President Obama is committed to honoring the United States' government-to-government relationship with Indian tribes.

Highlights:

Improving Health Care

The Administration is committed to improving health services for American Indians and Alaska Natives, as evidenced by the 13% increase in funding for the Indian Health Service (IHS) in FY 2010 and the 9% additional increase for IHS proposed in the President's FY 2011 Budget Request. These increases are on top of \$500 million provided to the IHS under the Recovery Act. In addition, President Obama proudly signed into law the Affordable Care Act that will improve the quality of health care and make it more accessible and affordable for all Americans, including our First Americans. The Affordable Care Act also includes the permanent reauthorization of the Indian Health Care Improvement Act, which authorizes new and expanded programs and services within the IHS.

Combating Crime

The Administration understands the need for additional support for law enforcement in Indian country and accordingly the President's FY 2011 Budget Request provides \$321 million to DOJ for tribal public safety initiatives, an increase of 42% over FY 2010. This includes \$255.6 million for grants to Indian tribes for tribal law enforcement efforts. The FY 2011 Budget Request also sustains FY 2010 appropriations increases of over 21% for BIA funded public safety and law enforcement efforts and includes an additional \$19 million to support 81 new FBI positions (45 agents) to investigate violent crimes in Indian country. These increases build on over \$250 million in Recovery Act funds made available to tribes in FY 2009 to address criminal justice needs. Additionally, President Obama signed into law the Tribal Law and Order Act, which will improve our ability to work with tribal communities in the investigation and prosecution of crime, and it authorizes resources for tribes to fight crime more effectively.

Expanding College Access and Increasing Graduation Rates

The Administration is committed to supporting Native Americans' success in K-12 and higher education. The Recovery Act invested \$170.5 million in Indian education at the Department of Education and \$277 million in Indian school construction at the Department of the Interior. The President's FY 2011 Budget Request provides \$31.7 million in funding for Tribally Controlled Colleges and Universities in the Department of Education, a 5% increase over FY 2010. The Budget Request includes \$127 million for Post Secondary education for Native Americans with the Department of Interior.

As part of the Health Care and Education Reconciliation Act, the law expands the maximum Pell Grant award by the Consumer Price Index which is estimated to raise the award from \$5,550 to \$5,975, according to the Congressional Budget Office. In addition, the law provides \$300 million for Tribally Controlled Colleges and Universities, \$50 million for Native American-Serving Nontribal Institutions, and \$150 million for Alaska Native and Native Hawaiian-Serving Institutions over the next ten years. These investments will be made in order to renew, reform, and expand programming so that students at these institutions are given every chance to live up to their full potential.

Supporting Infrastructure Projects

The Administration supports Native American infrastructure projects and activities. The President's FY 2011 Budget Request provides \$62 million for the Bureau of Reclamation's ongoing rural water projects. The Budget Request provides funding for Indian Water Settlements, including \$10 million for the Navajo Nation Water Settlement (a \$7 million increase over the FY 2010 enacted level) and \$4 million for the Soboba water settlement. The Budget Request also provides \$7.5 million for the Bureau of Reclamation's Native American Affairs Office--an increase of \$1.4 million over the FY 2010 enacted level, which will go toward supporting the Secretary's Indian Water Rights Office and enable Reclamation to participate on federal negotiation teams.

In addition, the Recovery Act allocated \$510 million to the Department of Housing and Urban Development for the Native American Housing Block Grant program for new housing construction, acquisition, rehabilitation, and infrastructure development, \$310 million to the Department of Transportation for the Indian Reservation Roads Program, and over \$142 million to the Bureau of Indian Affairs for roads maintenance. Additionally, the Department of Commerce received \$4.7 billion to increase access to broadband services in underserved areas of the country.

Addressing Unemployment and Economic Development

The President's FY 2011 Budget Request includes \$55 million, representing a 4% increase over FY 2010 funding, for the Department of Labor's Employment and Training Administration's Indian and Native American Program, which grants funding to tribes and Native American non-profits to provide employment and training services to unemployed and low-income Native Americans, Alaska Natives, and Native Hawaiians. Additionally, the Recovery Act allocated

over \$17 million for the Native American Supplemental Youth Service Program to support summer employment and training opportunities for disconnected youths and veterans.

The Budget Request also makes affordable financing in low-income communities, including Native communities, available by providing targeted support to Community Development Financial Institutions (CDFI) throughout the Nation. The \$250 million in financial support will help these local financial institutions offer affordable loans to small businesses, consumers, nonprofit developers, and home buyers in communities that lack access to affordable credit. Specifically, the budget provides \$12 million for the CDFI Fund's Native Initiatives, which supports CDFIs that serve Native communities.

