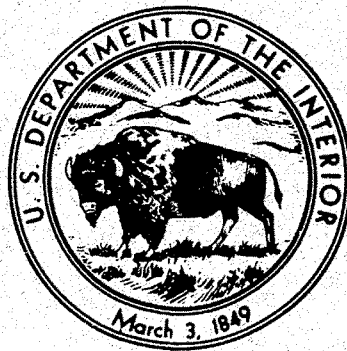


**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUDGET JUSTIFICATIONS, F. Y. 1977**



BUREAU OF INDIAN AFFAIRS

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SUMMARY

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

HIGHLIGHT STATEMENT

The Bureau of Indian Affairs proposes a budget of \$759.8 million for fiscal year 1977, of which the largest single item is \$243.8 million for Indian Education. The most significant changes in requested amounts are an increase of \$22.8 million to implement the Indian Self-Determination Act (P.L. 93-638), a decrease of \$40 million for the Alaska Native Fund authorized under the Alaska Native Claims Settlement Act, and an increase of \$9 million to fund programs in accordance with priorities established by tribes in the budget formulation process.

The Regulations for P.L. 93-638, the Indian Self-Determination and Education Assistance Act, were published in final form on November 4, 1975 after a series of consultations with the Indian people and a period for public comment. The regulations took effect December 4, 1975 and are now available for use by tribes in any initiatives they may propose in furthering the self-determination and education of their people. At this time interest is high on the part of most tribes. The budget requests provide for strengthening tribal governments to enable them to take advantage of the opportunities to plan and contract for the operation of Federal programs for their benefit.

The \$30 million requested for the Alaska Native Fund, a decrease of \$40 million from 1976, is in accordance with the schedule set forth in the Alaska Native Claims Settlement Act (P.L. 92-203).

Emphasis was again given to tribal involvement in the budget formulation process. Priorities established by tribes were used to determine the funding requests for programs for which a total of \$364.1 million is requested. Allocations of appropriated funds to the local level for these programs will be based on the priorities established.

The funds requested will provide for:

Indian Education - \$243.8 million. The request represents a \$772 thousand increase over 1976. Within the total, \$3.0 million will be used to operate new facilities presently under construction, an additional \$2.3 million will be used for scholarship grants, and an additional \$697 thousand for adult vocational training. The request does not include the \$3.0 million provided in 1976 by the Congress for transition funding of the Johnson-O'Malley educational assistance program.

Indian Services - \$154.7 million. The increase of \$25.2 million for Indian Services is requested primarily to implement the Indian Self-Determination Act, P.L. 93-638, and to meet increased unit costs in the Social Services programs. An additional \$22.2 million is requested for Self-Determination Services, including grants, technical services and training to increase the administrative and programmatic capability of tribal governments; and funding of additional overhead and programmatic costs anticipated when tribes contract for programs currently operated by the BIA.

An increase of \$5.9 million is needed to meet anticipated increased costs of the general assistance, child welfare assistance, and other social service programs.

An additional \$1.8 million is requested to provide for the construction and improvement of additional housing units and to strengthen tribal housing authorities.

Tribal Resources Development - \$88.7 million. In fiscal year 1977 \$88.7 million is requested for the development of tribal resources, an increase of \$5.2 million over fiscal year 1976. Primary efforts will be directed to manpower development programs including increased opportunities for Indian employment; an intensified program for the conservation, development and utilization of natural resources, including the development of the second 10,000 acre block of the Navajo Indian Irrigation project; and improved road maintenance services.

An expanded program for direct employment will provide placement and training services to an additional 600 participants.

The additional \$2.8 million over the fiscal year 1976 level for forestry and agriculture will be used to further strengthen conservation, development, and utilization efforts on the 51 million acres of Indian lands. Included are an additional \$1.0 million for completing on-farm development work on the second 10,000 acre block of the Navajo Indian Irrigation project to which water deliveries are expected in the fall of 1977. Also included is \$0.9 million for the water resource program on the Navajo reservation.

The \$1.2 million increase for road maintenance will provide improved levels of service on the 24,642 miles of Indian road network serving 179 reservations.

Trust Responsibilities and Services - \$24.0 million. The request of \$24.0 million for fulfilling the Government's trust responsibilities in fiscal year 1977 provides for an increase of \$2.7 million over fiscal year 1976. Primary emphasis will be directed to protecting Indian rights in water and other property, and in strengthening real estate and financial management services.

An increase of \$1.9 million for water, hunting and fishing, and other rights protection work will provide for initiating additional water studies, for completing water use plans now underway, and for filing or appealing additional litigation cases. Also, programs will be strengthened to assure that environmental quality standards are being maintained.

An \$0.8 million increase for trust services will provide for urgent backlogged land appraisal and lease and management services, increasing the number of appraisals by 600, and land conveyance, rights-of-way, and other lease services by over 5,000. In addition, trust fund management and accounting services will be strengthened for the estimated \$542 million in Indian monies invested, and for tribal and individual Indian accounts being serviced.

General Management and Facilities Operations - \$76.2 million. Included in the fiscal year 1977 budget request are funds to provide for the general management and administration of the Bureau (\$8.3 million); annual program planning and development at the reservation level (\$2.9 million); safety management and employee compensation (\$2.2 million); operation, repair and maintenance of physical facilities in support of Bureau programs (\$57.4 million); \$5.4 million for space provided by GSA in GSA-owned or leased facilities and for space leased directly by the Bureau under leasing authority granted by GSA.

Construction (Buildings and Utilities) - \$16.7 million. The construction program is estimated at \$44.1 million using \$27.4 million of unobligated funds at the close of the Transition Quarter and \$16.7 million of new authority. The new authority provides \$252 thousand to complete the Chevak Elementary Day School, Alaska; \$1.9 million for the Alakanuk Elementary Day School, Alaska; \$2.4 million for the Jemez Elementary Day School, New Mexico; \$2.0 million for the Mekoryuk Elementary Day School, Alaska; \$1 million for phase I of the Pine Ridge Rehabilitation Center, South Dakota; \$500 thousand for a domestic water line to serve administrative and shop facilities for the Navajo Indian Irrigation Project, New Mexico; \$1.2 million for the sewage collection system at Mt. Edgumbe, Alaska; and \$7.3 million for deferred equipment, water exploration, facility improvements, and architectural, engineering, and program support services.

Irrigation Construction - \$29.6 million. The budget estimate for irrigation systems for fiscal year 1977 provides \$22.0 million for the Navajo Indian Irrigation Project located in New Mexico and \$7.6 million for other Indian irrigation projects and related power systems.

Road Construction on Indian Reservations - \$68.5 million. The Bureau of Indian Affairs will continue to emphasize in fiscal year 1977 the need for developing adequate road systems on Indian reservations. Obligations for FY 1977 are proposed at \$1.8 million above the amount for FY 1976.

Alaska Native Claims - \$30 million. Included in the fiscal year 1977 budget request is \$30 million for payment to the Alaska Native Fund for settlement of land claims of Alaska Natives as authorized by P.L. 92-203, December 18, 1971. This settlement will be accomplished in conformity with the real economic and social needs of the Natives and with their maximum participation in decisions affecting their rights and property. Funding to date has been \$12.5 million in 1972, \$50.0 million in 1973, \$70.0 million in 1974, 1975, and 1976, and \$40.0 million in the Transition Quarter.

Revolving Funds for Loans and Indian Loan Guaranty and Insurance Fund. The Indian Financing Act of 1974 (P.L. 93-262) authorized an increase of \$50.0 million for the Indian Revolving Loan Fund for which \$41.0 million was appropriated in fiscal years 1975 and 1976. A loan level of \$14.3 million is projected for 1977 using collections and unobligated funds carried forward into 1977. The Act also authorized \$20.0 million for three consecutive years (FY 1975, 1976, and 1977) to cover costs of administering the Indian Financing Act, and to establish a Loan Guaranty and Insurance Fund to cover the costs of interest subsidies and losses on guaranteed and insured loans. The estimates include \$20.0 million for these purposes in fiscal year 1977, an increase of \$10 million over 1976.

BIA Permanent Full-Time Employment. The employment levels set forth in the justifications represent a decrease of 236 in permanent full-time end-of-year employment. In addition, the number of permanent positions have been further adjusted downward to bring the number of permanent positions more nearly in line with anticipated permanent full-time employment. The number of positions shown reflects lapses of approximately six percent.

Federal Government Obligations. The Federal Government holds title, in trust, for 40.8 million acres of tribally-owned land and 10.2 million acres of individually-owned land.

Population. The United States Census for 1970 reports there are 792,730 Indians and 34,378 Aleuts and Eskimos in the United States. This is a total of 827,108 Americans claiming Indian or Alaska Native ancestry. In March 1973, the Bureau of Indian Affairs estimated about 543,000 Indians living

on reservations and nearby, including all rural California Indians in counties containing trust land.

Program Direction. The Administration will continue to provide the American Indian the opportunity to live in prosperity, dignity and honor, and to help determine their destiny through their participation and involvement. Special emphasis will be given to implementing the Indian Self-Determination Act. This budget supports those directions.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
(In thousands)

Summary by Appropriation and Activity

Appropriations and Activities	Fiscal Year 1976			FY 1977 Estimate	Increase (+) or Decrease (-) 1977 Compared with 1976
	Appropriation	Pay Cost Supplemental	Amount Available		
<u>OPERATION INDIAN PROGRAMS:</u>					
1. Education	237,585	5,500	243,085	243,807	+ 722
2. Indian Services	128,761	770	129,531	154,735	+25,204
3. Tribal Resources Development	82,265	1,313	83,578	88,744	+ 5,166
4. Trust Responsibilities & Services	20,892	445	21,337	24,010	+ 2,673
5. General Management & Facilities Operations	71,315	2,431	73,746	76,174	+ 2,428
6. Navajo-Hopi Settlement Program ..	2,100	15	2,115	2,040	- 75
Total	542,918	10,474	553,392	589,510	+36,118
<u>CONSTRUCTION:</u>					
1. Irrigation systems	30,400	- - -	30,400	29,600	- 800
2. Construction of Buildings and Utilities	43,522	- - -	43,522	16,663	-26,859
Total	73,922	- - -	73,922	46,263	-27,659
<u>ROAD CONSTRUCTION:</u>					
1. General Road Construction-Appro. (Obligational Authority)	66,705	- - -	66,705	46,795	-19,910
(Budget Authority)	(66,705)	- - -	(66,705)	(68,544)	(- 1,839)
(Budget Authority)	(-)	(-)	(-)	27,205	+27,205
<u>MISCELLANEOUS APPROPRIATIONS:</u>					
1. Alaska Native Claims	70,000	- - -	70,000	30,000	-40,000
Revolving Fund for Loans.....	3,000	- - -	3,000	- - -	- 3,000
Loan Guaranty	10,000	- - -	10,000	20,000	+10,000
TOTAL APPROPRIATIONS ...	<u>766,545</u>	<u>10,474</u>	<u>777,019</u>	<u>759,773</u>	<u>-17,246</u>

OPERATION OF
INDIAN PROGRAMS

BUREAU OF INDIAN AFFAIRS

Operation of Indian Programs

Appropriation, 1975.....	\$467,000,000	
First supplemental.....	2,814,000	
Second supplemental.....	6,800,000	
Pay act supplemental.....	<u>9,318,000</u>	
Total appropriation, 1975.....		<u>\$485,932,000</u>
Appropriation, 1976.....	542,918,000	
Pay cost supplemental.....	10,474,000	
Unobligated balance.....	<u>304,643</u>	
Total available, 1976.....		<u>553,696,643</u>

SUMMARY OF INCREASES AND DECREASES, 1977

	<u>Base for 1977</u>	<u>Increase 1977</u>
Education.....	\$243,189,643	\$617,357
Indian services.....	129,531,000	25,204,000
Tribal resource development....	83,778,000	4,966,000
Trust responsibilities.....	21,337,000	2,673,000
General management and facilities operation.....	73,746,000	2,428,000
Navajo-Hopi settlement program.....	2,115,000	-75,000
Annualization of October 1975 pay raise.....		<u>(3,595,000)</u>
Total, net increase, 1977.....		<u>35,813,357</u>
Budget Estimate, 1977.....		<u>589,510,000</u>

BUREAU OF INDIAN AFFAIRS
 OPERATION OF INDIAN PROGRAMS
 Analysis by Activities

Activity	FY 1975 Amount Available	(Direct Appropriation)			
		Fiscal Year 1976			
		Total Appropriation	Pay Cost Supplemental	Unobligated Balance Available	Amount Available
1. Education.....	\$226,391,762	\$237,585,000	\$5,500,000	\$104,643	\$243,189,643
2. Indian services.....	98,702,699	128,761,000	770,000	--	129,531,000
3. Tribal resource development.....	75,276,769	82,265,000	1,313,000	200,000	83,778,000
4. Trust responsibilities.....	18,553,733	20,892,000	445,000	--	21,337,000
5. General management and facilities operation.....	66,597,609	71,315,000	2,431,000	--	73,746,000
6. Navajo-Hopi Settlement program...	--	2,100,000	15,000	--	2,115,000
Unobligated balance available....	304,643	--	--	--	--
Unobligated balance lapsing.....	104,785	--	--	--	--
Total.....	<u>485,932,000</u>	<u>542,918,000</u>	<u>10,474,000</u>	<u>304,643</u>	<u>553,696,643</u>

BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS

Analysis by Activities

(Direct Appropriation)

Activity	FY 1975 Amount Available	FY 1976 Amount Available	FY 1977 Estimate	Increase (+) or Decrease (-) 1977 Compared with 1976	Page Refer- ence
1. Education.....	\$226,391,762	\$243,189,643	\$243,807,000	\$+617,357	4
2. Indian services.....	98,702,699	129,531,000	154,735,000	+25,204,000	13
3. Tribal resources development...	75,276,769	83,778,000	88,744,000	+4,966,000	28
4. Trust responsibilities.....	18,553,733	21,337,000	24,010,000	+2,673,000	48
5. General management and facilities operation.....	66,597,609	73,746,000	76,174,000	+2,428,000	54
6. Navajo-Hopi Settlement Program.	---	2,115,000	2,040,000	-75,000	59
Unobligated balance available..	304,643	---	---	---	
Unobligated balance lapsing....	104,785	---	---	---	
 Total.....	 485,932,000	 553,696,643	 589,510,000	 +35,813,357	

1. Education

Education: Fiscal year 1976, \$243,085,000; fiscal year 1977, \$243,807,000; increase of \$722,000. The increase consists of:

<u>Increase (+) or Decrease (-)</u>	<u>Total</u>	<u>Total</u>	<u>Explanation</u>
<u>Amount</u>	<u>Program</u>	<u>Positions</u>	
(a) + \$641,000	\$156,893,000		Increased costs and for operation of new facilities.
(b) -3,000,000	27,952,000		Reflects the elimination of the 1976 congressional add-on to hold-harmless the State distribution of JOM funds under new regulations.
(c) +3,081,000	58,962,000		Increase for scholarships, adult education and adult vocational training.
(1,887,000)			Annualize increased pay costs as per E.O. 11883.
<hr/>			
+ 772,000	-211	243,807,000	7,519
<hr/>			

Major Program Changes

- (a) School Operations, +\$641,000, total \$156,893,000.

Proposal. The \$641,000 increase will be used in two general program areas as follows:

- (1) \$3,000,000 will be used to operate a number of new school facilities, including nine new kindergarten classrooms, which are presently under construction and which are planned for completion and operation in fiscal year 1977.
- (2) A decrease of \$859,000 is for program reductions reflecting tribal priorities.
- (3) In fiscal year 1976, funds in the amount of \$1,500,000 were made available to supplement the operation of 10 previously private schools (4 boarding and 6 day). These funds are not included in the fiscal year 1977 request.

Justification. The \$3,000,000 for new school facilities will provide an education opportunity for an additional 1,100 students not now being served by the Bureau at the respective locations.

Cost Factors. Operation of 9 new kindergartens, \$639,000; Phase II of Santa Rosa School expansion, \$350,000; new school facility at San Simon, \$600,000; and the expansion of Gray Hills High School, \$1,411,000.

- (b) Johnson O'Malley Educational Assistance. -\$3,000,000; total \$27,952,000.

The decrease reflects the full operation of the JOM regulation revision of September 1974 and as revised December 1975 following a year of transition when the Congress appropriated an additional \$3.0 million in FY 1976 to offset

any reduced public school assistance allocation under the revised Johnson-O'Malley distribution formula. The Congress has indicated these additional funds should be limited to fiscal year 1976.

- (c) Career Development, +\$3,081,000; total \$58,962,000.

Proposal. The proposed increase will be used to provide additional career development services in three general areas as follows:

- (1) Higher Education. An increase of \$2,306,000 is requested for additional scholarship grants for Indian students.
- (2) Adult Education. An increase of \$78,000 is requested for adult education services.
- (3) Adult Vocational Training. An increase of \$697,000 is requested to assist individual adult Indians in pursuit of formal vocational training activities throughout the United States of which \$305,000 will be utilized to reduce the socio-economic impact in the Navajo-Hopi disputed area as families are relocated under the provisions of P.L. 93-531.

Justification.

- (1) Higher Education. The demand for scholarship assistance from the Bureau is expected to increase. Higher education has enjoyed a high priority among tribal groups in determining tribal priorities in fiscal year 1977. It is expected that nearly an additional 2,000 scholarship grants will be awarded in line with tribal priority expressed concerning this program.
- (2) Adult Education. The additional funds requested will provide for a continuation of the adult education program at approximately the same level as fiscal year 1976.
- (3) Adult Vocational Training. This program increase will provide an opportunity for additional Indian people to attain a skill and obtain reasonable and satisfactory employment, thereby affecting the unemployment rate and average per capita annual income.

Cost Factors.

- (1) Higher Education. This is an increase of 2,000 over fiscal year 1976. The additional \$2,306,000 will provide funding for the increased number of students and also funding at a more appropriate level based on the needs of the student on an equitable basis.
- (2) Adult Education. No increase in number of adults served.
- (3) Adult Vocational Training. The additional \$697,000 will provide for an additional 244 adult vocational training opportunities at an average cost of \$2,863 per adult served.

Program Description

The Bureau operates 76 boarding and 114 day school facilities where public schools are not available or cannot meet the special needs of Indian children. States, school districts, or Indian corporations may contract for supplemental programs or operational support. Grants are made to Indian students attending college. Federal school plans include: adequate base funding of the Indian education program; improvement in the home living program; and provision for the

special needs of local schools and communities. The Bureau coordinates the development of basic and continuing institutional or non-institutional education programs for Indian adults.

Education Funding

	<u>FY 1976</u>	<u>FY 1977</u>	<u>Increase and Decrease</u>
(a) School operations.....	\$156,252,000	\$156,893,000	\$+ 641,000
Day school students.....	(18,651)	(21,601)	(+2,950)
Boarding school students.....	(32,652)	(34,340)	(+1,688)
(b) Johnson-O'Malley educational assistance.....	30,952,000	27,952,000	-3,000,000
(c) Career development.....	55,881,000	58,962,000	+3,081,000
Annual increased pay costs per E.O. 11883.....	<u> </u>	<u>(1,887)</u>	<u> </u>
Totals.....	<u>243,085,000</u>	<u>243,807,000</u>	<u>+ 722,000</u>

- (a) School operations. Federal Indian schools exist for two specific reasons: (1) because of geographic isolation caused by distance or lack of an adequate road system, and (2) for the accommodation of students who can benefit from the controlled environment of a boarding school. This would include rejected or neglected children and those whose behavior problems are too difficult for solution by their families or through existing community facilities.

Typically, Indian children have special needs and problems over and above those of the average American child. These include the necessity of learning a language different from their own, the effects of isolation, the painful process of bridging two cultures, and the need for meaningful involvement of their parents in the life of the school they attend.

The primary objective of Federal schools for Indian children living on Indian-owned or trust lands is to prepare them for successful living. In pursuit of individual goals, children in Federal schools develop basic academic skills, acquire an understanding of the social and economic world which surrounds them, learn improved standards of living, follow practices which assure optimum health, acquire the necessary vocational training to qualify for gainful employment, and obtain sufficient education to enter special schools and institutions of higher learning.

Under the Snyder Act of November 2, 1921 (25 USC 13), the school operations program provides for the operation of boarding schools, dormitories, and day schools for Indian youth at the kindergarten, elementary, high school, and post-high school levels. A pilot program for pre-kindergarten children is presently underway at two locations.

Boarding schools provide instruction and residential facilities at the elementary, high school, and post-high school levels. Enrollment is made up of those Indian children who do not have suitable education opportunities in their home communities, who are orphans, or who, for social reasons, must be educated away from their homes. These schools also provide a home living program to assist students in making social and cultural changes necessary for successful school adjustment.

Dormitories house children who attend public schools. These are children who do not have public schools available in their home communities. They are enrolled at both the elementary and secondary levels. The dormitories provide housing, feeding, and out-of-school recreation and tutoring activities.

Day schools provide instruction for local students within busing distance of the facility. The majority of those enrolled in day schools are in the elementary grades with only around five percent in high school. Most of these schools are small schools in isolated locations. Programs are designed to compensate for the effects of isolation and economic and social deprivation experienced in such locations. Kindergarten classes are provided for five-year old children.

In fiscal year 1975, the Bureau operated or contracted for the operation of schools which provided educational opportunities for 49,723 students. Approximately 1,800 students received high school or post-high school diplomas.

