



INDIAN AFFAIRS

Mission – The mission of the Bureau of Indian Affairs is to enhance the quality of life, to promote economic opportunity, and to carry out the responsibility to protect and improve the trust assets of American Indians, Indian Tribes, and Alaska Natives. The mission of the Bureau of Indian Education is to provide quality education opportunities from early childhood through life in Indian Country for individuals attending BIE schools.

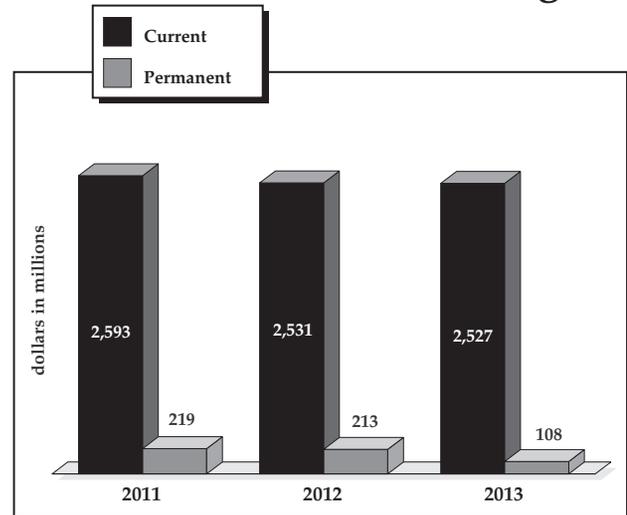
Budget Overview – The 2013 President's budget request for Indian Affairs is \$2.5 billion in current appropriations, which is \$4.6 million below the 2012 enacted level. The BIA estimates staffing will equal 8,126 full time equivalents in 2013, a reduction of 192 FTE from 2012.

Strengthening Tribal Nations Initiative – The Strengthening Tribal Nations Initiative is a multi-faceted effort that will advance Nation-to-Nation relationships, improve Indian education for BIE students, protect Indian communities, and enhance trust land management, with an ultimate goal of greater self-determination.

Advancing Nation-to-Nation Relationships – In total, \$12.3 million in programmatic increases are requested in the 2013 budget for these efforts. The funding increase of \$8.8 million in contract support and Indian self-determination funds will strengthen the capacity of Tribes to manage the Federal programs for which they contract, as well as eliminate the need for Tribes to use program funds to fulfill administrative requirements. The budget includes an increase of \$3.5 million for Indian Land and Water Claim Settlements including funds to continue work on the Navajo-Gallup Water Supply Project.

Achieving Better Results – The budget request includes \$65.3 million in reductions resulting from strategies for improving the effectiveness and efficiency of operating Indian programs including streamlining measures of \$19.7 million, administrative savings of \$13.8 million, and program reductions of \$33.1 million. The budget also proposes to transfer funding of \$1.3 million for the Indian Arts and Crafts Board from the Office of the Secretary to Indian Affairs in order to better protect Indian artifacts.

Indian Affairs Funding



Protecting Indian Country – The 2013 request provides a programmatic increase of \$11.0 million over the 2012 enacted level. Of this increase, \$3.5 million is to hire additional tribal and bureau law enforcement personnel. Another \$6.5 million will fund staff increases at newly constructed tribal and Bureau detention centers. An increase of \$1.0 million is for Tribal Courts, which are expected to see an increase in caseloads as a result of enforcing the Tribal Law and Order Act of 2010.

Improving Trust Land Management – The 2013 budget includes \$15.4 million in programmatic increases for improving trust land and water management activities. In Trust Natural Resources, BIA requests a total of \$7.8 million in program increases including \$3.5 million for the Rights Protection Implementation program and \$2.0 million for the Tribal Management and Development Program to support fishing, hunting, and gathering rights on and off reservations. The budget request provides program increases of \$1.0 million for the Forestry program and \$500,000 for the Invasive Species program. An increase of \$800,000 supports greater BIA and tribal participation in the Landscape Conservation Cooperatives, for a total program of \$1.0 million.