Empowering Tribal Nations

The Administration supports tribal self-determination and will assist tribal governments in enhancing their management capacity. The Budget provides increased funding to better compensate Tribes for the work they perform in managing Federal programs under self-determination contracts and self-governance compacts. Additionally, the Budget includes proposals to foster better coordination between the Departments of the Interior and Justice on Indian law enforcement issues.

Provide Funding for the *Cobell v. Salazar* settlement

Under the terms of the settlement, which is pending Congressional action and the approval of the Court, approximately \$3.4 billion would be made available to settle historical accounting and trust administration claims and to establish a land consolidation program aimed at alleviating the underlying challenges of trust administration. Each historical accounting class member will receive \$1,000, and each trust administration class member would receive payment of at least \$500 pursuant to a formula set forth in the settlement agreement. The settlement also provides for a Trust Land Consolidation Fund for the buy-back and consolidation of fractionated land interests over a 10-year period. In addition to purchasing land interests and other trust reform initiatives, the Fund will also contribute up to \$60 million for a scholarship fund for the benefit of educating American Indians and Alaska Natives.

FY 2011 Budget -- Native American Crosscut

(dollars in millions)

Agency	Program	2009		2010	2011	2011 Budget
		Enacted	ARRA/Supp	Enacted	Budget Req	Less 2010 Enacted
DEPARTMENT OF AGRICULTURE	Food and Nutrition Service (FNS):					
	<i>Food Distribution Program on Indian Reservations</i>	115	5	113	120	7
	<i>Supplemental Nutrition Assistance Program</i>	788	146	911	1,065	154
	<i>Child Nutrition Program</i>	273	0	295	318	23
	<i>Spec Supp Nutrition Program for Women, Infants & Child</i>	111	0	115	121	7
	Total, FNS/1	1,287	151	1,433	1,624	190
	Food Safety and Inspection Service/1	0	0	0	0	0
	Cooperative State Research, Education and Extension Service	30	0	32	35	3
	Animal and Plant Health Inspection	4	0	4	4	0
	Economic Research Service/1	0	0	0	0	0
	Farm Service Agency (FSA)/2	1	0	1	0	-1
	National Agricultural Statistics Service	1	0	1	1	0
	Rural Development	28	0	28	28	0
	Forest Service/1	0	0	0	0	0
	Natural Resources Conservation Service (NRCS):					
	<i>Environmental Quality Incentives Program</i>	21		21	21	0
	<i>Wildlife Habitat Incentives Program</i>	1		1	1	0
	<i>ARRA Funding</i>	0	1	0	0	0
	Total, NRCS	<u>22</u>	<u>1</u>	<u>22</u>	<u>22</u>	0
	TOTAL, AGRICULTURE	1,373	152	1,521	1,714	193
	1//The amount of funding does not round to \$1m.					
	2//The data for the Farm Service Agency reflects subsidy budget authority that supports two loan programs targeted to Native Americans. In one instance, the decrease is due to a change in subsidy rates, while the loan level remains constant at \$10 million. In the other case, the subsidy is negative and the loan level is decreased slightly from previous years.					
ARMY CORPS OF ENGINEERS		50	4	55	55	0
DEPARTMENT OF COMMERCE	Economic Development Administration	10		10	10	0
	Minority Business Development Administration	2		2	3	1
	NOAA	18	4	14	10	-4
	TOTAL, COMMERCE	30	4	26	23	-3
	<i>Estimated Tribal Share of competitive grants [non-add]</i>	[11.7]	[5-10]	[11.7]	[7.3]	
DEPARTMENT OF DEFENSE		27	0	27	0	-27
DEPARTMENT OF EDUCATION:	<i>Impact Aid- Basic Support</i>	500	0	505	505	0
	<i>Indian Education (LEA grants)</i>	99	0	104	104	0
	<i>Special Ed. Grants to States</i>	92	0	92	93	1
	<i>Title I - LEA Grants</i>	101	72	101	101	0
	<i>Other</i>	275	98	240	235	-4
	Total Direct Support	1,068	170	1,042	1,040	-3
	<i>Student Financial Aid</i>	3,141	0	3,511	3,900	389
	<i>Title I - LEA Grants</i>	226	156	226	226	0
	<i>Special Ed. Grants to States</i>	161	159	161	164	3
	<i>Other</i>	117	37	119	119	0
	Total Indirect Support	<u>3,644</u>	<u>352</u>	<u>4,017</u>	<u>4,409</u>	<u>392</u>