Fifteen schools were contracted to Indian tribal groups for management and operation of the local school program. These fifteen schools enrolled 2,799 students in grades ranging from kindergarten through twelve. In addition, there were numerous smaller contracts for various educational components such as summer programs, bilingual education, transportation services, and so on.

The Bureau of Indian Affairs has underway a program to develop regulations to meet the requirements of law provided by the Freedom of Information Act, Privacy Act of 1974, and the Buckley Amendment to Public Law 93-380. Interim guidelines have been issued to the Field and formal rules have been promulgated. This work is very appropriate in that it relates well to the student rights and responsibilities program and to the Management Information System which are innovations in the education program. The entire work should be completed by the end of June 1976.

Starting with the school year 1974-75, the Bureau of Indian Affairs implemented throughout its system a program in Student Rights and Responsibilities.

The innovation included rules for student rights and procedural due process that were made a part of the Code of Federal Regulations, a new section in the Indian Affairs Field Manual, and the development of law related curriculum. An evaluation of the school year 1974-1975 reflects implementation in all of the high schools and 87 percent of the elementary schools. Our goal is 100 percent in all schools and this should be achieved in the immediate future. A new curriculum guide entitled "Guidelines for Teaching Concepts of Fairness, Justice, and Democracy in BIA and Tribal-Contract Schools" has been developed and distributed to all the schools and dormitories. General guidelines and principles on which the program were based anticipated last year's court decisions and meant that Indian children in Federal schools have full protection and support in relationship to their rights while in school. There have been a large number of requests for materials and information about the program.

A new charter for the Institute of American Indian Arts was approved authorizing the institute to issue an Associate of Arts Degree. The school will be reflecting the needs of modern Indian youth and will offer instructions in grades 11-14. In addition to the Junior College level degree, they will award a high school diploma. This has given the school a renewed spirit and offers the prospect for an exciting future.

The Bureau is well into implementing an Education Information System (a version of a management information system). The system is comprised of five subsystems with the Student Enrollment System to be the first to be implemented. Following closely after the SES is the Enrollment and Staff subsystems. The SES will improve BIA statistics in this area considerably over what they have been in previous times. The other subsystems include those of facilities and communities.

(b) Johnson-O'Malley educational assistance. The Bureau of Indian Affairs is committed to the development and maintenance of quality education programs for Indian students within the Bureau's service population. These programs include assistance to public and tribally controlled and operated schools, and providing a school system for those children for whom no other program exists.

The Bureau, also, is committed to the policy of meaningful Indian self-determination which will permit Indian people to decide the direction of educational programs for their children.

To implement this policy, the Bureau will enter into contracts to provide educational programs for Indian children from 3 years of age through grade 12, who are 1/4 or more degree Indian blood and are recognized as being eligible for Bureau educational services because of their status as Indians.

The goals of this program are to provide the quantity and quality of educational services and opportunities which will permit Indian children to compete and excel in the life areas of their choice and to achieve the measure of self-determination essential to their social and economic well being.

Contracts will be let to provide financial assistance to those program efforts designed to meet the specialized educational needs of eligible Indian students, including school operational support where such support is necessary to maintain established State educational standards and when such expenditures are approved by the local Indian Education Committee.

Funds for the support of contracts under this part shall be apportioned among the States on a substantially equal basis, based upon the number of eligible Indian students for whom funds are sought with allowances being made for the actual cost of delivering educational services in each State. Contractors within each State will receive approximately the same amount for each eligible student to be served under the contract.

Contracts are supported by an educational plan developed cooperatively by the Indian Education Committee and the contractor.

The educational plan is a comprehensive document describing such things as:

1. Educational objectives
2. Individual programs to be implemented
3. State standards to be maintained
4. Procedures for administrative and fiscal management
5. Other pertinent requirements

Committees receiving contracted funds, except those which have a school board composed of a majority of Indians, shall have an established Indian Education Committee which shall participate fully in the planning, development, implementation, and evaluation of all contracted programs. Contracted programs need not be conducted in the school or operated by the school. Approval and disapproval authority of all programs to be contracted is a primary responsibility of the Indian Education Committee.

Contracts may also provide assistance in financing the cost of education of out-of-state, non-resident children housed in Federal dormitories who attend public school peripheral to the reservation. A contract is negotiated with each such district for a specified number of Indian students. These funds are not supplemental in nature and amounts per pupil will vary depending upon the actual cost to the school district which provides the educational service. For these students, the contract provides for the full per pupil cost of education. From the total budget request an amount not to exceed \$750,000 will be made available for this special purpose.

One of the most significant accomplishments in the past few years has been the increased involvement of the local Indian parents and the educational committees in the planning and monitoring of the Johnson-O'Malley program.

There has been a great increase in the number of special supplemental educational programs for eligible students in public schools. There has been an increase in the number of individuals from the local communities, most of them Indian, working in public schools as teacher aides, home visitors, and counselors. They are available as cross-cultural contributors of behavior to teachers, children, and parents. They represent a way of incorporating Indian adults directly into the educational system and they provide a means by which Indian adults can become better informed concerning the education of their children.

As the following chart will indicate, the number of contracts has increased from 27 in 1972 to 114 in 1975. We believe this has moved the program closer to the people being served.

<u>1972</u>	<u>1975</u>
4 tribal contracts	34 tribal contracts
11 district contracts	71 district contracts
12 state contracts	4 statewide contracts
—	<u>5</u> partial state contracts
<u>27</u>	<u>114</u>

History of Enrollments and Appropriations:

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Appropriation</u>
1972	86,765	\$22,652,000
1973	93,767	24,352,000
1974	99,718	25,352,000
1975	115,225	28,352,000
1976	130,000	30,952,000
1977 (estimate)	150,000	27,952,000

- (c) Career development. This subactivity provides for a single coordinated career development program. The program uses a coordinated approach to solving the problems individuals face in career selection. A career counselor is available locally to provide guidance in making activities selection and then to coordinate the funding for the activities considered appropriate for the individual being counseled. Under the career development program, funds may be used for any of a full range of activities including higher education, institutional vocational training or adult education. Funding may be considered separately for one of these program components or in combination. This kind of funding approach insures that programs complement each other in meeting the needs of the individuals served. In most instances the trained career counselor can be the single contact necessary for the applying individual to enter any phase of the

Career Development Program. The counselor is also well suited to act as a clearing agent for funding assistance from non-BIA sources such as other Federal, State, tribal, or private sources which might be available.

The following table indicates estimated amounts for the Career Development Program in fiscal years 1976 and 1977.

Career Development Estimates of Funding
by Program Component

<u>Program Component</u>	<u>FY 1976</u>	<u>FY 1977</u>
Higher education.....	\$33,119,000	\$35,425,000
Adult education.....	2,703,000	2,781,000
Adult vocational training...	<u>20,059,000</u>	<u>20,756,000</u>
Totals.....	<u>55,881,000</u>	<u>58,962,000</u>

The overall goal of the career development program is to provide the means through which American Indian and Alaskan Native people can realize their full potential and contribute maximally to the societies in which they operate, as well as to their own self-determination.

The objectives for arriving at this overall goal are to provide services which will enable this target population to realize accomplished successes. These services are as follows:

- (1) Career education
- (2) Career counseling
- (3) Adult education (high school equivalency and self-improvement training not necessarily leading to a job or degree but which may contribute as stepping stones to these goals).
- (4) Adult vocational training (institutional technical training specifically designed as eligibility for direct employment).
- (5) Higher education (academic training leading to a degree and/or a profession).

Higher education assistance for American Indian or Native Alaskan students to attend colleges or universities is an important part of the career development program concept. The higher education assistance program of the Bureau of Indian Affairs is designed to assist the entitled applicant who meets the criteria of one-fourth or more blood quantum of a federally recognized tribe or band. Applicants for assistance are expected to gain entrance to a college or university of their own choice and to cooperate with the financial aids officer of their institution in preparing a financial assistance application based upon his individual need. Such assistance may range from paying cost for one unit of work to complete support at the graduate level. This could be a range of as little as \$50 to more than \$4,000 depending upon the individual circumstances. The fiscal year 1975 appropriation was used to assist 14,256 students in attaining their goals for the year.

Higher education financial assistance is considered to be planned for supplemental use; that is, each applicant is expected to strive to help himself gain support from other public sources, and to search all avenues of financial assistance which may be used in combination with the BIA financial help.

It is estimated that the higher education assistance appropriation for FY 1977 will be \$35,425,000. Of this amount approximately 95 percent is administered through the Area Offices either directly or by their contracting to Indian tribal organizations. Additional funding for the American

Indian-Alaskan Native students is obtained through various programs administered by USOE.

Bureau policy regarding the utilization of Higher Education Assistance funds mandates that other sources of funding be explored before Bureau assistance is applied on an equitable basis. Basic Educational Opportunity Grants from USOE have become a major source of other than BIA assistance for Indian students. This year the Bureau conducted a major information dissemination program concerning the availability of BEOG funds and it is anticipated that all eligible Indian students will be recipients of funds from this source in the future.

Financial support for the Navajo Community College has been placed in the tribal priority determination process. The level of funding is contingent on the priorities set by the tribe. This amounts to \$4.5 million in fiscal year 1977, an increase of \$1.5 million.

Approximately 17,000 American Indian and Alaskan Native students will be assisted by the higher education financial aid program of the Bureau in fiscal year 1977. In fiscal year 1975, the Higher Education program included 14,256 students. Approximately one-half of the students enrolled are in some aspect of training for the field of education. Other programs funded include the Indian law scholarships, school administrators, and scholarships for professionals.

Adult education is another important part of the career development program concept which enables adult Indians (generally 17 years of age or over) to improve their opportunities for employment or levels of self-confidence by expanding their education. The individual participates in part-time educational programs near his own home. Plans are underway to extend programs to target groups who are not now receiving services. Major emphasis is placed on expressed local needs. Most frequently these needs deal with basic literacy and high school equivalency examinations. However, courses are offered in a variety of subjects including consumer economics, Indian language and culture, safety, nutrition and civics.

The program of work for fiscal year 1976 allows for the establishment of reservation learning centers in a number of locations from Navajo to Sacramento to Albuquerque. Training of staff necessary to man these centers was built into the program as well as professional evaluation processes.

Adult education in the BIA is uniquely designed to meet the developmental needs of adults who are not yet competent to enter formal or instructional programs they might desire. Adult educators work towards developing opportunities for adults who have been dropouts from formal programs and who need additional educational services if they are to lead lives which are personally, socially, economically, satisfactory to them. Adult education services are desired at a multitude of levels; such as, basic literacy, high school equivalency, pre-entry requirements for vocational training or college, social-political competence, initial employment or employment upgrading, or personal satisfaction.

Learning centers or more properly, career development centers, are designed to provide a local community the resources which will allow individuals or groups of individuals to pursue educational endeavors for private use or common purposes. Subject matter content and student time compete with individual needs and desires to cause a direction of effort. The total career development organizational concept is to provide the means for more coordination among the component programs involved: adult education, career education, adult vocational training and higher education.

Adult education services in fiscal year 1975 show the accomplishments described on the following table:

Adult Education Enrollment and Achievements
Fiscal Year 1975

Marginal Enrollment

Adult basic education.....	3,200
General education development.....	3,400
Other institutions.....	<u>11,700</u>
Total.....	<u>18,300</u>

Achievements

GED's obtained.....	1,200
Unemployed hired.....	1,800
Employed promoted.....	400
Entered college.....	700
Enrolled in other programs.....	<u>1,900</u>
Total.....	<u>6,000</u>

Learning centers (career development) in operation.....	24
---	----

Location in which some form of additional education was implemented.....	55
--	----

Adult vocational training is designed to assist Indian individuals in obtaining vocational skills to enable them to compete for a job on an equal basis with all other citizens. The services, authorized under Public Law 84-959, as amended, and provided under this program include vocational guidance and counseling, institutional training in recognized vocations and trade for a period of no more than 2 years. In addition, 3 years of training is available to those interested in pursuing Registered Nurse training. Participants are also offered assistance in community living, money management, and housing. Financial assistance grants are provided for transportation to place of training, subsistence enroute, maintenance during training period, tuition and related costs, health assistance, and maintenance for one month after training while being placed in employment.

The adult vocational training activity is a part of a Bureau career development concept which has as its goal a unified and closely coordinated system of the delivery of BIA education and training resources to adult Indians. As such, the concept provides personal counseling and testing services to Indians and assists them in identifying and solidifying career goals. When the goal is established, the Indian applicant is assisted in making arrangements for training, adult education, etc., and provided funding when necessary. Career development encompasses college scholarships, basic and adult educational and vocational training, and is closely allied with the job placement and other educational activities for a full range of services and resources.

In fiscal year 1975, approximately 6,575 individuals were assisted directly by adult vocational training services to enter formal vocational training activities throughout the United States.

2. Indian Services

Indian Services: Fiscal Year 1976, \$119,531,000; fiscal year 1977, \$154,735,000; increase of \$22,187,000. The increase consists of:

<u>Increase(+)</u> or <u>Decrease(-)</u>	<u>Total</u>	<u>Total</u>	<u>Explanation</u>
<u>Amount</u>	<u>Program</u>	<u>Positions</u>	
(a) -4,625,000	9,480,000		Responsibility for the TGDP function and part of comprehensive planning transferred to Self-Determination Svcs. and expiration of single year fishing rights funding.
(b) +5,877,000	71,902,000		Meet increased unit costs in general assistance, child welfare assistance, TWEP incentive payments & burial assistance. Also provide for increased caseload in child welfare & increased cost in the social services counseling and administrative programs.
(c) +1,778,000	16,146,000		Continue assistance for Indian housing authorities and renovation and building of new homes.
(d) +22,187,000	32,887,000		Provide additional contract support for tribes contracting for services; meet P.L. 93-638 responsibilities for self-determination grants and training and technical assistance.
(e) -13,000	24,320,000		All other programs.
(264,000)			Annualize increased pay costs as per E.O. 11883.
<u>\$ 25,204,000</u>	<u>+62</u>	<u>\$154,735,000</u>	<u>1,157</u>

(a) Aid to Tribal Government, -\$4,625,000; total \$9,480,000.

Proposal. For the past 4 years the Bureau has operated a tribal government development program (TGDP) which contracted with small low income tribes for projects designed to improve the capability of their tribal government. Also, for the last 3 years the Bureau has through its tribal planning services program contracted with tribes for the development of comprehensive plans which recognized tribal goals and objectives and were designed to meet the socio-economic and environmental needs of the reservation.

In FY 1977, the Bureau will be operating under the authority of the Indian Self-Determination and Education Assistance Act, P.L. 93-638. Section 104(a) of this act authorizes grants to tribes for strengthening or improving tribal governments, including tribally funded programs or operation of tribal facilities or resources. It also authorizes grants for the planning, design, monitoring and evaluation of Federal programs serving the tribes.

As the self-determination services program becomes operational it is proposed to fold in both the existing TGDP program and that portion of tribal planning associated with contracts with tribes for comprehensive plans.

It is also proposed however, to continue under aid to tribal government to meet the need for activities such as assistance in the preparation of tribal membership and payment rolls, processing enrollment appeals, preparing judgment fund legislation and holding hearings of record, advising on the processing constitution and by-law actions as well as corporate charters, and review of general and claims counsel contracts, technical assistance in comprehensive planning, agriculture extension and other special youth related programs.

The Bureau's FY 1976 Aid to Tribal Government budget was increased by \$2,152,000 to cover expenses associated with Indian fishing rights in the northwest. This brought the total funding for this purpose up to \$3,407,000 in FY 1976. Funding in FY 1977 will be \$2,255,000 (see page 51 for detail) of which \$245,000 is for aid to Tribal Government.

Justification. The Bureau of Indian Affairs has long had as an objective the improvement of tribal governments. Public Law 93-638 now offers broad authority to do just that. The flexibility offered by the act will enable tribes who were excluded from TGDP to now receive funds for government improvement projects and programs. The TGDP had been applied for TGDP and 115 of those were found eligible to participate. Under the proposed self-determination grants program it is estimated that 420 tribes will be eligible to participate.

The tribal planning function is clearly within the authority of P.L. 93-638 and as such should be operated under that authority and be coordinated with and complement other associated governmental improvement projects.

Under tribal government services, the Act of October 19, 1973 (Public Law 93-134, 87 Stat. 466), the Indian Judgment Fund Act, requires that the Bureau conduct public hearings of record in assisting tribe beneficiaries of awards made by the Indian Claims Commission or the Court of Claims in determining judgment use plans. In FY 1977, the Bureau will be involved in research, preparation of plans and hearings of record in 40 judgment cases. This figure could be higher as the Indian Claims Commission approaches the end of its work.

In FY 1977, roll work will commence on 56 new judgment payment rolls; work will continue on about 84 which will carry over from FY 1976, making a total of 140 rolls in progress (98 membership rolls and 42 descendancy rolls). There are presently on hand pending consideration and determination approximately 4,100 individual appeals relative to judgment cases. Certain judgment funds cannot be distributed until these appeals are completed and the entitlement of appellants to share in the funds is settled. Each new roll being prepared for use in distributing judgment funds results in more appeals varying in volume and complexity.

It can be expected that P.L. 93-638 will generate an increased workload of reviewing and approving proposed tribal constitution and charter actions. It may also be necessary to conduct special elections and referendums associated with new programs or methods of operation under P.L. 93-638.

Basically, the proposal for aid to tribal government for FY 1977 is justifiable so that the Bureau can concentrate those resources utilized for tribal government improvement in one comprehensive program under the authority of P.L. 93-638 and at the same time meet the need for on-going governmental operations in the fields of rolls, judgments, governing instruments, agricultural extension, planning technical assistance, and youth programs.

Cost Factors. In arriving at the net FY 1977 decrease of \$4.6 million for aid to tribal government, the following increases and decreases are proposed.

	<u>FY 1977</u>
Increased workload in tribal operations	\$ +590,000
Increased workload in agricultural extension	+299,000
Transfer to self-determination services:	
TGDP	-2,896,000
Comprehensive planning	-466,000
Expiration of fishing rights funding	<u>-2,152,000</u>
	<u>\$-4,625,000</u>

(b) Social Services, \$+5,877,000; total \$71,902,000.

Proposal. It is estimated that the caseload for various types of assistance required of the Bureau in fiscal year 1977 will be:

General assistance (average persons per month).....	68,000
Child welfare (average children per month).....	3,300
Burials.....	1,200
Social services; non-financial services (average cases per month).....	15,700

The Bureau's FY 1977 budget proposes to meet this need at a cost of \$71,902,000 which is an increase of \$5,877,000 over FY 1976. General and child welfare assistance as well as burial assistance will continue to be provided by BIA or under contract with tribes as in past years. This proposed program does not include a new program structure nor any major new initiatives. The major change required is in the level of funding and is directly related to increased unit costs across the board coupled with a minor projected increase in child welfare caseload.

Justification. During fiscal year 1977 the social services program will be required to provide Indian people and communities with financial assistance and social services which will enable them to effectively cope with individual and community social problems. In carrying out this mission, the Bureau must administer a program of social services on and in some instances, near major reservations and in the Bureau's administrative jurisdictions in Alaska and Oklahoma. The program undertakes to provide necessary financial assistance and social services for Indians on or near the reservations and in the jurisdictions referred to above only when such assistance and services are not available through State or local public welfare agencies. The operational elements of the social services program are general assistance, child welfare assistance, miscellaneous assistance and social services.

The caseload and funding data relating to meeting these needs for FY 1975 - 1977 are:

<u>Program</u>	<u>FY 1975</u> <u>Actual</u>	<u>FY 1976</u> <u>Estimate</u>	<u>FY 1977</u> <u>Estimate</u>	<u>Change</u>
1. General assistance..	\$47,510,060	\$49,573,000	\$52,366,000	\$+2,793,000
(caseload).....	(65,000)	(68,000)	(68,000)	---
2. Other welfare assistance:				
(a) Child Welfare..	\$8,153,310	\$7,776,000	\$9,374,000	\$+1,598,000
(caseload)...	(3,100)	(3,200)	(3,300)	(+100)
(b) Miscellaneous assistance...	521,533	490,000	986,000	+496,000
(burials)...	(250)	(300)	(1,200)	(+900)
3. Social services....	<u>7,734,000</u>	<u>8,186,000</u>	<u>9,176,000</u>	<u>+990,000</u>

Total..... 63,918,903 66,025,000 71,902,000 +5,877,000

Cost Factors. The general assistance caseload is estimated to be 68,000 persons per month in fiscal year 1977. The average cost of providing general assistance to each of these persons is estimated at \$61.33 per person per month for a fiscal year cost of \$50,044,000. This cost reflects an expected unit cost increase of \$3.11 in fiscal year 1977 over 1976. In addition, the Bureau's general assistance program will provide, through tribal contracts, work experience for an estimated 4,300 employable general assistance recipients under the tribal work experience program (TWEPE). Approximately \$2,322,000, reflecting a work cost payment of \$45 per TWEPE participant per month, will be required to fund the TWEPE at that level of participation. This cost reflects a \$5.00 unit cost increase in the TWEPE work cost payment in fiscal year 1977 over 1976 for a combined total cost for general assistance of \$52,366,000; an overall increase of \$2,793,000 in fiscal year 1977 over 1976.