INDIAN AFFAIRS
FACTS

- The Bureau of Indian Affairs was established in 1824 under the War Department and transferred to the Department of the Interior in 1849.
- Provides services to approximately 1.7 million American Indians and Alaska Natives in 566 federally recognized Tribes in the 48 contiguous States and Alaska.
- Administers and manages 56 million surface acres and 57 million acres of subsurface minerals estates held in trust by the U.S. for individuals and Tribes.
- The Bureau of Indian Education provides education services to approximately 41,000 Indian students through 183 schools and dormitories. The BIE also provides funding to 31 colleges, universities, and post secondary schools.
- Employs approximately 9,000 personnel of whom about 83 percent are American Indian or Alaska Native.

Within Trust Real Estate Services, a total of \$7.0 million in program increases is directed toward improving trust land management activities, including \$5.5 million to continue implementation of the Klamath Basin Restoration Agreement. The 2013 request provides \$1.5 million for Litigation Support/ Attorney Fees, provides funding for Tribes to protect tribal trust resources. In Other Program Management Construction, the budget includes a program increase of \$550,000 for the Fort Peck Water System, a new water treatment plant facility expected to be fully operational in 2012.

Advancing Indian Education – The budget provides program increases of \$5.2 million for activities funded by BIE. Included in these increases is \$2.0 million for Tribal Grant Support Costs, which funds administrative and indirect costs of operating tribally-run schools under contract or grant authorization. Tribal colleges and universities provide local communities with the resources and facilities to teach community members the skills they need to be successful and overcome the barriers to Indian higher education. In 2013, the budget request provides a program increase of \$2.5 million for Tribal Colleges and Universities to assist in improving the quality of life in tribal communities. To further achieve this goal, the request also provides program increases of \$610,000 for Scholarships and Adult Education and \$100,000 for Special Higher Education Scholarships, for a total of over \$51 million.

New Energy Frontier Initiative–The 2013 budget request provides a total of \$8.5 million, the same as in 2012, to support energy resource development on tribal lands. Of that amount, \$6.0 million is provided for renewable energy projects. The primary purpose of these projects is to provide a reliable renewable energy resource that will be utilized in manufacturing or alternatively, industrial processes on Indian Trust lands. The remaining \$2.5

million is provided for conventional energy and audit compliance in support of leasing activities on the Fort Berthold Reservation.

Operation of Indian Programs – The 2013 budget request for the Operation of Indian Programs account is funded at \$2.4 billion, an increase of \$11.7 million above the 2012 enacted level. The Bureau will undergo a horizontal consolidation in 2013 to streamline and improve oversight operations. The BIA will engage in extensive consultation with Tribes to identify strategies that will ensure tribal needs and priorities are addressed. Following consultation, BIA will construct an implementation plan for a more streamlined, cost-effective organization. This streamlining is being undertaken to protect and ensure vital funds go directly into the community and BIA operations are as efficient and effective as possible.

The 2013 request includes program decreases totaling \$13.2 million including \$2.6 million for Law Enforcement Special Initiatives, reducing the Bureau's participation in activities for intelligence sharing and along the southwestern border. The budget includes a program reduction of \$6.1 million for Information Resources Technology supporting standardization across Indian Affairs and consolidation of its infrastructure. The budget contains a decrease of \$4.5 million for the Indian Student Equalization Program, due to declining enrollment and efficiency improvements.

Construction–The 2013 budget requests \$105.9 million for Construction, \$17.7 million below the 2012 enacted level. Included in the Construction request is \$52.9 million for Education Construction consisting of a program decrease of \$17.8 million for Replacement School Construction. Indian Affairs will continue to address the building conditions of existing school facilities in 2013 through the Facilities Improvement and Repair program rather than

through new construction projects. The request includes \$11.3 million for Public Safety and Justice Construction, \$32.7 million for Resources Management Construction, and \$9.0 million for Other Program Construction. Within Other Program Construction, the 2013 request includes \$750,000 for the Fort Peck Water System, a program increase of \$550,000 above the 2012 enacted level.

Tribal Priority Allocations – Collectively, the budget proposes a total of \$897.4 million in Tribal Priority Allocations, which is an increase of \$17.9 million over the 2012 enacted level.

Resolving Land and Water Claims – The 2013 budget request for Indian Land and Water Claim Settlements is \$36.3 million. The budget request includes \$9.5 million for the last of the required payments for the Nez Perce/ Snake River Water Rights Settlement.