Agency	Program	2009		2010	2011	2011 Budget
		Enacted	ARRA/Supp	Enacted	Budget Req	Less 2010 Enacted
	TOTAL, EDUCATION	4,713	522	5,059	5,448	0 390
	A. Amounts are based on currently available data. Actuals may be significantly different from these estimates.					
	B. Direct Funding Notes: Impact Aid figures are for estimated payments made on behalf of children living on Indian lands. Figures for Special Education Grants to States and Title I - LEA Grants are the amounts transferred to the Department of the Interior/Bureau of Indian Education.					
	C. Indirect Funding Notes: All figures are based on estimates of the number of Indian individuals served by the respective programs. Student Financial Aid includes all new HEA Title IV student aid, including loan volume.					
DEPARTMENT OF HEALTH & HUMAN SERVICES (HHS):	<i>Indian Health Service (Discretionary Budget Authority)</i>	3,581	500	4,052	4,406	354
	<i>Reimbursements/1</i>	720	0	735	735	0
	<i>Special Diabetes Programs for Indians /2</i>	150	0	150	150	0
	Total, Indian Health Service (Program Level)	4,451	500	4,937	5,291	354
	Administration for Children and Families (ACF):					
	Head Start	200	0	203	221	18
	Administration of Native Americans	47	0	49	49	0
	Low Income Home Energy Assistance/3	47	0	47	26	-21
	Child Care Programs /4	101	40	101	111	10
	Community Based Abstinence Education	2	0	0	0	0
	Family Violence	13	0	13	13	0
	Community Services Block Grant /5	5	6	5	5	0
	Community-Based Child Abuse Prevention/6	0	0	0	0	0
	Promoting Safe and Stable Families	11	0	11	11	0
	Tribal TANF Grants /7	180	89	180	180	0
	Tribal TANF Healthy Marriage	1	0	1	1	0
	Tribal Work Program	8	0	8	8	0
	Tribal Child Support	35	0	34	34	0
	Tribal Foster Care /8	0	0	13	16	3
	Child Welfare Services	6	0	6	6	0
	Developmental Disabilities/6	0	0	0	0	0
	Total, ACF	656	135	671	681	9
	Administration on Aging /9	33	0	33	37	4
	SAMHSA /10	53	0	32	29	-3
	TOTAL, HHS	5,193	635	5,673	6,038	364

1/ Includes Medicare and Medicaid reimbursements, excludes reimbursements from private insurance, quarters, and default recovery funds.

2/ Mandatory funding

3/FY10 Enacted level was \$5.1b including \$4.51b in base grants. The FY11 Pres Req level is \$3.3b, including \$2.51b in base grants. The tribal decrease is proportional to this change.

4/ Reflects 2% set aside from appropriations for the Child Care Development Block Grant and Child Care Entitlement.

5/ FY 2009, FY 2010 and FY 2011 includes estimated competitive award levels.

6/ Figures do not round to \$1m.

7/ ARRA reflects estimates for awards to Tribes from the TANF Emergency Contingency Fund.

8/ Amounts in each fiscal year are estimates of funds which will be awarded to tribes which decide to establish title IV-E programs. Funding is dependent upon tribal claims for actual spending.

9/ Funding levels for AoA exclude \$3 million in Recovery Act funds allocated to Native American nutrition programs. Funding of Native American Older Americans Act programs is proposed to increase by \$4 million between FY 2010 and FY 2011, to fund additional services under a proposal initiated by the Vice President's middle-class task force.

10/ FY 2009, FY 2010 and FY 2011 includes estimated competitive award levels.

DEPT OF HOUSING & URBAN DEVELOPMENT (HUD):	Native American Housing Block Grant	645	510	700	580	-120
	Indian Housing Loan Guarantee	9	0	7	9	2
	Indian CDBG	65	10	65	65	0
	TOTAL, HUD	719	520	772	654	-118

A. The FY 2009 ARRA amount includes \$10.2 million for the Native Hawaiian Housing Block Grant program. FY 2011 Budget amount includes \$5.8 million for Department's Transformation Initiative.