Approximately 3,300 children per month will require child welfare assistance during fiscal year 1977. Funding in the amount of \$9,374,000 is required for the Bureau to meet its responsibilities of providing necessary foster care for these children. This funding reflects an estimated \$236.72 unit cost per month per child a unit cost increase of \$34.22 in fiscal year 1977 over 1976. It also reflects an increased caseload of 100 children in fiscal year 1977 over 1976. The overall increase in child welfare assistance is \$1,598,000 in fiscal year 1977 over 1976.

In fiscal year 1977, the Bureau must be prepared to meet the burial expenses of an estimated 1,200 indigent Indian persons. The substantial increase in miscellaneous assistance costs is because the Bureau policy of providing for burial services for all indigent Indian persons was inaugurated in early calendar year 1976 upon passage of the FY 1976 appropriation act. Prior to passage of this FY 1976 appropriations act, the Indian Health Service, U.S. Public Health Service, provided burial services to indigent Indians who died in Indian Health Service facilities. The average cost of each burial is estimated at \$500, representing a \$50 unit cost increase in fiscal year 1977 over 1976, and also representing a total burial cost for fiscal year 1977 of \$600,000; an increase of \$465,000 in fiscal year 1977 over 1976. The Bureau must also be prepared to assist tribes to meet costs associated with food programs. These costs are estimated to be \$386,000; an increase of \$31,000 in FY 1977 over 1976. The combined burial and food distribution miscellaneous costs for FY 1977 are estimates to be \$986,000, an overall miscellaneous cost increase of \$496,000 in FY 1977 over 1976.

In fiscal year 1977 the Bureau will have to provide counseling and other non-financial assistance to an estimated 15,700 persons per month. Also it is anticipated that many tribes will establish tribal social services programs via P.L. 93-638 contracting. These tribal programs will require Bureau funding to recruit, train and employ tribal social services staff. Most of these tribal programs will initially parallel and compliment existing Bureau services. This will help maintain quality of service in the initial stages of tribal contracting and will also help facilitate a desirable separation of general assistance eligibility determination from the provision of services only. Such a separation is in keeping with Federal Welfare policy and operating standards. These activities together with other costs associated with administration of the overall social services program (general assistance, child welfare assistance, miscellaneous assistance) will require estimated funding totalling \$9,176,000, an increase of \$990,000 in fiscal year 1977 over 1976.

(c) Housing. \$1,788,000; total \$16,146,000.

Proposal. The long-range mission of the Bureau's housing program is to carry out programs leading to the elimination of substandard housing on Indian reservations. To accomplish this will require the construction of 51,100 new homes and the repair of 26,600 existing houses. As part of that overall goal the Bureau's housing proposal for fiscal year 1977 is to provide, through the housing improvement program

(HIP), 400 new homes and 2,500 renovations and/or enlargements.

The Bureau must also be prepared to provide staff and technical assistance to approximately 134 local Indian housing authorities to which the Department of Housing and Urban Development (HUD) has committed over 12,500 units. This assistance will enable tribes to successfully acquire and manage HUD sponsored housing.

Justification. The estimate of housing need has been determined from the fiscal year 1975 Housing Survey which shows:

<u>Service population (families).....</u>	127,300
Less:	
Existing dwellings in standard conditions.....	-49,600
<u>Families in need of housing assistance.....</u>	<u>77,700</u>
Houses suitable for renovation to standard.....	26,600
New homes required.....	51,100

The Bureau's housing improvement program (HIP) is designed to (1) deal with the estimated 26,600 houses which can be renovated to standard, and (2) provide new housing for certain segments of the Indian population and areas that were thought to be eligible for other Federal programs but simply cannot be served. The housing development program provides technical and administrative assistance to Indian housing authorities in their dealings with HUD which provides the majority of new housing and Indian Health Service (IHS) which is responsible for water and sanitation services.

The renovation effort has been and continues to be an important element in producing standard Indian housing. Indian families receive the direct benefit of improved housing which is decent, safe and sanitary and results in reduced health and social costs which might be created by an unsafe and unsanitary environment.

It has been found most important that the renovation effort be of a quality and sufficiency that the recipient can take pride in the finished product. renovations must include not only the basic necessities of water and utilities but must provide for the modern conveniences including living space and storage space that are so necessary for family living.

The Housing and Community Development Act of 1974 contains the first statutory set aside (in terms of units) for Indian housing construction financed by the Department of Housing and Urban Development (HUD). This legislation is interpreted by HUD as a commitment for fiscal year 1975 and fiscal year 1976 of over 12,500 units. It requires the direct support of the Bureau Housing Development program which provides technical and administrative assistance to Indian housing authorities in developing housing project applications and proposals for financial assistance under the Federal housing programs as well as technical construction management and inspection.

The Bureau is also responsible for the coordination of various other agency inputs (roads, water and sewer) necessary to complete construction. The increased responsibility under the new Act directly affects the requirements for record keeping and statistical analysis by the Bureau. Application and interpretation of statistical data and daily contact with Indian housing authorities enables the Bureau to advise Indian housing authorities and HUD on housing progress.

Cost Factors. As indicated above there are approximately 77,700 families in need of housing services. During fiscal year 1977 it is estimated that the proposed budget of \$16,146,000 will provide direct assistance to 2,900 families as follows:

<u>New homes</u>	
HIP.....	400
<u>Renovations</u>	
HIP.....	<u>2,500</u>
Total units.....	<u>2,900</u>

The average cost of a new HIP home is estimated to be \$12,000. A HIP renovation averages \$3,100 per house. Total HIP cost for FY 1977 is \$4,776,000 for new homes and \$7,700,000 for renovations; a total of \$12,476,000.

The provision of technical and administrative housing development assistance to Indian tribes and housing authorities amounts to \$3,670,000 for FY 1977.

(d) Self-Determination Services. \$+22,187,000, total \$32,887,000.

Proposal. The establishment of self-determination services is the most significant major program change to be proposed within Indian Services for FY 1977. The Indian Self-Determination and Education Assistance Act (P.L. 93-638) became law on January 4, 1975.

There are two basic approaches to Indian self-determination intended by Congress and stated in the Act. The first is contracting. The Act directs the Secretary of the Interior to enter into contracts with tribal organizations for the planning, conduct or administration of programs that the Secretary is authorized to administer for the benefit of Indians provided certain conditions are satisfied. The second approach can be termed capacity building.

Under Section 104(a), the Secretary is authorized to contract with or make grants to tribal organizations for strengthening or improving tribal government; to build tribal capacity for contracting; and to plan, design, monitor and evaluate Federal programs serving the tribe. The intent of Congress was clearly to provide authority to the Secretary to strengthen tribal government and where such government exists or when it has been developed to require the Secretary to honor tribal proposals for the contracting of federally administered programs. In order to carry out the intent of the Act the Department and the BIA must have the resources necessary to facilitate contracting, and to strengthen tribal government in order to implement the Administration's self-determination strategy.

Fiscal year 1977 will be the first full year in which the Act will be operational. The operational goals of self-determination services are intended to accomplish the intent of Congress and they are:

1. Provide tribes with the resources to develop soundly conceived and well prepared plans to assume the operation of Bureau programs and services under contract.
2. Provide funds for overhead costs of Indian tribes or organizations associated with contracting with the Bureau of Indian Affairs and for costs related to the displacement of Federal employees as a result of these contracts.
3. Provide the resources required to train tribal officials and personnel in the knowledge and skills necessary to conduct and administer new programs and otherwise improve the effectiveness of tribal government.
4. Increase tribal ability to operate Federal programs under contract and enhance the overall quality and effectiveness of tribal government by establishing programs to improve managerial capacity as well as other facets of tribal administration and program operations.

5. Provide tribes with the support necessary for them to plan, direct, administer, monitor, evaluate, and otherwise control the gamut of Federal services provided for the benefit of Indian people.

In order to meet these goals three distinct funding operations must take place in fiscal year 1977. They are:

1. Provision of contract support funds to (a) offset overhead costs which tribes will experience in association with contracting; (b) additional costs associated with the displacement of Federal employees whose functions are contracted with tribes.
2. Provision of funding for training and technical assistance for both participating tribes and Bureau staff to prepare them for effective new roles operating under P.L. 93-638.
3. Funding self-determination grants to tribes to be utilized for facilitating contracting and improving the capacities of tribal governments.

Justification. During FY 1977 the Bureau will implement an intensive program designed to carry out the policy of Congress as stated in P.L. 93-638 (Section 3). This section recognizes the obligation of the United States to respond to Indian desires for self-determination by assuring maximum Indian participation in the direction of services provided to them. Congress further declares that the policy requires implementation of an orderly transition from Federal domination to a situation where Indian people participate in the planning, conduct, and administration of those same programs and services. The intent of the Act cannot be carried out unless significant amounts of money are made available for the programs being proposed for the following purposes:

1. Grants to tribes for improving the capacity of tribal governments.
2. Adequate resources to offer training and technical assistance to tribes and Bureau staff requiring such help.
3. Funding to offset the additional overhead which will occur when tribes contract for current BIA programs.

The following components of the proposed program are based on a combination of needs expressed by tribes, on the interpretation being given the intent of Section 104(a) by this Bureau and recognition that planning, Government capacity building, and training/technical assistance, are in most cases, pre-requisites for tribes to contract for Bureau programs or otherwise implement the intent of the Act.

Justification for the approval of each of these proposed funding components can be summarized as follows:

1. Self-Determination Grants - Section 104(a). This component is a crucial and necessary component to the self-determination strategy. The passage of P.L. 93-638 has afforded tribal governments opportunities for the exercise of an increasing number of activities which are generally characteristic of local governmental units, and which may result in Indian people having maximum control over their own affairs. However, the Act also recognizes that in many instances tribes have not yet developed the capacity to carry out these self-determination objectives by virtue of either the lack of resources to do so or due to inadequate development of their governmental capabilities or other reasons.

Grants will be made available to tribes for planning, training tribal staff to administer Bureau programs, tribal government improvement, contract and grant proposal preparation, and basic studies and analysis. The Bureau will set aside a definite amount of funds which will be distributed upon application for tribal projects related to the activities described above.

The initial funding set aside has been determined by a formula based on tribal population modified to account for economies of scale and realities of the population variation among tribes.

The rationale supporting the proposed formula is:

- a. Tribes may be grouped according to their population for purposes of determining funding requirements.
- b. Each tribe should be eligible for a self-determination grant which recognizes that higher costs will be experienced by larger tribes but still permits small tribes sufficient funding to achieve significant results.
- c. Incentive funding should be provided to encourage tribes to associate with others in management and administrative groups to obtain economies of scale.
- d. Provision should be made to fund worthwhile programs and projects of those small tribes who cannot obtain sufficient funds through the formula or by association with other tribes.

The formula does not, in accordance with the intent of P.L. 93-638, penalize tribes because of tribal income or assets.

2. Training and Technical Assistance. The training and technical assistance to be made available under the Act will focus both on participating tribes and Bureau staff. Funds will be made available under this element to cover costs of training tribal personnel to achieve the objectives of P.L. 93-638. Training will focus on the opportunities afforded by P.L. 93-638 and important areas like the following: developing skills in financial administration, merit personnel systems and general managerial abilities and other areas of study relating to administering Bureau programs and improving tribal government. Training and technical assistances along these lines will be provided primarily at these points in time: (a) prior to contracting, (b) during the declination process, and (c) after contracting and attempting to avoid retrocession.

Tribes have indicated, in a very strong manner, their need to have a source of independent technical assistance in those situations where the tribe and the Bureau have differing views on how a program should be operated. Assistance would be provided for financial management skills in contract negotiations, and the range of problems associated with the declination process. In addition, resources will be required to train Bureau staff so that our people in the field will be able to undertake the new functions embodied in the Act.

It is critical that focal points in the Bureau be created for the implementation and oversight of those program activities under Section 104(a) of P.L. 93-638 for which the funds in this budget are being requested. There, fore, the Bureau plans to establish a Division of Self-Determination Services in the Washington Office which will have the responsibility for policy development, oversight, and direction of the training and technical assistance effort, as well as for the administration of the self-determination grants program. This unit will be responsible for development and

implementation of a plan for orienting all Bureau employees concerning the purpose and substance of P.L. 93-638 and for training of key Bureau personnel so that they might respond effectively to the issues and questions raised by the Act and bring them actively into the process as advocates of the new policy. Also it will develop a plan for extended and in-depth orientation and training of tribal leadership and key tribal staff members at the reservation level, to enable them to exercise their options under the legislation in an informed manner.

The unit should initially include professional persons with experience in (a) tribal government and tribal development, (b) the operation of the Bureau and the capability and attitude of its staff, and (c) training and technical assistance services. This unit will require twelve additional staff positions including support personnel. Each area office will be required to establish a self-determination unit to monitor the implementation of self-determination policy and act as a coordinator of training and technical assistance. Each unit will consist of three positions at each of the twelve area offices for a total personnel requirement of 48 positions.

Grants and contracts for technical assistance and training for tribes from outside sources will amount to \$3.0 million. An additional \$1.0 million is requested to carry out BIA staff training. This will enable the Bureau to produce the materials and supplies, conduct training sessions, and in some instances contract for additional necessary services required to provide a thorough orientation concerning the Act to all Bureau employees.

3. Indian Contract Support. Tribes that contract with the Bureau for services are faced with funding problems. In order to maintain at least the level of services offered prior to contracting, they must obtain funding to cover overhead or indirect costs. Many tribes are reluctant to contract with the Bureau because they feel it costs them more in terms of tribal and/or program dollars. To solve this problem the Bureau in fiscal year 1976 established an Indian contract support program for which appropriate overhead rates for contracts were made available to cover auditable overhead costs. Provision was also made to pay the costs of severance pay and lump sum leave payments for Federal employees displaced by contracting.

Cost Factors. Developing cost factors to be used in costing out a new program such as self-determination services is often of necessity an imprecise endeavor. Based upon what data was available and best estimates of what will be required of each of the operating components are:

1. Self-Determination Grants. There have been 421 tribes identified as being eligible for self-determination grants. Using the rationale shown above in the justification section, the cost factors used to arrive at the proposed total for self-determination grants were:

P.L. 93-638 Grant Funding Factors

<u>Population</u>	<u>Per Capita Funding</u>
For first 2,000 members	\$50
Next 2,000 members	\$40
Next 2,000 members	\$30
Next 2,000 members	\$20
Next 2,000 members	\$10
All other members	\$ 3

The total annual need in terms of funding for self determination grants using the above formula is:

<u>Tribal Population</u>	<u>Number of Tribes</u>	<u>Estimated Total Population</u>	<u>Total Cost</u>
2,000 and under	383	124,000	\$6,200,000
2,001 - 4,000	22	61,500	2,900,000
4,001 - 6,000	7	35,900	1,500,000
6,001 - 8,000	5	33,400	1,300,000
8,001 - 10,000	1	9,300	300,000
Over 10,000	<u>3</u>	<u>164,000</u>	<u>1,300,000</u>
Total	<u>421</u>	<u>428,100</u>	<u>13,500,000</u>

In addition to the above formula distribution, special provision is to be made for tribes whose population is less than 300 persons. Tribes falling in this category will be eligible for incentive payments if they combine with other tribes to administer self-determination programs. These incentive payments are intended to raise the amount of grant aid for which a small tribe is eligible to a minimum of \$25,000. Provision will also be made for special grants to small tribes who find it impossible to combine with other tribes and whose normal entitlement is not enough to fund a worthwhile self-determination program. The total full-year cost for this "small tribe" aspect of the P.L. 93-638 grants is estimated to be \$3,660,000.

2. Training and Technical Assistance. For fiscal year 1977 it can be estimated that there will be about \$40 million in increased contracting under P.L. 93-638. A further estimate is that a factor of 6 percent of this new contracting amount, or \$2.5 million, would be adequate to meet the training and technical assistance for tribes which will be secured from sources outside the Bureau. Training for BIA staff will require \$1.0 million in staff requirements for self-determination services and \$1.0 million for a staff of 58 nationwide to direct training and technical assistance and administer the programmatic aspect of the self-determination grant process. The total requirement for training and technical assistance is \$4.5 million.
3. Indian Contract Support. During fiscal year 1976 tribes will have available to them \$10.7 million to offset overhead indirect costs resulting from contracting for the operation of programs. An additional \$0.4 million is required in fiscal year 1977 to maintain the same level of effort for contract support.
4. Cost Summary.

	<u>FY 1976</u>	<u>FY 1977</u>	<u>Change</u>
Self-determination grants.....	-	\$17,160,000	+\$17,160,000
Training and technical assistance.	-	4,597,000	+ 4,597,000
Contract support.....	<u>\$10,700,000</u>	<u>11,130,000</u>	<u>+ 430,000</u>
Total.....	<u>10,700,000</u>	<u>32,887,000</u>	<u>+22,187,000</u>

Program Description

The Indian Services activities provides resources through which program operate to promote the welfare and development of individual Indians and Indian communities, assist tribes in developing local government services for Indian communities and assist tribes in developing their capabilities for self-government and contracting Federal programs. The 5 subactivities which operate to achieve the purpose of Indian services and their respective funding levels are shown below:

<u>Program</u>	<u>FY 1976</u> <u>Amt. Available</u>	<u>FY 1977</u> <u>Estimate</u>	<u>Change</u>
Aid to tribal government.....	\$14,105,000	\$9,480,000	\$- 4,625,000
Social services.....	66,025,000	71,902,000	+ 5,877,000
Law enforcement.....	24,333,000	24,320,000	- 13,000
Housing.....	14,368,000	16,146,000	+ 1,778,000
Self-determination services..	<u>10,700,000</u>	<u>32,887,000</u>	<u>+22,187,000</u>
	<u>129,531,000</u>	<u>154,735,000</u>	<u>+25,204,000</u>

1. Aid to Tribal Government, -\$4,625,000; total \$9,480,000.

The funding change for aid to tribal government should not be construed as a de-emphasis of the program. One of its programs, TGDP, and a portion of tribal planning services performed functions which will be part of the new self-determination services program and their appropriate funding is being transferred to the new program. Also, additional funding associated with northwest fishing rights has not been included in the fiscal year 1977 budget.

In addition to the increased activity anticipated as the Indian Claims Commission nears the end of its existence, the passage of P.L. 93-638 is also expected to heighten activity in other areas involving aid to tribal government. As tribes are given new recognition and status under the Act, along with the anticipated resources necessary to direct Federal programs and carry out local governmental functions, indications are many tribes will either develop new or amend existing tribal governing documents. This will create a considerably increased workload reviewing and approving such actions. Similarly, it is expected that a need for additional special elections will be required to address matters spawned by the legislation. Furthermore, the trend of recent years involving tribes desiring to expand the jurisdiction of their tribal authority in some cases seek recognition previously not available require additional capability on the part of the Bureau to provide appropriate assistance.

Tribes will as in the past look to aid to tribal government as a valuable resource available to improve and enhance the operations necessary to the effective administration of governmental affairs. As such, aid to tribal government will act as a solid foundation which P.L. 93-638 programs can build upon. Estimates of certain activities are:

	<u>FY 1976</u>	<u>FY 1977</u>
Judgement cases in progress...	32	40
Judgement rolls in progress...	106	140
Ortho-photo maps.....	10	3
Constitution/organic document actions.....	84	96

2. Social Services, \$+5,877,000; total \$71,902,000

The social services will continue to provide, through general assistance, direct financial grants according to need determined by using the same budgetary standards applied by State welfare agencies for State public assistance programs. Additionally, Indians requiring institutional or nursing home care will be provided for. Employable Indians may participate in the TWEP which provides an incentive payment of \$45 per month over and above the general assistance grant for work on tribal projects such as home construction and repair, road repair, building maintenance and development of recreational facilities.

Through child welfare assistance the Bureau will secure foster homes, place Indian children in foster homes when living in their own homes is not desirable or possible, identify handicapped Indian children in need of special care and arrange for such care, and provide services and consultation to tribal courts so as to assist them in carrying out more effectively their legal responsibilities for the protection and care of Indian children.

Miscellaneous assistance will provide for burial costs for persons or families without other resources to defray their expense and also provide for assisting tribes with costs associated with food programs.

Social services will continue to provide individual and family counseling services and assistance to tribes in the development of tribal social services and work experience programs as well as actual administration of the general assistance, child welfare assistance, and miscellaneous assistance programs.

Selected outputs and workloads for social services functions are:

	<u>FY 1976</u>	<u>FY 1977</u>
General assistance - average person per month...	68,000	68,000
Child welfare - average children per month.....	3,200	3,300
Burials per year.....	300	1,200
Non-financial services per month.....	15,700	15,700
TWEP participants.....	4,300	4,300

3. Law Enforcement, \$-13,000; total \$24,320,000

Proposal. The Bureau's law enforcement program operates in 18 states where it provides enforcement, judicial and detention services to Indian communities with a total population in excess of 375,000 persons. The total Indian criminal justice system was the subject of an extensive study recently completed which recommends a phased upgrading of the operating elements of the criminal justice system to a point where Indian communities can expect to receive exemplary service.

As a result of the study the FY 1976 President's budget was amended to provide significantly increased resources as the first increment in an implementation program of improvements in enforcement, judicial and detention operations as well as associated support services such as training and inspection/evaluation.

The Bureau proposes that funding be continued at approximately the FY 1976 level in order to establish a firm operating base which will provide experience to both the Bureau and the tribes from which further improvements can be planned.

Justification. Crime statistics indicate the following:

The rate of major crimes on reservations is 1,654 per 100,000 population compared to 1,085 per 100,000 in rural areas as a whole; the incidence

of violent crimes in Indian country outnumber that in rural America by 1,068 to 144 per 100,000 population; and aggravated assaults are nine times as common on Indian reservations as in rural America generally. Murders are almost three times as common and rape (including attempted rape) is almost five times more common on Indian reservations.