The budget includes \$12.0 million for the Shoshone-Paiute Tribes of the Duck Valley Reservation Water Settlement, the fourth of five payments to satisfy this requirement. The budget also includes \$6.0 million for the Navajo Nation Water Resources Development Trust Fund. A total of \$7.8 million, including a program increase of \$3.4 million, is included for the San Juan Conjunctive Use Wells and San Juan River Navajo Irrigation Project Rehabilitation, both part of the Navajo-Gallup Water Supply Project. Funding of \$1.0 million is included for other Indian Land and Water Settlements.

Indian Guaranteed Loan Program– The budget provides \$5.0 million for the loan program, a reduction of \$2.1 million from the 2012 enacted level, while the program undergoes an independent evaluation.

Fixed Costs– Fixed costs of \$16.8 million are fully funded.

SUMMARY OF BUREAU APPROPRIATIONS
(all dollar amounts in thousands)

Comparison of 2013 Request with 2012 Enacted

	2012 Enacted		2013 Request		Change	
	FTE	Amount	FTE	Amount	FTE	Amount
Current						
Operation of Indian Programs	6,050	2,367,738	5,898	2,379,431	-152	+11,693
Reimbursable Programs	935	0	935	0	0	0
Allocations from Other Agencies.....	473	0	428	0	-45	0
Construction	104	123,630	104	105,910	0	-17,720
Reimbursable Programs.....	6	0	6	0	0	0
Allocations from Other Agencies.....	418	0	418	0	0	0
Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians	0	32,802	5	36,293	+5	+3,491
Indian Guaranteed Loan Program Account.....	0	7,103	0	5,000	0	-2,103
Subtotal, Current.....	7,986	2,531,273	7,794	2,526,634	-192	-4,639
Permanent and Trust						
Operation and Maintenance of Quarters.....	51	5,533	51	5,528	0	-5
Miscellaneous Permanent Appropriations.....	281	98,588	281	100,081	0	+1,493
White Earth Settlement Fund	0	2,500	0	2,500	0	0
Other Settlements from P.L. 111-291	0	104,656	0	0	0	-104,656
Gifts and Donations.....	0	100	0	100	0	0
Indian Loan Guaranty and Insurance Fund						
Liquidating Account.....	0	-80	0	-80	0	0
Indian Direct Loan Program Account.....	0	484	0	0	0	-484
Indian Guaranteed Loan Program Account.....	0	2,138	0	0	0	-2,138
Revolving Fund for Loans Liquidating Account....	0	-750	0	-600	0	+150
Subtotal, Permanent and Trust.....	332	213,169	332	107,529	0	-105,640
TOTAL, BUREAU OF INDIAN AFFAIRS	8,318	2,744,442	8,126	2,634,163	-192	-110,279

HIGHLIGHTS OF BUDGET CHANGES

By Appropriation Activity/Subactivity

APPROPRIATION: Operation of Indian Programs

	2011 Actual	2012 Enacted	2013 Request	Change
Tribal Government				
Aid To Tribal Government.....	31,886	30,492	28,441	-2,051
Consolidated Tribal Govt Program	71,710	76,398	77,283	+885
Self Governance Compacts.....	148,951	154,836	158,038	+3,202
Contract Support.....	219,560	219,209	228,000	+8,791
Indian Self Determination Fund	1,996	1,997	2,000	+3
New Tribes	310	314	320	+6
Small and Needy Tribes	0	1,947	1,947	0
Road Maintenance	26,390	25,390	25,155	-235
Tribal Govt Program Oversight	8,786	8,748	7,974	-774
Subtotal, Tribal Government	509,589	519,331	529,158	+9,827
Human Services				
Social Services.....	33,879	34,324	33,776	-548
Welfare Assistance.....	74,761	74,791	74,791	0
Indian Child Welfare Act	11,053	10,850	10,533	-317
Housing Improvement Program.....	12,598	12,599	12,602	+3
Human Services Tribal Design.....	430	429	437	+8
Human Services Program Oversight ...	3,900	3,367	3,012	-355
Subtotal, Human Services.....	136,621	136,360	135,151	-1,209
Trust - Natural Resources Management				
Natural Resources	4,547	5,116	5,057	-59
Irrigation Ops and Maintenance.....	11,910	11,920	11,945	+25
Rights Protection Implementation.....	28,442	28,976	32,645	+3,669
Tribal Mgmt/Development Program...	6,782	7,705	9,723	+2,018
Endangered Species	1,248	1,245	1,234	-11
Coop Landscape Conservation	419	200	999	+799
Integrated Resource Info Program	2,105	2,106	2,106	0
Agriculture and Range	28,863	28,836	28,609	-227
Forestry	43,644	43,574	42,701	-873
Water Resources	10,150	10,134	10,113	-21
Fish, Wildlife and Parks	11,340	11,322	11,366	+44
Resource Mgmt Program Oversight....	6,632	6,111	5,611	-500
Subtotal, Trust - NR Management ...	156,082	157,245	162,109	+4,864
Trust - Real Estate Services				
Trust Services	9,640	10,982	15,484	+4,502
Navajo-Hopi Settlement Program	1,224	1,204	1,193	-11
Probate	13,058	12,728	11,935	-793
Land Title and Records Offices	14,496	14,413	14,387	-26
Real Estate Services.....	48,056	37,692	35,333	-2,359
Land Records Improvement.....	15,241	6,782	6,774	-8
Environmental Quality.....	14,668	16,507	16,393	-114
Alaskan Native Programs.....	1,031	1,032	1,026	-6
Rights Protection	12,002	10,883	12,326	+1,443
Real Estate Services Oversight	16,405	14,536	12,962	-1,574
Subtotal, Trust - Real Estate Services	145,821	126,759	127,813	+1,054