B. For FY 2010 Enacted and FY 2011 Budget, the amounts include \$650,000 for the Department's Transformation Initiative.

Agency	Program	2009		2010	2011	2011 Budget
		Enacted	ARRA/Supp	Enacted	Budget Req	Less 2010 Enacted
DEPARTMENT OF THE INTERIOR (DOI):	Bureau of Indian Affairs, Operation of Indian Programs	2,129	40	2,336	2,395	59
	<i>FY 2010 includes a one-time \$50m increase for forward funding for tribal colleges.</i>			[+\$50]	[-\$50]	
	Bureau of Indian Affairs, Construction	218	450	225	116	-109
	<i>[Indian School Construction Non-Add]</i>	[128.8]		[113]	[53]	
	Bureau of Indian Affairs, Other	30	10	59	56	-3
	Total, Bureau of Indian Affairs	2,376	500	2,620	2,566	-54
	DOI Fire Non-Emergency	89	0	89	89	0
	DOI Fire Emergency	29	0	29	29	0
	Total, Fire/1	118	0	118	118	0
	Bureau of Land Management	25	0	25	25	0
	Bureau of Reclamation	199	189	206	187	-19
	Fish and Wildlife Service	19	0	17	17	0
	Minerals Management Service	26	0	25	25	0
	National Indian Gaming Commission	17	0	21	21	0
	National Park Service	12	0	13	13	0
	Office of the Special Trustee for American Indians	182	0	186	160	-26
	Office of Surface Mining (discretionary only)	2	0	2	2	-1
	Other	5	0	7	7	0
	TOTAL, DOI	2,979	689	3,239	3,140	-99
	1/ Figures are estimates.					
DEPARTMENT OF JUSTICE	Bureau of Prisons	123	0	126	128	3
	Environment and Natural Resources Division	6	0	6	6	0
	Civil Division	1	0	1	1	0
	U.S. Attorneys	21	0	28	32	4
	Office of Tribal Justice [figures in brackets are non-adds]	[1.2]		[1]	2	
	Federal Bureau of Investigation	22	0	26	24	-2
	Subtotal, Justice (w/o grants)	174	0	186	193	7
	Office on Violence Against Women	43	26	46	48	2
	Community Oriented Policing Services	20	0	45	67	22
	Office of Justice Programs	56	225	75	141	66
	Total, OVW/COPS/OJP	119	251	166	256	90
	TOTAL, JUSTICE/1	293	251	352	448	97
	1/ Funding levels are subject to change based on calculation methodology.					
DEPARTMENT OF LABOR (DOL):	Native American Programs-Employment and Training	53	0	53	55	2
	Youth Activities Formula Grants (1.5% of total approp)	14	18	14	15	1
	TOTAL, DOL	67	18	67	70	3
DEPARTMENT OF TRANSPORTATION (DOT):	Federal Highway Administration-Federal Lands Program	434	310	434	434	0
	National Highway Traffic Safety Administration (NHTSA)	5	0	5	5	0
	Federal Transit Administration - Public Transp. on Indian Reservations	15	17	15	15	0
	Pipeline & Hazardous Material Safety Admin HazMat Emerg Planning	1	0	1	1	0
	TOTAL, DOT	454	327	454	454	0
DEPARTMENT OF VETERANS AFFAIRS		1	0	1	1	0
ENVIRONMENTAL PROTECTION AGENCY	Environmental Protection Agency	212	97	261	297	36
SMALL BUSINESS ADMINISTRATION		1	0	1	1	0
SMITHSONIAN INSTITUTION	Smithsonian Institution	60	0	61	62	1
DEPARTMENT OF THE TREASURY	Department of the Treasury	9	8	12	12	0
	Estimated 10-year subsidies on \$2 billion in Tribal Economic Development Loans [non-add]			[160]		

Agency	Program	2009		2010	2011	2011 Budget
		Enacted	ARRA/Supp	Enacted	Budget Req	Less 2010 Enacted
OTHER AGENCIES & INDEPENDENT AGENCIES:	Department of Energy:					
	Tribal Energy Program	6	0	10	10	0
	Nuclear Waste Disposal	1	0	1	0	-1
	Policy and International Affairs for Office of Indian Energy	0	0	6	2	-4
	Weatherization	1	10	0	1	0
	Energy Efficiency and Conservation Block Grant (EECBG)	0	54	0	0	0
	National Science Foundation	14	0	13	13	0
	Morris K. Udall Foundation - Native Nations Institute	1	0	1	1	0
	Denali Commission	76	0	16	16	0
	Institute of Museum and Library Services	5	0	5	5	0
	Office of Navajo and Hopi Indian Relocation	8	0	8	8	0
	Institute of American Indian and Alaska Native Culture and Arts (IAIA)	<u>8</u>	<u>0</u>	<u>8</u>	<u>9</u>	0
TOTAL, OTHERS		118	64	68	64	-4
GRAND TOTAL - Tribal Set-Asides		16,298	3,290	17,648	18,482	834