During FY 1977 the Indian criminal justice system will operate at a minimum adequate level. This minimum adequate level is such that operations under it can be expected to contain the crime problem on Indian reservations at manageable levels.

The police will continue to be engaged in a crime prevention effort at each Agency in cooperation with other local agencies and community resources. This objective is based on the assumption that crime prevention is the first task of any criminal justice system.

The Bureau will require adherence to a code of professional conduct comparable to that of other Federal law enforcement agencies and will establish a mechanism to assure its observance. Such a code will also be required for any law enforcement programs under contract with the Bureau.

Adequate procedural safeguards will be continued in all CFR courts and the Bureau will work with tribal governments to assure that the rights of the accused are protected. The Bureau clearly has the responsibility to assure that the constitutional rights of all parties are protected.

There will be adequate funding and staffing to make jails physically safe and non-hazardous to health. It is essential that 24-hour supervision be provided at all jails in order to reduce the number of prisoner assaults and virtually eliminate deaths by suicide. Matrons will be on duty whenever women are imprisoned.

During FY 1977 the following workload is expected:

	<u>FY 1976</u>	<u>FY 1977</u>
Complaints investigated.....	133,000	152,000
Non-enforcement responses.....	339,000	390,000
Prisoners detained per day.....	480	500
Court cases conducted.....	90,000	95,000

Cost Factors. The FY 1977 costs associated with the proposed operating program described above as compared with FY 1976 are:

	<u>Current Year</u> <u>FY 1976</u>	<u>Budget Year</u> <u>FY 1977</u>
Enforcement.....	\$ 14,033,000	\$ 14,850,000
Judiciary.....	2,600,000	2,760,000
Detention.....	3,100,000	3,290,000
Training.....	400,000	425,000
Tribal planning.....	2,500,000	1,250,000
Inspection.....	140,000	149,000
Prisoner release.....	269,000	286,000
Administration and supervision.....	<u>1,291,000</u>	<u>1,310,000</u>
Total.....	\$ 24,333,000	\$ 24,320,000

4. Housing, \$+1,778,000; total \$16,146,000

The Bureau's housing program will continue to furnish funds and assistance

to provide and improve housing for Indians in Indian areas. It also provides technical assistance to tribes and liaison with HUD and the Public Health Service (PHS) to achieve the greatest possible housing benefit to Indians and their communities. During FY 1977 the housing program accomplishments are expected to be:

	<u>FY 1976</u>	<u>FY 1977</u>
New house starts (HIP).....	400	400
Renovations (HIP).....	2,250	2,500
HUD assisted new homes.....	6,000	7,500
Indian housing authorities units under occupancy..	25,000	28,000

5. Self-Determination Services, \$+22,187,000; total \$32,887,000

During FY 1977 the 421 tribes considered eligible to benefit from the self-determination provisions of P.L. 93-638 will be offered grants to assist them in projects leading to improvement in the capacity of their tribal governments. A self-determination staff will be established within the Bureau and will administer grants under the program and also oversee the training and technical assistance effort for those tribes whose applications for contracting are approved. There will be adequate resources available to meet overhead costs associated with contracting. It is expected that as time progresses this program will become the foundation for a new operating relationship between the Bureau and the tribes it serves.

3. Tribal Resources Development

Tribal Resources Development: Fiscal Year 1976, \$83,578,000; Fiscal Year 1977, \$88,744,000; increase of \$5,166,000. The increase consists of:

<u>Increase(+) or Decrease(-)</u> <u>Amount</u>	<u>Positions</u>	<u>Total</u> <u>Program</u>	<u>Total</u> <u>Positions</u>	<u>Explanation</u>
(a) \$- 467,000		\$12,119,000		Business Enterprise Development--Discontinue funding for Bicentennial observance and for lower priority activities in accordance with Tribal determinations.
(b) + 99,000		3,277,000		Credit -- Primarily to meet increased costs.
(c) +1,149,000		14,311,000		Direct Employment -- Expand training and placement services.
(d) +1,244,000		10,756,000		Road Maintenance -- To provide improved maintenance service levels and to maintain additional paved roads.
(e) +2,827,000		29,647,000		Forestry and Agriculture -- Farm unit development work on the Navajo Indian Irrigation Project, water resource program on the Navajo Reservation, and other program improvements.
(f) + 301,000		4,507,000		Minerals Mining, Irrigation and Power -- Intensify minerals and mining programs with special reference to energy.
(g) + 13,000		14,127,000		Indian Action Team -- To meet cost increases.
(+ 451,000)				Annualize increased pay costs as per E.O. 11883.
<u>+5,166,000</u>	<u>- 28</u>	<u>88,744,000</u>	<u>1,657</u>	

Major Program Changes

- (a) Business Enterprise Development, -\$467,000; total \$12,119,000.
The decrease reflects discontinuance of the Bicentennial program (-\$300,000); and reduced technical services to tribes in accordance with their program priorities (-\$167,000).
- (b) Credit, +\$99,000; total \$3,277,000 .
The increase is primarily to meet rising costs.
- (c) Direct Employment, +\$1,149,000; total \$14,311,000.
Proposal. The increase will be used to provide training and placement services to approximately 600 additional participants and to meet increased pay costs.

Justification. The program increase is in accordance with Tribal priorities which reflect the severe unemployment problems on Indian reservations, where a high unemployment rate persists. The target group for employment programs totals over 137,000 Indians. The program is designed to assist Indian people who possess employable skills to find and retain suitable employment, and to acquire additional skills.

<u>Cost Factors</u> . Services to 600 additional participants @ \$1,825/participant	\$1,095,000
Annualized pay cost	54,000

- (d) Road Maintenance, +\$1,244,000; total \$10,756,000.
Proposal. The increase will be used as follows:
\$999,000 to improve maintenance services on 24,642 miles of roads in the total roads maintenance system, including 361 miles of newly paved roads constructed in FY 1976, and operation of the newly activated ferry on the Colville reservation; \$95,000 for maintenance work on roads in the Navajo-Hopi Joint Use Area; and \$150,000 for increased pay costs.

Justification. Roads that are not maintained properly do not provide continuous local transportation service. They deteriorate at a rapid rate requiring premature reconstruction at higher total costs. The additional maintenance funds are needed to provide service and to protect the federal investment in facilities. The current average cost to maintain roads on reservations at \$368 per mile is about 40 percent of what states and counties are spending for maintenance on similar types of roads. The increase is in accordance with tribal priorities, reflecting their determination of the need for improved road maintenance services.

The additional funding for the Navajo-Hopi Joint Use Area is requested to meet the Federal responsibilities related to the settlement, under the provisions of P.L. 93-531, of the conflicting right and interests of the Hopi and Navajo Tribes to and in the lands located within the Joint-Use Area.

<u>Cost Factors.</u> Improved maintenance of 24,642 miles at an average increase of \$41/mile.....	\$ 999,000
Restoration and maintenance of roads in the Navajo Hopi Joint-Use Area.....	\$ 95,000
Increased pay costs.....	\$ 150,000
Total	<u>\$1,244,000</u>

(e) Forestry and Agriculture, +\$2,827,000; total \$29,647,000.

Proposal. The requested increase is to be used as follows:

- (1) \$1,000,000 for farm unit development costs on Block II of the Navajo Indian Irrigation Project;
- (2) \$ 930,000 for partial funding of the Navajo Tribal water works program;
- (3) \$ 400,000 for forestry program improvements including timber sale administration, forest development, and fire protection services, and for added pay costs; and
- (4) \$ 497,000 for improvements in other agricultural, range, wildlife, and water conservation and development work, and for added pay costs.

Justification.

- (1) Water delivery to the first two 10,000-acre "blocks" of the Navajo Indian Irrigation Project is scheduled as follows:

Block I - Spring, 1976
Block II - Fall, 1977

Total farm unit development costs for each Block are estimated at \$3.4 million. In addition, heavy investments are required for facilities to process and market agricultural products. To achieve effective use of the lands scheduled for irrigation, it is expected the Federal government will participate in the farm unit development work on the first five Blocks to be developed at a level not to exceed \$2.9 million per Block. Federal funding by Block through FY 1977 is shown in the following table:

<u>Total Obligations</u>		<u>Obligations by Block</u>	
<u>FY</u>	<u>Amount</u>	<u>I</u>	<u>II</u>
1975	\$2,000,000	\$2,000,000	\$ --
1976	1,400,000	900,000	500,000
1977	2,400,000	--	2,400,000

- (2) The proposed partial funding of the Navajo Tribal water works program results directly from tribal participation in the budget formulation process. The Navajo Tribe placed a very high priority on this item. The proposed funding of this program is made possible by constraining funding of other programs on the Navajo reservation, in accordance with Tribal priorities as expressed in the band analysis process.

- (3) The proposed increase for forestry is needed to expand the timber sales activity to reduce the gap between allowable cut and actual harvest, and to improve fire protection services. The increase is consistent with Tribal priorities established in the budget formulation process. Increasing timber sales increases Indian income and employment through the effective use of Indian resources. Increased funding for fire protection will be used in support of the Boise Interagency Fire Center operations. BIFC has been designated as the centralized interagency support and dispatching center for wildfire control in the United States. It is the only organized defense available to combat large project fires on Indian lands. If proper wildfire protection service is to be provided to the Indian people, the BIA must actively participate in and support BIFC operations.
- (4) The increase for the agricultural, range, wildlife and water conservation work is derived from tribal priorities expressed in the budget formulation process. The work is needed to achieve improved levels of resource conservation and development.

Cost Factors

- (1) NIIP farm unit development:

10,000 acres of Block II developed at \$340/ac.	\$3,400,000
less Tribal Funding	-500,000
less FY 1976 Funding	-500,000
Federal Cost, FY 1977	<u>\$2,400,000</u>

- (2) Navajo Tribal Water Works Program:
It is expected this program will be operated by the Tribe under contract with the Bureau...One contract 930,000

- (3) Forestry:
Timber sales and forest improvements..... 282,000
Support of Boise Interagency Fire Center..... 50,000
Added pay costs..... 68,000

- (4) Other Resource Work:
Additional surveys, investigations, plans, and measures for soil, range, water and wildlife conservation.... \$363,000
Added pay costs..... \$134,000

- (f) Minerals, Mining, Irrigation and Power, +\$301,000, total \$4,507,000 Proposal. The increase is to be used to extend Phase I of the mineral inventory program to an additional 10-15 reservations, and extend Phase II to 2-3 additional reservations.

Cost Factors. Initiate 10 additional Phase I inventories @ \$20,000 per inventory..... \$ 200,000
Initiate two additional Phase II inventories @ \$50,000 per inventory..... \$ 100,000

- (g) Indian Action Teams, +\$13,000; total \$14,127,000.
The increase is needed to cover increased operating costs.

Program Description

The objectives of the Tribal Resources Development activity are to stimulate reservation economies through the development and utilization of tribal resources, and to help the Indian people participate fully in the economic life of the community and the Nation. Business enterprises are encouraged and assisted through programs of technical and financial assistance, with emphasis on enterprises owned and operated by Indians. Indian individuals and tribal organizations are assisted with securing and managing loans for resource and business development, housing, education, and other purposes. Individual Indians are assisted in qualifying for, finding, and occupying jobs both on and off the reservation. Roads are maintained to provide for the safe and effective movement of people and goods. The conservation, development, and utilization of land, water and related resources is encouraged and assisted.

Tribal Resources Development Funding

	<u>FY 1976</u> <u>Estimate</u>	<u>FY 1977</u> <u>Estimate</u>	<u>Change</u>
(a) Business Enterprise Development	\$12,586,000	\$12,119,000	- \$467,000
(b) Credit	3,178,000	3,277,000	+ 99,000
(c) Direct Employment	13,162,000	14,311,000	+ 1,149,000
(d) Road Maintenance	9,512,000	10,756,000	+ 1,244,000
(e) Forestry and Agriculture	26,820,000	29,647,000	+ 2,827,000
(f) Minerals, Mining, Irrigation & Power	4,206,000	4,507,000	+ 301,000
(g) Indian Action Teams	14,114,000	14,127,000	+ 13,000
Pay Act Annualization	<u> </u>	<u>(451,000)</u>	<u>(+451,000)</u>
Totals	<u>\$83,578,000</u>	<u>\$88,744,000</u>	<u>\$5,166,000</u>

(a) Business Enterprise Development, -\$467,000; total \$12,119,000.

The objective of the Business Enterprise Development program is to help Indians increase their levels of employment and income in their home communities by the establishment and or expansion of business enterprises on or near reservations with emphasis on Indian ownership, entrepreneurship and management.

The FY 1977 funding requested for this activity includes \$8.5 million for business grants authorized under the Indian Financing Act of 1974. FY 1977 is the third and last year that appropriations for this purpose are authorized under this Act. The business grants are intended to provide readily available sources of equity capital to Indian individuals, tribes and organizations to establish and/or expand Indian-owned enterprises which will benefit Indian reservations and communities. This program was very active in FY 1975. Current data indicate that almost 1,000 applications were submitted requesting funds in the amount of about \$18 million. More than 600 applications were approved and grants totaling the full \$10 million appropriation were made. It is estimated that nearly 3200 jobs were created with an annual payroll of approximately \$17 million. Additional capital generated from other lending sources amounted to about \$32 million.

Selected FY 1975 Data for the
Indian Business Development Program (IBDP)

Appropriation (\$000)	10,000.0
Applications received No.	982
Amount of IBDP requested (\$000)	17,934.0
Amount IBDP Expended (\$000)	10,000.0
<u>Impacts:</u>	
Additional capital generated (\$000)	31,690.1
Job created No.	3,184
Estimated Annual Payroll generated(\$000)	16,740.1
Average IBDP grants per job created(\$)	3,140
Average additional capital generated per job created (\$)	9,950
Amount of IBDP granted per approved application (\$)	16,260
Amount additional capital generated per approved project (\$)	51,530
Ratio IBDP funds to capital generated	1:3.2
Ratio of IBDP funds to annual payroll generated	1:1.7

Other aspects of the business enterprise development program involve technical assistance which will enable some 40 tribes to obtain needed feasibility determinations and market analyses.

Also carried on will be a continued program of contracting and providing industrial firms with information indicating the advantages of locating in Indian areas. Approximately 400 personal contracts are made yearly on behalf of Indian tribes. It is anticipated that approximately 20 of the firms will locate on reservations during FY 1977. In connection with this a major thrust of the program will be directed toward working with both private industry and government sources to obtain production contracts for Indian-owned and controlled companies. A goal of \$10 million in contracts has been set for FY 1977. Last year's goal of \$3.5 million was reached. Cooperation with the American Indian Travel Commission in their effort to develop Indian tourism resources is still another phase of the Indian Business Enterprise activity. The Commission was the first to initiate training in hotel and motel management for Indians. Selected brochures and tourism promotion literature was distributed to over 15,000 individuals in response to inquiries received as a direct result of the Bureau's participation in the Discover America Travel Showcase.

The Program of Work for FY 1977 is planned to include: (1) working with tribes in the preparation of inventories of their local business resources; (2) developing and disseminating information about the advantages of locating in Indian areas; (3) cooperating with the American Indian Travel Commission in their effort to develop Indian tourism resources; (4) assisting Indian tribes to find various sources of financing to fund business ventures; (5) assisting Indian tribes in their efforts to establish Indian-owned and operated financial institutions: Including a banking system; (6) market analyses, feasibility determinations, development plans, and business evaluations; and (7) working with SBA, GSA, and private industry to obtain private and government contracts for Indian products and services. Efforts will continue in working with tribal groups to determine feasibility of potential business ventures that show a promise of becoming viable tribal enterprises. The Seneca Nation of Indians recently completed a 16 lane bowling alley and is planning a commercial campground.

Funding for the Indian Arts and Crafts Board is included in this item. The Board encourages and promotes the development of Native American arts and crafts, thereby fostering the cultural, social, and economic life of the Native American people. The Board seeks to innovate in the interpretation and preservation of these arts, to foster cultural education, and to stimulate support for Native American culture.

As specified by Public Law 74-355, the Board provides the following professional services to Indian, Eskimo, and Aleut artists and craftsmen, with ancillary benefits to the general public: (1) experimentation; (2) correlation of public and private programs; (3) technical advice and assistance; (4) market research and promotion; (5) management advice; (6) trademark and related protective legislation.

These national advisory, promotional, and informational services are implemented primarily through two arts and crafts specialists and a co-ordinated system of three regional museums administered and operated by the Board: the Museum of the Plains Indian and Crafts Center, Browning, Montana; the Sioux Indian Museum and Crafts Center, Rapid City, South Dakota; and the Southern Plains Indian Museum and Crafts Center, Anadarko, Oklahoma.

The following table provides data on selected accomplishments items.

<u>Item</u>	<u>Unit</u>	<u>FY 1974</u> <u>Actual</u>	<u>FY 1975</u> <u>Actual</u>	<u>FY 1976</u> <u>Estimate</u>	<u>FY 1977</u> <u>Estimate</u>
Enterprise Grants	No.	--	591	530	530
Enterprise Plans and Studies	No.	365	559	688	650
Enterprise given management assist.	No.	687	888	1,189	1,100
Individuals given management assist.	No.	958	1,385	1,891	1,800

(b) Credit, +\$99,000; total \$3,277,000

The Bureau's Credit and Financial Assistance Program was established to assist federally recognized Indian tribes and other organizations and individual Indians to obtain financing needed to develop and utilize their own resources to improve economic conditions on Indian reservations. If needed financing is not available from commercial and other government lending institutions serving the general public, financing is provided to the extent of available resources through the Bureau's programs of direct revolving loan funds, guaranteed or insured loans from commercial lenders, and non-reimbursable grants for establishing or expanding Indian-owned profit-making business enterprises. The program encompasses 27 states and includes some 60 Indian agencies which serve all of the federally recognized Indians in the country. The credit staffs at the area and agency levels assists Indians in preparing financing plans and budgets for proposed business enterprises and in many other credit and financing matters.

In FY 1977 the program of work will include the following project activities:

Technical services to assist in evaluating proposed investment ventures and in developing those that appear worthwhile. Work with banks and other financial institutions to develop loan programs for Indians; including loans guaranteed or insured under the Loan Guaranty and Insurance Fund.

Assist Indians in obtaining credit from other Federal agencies and from private sources.

Administer the Indian Revolving Loan Fund, including the processing of loan applications, making loans, receiving and depositing collections, etc.

Provide technical services to Indian borrowers and grantees to help them succeed in the enterprises or other venture for which they received a loan or grant.

Selected Accomplishment Data are provided in the following table

	Unit of Measure	FY 1975 Actual (Tentative)	FY 1976 Estimate	FY 1977 Estimate
BIA supervised direct loans - new	No.	5,761	9,036	12,161
BIA supervised direct loans - new	Mil. \$	18.1	38.1	48.5
BIA supervised direct loans - outstanding (EOY)	No.	11,554	13,003	15,236
BIA supervised direct loans -outstanding (EOY)	Mil. \$	85.6	105.6	116.7
BIA assisted Commercial loans - new	No.	4,991	23,500	23,500
BIA assisted Commercial loans - new	Mil. \$	18.3	22.3	22.3
Assisted other Federal loans - new	No.	1,052	1,750	1,750
Assisted other Federal loans - new	Mil. \$	25.2	35.7	35.7

(c) Direct Employment, +\$1,149,000; Total \$14,311,000.

Despite progress in the area of economic development, Indian unemployment continues to be critical. The unemployment rate on Indian reservations is estimated to be over 39%, as compared to the 8.2% for the nation. There is a total employment target group of over 137,000 Indians. It includes the unemployed, those who work but earn less than \$5,000 per year, high school graduates who do not pursue additional training or college education and high school and college dropouts.

The Direct Employment Program is designed specifically to assist Indian people who possess employable skills to find and retain suitable employment. Within this framework the program for FY 1977 will include direct placement services, on-the-job training with private or Indian-owned industries, and some formalized vocational training.

Placement Services are provided to assist Indian people who possess an employable skill to find suitable employment in urban areas as well as on or near reservations. The applicant receives the following services: Transportation to job and living site, maintenance, medical care, personal appearance, employment and family counseling, tools for employment, emergency assistance, home purchase program, solo-parent child care assistance, and large family assistance. Creating job opportunities and the placement of Indian people into those jobs, who possess the necessary skills are the main objectives of this program. Those Indian applicants who are underemployed because of lack of training are assisted by being referred to training opportunities that are available, or are placed in on-the-job training positions.

On-the-Job-Training is designed to assist industry, private or Indian-owned, to train Indian employees in needed skills, and to locate on or near reservations. The employer (and training contractor) is paid one-half of the established entry wage for specified training periods for each Indian participant. In addition to the training provided by the contractor, the Indian participant and his family are provided family or individual counseling service on such matters as the basic demands of steady employment; wise use of wages to meet the practical needs of the family; pride in achieving and keeping their economic independence; and other elements of stability and reliability which are essential to social and economic growth. In addition the trainee is assisted in the purchase of tools, medical care, transportation, etc.

Formalized Vocational Training is carried on at the residential family training centers at Madera, California, and Bismark, North Dakota. These centers are operated under contract with Indian organizations: The American Indian Enterprise in Van Nuys, California, and the United Tribes of North and South Dakota.