	2011 Actual	2012 Enacted	2013 Request	Change
Public Safety and Justice				
Law Enforcement	305,893	321,944	328,444	+6,500
Tribal Courts	27,088	23,407	24,567	+1,160
Fire Protection.....	1,109	872	871	-1
Subtotal, Public Safety and Justice ...	334,090	346,223	353,882	+7,659
Community and Economic Development				
Job Placement and Training.....	11,552	11,502	11,230	-272
Economic Development	2,371	2,342	2,366	+24
Community Development	1,397	0	0	0
Minerals and Mining	18,461	18,660	18,421	-239
Community Development Oversight ..	3,075	2,306	2,316	+10
Subtotal, Comm and Econ Dev	36,856	34,810	34,333	-477
Executive Direction/ Admin Services	258,089	251,530	239,573	-11,957
Bureau of Indian Education				
Elementary and Secondary Programs (forward funded).....	520,048	522,247	523,026	+779
Elementary and Secondary Programs..	76,939	122,534	122,828	+294
Post Secondary Programs (forward funded).....	64,192	67,293	69,793	+2,500
Post Secondary Programs	61,603	61,435	62,052	+617
Education Management	29,916	21,971	18,434	-3,537
Subtotal, Indian Education	752,698	795,480	796,133	+653
Indian Arts and Crafts Board	[1,308]	[1,279]	1,279	+1,279
TOTAL APPROPRIATION (w/o transfers) ..	2,329,846	2,367,738	2,379,431	+11,693
Net Transfers	-1,000	0	0	0
TOTAL APPROPRIATION (w/ transfers)....	2,328,846	2,367,738	2,379,431	+11,693

Detail of Budget Changes

	2013 Change from 2012 Enacted		2013 Change from 2012 Enacted
TOTAL APPROPRIATION	+11,693		
Tribal Government.....	+9,827	Forestry Program.....	+1,000
Contract Support	+6,794	OIP Internal Transfers.....	-79
Indian Self-Determination Fund	+2,000	Fixed Costs	+984
New Tribes.....	+320	Administrative Savings	-1,454
Road Maintenance.....	-320	Organizational Streamlining.....	-2,387
OIP Internal Transfers.....	+360		
Fixed Costs	+3,289	Trust - Real Estate Services	+1,054
Administrative Savings	-787	Trust Services	+5,500
Organizational Streamlining.....	-1,829	Litigation Support/ Attorney Fees	+1,500
Human Services.....	-1,209	OIP Internal Transfers.....	+37
OIP Internal Transfers.....	-525	Fixed Costs	+1,026
Fixed Costs	+526	Administrative Savings	-2,473
Administrative Savings	-477	Organizational Streamlining.....	-4,536
Organizational Streamlining.....	-733		
Trust - Natural Resources Management	+4,864	Public Safety and Justice	+7,659
Rights Protection Implementation.....	+3,500	Criminal Investigations and Police Services	+3,500
Tribal Management/Development Program	+2,000	Detention/ Corrections	+6,500
Cooperative Landscape Conservation	+800	Law Enforcement Special Initiatives	-2,550
Invasive Species.....	+500	Tribal Courts.....	+1,000
		OIP Internal Transfers.....	+46
		Fixed Costs	+2,419