Both centers will continue operations in FY 1977. Vocational training at public institutions is funded under the Education item. In the case of residential center training, courses are carefully selected and may last as long as two years. Training is provided in vocations which offer expectancy of employment at the completion of training.

Program Staff Services. Bureau Employment Assistance staffs are located at 55 Indian agencies, seven field offices (Chicago, Illinois; Cleveland, Ohio; Dallas, Texas; Denver, Colorado; Los Angeles, California; Oakland, California; and Washington, D. C.); eleven area

offices; and the central offices in Washington, D. C. Program specialists in these offices work with local, State, and Federal agencies to help the Indian acquire gainful and rewarding employment and to become a satisfied and self-sufficient member of the citizenry.

The following table provides selected accomplishment data.

	<u>Program Accomplishments</u>			
	<u>FY 1974</u>	<u>Estimate FY 1975</u>	<u>Estimate FY 1976</u>	<u>Estimate FY 1977</u>
Placement Services - No. of participants	6,590	6,800	6,400	7,000
On-the-Job-Training - No. of participants	2,586	2,300	1,950	1,950
OJT Contract - No.	75	80	90	90
Residential Training Center - No. of participants	480	475	480	480

(d) Road Maintenance, +\$1,244,000; total \$10,756,000.

The road maintenance program provides for the maintenance and repair of all roads on reservations under the Bureau's jurisdiction that are open to the public. The Bureau is responsible for the maintenance of approximately 24,642 miles of roads on 179 Indian reservations. This network provides the principal, and often the only transportation route to, from, and on reservations. Serviceable roads are essential for commerce, for transporting school children, for obtaining health care, and for other essential services requiring the movement of people and products. To this end, the goal of the road maintenance program is to assure that safe roads are open for traffic continuously, and to protect them from excessive damage and deterioration. Included in this program is all preventative maintenance, snow removal, and emergency repair work which amounts to approximately fifteen percent of the total program.

Maintenance priorities are established locally in terms of levels of service and available funding. Generally the higher levels of service are scheduled for those routes with the highest sustained traffic volume and school bus routes. Paved roads normally receive high priority for maintenance services.

Maintenance on gravel surfaced roadways is generally less than adequate and requires reconstruction or major repairs sooner than the anticipated life of the road. Seventy-five percent of all roads that directly serve Indian families are earth surfaced; only twenty percent of these roads being maintained on a scheduled basis. The remainder are maintained on an emergency or "on-call" basis.

The road maintenance program will perform work on the following roads by surface type.

Paved Surface. 3,504 miles of 2 lane bituminous surface roadway.

Gravel Surface. 2,833 miles of 2 lane natural gravel or crushed rock wearing surfaced roads.

Earth Surface. 18,245 miles of combined 2 lane and single lane roads.

(e) Forestry and Agriculture, +\$2,827,000; total \$29,647,000.

In order to clarify the description of this highly diversified item the discussion is presented by each major resource type.

Forestry

The goal of Indian forest management is to realize from the forest resources the highest economic and social return to the Indian people, on a sustained basis. This goal is achieved by carrying out forestry functions of timber sale administration, forest development, forest protection, inventories, and management planning and assistance to individual Indian entrepreneurs and tribal enterprises.

The harvesting and processing of Indian timber provides valuable income and employment to Indian owners. Besides the direct income and employment benefits, receipts from timber sales extend socioeconomic benefits to all Indian people by providing funds to Tribal governments to manage, develop and improve their Tribal operations and programs.

Information on timber cut under contract, paid permit and special allotment timber cutting permit is as follows:

<u>Fiscal Year</u>	<u>Volume Cut (MBM)</u>	<u>Value</u>
1971	770,927	\$23,234,943
1972	927,188	37,952,965
1973	976,282	57,042,935
1974	878,126	73,223,357
1975 (est.)	875,000	60,000,000
1976 (est.)	900,000	70,000,000
1977 (est.)	925,000	72,000,000

Preliminary information from an in-depth study now being conducted of Annual Allowable Cut and program requirements indicate that an additional 100 million board feet of Indian timber could be harvested annually with a resultant gain to the Indian people of \$6,000,000 in direct income and 700 potential jobs. The proposed increase for FY 1977 will provide for some expansion of the timber sales activity.

In the future each timber sale and its contract will be more closely tailored to the specific needs of the owners, protection of the environment, and considerations of future forest use and other values. Contractual devices to encourage employment--or other tribal needs--will be more common. This will result, in general in higher program costs per unit of timber sold.

Investment in forest development is part of a well established trend and derives from an increase in forest values and the potential further increases in these values that adequate reforestation, thinning and other cultural work can provide. Forest improvement work enhances both the quality of the timber stand and the potential for greater future harvests. Both of these result in increases in future timber values and employment. This growing investment effort requires intensive technical guidance to minimize unit costs while maximizing benefits. In calendar year 1974, 7,575 acres were reforested and timber stand improvement was carried out on 18,833 acres.

Forestry is responsible for fire prevention and presuppression on Indian lands and provides funds to pay the cost of suppressing wild-fires and for necessary rehabilitation of lands burned over by wildfires. In order to effectively carry out the expanding requirements of this function, protection programs must be upgraded and additional emphasis directed toward cooperative, presuppression and suppression activities with other Federal agencies. Assumption of an active role in Boise Interagency Fire Center operation is essential to accomplish this task.

The amount of \$800,000 included for fire suppression and emergency rehabilitation is a token appropriation. Uncontrollable factors in estimating fire control needs make it necessary to submit a supplemental request to cover the actual costs of fire suppression. Obligations for the past five years were:

<u>FY 1971</u>	<u>FY 1972</u>	<u>FY 1973</u>	<u>FY 1974</u>	<u>FY 1975</u>
\$4,826,675	\$6,935,015	\$3,704,919	\$5,500,768	\$5,985,045

Calendar Year statistics(1974):

Land Protected (acres):	Forest & Range	59,453,681
	Forest Lands	12,910,028

Number of Fires Suppressed: 2,379

Agriculture

The Agriculture program area includes -

- - making inventories of soil, range and water resources
- - assistance in the planning of programs and projects for conservation and use of farm, ranch, watershed and other reservation lands.
- - assistance in the application or installation of measures for soil, water and range conservation.

Special emphasis is given to Indian participation in the making of decisions that affect the development, use and management of their agricultural resources. The program provides services to establish stocking rates, administer grazing permits, provide technical assistance for planning range use, make compliance checks for permitted land, conduct range resource investigations and make physical range improvements. Range condition trend studies and forage utilization checks are made to determine needed adjustments in stocking rates, season of use, unit and pasture boundaries, and to determine locations, sources, quantity and quality of water and other rangeland development and improvement needs. The use of appropriate conservation measures and good management on the part of the land users is encouraged. Program emphasis will concentrate on priorities established by the Indian people.

Working with the Indian owners and with leasees and permittees of trust lands, conservation measures are designed to increase the return to Indians from their resources, and make a maximum contribution to an improved environment.

Program outputs shown in the following portray recent accomplishments of the Agricultural program, and goals for the budget year.

<u>Output</u>	<u>Accomplished F.Y. 1975</u>	<u>Estimate F.Y. 1976</u>	<u>Goal F.Y. 1977</u>
Farm Management Contacts	58,352	63,866	60,387
Range Management Contacts	30,232	34,534	35,545
Agricultural Engineering			
Layouts	3,530	4,024	4,022
Range Inventories (M acres)	9,649.6	10,841.4	11,169.8
Soil Surveys (M acres)	2,674.5	2,850.5	2,416.4
Farm Management Plans			
Prepared	5,552	5,956	6,005
Soil Conservation projects -			
farm land	1,545	1,879	3,709
Water Conservation projects -			
farm land	931	1,152	1,050
Range Conservation Projects	743	865	1,002
Water Conservation Projects -			
rangelands	883	1,067	1,035
Agricultural lease-supportive			
actions	10,805	11,813	12,074
Range permits modifications			
actions	5,021	6,057	6,133
Compliance actions	17,727	21,739	22,121
On-farm development (acres)			
Navajo	---	10,000	10,000
Ranch Management Plans Prepared	1,156	1,492	1,425

Water Resources

The water resources program area includes assistance to Indians to inventory, conserve, develop and use their water resources, with particular reference to water resource problems and uses of a special nature. The program area has only recently been identified as a separate function within the scope of the Forestry and Agriculture item. Thus, the base funding level is very limited, amounting to only \$31,000 in FY 1976. The major increase for FY 1977 is to partly fund the Navajo Tribal Water Works program. This program was started by the Bureau several years ago as a range water development program. Wells were driven, windmills erected, water catchments and piping installed, etc. As the program developed, responsibility for funding was assumed by the tribe. The program currently consists of maintaining, rehabilitating and extending the water development facilities. The facilities are essential for the utilization of the range resource.

With tribal expenditures increasing, and tribal income declining, the Tribe is proposing that funding be constrained in other program areas on the Navajo reservation and used to partially fund the Tribal Water Works program. The proposal was made by the Tribe through the band analysis process--a process to involve tribal governments in the budget formulation process of the Bureau. Tribal involvement in the budget process is an important element of the self-determination policies of the government.

The following are the anticipated work items related to the Navajo program:

<u>Project</u>	<u>No.</u>	<u>Est. Costs</u>	
		<u>Each</u>	<u>Total</u>
1. Stock well repair	15	\$22/ft. x900'	\$297,000
2. Stock well cleaning & bailing	90	\$250/well	22,500
3. Windmill			
(a) repair	307		80,000
(b) replacement	15 at	\$7,000	105,000
4. Pump Jack			
(a) repair	90 at	\$ 500	45,000
(b) replacement	25 at	\$4,000	100,000
5. Steel Storage tank replacement	30 at	\$4,000	120,000
6. Earthen stockpit repair, cleaning & replacement	80 at	\$ 500	40,000
7. Pipeline & Water			
(a) Trough placement or replacement	100 at	\$ 175	17,500
(b) Livestock Spring development & water line	206,000 ft.at	50¢	103,000
		Total	\$930,000

Wildlife and Parks

This program provides for the conservation, development, and utilization of Indian wildlife and park resources. Surveys and investigations are conducted to identify and quantify wildlife and park resources, develop comprehensive plans, and determine feasibility of projects. Financial assistance and technical services are provided to tribes for habitat improvement, fish and wildlife management, and park development. Emphasis is placed on those projects where tribes have on-going, well-planned programs. More than half of the total effort under the program is concerned with fishing by Northwest Indian tribes.

The following table portrays recent accomplishments and goals for the budget year:

<u>Output</u>	<u>Unit</u>	<u>Accomplished</u>	<u>Estimate</u>	<u>Goal</u>
		<u>FY 1975</u>	<u>FY 1976</u>	<u>FY 1977</u>
Wildlife Inventories	No.	84	128	158
Recreation & Related Inventories	M acres	2102.9	2485.3	2634.2
Wildlife Management Plans	No.	49	84	99
Outdoor Recreation Plans	No.	44	85	103
Projects Assisted - Wildlife & Parks	No.	82	139	189

(f) Minerals and Mining; Irrigation and Power, \$+301,000; total \$4,507,000

Minerals and Mining

The recent national and world recognition of shortages in energy producing mineral resources as well as other minerals, has placed a high priority on developing this nation's potential for more self-sufficiency in satisfying the needs for these resources. In the past, little information has been available to the Indian tribes and managers which would aid in the definition of their mineral resource development potential. It is imperative that the tribes and allottees be provided with an inventory of their mineral resources so that they, and the trustee, may initiate constructive programs to meet the high demands that will be made for the inclusion of their resources in the national programs.

The minerals and mining program as evolved during FY 1975 and 1976 consists of Phase I data collection and compilation, and more intensified Phase II work on the ground. This has been a joint undertaking with other Federal Agencies on a cooperative, reimbursable basis.

Phase I: Data and records are gathered from colleges and universities, private sources and Federal Agencies for all Indian mineral resources.

The source data are analyzed and compiled on a reservation-by-reservation basis and provided to the respective tribes.

Phase II: Data are generated at specific locations and are much more definitive than Phase I information.

This data enables Indian owners to become more informed and involved in decisions concerning the development, utilization, and marketing of their mineral resources.

Phase III: Developmental: Identification of additional resources to enter into intensive quantification, leading to development of mineral resources identified in Phases I and II.

Progressing concurrently with the mineral resource inventory program is an effort to establish, within tribally-controlled cooperatives, a pool of available expertise whereby the tribes will be able to contract for specific consultation services. The Bureau will stand ready to provide coordinating services between the tribes and other Federal Agencies who may monitor the consultant contracts for adequate compliance standards. In addition to, and complementing the general inventory program, was the initiation of actions to collect, analyze, and prepare data for tribally-established priorities where urgent mineral demands or litigation were involved. With the proposed funds for FY 1977, the emergency projects will be accelerated to meet priorities established by various tribes and to maintain progress on the general mineral resource inventory program objectives.

OUTPUT DATA

FY 1975	Phase I	15 reservations
FY 1976	Phase I	23 additional reservations
	Phase II	Initiated on 3 reservations
FY 1977	Phase I	10 additional reservations
	Phase II	2 reservations - more detailed effort with extended projections
	Phase III	Initiate where possible.

Irrigation and Power

The Irrigation and Power program provides funds to pay the operation and maintenance assessments for those Indians who are financially unable to pay their assessments. Paying assessments for those Indians who are financially unable to pay will provide those water users, both Indian and non-Indian, who have paid their assessments, adequate and proper operation and maintenance services for which they were required to pay in advance. Also, proper and adequate maintenance avoids unnecessary and costly crop failures. Continued neglect of the system because of inadequate funds would eventually require major rehabilitation costs.

Collections are deposited in the operation and maintenance receipt account and are available for operating and maintaining the respective projects pursuant to the provisions of the Act of August 7, 1946 (60 Stat. 895). These collections include payment by Indian and non-Indian water users and payments made on behalf of Indian water users who are financially unable to pay their assessments for current annual operation and maintenance. Collections from Indian water users for prior year assessments which have previously been paid from reimbursable appropriated funds are deposited directly into the Treasury, to the Miscellaneous Receipts Account as a repayment of reimbursable indebtedness. Where non-Indians receive water services from Indian irrigation systems, they are required to pay the full per acre cost.

Indian irrigation systems and projects fall into the following categories:

(1) Projects which are economically feasible on the basis that there is a sufficient quantity of water to supply the assessable area. The lands have characteristics which will produce crops under sustained irrigations and have repayment capabilities which will permit landowners and water users as a whole to pay the full annual cost of the operation and maintenance of the system. The assessment rates on these projects are fixed to return the full operation and maintenance costs. Any unpaid assessment becomes a lien against the land for which the assessment is paid.

Funds requested for payment of assessments under this category will be used when necessary to pay into the Collection Account that part of the uncollectible current annual per acre assessment against Indian-owned lands. Funds so paid into the Collection Account to cover such unpaid assessments become reimbursable debts due the U. S.

(2) Projects where the repayment capabilities of the land will not permit payment of the full annual operation and maintenance costs. Assessment rates for Indian water users on these projects are based on the ability of the Indian to pay, and therefore, do not cover the full cost of operation and maintenance. All or any part of any unpaid assessment becomes a lien against the land for which such assessment is not paid.

Funds requested for payment of costs under this category will be used when necessary to pay into the Collection Account that part of the annual operation and maintenance cost on Indian-owned lands in excess of the annual assessment and any part of the uncollectible annual per acre assessment against Indian-owned lands. Funds so paid into the Collection Account to cover these costs become reimbursable debts due the U. S. when used to pay all or any part of the annual costs included in the assessment rate. Costs in excess of the assessment rate are non-reimbursable.

(3) Irrigated areas, such as subsistence garden tracts and tracts of a few acres which do not represent economical units, but provide Indian landowners with a means of supplementing their livelihood. Because of the low income of the Indian landowners and water users on these irrigated areas and tracts, it is not feasible from an economic standpoint to assess these lands. Accordingly, the operation and maintenance costs are non-reimbursable and do not become a lien against the lands benefitted.

Funds requested for payment of costs under this category will be used when necessary to pay into the Collection Account the total cost for operation and maintenance of these subsistence garden tracts and irrigated areas, or if no Collection Account has been established, and it is not desirable or proper to establish such an account, the funds will be expended when necessary directly from the appropriation account.

(4) Irrigation systems and reservoirs serving Indian-owned lands located within and operated by various private and public irrigation districts and water user associations. Assessments for operation and maintenance of the irrigation systems and reservoirs serving these Indian-owned lands are made by the irrigation district or water users association embracing and serving such Indian-owned lands.

Funds requested for payment of assessments under this category will be used when necessary to pay into the Collection Account for payment to private and public irrigation districts and water users associations for operation and maintenance costs assessed for Indian-owned lands included within such irrigation districts and water users associations. Funds used for payment of assessments covering these costs are reimbursable and become debts due the U. S., except for those payments that are non-reimbursable by legislation.

(5) Projects that are operated by this Bureau at no cost to the Indian land-owners and water users, as provided for under legislation.

Funds requested for payment of assessments under this category will be used when necessary to pay into the Collection Account appropriated funds for irrigation projects operated by this Bureau at no cost to the Indian water users, as required by legislation.

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The estimates include \$203,000 to continue the operation and maintenance program on the Navajo Indian Irrigation Project.

(g) Indian Action Teams, +\$13,000; total \$14,127,000.

The limited availability of trained and skilled personnel in Indian communities continues to hamper the organization, ownership, management, and operation of commercial enterprises by Indians. Improvements would be a major factor in generating employment opportunities, developing a productive work force, and stimulating Indian self-determination. These are the goals of the Indian Action Team program.

In responding to the policy of self-determination an increasing number of Indian tribes have asked to contract directly for operation and management of Indian manpower and tribal enterprise development programs. The Indian Action Team activity is designed to provide the capability that will enable Indian tribes to manage these contracts. Indian Self-determination is the underlying theme of the Indian Action Team Program. The vehicle of IAT is a training program, simulating a construction corporation, operated by a tribal entity, on a re-imbursable contract basis. In FY 1977, the program will fund approximately 55 contracts with about 1,800 Indian participants. It will involve over 200 Indian tribes. Some 45,000 to 60,000 Indian individuals will benefit directly from the program.

One of the major considerations in the development of the Indian Action Team program was to provide desired training for the stable family man of the reservation. The Indian Action Team program does just that. The family is not relocated or disrupted; the trainee can concentrate on this training while maintaining his family at home. The program is capable of training at any level, although the initial thrust is to train well motivated and able individuals who need to broaden and formalize their knowledge and skills. Leadership is stressed throughout the training. The training is tailored to tribal needs, as expressed in the proposals, and further developed in contract negotiations. Particularly attractive features of the program to the Indian people are that training is provided in the home community and that the training projects become part of the community itself. Projects completed to date by Indian Action Teams are valued at approximately \$5,000,000.

The following table provides selected accomplishment data.

	<u>Entered Training</u>	<u>Completed Training</u>	<u>Job Placements</u>	<u>Contracts</u>
FY-74	1,200	607	250	30
FY-75	1,238	834	700	31
FY-76 Est.	1,175	810	675	60
FY-77 Est.	1,100	810	675	55

4. Trust Responsibilities

Trust Responsibilities: Fiscal year 1976, \$21,337,000; fiscal year 1977, \$24,010,000; increase of \$2,673,000.

<u>Increase (+) or Decrease (-)</u>				
<u>Amount</u>	<u>Positions</u>	<u>Total Program</u>	<u>Total Positions</u>	<u>Explanation</u>
(a) \$+1,870,000	--	\$ 6,636,000	--	Rights Protection, litigation support, water inventories and plans, an environmental quality services.
(b) + 803,000	--	17,374,000	--	To provide critically needed real estate and appraisal services and to reduce backlog.
(+153,000)		---		Annualize pay costs
+2,673,000	-13	24,010,000	717	

Major Program Changes

(a) Indian Rights Protection, \$+1,870,000; total \$6,636,000.

Proposal. The increase will be used as follows:

\$794,000 for contracts for 16 additional water rights inventories and plans to acquire information to support additional litigation and to undertake resolution of additional unresolved Indian rights issues.

\$1,000,000 to assist tribes to comply with the qualifications and conditions stipulated by the Court in U.S. v. Washington (Boldt decision). The increase in this account is associated with a decrease of \$2,152,000 in the Indian Services account (page 14) so that the net program change is a decrease of \$1,152,000.

\$76,000 to review environmental impact statements within the requirements prescribed by the Council on Environmental Quality and in accordance with project priorities set by tribes.

Justification. In fulfilling its role as trustee of Indian lands and related resources, aggressive and effective action is demanded of the Government to protect the rights of Indians in those resources. As pressures mount on scarce resources, especially water and energy resources, program efforts must be expanded to assure that Indian rights are effectively protected.

Funds are needed to enable the tribes to establish the systems and programs necessary to exercise their treaty rights, and enable them to participate in the implementation of the Court decision, U.S. v. Washington, on a basis equivalent to the State of Washington.

To comply with the National Environmental Policy Act, each Environmental Impact Statement affecting Indian lands held in trust by the Federal Government must be reviewed and impacts identified.

Cost factors. Contracts for 16 additional water rights inventories and litigation support, \$794,000; implementation of the Court decision, U.S. v. Washington, which includes development of salmon and steelhead population indices, catch monitoring, training in fishery management, establishment of uniform gear identification, coordination (Northwest Indian Fisheries Commission), and legal services, \$1,000,000; staff support for reviewing environmental impact statements, \$76,000.

(b) Real Estate and Financial Trust Services, \$+803,000; total \$17,374,000.

Proposal. The increase will be used to contract for additional professional and technical real estate services to keep pace with the expanding real estate transaction workload, and for counseling and management assistance in accordance with priorities set by the tribes.

Justification. As Indians and tribes become more involved in the self-determination process, the Real Estate program must keep pace with an expanding demand for advice, counseling and evaluation services. Indians and tribes place special emphasis on, and an intense interest in, the continuity of land ownership and use. As they become more involved in land development and management, the Government, as trustee, must provide the services necessary to meet the changing concepts and abilities of the beneficiary. The requested increase will permit initiation of actions to meet these demands and the Bureau's responsibilities to conduct a real estate services program responsive to Indian needs.

Program Description

The objectives of the Trust Responsibilities activity are to carry out the Federal Government's trust and legal responsibilities to protect the rights of Indians in their trust property and those rights affecting trust property that arise out of the inherent authorities of tribal self government; to carry out the authorities vested in the Secretary of the Interior by various laws concerning Indian trust property; and to provide Indians the services they need to make decisions required of them in the application of these laws; and to carry out programs to facilitate the trust.

<u>Program</u>	<u>Trust Responsibilities Funding</u>		<u>Change</u>
	<u>FY 1976 Estimate</u>	<u>FY 1977 Estimate</u>	
(a) Indian Rights Protection	\$ 4,766,000	\$ 6,636,000	\$+1,870,000
(b) Real Estate and Financial Trust Services	16,571,000	17,374,000	+ 803,000
Pay Act Costs		(153,000)	(+ 153,000)
Totals	21,337,000	24,010,000	+2,673,000

(a) Indian Rights Protection, \$+1,870,000; total \$6,636,000.

The Rights Protection program area includes the function of directing every aspect of the Interior Department's effort to assert and protect the rights of Indians in their trust property, i.e., to: (1) identify all Indian water rights problems on every federally-recognized land base (277 reservations); (2) develop technical information and comprehensive lists of potential land and water uses for Indian reservations and communities needed to develop economically, including nature of and location of such use; (3) coordinate initiating action, both initial or corrective, needed to establish or defend Indian water rights, and other rights of Indians in their natural resources,

including drafting regulations and reporting on proposed legislation; (4) coordinate the preparation of water adjudication suits for submission through the Interior Department Solicitor to the Department of Justice; (5) coordinate, guide and supervise the Department's agencies, Bureau field staffs, and tribes, and advise and inform tribal attorneys, in all Indian rights efforts; and (6) carry out all above activities with continuing consultation with the affected Indian tribes.

In fiscal year 1976, 57 rights issues are expected to be resolved; and in 1977, the Bureau plans to undertake resolution of an estimated 60 unresolved Indian rights issues. An "issue" is defined as any point in question or matter that is in dispute that pertains to the Bureau's trust or legal responsibility relative to all matters involving Indian rights, including those arising out of tribal sovereignty.

In the area of water inventories and litigation support, the Bureau will:

1. Accumulate information to support actions in Indian water rights matters currently in litigation.
2. Acquire specific data to supplement and support any litigation where encroachment of Indian resources is threatened or imminent.
3. Gather and record information necessary for Indian participation in the National Water Assessment and Northern Great Plains Studies.
4. Gather data to inventory Indian water resources and needs in all other federally-recognized land base reservations.

Estimated water rights inventories:	FY 1975	FY 1976	FY 1977
	<u> </u>	<u>Estimate</u>	<u>Estimate</u>
Phase I.....	36	54	55
Phase II.....	25	27	30
Phase III.....	<u>4</u>	<u>9</u>	<u>10</u>
Total.....	<u>65</u>	<u>90</u>	<u>95</u>

Definitions:

Phase I. To dimension the water resource base geographically related to Indian reservations, both in terms of quantity and quality. This includes the determination of total water supplies, including groundwater recharge, natural surface flow, and impoundment possibilities.

Phase II. To determine present and future Indian water requirements through comprehensive resource investigations, in accordance with tribal goals and objectives.

Phase III. Preliminary investigations of projects and alternatives to fulfill requirements specified in Phase II. This includes sufficient detail regarding feasibility for selection of program or projects best suited to fulfill tribal needs.

In implementing the court decision, U.S. v. Washington, the Bureau will contract with the various tribes to address a wide range of activities, depending upon the capabilities of the particular tribe and their relative progress in meeting the qualifications and conditions to become self-regulating as provided in the decision. The range of contracts will be from general administrative direction on the part of the less sophisticated tribes, to the development of a comprehensive management program for the fishery resource of a self-regulating tribe, with a complete and independent management staff.

Funding, by account and by program element, for this work is presented in the following table:

<u>Account and Program Element</u>	<u>1975</u>	<u>1976</u>	<u>1977 Estimate</u>
Indian Services Account:			
Aid to Tribal Government	\$ 245,000	\$ 279,000	\$ 245,000
Law Enforcement	717,000	1,157,000	717,000
Rights Protection	--	1,678,000	--
Trust Responsibilities Account:			
Rights Protection	338,000	293,000	1,293,000
Total	\$1,300,000	\$3,407,000	\$2,255,000

With major emphasis on operations at the field level, the following environmental activities are conducted:

1. Proposed actions affecting resources are examined to separate those potentially within the purview of NEPA.
2. Upon investigation, an environmental assessment is prepared and determination made as to each action's environmental significance.
3. When actions are determined to be significant, an environmental impact statement is prepared and processed.
4. Environmental statements received from other agencies are reviewed, tribal consultation obtained as necessary, and comments provided.
5. As a trust agent for the Secretary of the Interior, the Bureau coordinates with tribal organizations involved and with inter-related agencies, all actions affecting Indian interests.

The proposed program level provides for reducing processing time of environmental statements received from other agencies to allow more time for the effective review, preparation of comments, and consultations with involved tribal organizations. It does not provide funds for the preparation of major statements. Methods of improving the examinations performed on proposed actions will be studied to minimize the problems of identifying those actions either requiring or not requiring the preparation of environmental statements.

The following table provides selected workload and accomplishment data:

	<u>FY 1975</u>	<u>FY 1976</u>	<u>FY 1977</u>
Environmental assessments.....	935	1,491	1,555
Environmental examinations.....	1,923	2,335	2,636
Environmental consultations.....	2,364	2,857	3,183
Environmental impact statements prepared.....	2	10	10
Environmental statements reviewed....	562	---	---

(b) Real Estate and Financial Trust Services, \$+803,000; total \$17,374,000.

Real Estate Services

The Real Estate Services program is designed to provide counseling, management, and appraisal services pursuant to the special trust relationship which exists between the United States and Indian individuals or tribes owning interests in trust lands or resources. Two basic responsibilities are performed: (1) provision of planning, consultation, evaluation and management services to Indians and tribal organizations involved in the decision-making process affecting the utilization, development, and protection of their trust lands; (2) provision of those technical services, facilities, reviews, and recommendations necessary in the above-mentioned process, in compliance with existing statutes. The program consists of:

real property management to accomplish surface and sub-surface leases; rights of way; acquisitions, disposals, partitions and exchanges of interests in land; maintenance of systematic land titles and ownership records, basic family history data and estate inventories for probate purposes; and contractual performance and compliance services. It also includes: appraisal or valuation services that include preparation of professional appraisals; valuation counseling; land use planning and development of feasibility analyses.

In addition to the primary responsibility of services for Indians and tribes, there are other programs concerned and dependent upon real estate services for integrated implementation of their activities toward use and development of Indian lands. The program is designed so that the components will facilitate services to other programs such as: Indian rights protection; road construction, housing construction and rehabilitation; irrigation project construction and operation; industrial, commercial and tourism development; social and welfare services; and the Office of Hearings and Appeals.

Adjustment in program design and operations are being made in compliance with new statutes as well as consideration of the social, cultural and environmental factors of the Indian communities. These necessitate increased emphasis on Indian involvement in preplanning, planning, and compliance and inspection programs to balance the economic aspect with the environmental factors. Strip mining for coal, copper, uranium and other minerals; fossil fuel electrical generation; gasification of coal; and urban and commercial development leasing are critical areas for monitoring and supervision on a continuing basis. The national emphasis on self-sufficiency in energy resources places additional demands upon this phase of the program.

The following table provides selected workload and performance data:

	<u>Unit</u>	<u>FY 1975</u>	<u>FY 1976</u> <u>Estimate</u>	<u>FY 1977</u> <u>Estimate</u>
Boundary Surveys Completed...	Miles	4,031	4,369	4,369
Land Acquisitions/Disposals				
Completed.....	No.	10,879	12,636	14,910
Surface Lease Modification				
Actions.....	No.	18,723	21,434	24,070
Sub-surface Lease				
Modification Actions.....	No.	5,897	6,193	6,707
Lease Enforcement Actions....	No.	3,590	3,987	4,477
Realty Management Counseling				
Contacts.....	No.	193,074	208,111	226,840
Land Title Changes Processed.	No.	16,268	18,755	21,877
Land Records Provided.....	No.	38,361	42,197	46,417
Appraisals.....	No.	10,745	11,320	11,920
Land Use Plans in				
Preparation.....	No.	855	1,174	1,499
Land Use Plans Completed.....	No.	1,674	1,891	2,134

Financial Trust Services

The Bureau of Indian Affairs is charged by various laws and regulations with the responsibility of accounting for and disbursing tribal and individual Indian monies which come into custody of the Bureau as a result of the sale or lease of tribal resources, chiefly: land, timber, minerals, and water power; and the disbursement of per capita payments resulting from judgments, awards, and claims settlements. Investment activities are a part of the trust obligation and are maintained for all Indian tribes and individual

Indians within the jurisdiction of the Bureau. Tribal trust funds are invested for the tribes by authority of the Act of June 24, 1938. Currently there are 195 tribes in the program.

An automated accounting system prepares reports monthly for each tribal trust fund under jurisdiction of the Bureau, which are distributed to the applicable tribes. Each Area Office of the Bureau is furnished a weekly report that shows the average interest rates realized, comparative rates quoted by the Wall Street Journal, and rates being paid on U.S. Treasury Bills. Individual Indian money accounts are maintained primarily as a repository for trust funds of Individual Indian minors and adults, as well as for Indian tribes. There are 39 disbursing stations throughout the United States where accounts are maintained on an individual basis. Accountability is the responsibility of the Indian Service Special Disbursing Agent in Albuquerque, with a Deputy Disbursing Agent at each of the stations. Investments are centralized, and earnings are distributed each six months to 145,000 account holders.

Listed below are indicators of the activity:

	<u>As of 6/30/74</u>	<u>As of 6/30/75</u>
Total invested.....	\$487.3 million	\$542.3 million
Per annum earnings.....	40.4 million	47.1 million
Tribes serviced.....	180	195
IIM accounts.....	145,000	145,000

Other accomplishments in the past year include:

Savings of about \$78,000 for tribes by purchasing portions of time certificates of deposit prior to maturity, with Individual Indian money; combining funds of tribes to make investments of \$100,000 or more, which at present rates doubles the earnings on smaller amounts; making 10 presentations on the investments program to about 185 people; completing the last of the field level investments transfers to Albuquerque, so that the investment operations are now 100% centralized.

5. General Management and Facilities Operation

General Management and Facilities Operation: Fiscal year 1976, \$73,746,000; fiscal year 1977, \$76,174,000; increase of \$2,428,000. The increase consists of:

	<u>Increase (+) or Decrease (-)</u> <u>Amount</u>	<u>Positions</u>	<u>Total</u> <u>Program</u>	<u>Total</u> <u>Positions</u>	<u>Explanation</u>
(a)	\$-276,000	--	\$11,183,000	--	Management and Administration-increase due to field priorities in program planning and development and decreased cost in postal services.
(b)	- 64,000	--	2,203,000	--	Program Support Services-improved safety management, and decrease in Employee Compensation costs.
(c)	+2,768,000	--	62,788,000	--	Facilities Management - provides funding for increased cost of operation and maintenance of facilities; operation and maintenance of new facilities, and space rental.
	(834,000)	--		--	Annualize increased pay costs, E. O. 11883.
	+2,428,000	-42	76,174,000	1,818	

Major Program Changes

(a) Management and Administration, \$-276,000; total \$11,183,000.

Proposal. An increase of \$16,200 is necessary to fund field priorities in program planning and development, \$50,000 to annualize the pay increase approved in fiscal year 1976, and a reduction of \$209,800 attributable to an improved Bureau-wide mail flow system.

Justification. Emphasis being placed on Indian self-determination in the past few years has led to much more tribal participation in the entire program planning and development process. This involvement includes a voice in the development of agency budgets, workshops and meetings, and the periodic feedback of information.

(b) Program Support Services, \$-64,000; total \$2,203,000.

An increase of \$61,000 is requested for improved safety management, and \$7,000 to annualize the pay increase approved in fiscal year 1976. The amount required for Employee Compensation payments is \$132,000 less than required for fiscal year 1976.

(c) Facilities Management, \$+2,768,000; total \$62,788,000.

Bureau programs; and the management of personnel, property and records. Administrative costs involved in the operation of a centralized accounting, payroll and data processing system and for Agency and Area Offices are charged to program funds.

Funds are also included for the Bureau's Safety Management Program which covers the safety activities required under Title 5, U.S.C., Section 7902, under P.L. 91-596, "The Occupational Safety and Health Act of 1970"; P.L. 91-54, "Construction Safety Act of 1969"; and Executive Order 11612.

Employee compensation payments made as a result of accidents causing injury and/or death to Bureau employees are also included.

The Bureau operates and maintains 8,736 individual buildings containing 28,700,000 square feet of floor area together with related utility systems to support facilities at 400 separate locations. The Facilities Management program provides for the operation of these facilities and for the repair and maintenance necessary to keep these facilities and utility systems in such condition that they may be continuously utilized at their original or designed capacity and for their intended purposes.

"Public Building Amendments Act of 1972", requires that all agencies be charged for space and related services provided by GSA at approximately commercial charges for comparable space and services that may prevail as of July 1, 1975. Cost rates are based on "standard level user charges" for various types of building space, e.g., office, storage, parking and special use categories on a square foot unit cost.

General Management and Facilities Operations Funding

	<u>FY 1976</u> <u>Estimate</u>	<u>FY 1977</u> <u>Estimate</u>	<u>Change</u>
Management and Administration..	\$11,459,000	\$11,183,000	\$- 276,000
Program Support Services.....	2,267,000	2,203,000	- 64,000
Facilities Management.....	60,020,000	62,788,000	+2,768,000
Pay Act Annualization.....	--	(834,000)	(+ 834,000)
Totals.....	<u>\$73,746,000</u>	<u>\$76,174,000</u>	<u>\$+2,428,000</u>

(a) Management and Administration, \$-276,000; total \$11,183,000.

Tribal priorities from the field indicate an increase of \$16,200 for program planning and development. These funds will be used to provide more tribal participation in preparing program plans and in attending workshops and meetings designed to assist tribal members to understand the program planning process and in developing their total needs within the framework of the total Bureau operation. This increase represents an increase of less than one percent of the funds presently available for this purpose.

Highlights of recent accomplishments:

- (1) Regulations to implement P.L. 93-638, the Indian Self-Determination Act have been published and distributed to the Indian community. These regulations took effect December 4, 1975, and are now available for use by Tribes in furthering the self-determination and education of their people. P.L. 93-638 orientation sessions have been held in each Area and are now being conducted at Agency levels. The Bureau is currently developing Guidelines and Procedures to more fully explain the Regulations and to provide "how to" information to tribal and Bureau staff. As these are developed, further

Proposal. The requested increase is to be used as follows:

- (1) \$375,000 for repair and maintenance of newly constructed buildings;
- (2) \$225,000 for operation of utility systems for the newly constructed facilities;
- (3) \$1,852,000 for increased cost of labor, materials, fuel, utilities and services related to repair and maintenance of existing Bureau facilities;
- (4) \$316,000 for space provided by GSA in GSA owned or leased facilities and for space leased directly by the Bureau of Indian Affairs.

Justification

- (1) Approximately 302,837 square feet of newly constructed buildings and related utility systems will be placed in operation during FY 1977.

The Bureau's evaluation of new facilities maintenance needs, as well as data developed in the maintenance industry, indicated first year costs are from 75% to 90% greater than subsequent year requirements. New equipment and operating problems during the break-in period require maintenance which is vital if the new facilities are to be placed into untroubled, useful service and if the Government's investment is to be protected.

- (2) The increase for utilities will provide funds for the operation of utility systems to furnish necessary utilities and for operational services for the newly constructed facilities.
- (3) The increase for repair and maintenance of existing Bureau facilities is needed for increased cost of labor, materials, and services as well as the increased cost of fuel and utilities. The program will provide a 60% level of repair and maintenance.
- (4) The increase for space will provide for rental of an additional 36,400 square feet of space from GSA and for space leased directly by the Bureau of Indian Affairs under leasing authority granted by the GSA.

Cost factors. A \$2.00 cost factor was applied to the 302,837 square feet of newly constructed facilities.

Cost indexes developed by Engineering News-Record indicated increased cost for the following:

<u>Element</u>	<u>% increase 6/12/74 to 6/12/75</u>
Construction	+10.1
Building Cost	+ 8.4
Common Labor	+10.0
Skilled Labor	+ 7.3
Materials	+ 9.9

Program Description

This activity provides for general management functions including executive direction and other general management and administrative services; such as, policy formulation, development of systems and procedures, program planning and analysis, budget, audit, contract supervision and monitoring involved in many

orientation activities will be undertaken to explain and implement new policies and procedures.

- (2) The Planning- Programming-Evaluation Data System has been fully integrated with the finance system. Efforts continue to revise and improve the accomplishment portion of the PPE system and selected accomplishments have been used in planning efforts for the FY 1977 budget cycle.
 - (3) Now that the Planning-Programming system has been accepted for budget development, the technical aspects of the process are being upgraded, e.g., more reliance is being placed on the computer processed data and these sheets are the basic planning document for the next budget cycle. Programming and budgeting workshops developed for the FY 1977 cycle were conducted at over 100 agency/tribal levels. These workshops were designed to familiarize the tribal leaders with the complicated budget process and to assist in their participation in the budget preparation and establishment of tribal priorities. These workshops are being expanded and updated for the FY 1977 cycle.
- (b) Program Support Services, \$-64,000; total \$2,203,000.

The Safety Management Program assists tribal councils, Indian-owned enterprises and all Bureau facilities to meet safety standards. The increase of \$61,000 will provide an additional \$11,000 for field priorities. Emphasis will be placed on safety inspections and safety training under the requirements of the Construction Safety Act and OSHA. The following statistics indicate the anticipated workload:

	<u>1976</u>	<u>1977</u>
Number of safety inspections.....	1,045	1,122
Number of employees receiving safety training.....	4,450	5,230

The Bureau of Indian Affairs also contracts with the National American Indian Safety Council, Inc., to provide safety training. This Council provides Reservation and Industrial Inspections, Safety Training (Multi-Media First Aid, Standard First Aid, Community and Home Safety, Occupational Safety) and also surveys needs relative to safety and accident prevention programming. An increase of \$50,000 is requested to allow the Council to expand its services to the tribes which are now actively participating in safety and accident prevention programs.

Highlights of recent accomplishments:

Work continues on safety inspections and training of employees under the requirements of the Construction Safety Act and OSHA. Safety services are also provided under a contract with the National American Indian Safety Council. The safety management program continues to assist tribal councils, Indian-owned enterprises and Bureau facilities to meet safety standards.

The employment compensation portion of this program permits the Bureau to fulfill its financial obligations to employees injured or killed in **work-connected** accidents.

(c) Facilities Management, \$+2,768,000; total \$62,788,000.

- (1) Repair & Maintenance, \$+2,052,500; total \$30,738,000. The repair and maintenance of buildings and utilities is a continuing program. The \$30,738,000 requested for this portion of the program will provide a minimum level of repair and maintenance of Bureau plant facilities located throughout the United States including Alaska. The Bureau operates and maintains approximately 8,736 individual buildings containing 28,700,000 square feet of floor area together with related utility systems to support facilities at 400 separate locations. Seventy-seven boarding schools, 19 dormitories and 117 day schools are among the facilities maintained and operated over an area stretching from Alaska to Florida. The average age of these facilities is in excess of forty years. Utilities operated and maintained at most agencies, which are frequently in remote locations, are equivalent to those of an average community and many are much more extensive due to central plants which provide electric power, hot water, steam, etc. In addition to normal operating requirements, these systems must be operated and maintained on an uninterrupted 24-hour basis to insure the health and safety of Indian school children and Bureau personnel. Also included are funds for the Navajo-Hopi socio-economic impact.
- (2) Plant Operations, \$+399,500; total \$26,609,000. The \$26,609,000 requested for the facilities operations portion of the program will provide for the operation of utility systems to furnish necessary utilities and for operational services. The program includes the cost of personal services, materials, supplies, vehicle operation, equipment replacement, upkeep of all tools and equipment used in furnishing utilities, and operational services purchased from commercial or non-Bureau sources. Most of the Bureau's installations are in isolated locations, lacking the normal utilities and services usually available. This requires that the Bureau provide such essential utilities and services as electricity, water, sewage, janitorial, grounds care, heat, garbage and refuse disposal, etc.
- (3) Space Rental, \$+316,000; total \$5,441,000. Public Law 91-313, "Public Building Amendments Act of 1972", requires that all agencies be charged for space and related services provided by GSA at approximate commercial charges for comparable space and services that may prevail as of July 1, 1975. Cost rates are based on "standard level user charges" for various types of building space, e.g., office, storage, parking and special categories on a square foot unit cost. The Bureau of Indian Affairs currently occupies 1,785,572 square feet of space in GSA controlled and/or leased facilities. Projections for FY 1977 indicate a need for 1,821,972 square feet of GSA space, or an increase of 36,400 square feet. An increase of \$160,000 is necessary to provide for this additional space. An additional \$156,000 is required for space leased directly by the Bureau under leasing authority granted by GSA. The total funding for space requirements for the Bureau reflects \$4,760,000 for GSA rentals and \$681,000 for space leased directly by the Bureau.