Detail of Budget Changes
Operation of Indian Programs (continued)

	<u>2013 Change from 2012 Enacted</u>		<u>2013 Change from 2012 Enacted</u>
Administrative Savings	-3,124	Tribal Grant Support Costs	+2,000
Organizational Streamlining.....	-132	Tribal Colleges and Universities	+2,500
Community and Economic Development.....	-477	Scholarships and Adult Education	+610
OIP Internal Transfers.....	-4	Special Higher Education Scholarships	+100
Fixed Costs	+115	OIP Internal Transfers.....	-201
Administrative Savings.....	-118	Fixed Costs	+4,810
Organizational Streamlining.....	-470	Administrative Savings	-1,668
		Organizational Streamlining.....	-3,035
Executive Direction and Administrative Services....	-11,957		
Information Resources Technology	-6,140	Indian Arts and Crafts Board	+1,279
OIP Internal Transfers.....	+366		
Fixed Costs	+3,519	Subtotals for Changes Across Multiple Subactivities	
Administrative Savings	-3,167	Fixed Costs	[+16,688]
Organizational Streamlining.....	-6,535	Administrative Savings	[-13,268]
		Organizational Streamlining.....	[-19,657]
Bureau of Indian Education.....	+653		
ISEP Program Adjustments.....	-4,463		

APPROPRIATION: Construction

	<u>2011 Actual</u>	<u>2012 Enacted</u>	<u>2013 Request</u>	<u>Change</u>
Education Construction	140,509	70,826	52,866	-17,960
Public Safety and Justice Construction	17,864	11,311	11,306	-5
Resources Management Construction	42,075	32,959	32,733	-226
Other Program Construction.....	9,132	8,534	9,005	+471
TOTAL APPROPRIATION	209,580	123,630	105,910	-17,720

See Appendix J for proposed 2013 construction projects.

Detail of Budget Changes

	<u>2013 Change from 2012 Enacted</u>		<u>2013 Change from 2012 Enacted</u>
TOTAL APPROPRIATION	-17,720		
Education Construction	-17,960	Other Program Construction.....	+471
Replacement School Construction	-17,807	Construction Program Management.....	+550
Fixed Costs	+25	Fixed Costs	+27
Administrative Savings	-178	Administrative Savings	-106
Public Safety and Justice Construction.....	-5	Subtotals for Changes Across Multiple Subactivities	
Administrative Savings.....	-5	Fixed Costs	[+89]
		Administrative Savings	[-552]
Resources Management Construction	-226		
Fixed Costs	+37		
Administrative Savings.....	-263		

APPROPRIATION: Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians

	2011 Actual	2012 Enacted	2013 Request	Change
Land Settlements				
White Earth Land Settlement (<i>Admin</i>)...	624	624	625	+1
Hoopa-Yurok Settlement Fund	250	250	250	0
Water Settlements				
Pyramid Lake Water Rights Settlement.....	142	142	142	0
Nez Perce/Snake River Water Rights Settlement.....	15,432	9,435	9,450	+15
Navajo Water Resources Development Trust Fund	5,988	5,990	6,000	+10
Duck Valley Water Rights Settlement.....	11,976	11,980	12,000	+20
Navajo-Gallup Water Supply Project ...	0	4,381	7,826	+3,445
Miscellaneous Payments				
Puget Sound Regional Shellfish Settlement.....	6,487	0	0	0
Soboba Band of Luiseno Indians Settlement.....	5,488	0	0	0
TOTAL APPROPRIATION	46,387	32,802	36,293	+3,491

APPROPRIATION: Indian Guaranteed Loan Program Account

	2011 Actual	2012 Enacted	2013 Request	Change
TOTAL APPROPRIATION	8,199	7,103	5,000	-2,103

Detail of Budget Changes

2013 Change
from 2012 Enacted

TOTAL APPROPRIATION	-2,103
Subsidies	-2,113
Fixed Costs	+10