Highlights of recent accomplishments:

- (1) In FY 1976 work continued on revision of facilities engineering manuals and standardization of plant facility inventories.
- (2) Facilities Management programs service 400 locations involving buildings and utilities. Among the facilities operated and maintained over an area stretching from Alaska to Florida are 77 boarding schools, 19 dormitories and 117 day schools.

6. Navajo-Hopi Settlement Programs

Navajo-Hopi Settlement Programs, - \$75,000, total \$2,040,000.

Proposal. It is proposed to fund the second increment of the Navajo-Hopi settlement programs in FY 1977. The first increment is contained in the FY 1976 budget in the amount of \$2,115,000. The \$2,040,000 proposed for FY 1977 when added to the FY 1976 appropriation will provide \$2.3 million for livestock reduction, and \$1.8 million for restoration and fencing over the two-year period.

Justification. Public Law 93-531 enacted December 22, 1974, provides for final settlement of the conflicting rights and interests of the Hopi and Navajo Tribes to and in lands lying within the joint-use area of the reservation established by the Executive Order of December 16, 1882, and lands lying within the reservation created by the Act of June 14, 1934. Sections of this Act direct the Secretary of the Interior to implement stock reduction, boundary surveys, to institute such conservation practices and methods within the area as to the maximum extent feasible, and to pay any and all appropriate legal fees, court costs and other related expenses brought by the Navajo or Hopi Tribes to determine their rights and interests in the Moencopi area. Funds have been authorized for these purposes to remain available until expended.

The current 120,000 to 125,000 sheep units must be reduced under this order to maintain grazing capacity established at approximately 16,000 sheep units. This will require a reduction of more than 100,000 sheep units.

Land treatment and range restoration are best accomplished by considering watersheds and drainage areas as units to receive treatment. The joint-use area is divided into five drainages, running from northeast to southwest. The Joint-Use Administrative Office has the nucleus of planning and operational staff to carry out reduction, fencing, water developments and range restoration on one drainage area per year. Other considerations are procurement of equipment, fencing materials, plant seeds, herbicides and other materials to carry out the program.

Early relocation of households now being proposed by the Relocation Commission will also require that the above funding be available. Voluntary relocation could not be accomplished until the household has received reimbursement for their livestock.

Cost Factors. The activities contemplated and the associated costs are:

	<u>1976</u>	<u>1977</u>
Stock Reduction	\$1,115.0	\$1,140.0
Fencing	530.6	530.6
Range control	71.4	71.4
Water development	298.0	298.0
Attorney fees	100.0	-0-
	<u>100.0</u>	<u>-0-</u>
Total	<u>\$2,115.0</u>	<u>\$2,040.0</u>
Stock Reduction (sheep units) ...	31,000	31,000
Fencing (miles)	110	110
Range Treated (acres)	1,600	1,600
Water developments	3	3

Program Description

The objective of this activity is to provide the resources required for the Department to comply with P.L. 93-531 which provides for the final settlement of certain conflicting land claims of the Navajo and Hopi Tribes. This authorizes and directs the Secretary of the Interior . . . "to immediately commence reduction of the numbers of all livestock now being grazed upon the lands within the joint-use area and complete such reductions to carrying capacity of such lands, as determined by the usual range capacity standards as established by the Secretary after the date of enactment of this Act. The Secretary is directed to institute such conservation practices and methods within such areas as are necessary to restore the grazing potential of such area to the maximum extent feasible."

ITEMIZATION OF ESTIMATE

Department of the Interior				Bureau of	
Appropriation Title: Operation of Indian Programs				Indian Affairs	
	Actual	Estimate	Estimate	Estimate	Increase (+)
	1975	1976	TQ	1977	Decrease (-)
<u>Program and</u>					
<u>Financing:</u>					
Total obligations	485,522,572	553,696,643	^{1/} 177,367,000	589,510,000	+35,813,357
Unobligated balance carried forward	+304,643	-304,643	--	--	--
Unobligated balance lapsing	+104,785	--	--	--	--
<u>Appropriation</u>	<u>485,932,000</u>	<u>553,392,000</u>	<u>^{1/}177,367,000</u>	<u>589,510,000</u>	<u>+35,813,357</u>
<u>Obligations by</u>					
<u>Objects:</u>					
11 Personnel compensation	186,021,271	203,229,000	52,022,000	212,973,000	+9,744,000
12 Personnel benefits	19,194,090	20,323,000	5,290,000	21,297,000	+974,000
21 Travel & transportation of persons	10,917,971	9,614,000	2,500,000	10,650,000	+1,036,000
22 Transportation of things	4,539,817	5,000,000	1,000,000	5,000,000	--
23 Rent, communications & utilities	16,409,118	16,000,000	2,500,000	16,000,000	--
24 Printing and reproduction	592,315	600,000	200,000	600,000	--
25 Other services	130,602,776	128,454,000	42,981,000	142,027,000	+13,573,000
26 Supplies and materials	39,188,844	40,000,000	12,000,000	40,000,000	--
31 Equipment	7,466,799	6,030,000	1,600,000	6,600,000	+570,000
32 Lands & structures	1,497,088	--	--	--	--
41 Grants, subsidies, and contributions	72,408,173	127,846,643	58,124,000	137,763,000	+9,916,357
42 Insurance claims & indemnities	38,395	--	--	--	--
<u>Subtotal</u>	<u>488,876,657</u>	<u>557,096,643</u>	<u>178,217,000</u>	<u>592,910,000</u>	<u>+35,813,357</u>
Deduct quarters & subsistence charges	-3,354,085	-3,400,000	-850,000	-3,400,000	--
<u>Total Obligations</u>	<u>485,522,572</u>	<u>553,696,643</u>	<u>177,367,000</u>	<u>589,510,000</u>	<u>+35,813,357</u>

^{1/} Includes \$10,474,000 proposed pay cost supplemental.

PERSONNEL SUMMARY

Operation of Indian Programs

	FY 1975 <u>Actual</u>	FY-1976 <u>Estimate</u>	FY-1977 <u>Estimate</u>
Total number of permanent positions.	13,332	13,115	12,893
Full-time equivalent of other positions.....	2,006	3,109	3,504
Average paid employment.....	14,538	15,438	15,800
Average GS grade.....	7.76	7.80	7.84
Average GS salary.....	13,404	14,215	14,357
Average salary of ungraded positions.....	12,070	13,532	15,307

CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Construction

Appropriation 1976.....		\$ 73,922,000
Unobligated balance from prior year.....		<u>44,188,222</u>
Total available for obligation.....		118,110,222
<u>Decreases:</u>		
Buildings and utilities.....	\$ 82,373,123	
Irrigation systems.....	35,736,466	
Land acquisition.....	<u>633</u>	
Subtotal.....		<u>118,110,222</u>
		<u>---</u>
<u>Increases:</u>		
Buildings and utilities.....	55,021,534	
Irrigation systems.....	<u>34,601,466</u>	
Total available for obligation.....		<u>89,623,000</u>
Less: Unobligated balance from T.Q. 1976.....		<u>- 43,360,000</u>
Budget Estimate 1977.....		<u>46,263,000</u>

BUREAU OF INDIAN AFFAIRS

Construction

Analysis by Activities

Activity	Amount Available 1976	Fiscal Year 1977		Budget Estimate	Total available 1977 compared to Total available 1976
		Estimated Total Available	Less Unobligated balance from T.O.		
1. Buildings and Utilities.....	\$ 82,373,123	\$55,021,534	\$38,358,534	\$16,663,000	- \$27,351,589
2. Irrigation systems.....	35,736,466	34,601,466	5,001,466	29,600,000	- 1,135,000
3. Land acquisition.....	633	---	---	---	- 633
	<u>118,110,222</u>	<u>89,623,000</u>	<u>43,360,000</u>	<u>46,263,000</u>	<u>- 28,487,222</u>

1. Building and Utilities

\$16,663,000

Construction of Facilities

This program provides construction funds for construction of a water line for the Navajo Indian Irrigation Administration Building; rehabilitation center at Pine Ridge; water exploration and development; technical assistance; purchase of equipment for projects previously funded for construction; and replacement of educational facilities for Bureau schools.

A summary of projects and justification for each follows:

Bureau Facilities Construction

Chevak Elementary Day school Completion, Alaska	\$ 252,400
Alakanuk Elementary Day School, Alaska.....	1,947,600
Jemez Elementary Day School, New Mexico.....	2,420,000
Mekoryuk Elementary Day School, Alaska.....	2,000,000
Pine Ridge Rehabilitation Center, South Dakota (Phase I).....	1,000,000
Water Line, Navajo Indian Irrigation Project New Mexico.....	500,000
Mt. Edgumbe Sewage Collection, Alaska.....	1,200,000
Deferred Equipment, Bureau-Wide.....	1,950,000
Water Exploration and Development, Bureau-Wide.	100,000
Facility Improvements, Bureau-Wide.....	1,000,000
Technical Assistance and Services.....	<u>4,293,000</u>

Total

16,663,000

Chevak Elementary Day School Completion, Alaska

\$252,400

Location: Chevak is located on the west coast of Alaska, approximately 180 miles northwest of Bethel along the Bering Sea.

Existing Conditions: In May of 1972 the existing Chevak School was demolished by fire. Temporary school facilities were established for the following academic year by utilizing prefabricated structures that were flown in by helicopter. The prefabricated structures were functionally minimal, but did permit a continuing educational program.

Proposed Facilities: It is proposed to complete the school now under construction which encompasses a kindergarten through 12 educational program for 250 pupils. Included will be an Instructional Materials Center for each elementary and secondary division, a gymnasium, toilet rooms, storage and mechanical spaces. Also included will be a 5-plex Staff Quarters, and a Storage and Maintenance Building.

Project Cost Estimate

Building Construction	\$250,000
Contingencies	<u>2,400</u>
Total	<u>252,400</u>

Alakanuk Elementary Day School, Alaska, Phase II

\$1,947,600

Location: Alakanuk is situated at the mouth of the Yukon River on the west coast of Alaska.

Existing Conditions: The present school is in imminent danger of falling into the river and must be replaced. The village has moved across the river and upstream about one mile because the old village site was being eroded by water and ice action. There are times when transporting the students across the river is impossible and/or hazardous. A new school site has been selected near the new village.

Design is underway of a new school facility. Phase I construction will include the shell of the school building, oil storage tanks and a tie-in to the water system. The shell will be heated enough to prevent freezing.

Phase II facilities: This phase will include completion of the school facility to provide classroom space and support facilities for 120 pupils in grades kindergarten through 8. Five sets of staff quarters will be site adapted from the plans for quarters used at Hooper Bay.

Project Cost Estimate

Buildings and utilities	\$2,465,000
Contingencies	112,000
On-Site supervision	120,600
Equipment	(87,000)
	<u>2,697,600</u>
Available	<u>750,000</u>
Request	<u><u>1,947,600</u></u>

Jemez Elementary Day School, New Mexico

\$2,420,000

Location: Jemez Pueblo, approximately 50 miles north of Albuquerque on State Highway 4.

Existing Conditions: The school building at Jemez burned December 30 1972, leaving only the two kindergarten classrooms and the kitchen-dining building. Classes are presently housed in mobile temporary units for grades K-6. No music room is available and the dining room is too small for the growing enrollment. Office space is inadequate as are all the support facilities.

Proposed Facilities: The new K-6 facility that is planned for 180 pupils includes general instructional space, learning resource center, art room, music room, gymnasium, cafeteria, administrative unit and plant management shop.

Project Cost Estimate

Buildings and Utilities	\$2,250,000
Contingencies	100,000
On-Site Supervision	70,000
Equipment	(315,000)
	<u>2,420,000</u>

Mekoryuk Elementary Day School, Alaska

\$2,000,000

Location: Mekoryuk, Alaska is on Nunivak Island off the west coast of Alaska.

Existing Conditions: The 8 grade school facility for 100 children consisting of 4 classrooms, a multipurpose room, kitchen and clinic was destroyed by fire in the spring of 1975. This leaves only the teachers' quarters on the site.

Proposed Facility: The same plans prepared for the building that was destroyed will be used for the new facility. The facility will be located on the same site and will serve approximately 100 pupils in grades one through eight. Temporary facilities are being used until the new school can be built.

Project Cost Estimate

Buildings and Utilities	\$1,740,000
Contingencies	100,000
On-Site Supervision	110,000
A/E fee to update drawings	50,000
Equipment	<u>(155,000)</u>
	<u>2,000,000</u>

Pine Ridge Rehabilitation Center, South Dakota (Phase I) \$1,000,000

Location: On the Pine Ridge Indian Reservation in southwestern South Dakota.

Existing Facilities: The Pine Ridge Reservation has been the center of numerous confrontations over the past two years. In addition, alcoholism has increased substantially in the past decade. There is no rehabilitation or treatment center and the jail at the agency headquarters is undersized and poorly arranged.

Proposed Facilities: This facility will provide treatment for Alcoholism for both adults and juveniles. Rehabilitation of these individuals will be given top priority. The proposed facility will consist of: Police Department containing a reception room, captain's office, miscellaneous rooms for - visiting, conference, squad room, toilet, showers etc. Also a jail containing holding facilities, kitchen and dining, courtroom and related office space. Satellite holding stations at Kyle, Wanblee, Porcupine, South Dakota consisting of cells, kitchen, court and office are also included in the proposed plan.

The \$1,000,000 requested for Phase I will provide the Police Department facility and courtroom. LEAA is providing funds for the construction of the jail unit. Future request for Phase II construction will be for the satellite holding stations.

Project Cost Estimate

Buildings and Utilities	\$2,280,000
Contingencies	70,000
On-site supervision	60,000
	<u>\$2,410,000</u>

Water Line, Navajo Indian Irrigation Project, New Mexico

\$500,000

Location: The Navajo Indian Irrigation administration and shop buildings will be located in San Juan County, New Mexico, about seven miles south of Farmington, New Mexico. This proposed water line will be constructed between the new NIIP buildings and the City of Farmington.

Existing Conditions: In connection with the construction of the NIIP buildings, a water exploration program was instituted and wells were drilled in the area. The exploration program disclosed that the upper geologic formations were dry while the lower ones contained saline water. An engineering study was undertaken which demonstrated that it would be less costly to obtain water through a pipeline from the City of Farmington than to construct and operate a water desalinization plant. Preliminary talks with city officials indicated that adequate water could be obtained from the Farmington water system.

Proposed Program: It is planned to install a water pipeline, adequately sized for the new NIIP facilities from the City of Farmington to the NIIP project. The line will lie parallel to an existing gravel road. Also included in the proposal is a pumping plant near Farmington and a receiving reservoir at the NIIP facility.

Project Cost Estimate

Water Pipeline	\$340,000
Water Pumping Station	40,000
Water Reservoir	40,000
Design	20,000
Job Supervision	15,000
Contingencies	45,000
	<hr/>
	<u>\$500,000</u>

Mt. Edgecumbe Sewage Collection Lines, Alaska

\$1,200,000

Location: The Mt. Edgecumbe School complex is located on three small islands across the sound from Sitka, Alaska. The principal island of the Mt. Edgecumbe group is Japonski Island which is connected to the town of Sitka by a quarter mile long bridge. The island also contains the Sitka Municipal Airport, a Public Health Service Hospital and a U. S. Coast Guard Station.

Existing Conditions: At present, sewer lines for the various buildings and groups of buildings flow in a multitude of directions to carry the sewage from their various areas of collection to the closest shore line for discharge.

Proposed Program: During the period that the Mt. Edgecumbe-Sitka treatment plant and outfall line are being constructed, new sewage collection lines must be installed at Mt. Edgecumbe to redirect flow from the present fragmented sewer system into the new Mt. Edgecumbe-Sitka outfall line.

Projected Cost Estimate

Sewer Collection Lines and Appurtenances	\$ 850,000
Sewage Pumping Stations	200,000
Job Supervision	50,000
Contingencies	<u>100,000</u>
	<u>\$1,200,000</u>

Deferred Equipment, Bureau-wide

\$1,950,000

In prior years, funds have been appropriated by Congress for the construction of certain schools; however, funds for the purchase of equipment were not appropriated at that time. In order for the new plants to be operational the equipment items must be provided. It is proposed to purchase such equipment as desks, chairs, tables, cabinets, maps, beds, lockers, mattresses, linens, buffers, waxers, pots, pans, and other classroom, dormitory, and kitchen equipment for the following schools:

<u>Project Location</u>	<u>Estimated Cost</u>
St. Michaels, Alaska	\$ 96,000
Fort Yates High School, N. D.	615,000
Haskell Indian Junior College, Kansas, (Learning Resource Center and Kitchen and Dining Room)	278,000
Riverside Indian School, Ok. (Dormitories)	446,000
Kindergartens, Bureau-wide	150,000
Dormitory Replacements, Bureau-wide	<u>365,000</u>
	<u>\$1,950,000</u>

Water Exploration & Development, Bureau-wide

\$100,000

Proposed Program: One of the most essential factors in planning schools and developing agency facilities are provisions for an adequate water supply. This is particularly important in the arid regions of the country, in Alaska where little is known concerning the adequacy and potability of the water, as well as in other parts of the country where Bureau installations are located.

It is proposed to drill exploratory wells, perform testing and develop the wells at the following locations in FY 1977:

<u>Project Location</u>	<u>Estimated Cost</u>
1 Casa Blanca, Arizona A new well is needed at this site to augment the present supply for the new school. In an effort to locate a more productive source, exploration will take place on tribal land rather than agency reserve.	\$25,000
2 Owyhee, Nevada A new PHS hospital is being built at the Owyhee Agency and will be connected to the Bureau water system. With this and other new facilities taxing the Bureau's system, the supply must be augmented with a new well.	15,000
3 Alakanuk, Alaska A new water supply must be found for the relocated school.	25,000
4 Napakiak, Alaska A more potable supply must be found to serve the new school at this site for the well-being of the children.	18,000
5 Napaskiak, Alaska A new kindergarten and quarters will overtax this school's present extremely limited supply.	17,000

Facility Improvements, Bureau-wide

\$1,000,000

Existing Conditions: Each year the average age of Bureau facilities increases with attendant demands for renovations as facilities become unsafe, unsanitary, and functionally obsolete. An additional burden to the program is the requirement for compliance with the Construction Safety Act of 1969, the Occupational Safety and Health Act of 1970, and various Environmental Protection Acts. Until new construction replaces the majority of existing facilities, the demands for facility improvement projects will increase. The current backlog of facility improvement projects is in excess of \$70 million.

Proposed Program: The estimate of \$1 million will provide a very minimum program for the continued elimination of unsafe and unsanitary conditions existing in Bureau plant facilities (including water, solid waste, and air pollution control projects); for correction of functional deficiencies; and for the modernization of existing facilities including the replacement of obsolete and deteriorated buildings and facilities which, because of their relatively small size, are not applicable for inclusion in the regular construction program. A high priority will be assigned to the correction of unsafe and unsanitary conditions with primary emphasis given to conditions existing in school and dormitory facilities.

Technical Assistance and Services

\$4,293,000

Proposed Program: This activity provides the architectural-engineering contract and administrative capabilities required to execute contracts for the planning, design, and construction of new facilities and the major rehabilitation or replacement of existing facilities identified above or previously authorized. Also underwrites the cost of providing contract-engineering services to the field offices of the Bureau in support of their facilities improvement program and to Indian Tribes and businesses when they lack capability or resources to do so. Provides on-site construction, management, and supervision of Indian construction projects funded under other Government agency programs.

2. IRRIGATION SYSTEMS

\$29,600,000

The budget estimate of \$29,600,000 will provide a program of \$22,000,000 for the Navajo Indian Irrigation Project being constructed by the Bureau of Reclamation and a program of \$7,600,000 for the Bureau of Indian Affairs for the improvement, rehabilitation, betterment, and extension of Indian irrigation projects and related power systems.

On many Indian reservations, irrigated farming is the basic economic industry, and in some areas, the only industry available to the Indians. On these reservations where land and water are the primary and basic resources, early and full development for irrigated farming is necessary and urgent if the Indians are to realize any benefits from such resources. Moreover, because of the acute competition for water on and adjacent to Indian reservations, particularly in the arid and semi-arid west, there is greater danger of the loss of water by the Indians unless these water supplies are put to beneficial use. On many of the Indian reservations, the use of water for irrigation is presently the highest and best use. There is an immediate need for water, and plans and programs for the development of this water have already been made. However, if in the future it should be determined that there is a higher and better use for the irrigation water, such water may be diverted for these purposes. In the meantime, however, the water should be developed and used for Indians in order to preserve the water for the ultimate economic development of the reservation.

It is proposed to develop as quickly as possible water supplies and distribution systems needed to irrigate all acreages of Indian lands that are susceptible to being economically irrigated. This involves the construction of new and authorized irrigation systems and the extension and/or rehabilitation of existing irrigation systems in order that all irrigable Indian lands which are feasible for irrigated farming can be developed to their ultimate productive capacity. By so doing, this program will provide a means by which the Indians can put to beneficial use much of their valuable water which now is flowing off the reservation and is being presently used or planned for use by off-reservation development.

Irrigated farming is a means of providing a better standard of living for resident reservation Indians and is often times the only means available to the local Indians for improving their economic standard.

There are three irrigation projects that have related power systems which furnish power for the respective irrigation projects and Indian reservations. On these Indian reservations, where the generation and/or transmission and distribution of power are an integral part of the irrigation project, such power systems are not only serving the primary purpose of furnishing electrical energy for project purposes but are authorized to furnish power to residents of the reservation as well as to local industrial and commercial enterprises on or adjacent to the reservation. Because of the dependency the consumers have upon these power systems, and the contractual obligations, the Bureau has the responsibility to furnish a firm adequate, and dependable power supply. To meet these obligations, as well as new power demands of the constantly growing number of customers, requires that the system be continuously improved, upgraded and extended as any other such utility.

The irrigation construction program for fiscal year 1977 provides for the continuation of the construction, extension, rehabilitation, and betterment of irrigation and power facilities on certain listed irrigation projects and power systems. The program also provides for the continuation of the preparation of engineering and economic feasibility reports for existing and proposed projects for which such reports have not been completed.

The largest single irrigation construction program is the development of the Navajo Indian Irrigation Project, as authorized by Congress in 1962 and embracing 110,630 acres.

SUMMARY OF PROJECTS

	<u>Total</u> <u>Estim. Cost</u>	<u>1977</u> <u>Estimate</u>	<u>Justification</u>
(a) Annual Contract Payments			
Fort Belknap.....	\$250,000	\$7,404	For payment of the 34th fixed annual contract installment due the Bureau of Reclamation for storage in Fresno Dam (No. 1-1-Ind-18725 8-16-46.)
 (b) Irrigation Construction and Rehabilitation			
<u>Arizona</u>			
Colorado River			
Irrigation.....	35,382,000	450,000	See detailed justification
Power		133,000	See detailed justification
Fort Apache		11,000	Rehabilitating diversion structure
 Papago Agency			
Chuichu.....		30,000	Well rehabilitation
San Xavier		88,000	See detailed justification
Waiva Vo	1,414,000	200,000	See detailed justification
 <u>Pima Agency</u>			
Gila Crossing		50,000	Planning & Leveling
Maricopa Colony		50,000	Rehabilitation
San Carlos Project			
Indian works		500,000	See detailed justification
Irrigation joint works	31,000,000	350,000	See detailed justification
Power		500,000	See detailed justification

	<u>Total Estimate Cost</u>	<u>Estimate</u>	<u>Justification</u>
Salt River		230,500	See detailed justification Rehabilitation
Truxton Canon-Camp Verde		21,500	
<u>California</u>			
Pala.....	596,000	30,000	For constructing distribu- tion facilities from a new well
Rincon.....	504,000	30,000	For equipment for new well
Morongo.....		112,000	See detailed justification
<u>Idaho</u>			
Michaud Project (Fort Hall).....	10,087,000	375,000	See detailed justification
<u>Montana</u>			
Blackfeet.....		86,000	See detailed justification
Crow.....	2,618,800	123,000	See detailed justification
Fort Peck.....		188,000	See detailed justification
Fort Belknap.....		42,596	For rehabilitation of deteriorated distribution system
Tongue River.....		17,000	For rehabilitating canals & laterals
Flathead Project Power.....		202,000	See detailed justification
<u>Nevada</u>			
Eastern Nevada Agency Duck Valley.....		300,000	See detailed justification
Goshute.....		89,000	See detailed justification
South Fork.....		303,000	See detailed justification
Western Nevada Agency Yerrington		200,000	See detailed justification
Yomba		200,000	See detailed justification
<u>New Mexico</u>			
Navajo-Hogback		309,000	See detailed justification
Navajo Project	324,713,000	22,000,000	See detailed justification
No. Pueblos	7,260,000	85,000	See detailed justification
So. Pueblos		105,000	See detailed justification
So. Ute		15,000	Development of miscellaneous irrigation units
Zuni Pueblo		95,000	See detailed justification
<u>Utah</u>			
Uintah & Ouray		330,000	See detailed justification
<u>Wyoming</u>			
Wind River	5,424,000	39,000	For rehabilitation of canals and laterals.

	Total Estimate Cost	<u>Estimate</u>	<u>Justification</u>
(c) Surveys, Investigations and Plans		515,000	See detailed justification
(d) Engineering and Supervision		1,188,000	See detailed justification
Total Estimate		<u>29,600,000</u>	

The irrigation and power projects for which funds in excess of \$50,000 have been requested and for which detailed justification have been prepared are as follows:

Arizona

COLORADO RIVER PROJECT, \$583,000. The funds requested provide \$450,000 for irrigation construction and \$133,000 for construction and rehabilitation of the related power systems.

Irrigation Construction, \$450,000. The Colorado River irrigation project is one of the largest and potentially the most productive of the irrigation projects under the Bureau of Indian Affairs. Adequate water for the project's potentially irrigable area of 105,000 acres was assured in the decree issued by the Supreme Court in the case of Arizona vs. California. Extension of the project lateral system is essential if the Colorado River Indian people are to realize the income potential of the reservation area for which they have decreed water. The Colorado River Tribe desperately needs this program to continue its progress toward economic self-sufficiency. The entire economy of the reservation, except for relatively minor recreational development, is based on the agricultural-business complex growing from the direct use of the water-right resource. This growth, with accompanying cash income and job opportunities has been significant. Of the Indian people employed on the reservation, approximately 59 percent are working on jobs related to agriculture and its development.

The features of work and estimated costs under this item are as follows:

Main Canal - Rehabilitation	\$450,000
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Power System Construction and Rehabilitation, \$133,000. The Power System of the Colorado River Indian irrigation project serves 2,189 customers which number includes commercial, agriculture, and government customers. The power demand brought on by irrigation development on the reservation and by recreation, homesite and industrial development has increased steadily at the rate of about 16 percent per year. During the last five years the active customer accounts have more than doubled. With this continuing load, growth sections of the system have reached or exceeded their capacity, causing voltage drops which adversely affect customer service. The deficiencies were brought out in the 1967 power system study and report by R. W. Beck and Associates. The Beck report is being used as a guide for reorganizing, rehabilitating, upgrading, and extending the power system to keep pace with the growing economy in the area.

The proposed program for fiscal year 1977 will permit the continuation of work relieving the existing overload, and will provide capacity needed to serve power customers adequately. The planned construction will promote the growth and success of enterprises which will benefit the Colorado River Indian Tribe. All funds advanced under this request will be repaid from power revenues collected from the sale of electrical energy. All funds appropriated prior to

the 1965 fiscal year were repaid to the United States Treasury as of June 30, 1965.

The features of work and estimated costs under this item are as follows:

Construct 69 KV transmission line extension	\$133,000
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SAN CARLOS IRRIGATION PROJECT, \$1,350,000. The funds requested provide for \$500,000 rehabilitation and extension of irrigation facilities on the Indian portion of the project and certain preconstruction activities, \$350,000 for construction and rehabilitation of facilities of the joint works and \$500,000 for power system construction.

The San Carlos irrigation project was authorized by the Act of June 7, 1924, and is designed to irrigate 100,546 acres of land of which 50,546 acres are on the Gila River Indian Reservation and 50,000 acres within the non-Indian San Carlos Irrigation and Drainage District. All of the non-Indian lands and 41,000 acres of the Indian land have been prepared for irrigated farming.

Irrigation Rehabilitation And Construction - Indian Works, \$500,000. The funds requested for fiscal year 1977 will be used to rehabilitate and extend canals and laterals serving the Indian lands of the Gila River Indian Reservation.

Blackwater Area	\$200,000
Canal #32 Area Subjugation	<u>\$300,000</u>
Total	\$500,000

Joint Works Irrigation Construction and Rehabilitation, \$350,000. The flow of the Gila River is very erratic causing the project water supply to be unreliable. More than 120 wells have been drilled to supplement the river supply. In some years not more than 50 percent of the land can be farmed because of water shortages. Continuing severe drought conditions on the watershed of the Gila River have increased the need for pumping. The result has been a steadily declining groundwater table causing numerous wells to fail. New wells must be drilled to replace those that have failed and others must be deepened as the water table falls. Deepening requires additional well casing, column pipe assembly, larger electric motors, transformers, and protective equipment.

The irrigation construction work proposed for fiscal year 1977 is as follows:

Rehabilitation of 8 Irrigation wells	\$350,000
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Power System Construction And Rehabilitation \$500,000. The power system was designed and constructed primarily for pumping purposes. It now serves more than 5,800 customers and distributes more than 150,000,000 kilowatt hours of electric energy per annum. The system consists of two generating plants, 180 miles of high voltage transmission lines, 800 miles of distribution lines, and 22 substations.

Construct new lines and facilities to serve new customers; purchase distribution trans- formers and metering equipment	\$300,000
Construction-Hayden & Coolidge Sub-station	<u>\$200,000</u>
Total	\$500,000

SALT RIVER PROJECT, \$230,500. This project is located on the Salt River near Phoenix, Arizona and has 9,300 acres of assessable irrigated land.

The features of work proposed for fiscal year 1977 are as follows:

Rehabilitation of Canals and structures	\$105,500
Drill and equip one deep irrigation well	<u>\$125,000</u>
Total	\$230,500

SAN XAVIER IRRIGATION PROJECT, \$88,000. This project is located on the San Xavier Indian Reservation just south of Tucson, Arizona. It serves 1,173 acres of land. The Papago Indians on this reservation began farming by irrigation about the year 1732 under the supervision of Spanish padres, using water diverted from the Santa Cruz River. The river channels began to degrade about 1876 and diversion from the river became impractical. In 1915, three wells were drilled for irrigation. Irrigation water is presently furnished by nine wells.

Pumping of the underground strata for commercial and municipal purposes has lowered the water table under the project. The wells need to be deepened and properly equipped for the increased lift to maintain the required water supply.

The San Xavier Irrigation Project has an adequate supply of underground water, but the wells and equipment under present conditions have the capacity to furnish an adequate water supply for only 600 acres. The San Xavier Indian Farm Corporation is farming 1,120 acres on rotation system to best use the available water.

Rehabilitation and Betterment - \$88,000.

Work proposed for Fiscal Year 1977 is as follows:

Rehabilitation of irrigations wells	\$88,000
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VAIVA VO IRRIGATION PROJECT, \$200,000. This project is a feature of the Santa Rosa Wash Multiple-Purpose Project, Papago Indian Reservation, Arizona, authorized by the Flood Control Act of October 27, 1965 (79 Stat. 1073).

The construction by the Corps of Engineers of the Tat-Momolikot Dam and St. Clair Reservoir on the Santa Rosa Wash will control, regulate, and store floodflows originating on 1,750 square miles of watershed of the Santa Rosa, Jackrabbit, and Kohatk Washes, which have their confluence immediately above the damsite.

The Bureau of Indian Affairs is responsible for the construction of the Vaiva Vo irrigation project which is estimated to cost \$1,414,000 (based on 1962 prices). The project will provide facilities for use of the stored waters for the irrigation of 1,640 acres of land within the Papago Indian Reservation. The work of this Bureau is being coordinated with the work of the Corps of Engineers.

The Corps of Engineers completed construction of the Tat-Momolikot Dam and St. Clair Reservoir on the Santa Rosa Wash in June 1974. Construction of the irrigation facilities began in Fiscal Year 1974.

California

MORONGO PROJECT, \$112,000. The Morongo Reservation is located about 15 miles northwest of Palm Springs, California. The work involved is the rehabilitation of irrigation facilities.

Idaho

MICHAUD UNIT, \$375,000. This project was authorized under the Act of August 31, 1954 (68 Stat. 1026). The construction was started in the fiscal year 1957 with an appropriation of \$500,000 and has continued each year since, as funds were made available. This unit of the Fort Hall project will irrigate 21,000 acres of excellent land (20,195 acres Indian-owned and 805 acres non-Indian owned) lying between the cities of Pocatello and American Falls. The water supply for the unit is derived from stored water in American Falls and Palisades Reservoirs constructed by the Bureau of Reclamation. However, the water actually used is pumped from the Portneuf River in exchange for the stored water. A series of wells will also provide underground water to supplement the water pumped from the river.

The proposed work for the fiscal year 1977 is to equip 10 deep wells.

Montana

BLACKFEET PROJECT, \$86,000. The Two Medicine Canal serves approximately 28,000 acres in the Two Medicine unit of the project. In order to supply sufficient water, the capacity of the canal must be maintained at 500 cubic feet per second of water. At the present time, because of restrictions in the canal, the capacity is below the amount required. The funds will be used to continue the enlargement of the canal to the required capacity.

For canal and lateral structures of the Two Medicine Distribution System	\$86,000
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CROW, \$123,000. The Crow Irrigation Project consists of seven irrigation units. Three of the units have working agreements with private ditch and drainage districts or associations. Construction work authorized under the Act of June 28, 1946 (60 Stat. 333) is included in the conditions set forth in current contracts with the three irrigation districts. The work proposed for the fiscal year 1977 is the continuation of rehabilitation work and extension of the distribution systems serving these units prior to the take-over of the operation and maintenance programs of these units by the districts involved. The work includes the rehabilitation of diversion dams, canals, laterals, and structures...\$123,000.

FORT PECK PROJECT, \$188,000. This project is located in northeastern Montana and was authorized by the Act of May 20, 1908 (35 Stat. 558). Construction was started in 1909 and continued as funds were made available and the need for additional farm land arose. The project originally consisted of five separate irrigation units. Three units are no longer in operation. The two operating units, which embrace an ultimate irrigable area of 24,623 acres, are the Wiota (Big Porcupine) Unit and the Frazer-Wolf Point Unit. Facilities have been constructed to serve 15,520 acres.

The basic industry on the reservation is livestock production. In order to meet the demand for winter feed there is an urgent need to extend irrigation facilities to certain of the lands not now irrigated and to rebuild and replace deteriorated irrigation facilities to serve other lands not now irrigated because of the need for rehabilitation.

The construction and rehabilitation work for this project is nearing completion. The program for the fiscal year 1977 is:

Canal Lining and related structures,
Wiota Canal \$188,000

FLATHEAD PROJECT, \$202,000. The power system on the Flathead Indian Reservation is now serving approximately 7,900 customers. The expansion of the Flathead Lake and Arlee areas are adding over 150 accounts per year. In order to meet this load growth, it will be necessary to increase sub-station capacity as well as increase the number and size of distribution transformers..... \$202,000

Nevada

DUCK VALLEY PROJECT, \$300,000. The Duck Valley irrigation project is within the Duck Valley Indian Reservation, which is located on the Nevada-Idaho State line with portions of the reservation lying in both states. This region is primarily stock-raising country where the irrigated base properties are used to produce forage crops for winter livestock feed. Since about 1874 these hay crops have been the most important crop produced and there is every indication that hay production will continue to play a very important role in the economy of the reservation.

The project embraces 12,000 acres of which 11,045 acres are irrigated, in production, and are totally used by tribal members. Of the irrigated land, 4,700 acres have been developed to modern high standards of land development. Much of the unimproved irrigated land is still irrigated by sloughs and meandering small ditches used back in the days when the irrigation water sources were from natural flooding of the Owhee River. The main and firm source of water is from the normal flow of the East Fork of the Owhee River and from storage at Wildhorse Dam. These two sources will provide an adequate supply of water for the 12,000 acres when fully developed.

The features of work proposed for fiscal year 1977 are as follows:

Construct 5 miles of canals and laterals with necessary structures.....	\$ 75,000
Clearing and leveling, construction of farm ditches, and establishment of first crop.....	\$225,000
Total	\$300,000

GOSHUTE PROJECT, \$89,000. The Goshute Indian Reservation is divided by the Nevada-Utah Border. The Nevada portion is located 90 miles northeast of Ely, Nevada, and the Utah portion is 70 miles south of Wendover, Utah. Irrigation by Indians dates back to at least 1900, but the existing irrigation facilities were constructed in the late 1930's and early 1940's. The rehabilitation and betterment program will provide the needed irrigation servicing approximately 820 acres and will extend the irrigation distribution system to include an additional 180 acres.

SOUTHFORK PROJECT, \$303,000. The Southfork (Temoak) Indian Reservation is located on the South Fork of the Humboldt River approximately 28 miles southwest of Elko, Nevada. It is a composite of four ranches purchased for the Indians during the 1930's. The land has been irrigated to some extent for over 100 years with gradual improvement and extension of the system to irrigate 4,074 acres. The work involved will include rehabilitation of existing ditches and reconstruction of 6 diversion structures.

YERRINGTON PROJECT, \$200,000. The Yerrington Indian Reservation is located about 35 miles southeast of Carson City, Nevada. The irrigation facilities were originally constructed as part of the facilities of an Indian school at that location. The work involved is the rehabilitation of the irrigation system.

YOMBA IRRIGATION PROJECT, \$200,000. The Yomba Project lies within the Yomba Indian Reservation located some 45 miles south of Austin, Nevada. The project serves 2,044 acres which are farmed by members of the Tribe. The project receives its water from the Reese River and is produced mainly from mountain snowpacks. Forage crops are the only crops grown and are used to winter livestock. The farmlands are commensurate base holdings required to produce 2 months of feed as a part of the year-long livestock program on public lands. Project facilities were constructed by the former owners and are substandard and in need of major repairs.

Funds for Fiscal Year 1977 will be used to continue rehabilitation of canals and laterals.

New Mexico

HOGBACK PROJECT, \$309,000. This project embraces 9,614 acres on the Navajo reservation. A dependable water supply is obtained from the San Juan River. When this project is fully developed, it will provide 250 farm units and support approximately 2,000 Navajo Indian people.

The Act of July 12, 1960 (74Stat. 470) authorized the Secretary of the Interior to transfer all irrigation units on the Navajo Reservation to the Navajo Tribe. Under an agreement made pursuant to this Act by and between the Secretary of the Interior and the Navajo Tribe, the tribe accepted the responsibility for operation and maintenance of all completed portions of the Hogback Unit. This unit should be completed at the earliest possible time in accordance with the agreement.

NAVAJO INDIAN IRRIGATION PROJECT, \$22,038,000 ^{1/}

Work Proposed

Pumping Plants, \$40,000. Provides for collection of field design data.

Canals, \$10,300,000. Construction of the Main Canal Mi. 41.8 - 46.2 and on 14.5 of the Gravity Main Canal. A contract will be awarded for construction of the Amarillo Canal Mi. 0.0 - 11.2 which will provide water to Block 3 lands. Contract payments for maintenance of the natural gas engine-driven pumping units and power generators for Block 1 lands will be continued. Contract will be awarded for constructing pipelines to furnish gas for natural gas engine-driven pumping units for Block 3. Various contracts for relocation modification of oil and natural gas pipelines and utility lines crossing right-of-way will also be executed.

Laterals, \$7,353,000. Construction of the closed pressure pipe distribution system to provide water for irrigating Block 2 lands will be completed. Contracts will be awarded for construction of the distribution system for water delivery to Block 3 and 4 lands. A contract will be awarded to furnish and install the electric motor-driven pumping units for Block 4. Various contracts for relocation and modification of oil and natural gas pipelines and appurtenant facilities crossing right-of-way will also be executed. Collection of field design data will continue.

Drains, \$200,000. Relocation of various oil and natural gas pipelines and collection of field design data will continue.

Navajo Dam Powerplant, \$3,400,000. The electric power requirements for operation of the Project pumping facilities will be fulfilled in part by a 23,000-kw hydroelectric powerplant at Navajo Dam. Construction of the powerplant will continue as well as progress payments on supply contracts for furnishing two turbines, the generators, governors, and the generator bus structure complete with station service transformers. The electrical completion contract will be awarded.

Power Transmission System, \$700,000. The Project's power transmission system will transmit electric power from the power source to pumping facilities. Construction will continue on the Navajo Dam Powerplant Switchyard, which will be constructed under the same specifications as the powerplant. Progress payments will be made on the contract for furnishing two transformers to be installed in the switchyard. A contract will be awarded to construct the first section of power facilities which includes 29.0 miles of 230-kv, 40.9 miles of 115-kv, and 13.4 miles of 34.5-kv transmission line and substations to serve Blocks 4 and 5 and the Kutz Pumping Plant.

Other Project Costs, \$45,000. Represents cost for custodial Operation and Maintenance of completed project facilities.

1/ Includes a non-Federal advance of \$38,000 in fiscal year 1977 from El Paso Natural Gas Company to cover additional costs due to change in the Main Canal alinement to accommodate the company's pipeline facilities.

REGION Southwest		PROJECT DATA SHEET			PF-65 (8-75) Bureau of Reclamation	
Project and State				Completion Date	% Complete	Date
NAVAJO INDIAN IRRIGATION PROJECT, NEW MEXICO - BIA				1987 <u>1/</u>	27	1-1-76
AUTHORIZATION Public Law 87-483, June 13, 1962, Amended September 25, 1970 Public Law 91-416				B/C RATIO 1.78 <u>2/</u>		Date March 1975
LAND CERTIFICATION None required			DEFINITE PLAN REPORT None required			
SUMMARIZED FINANCIAL DATA						
Total Federal Obligations (Reclamation)		\$	.....	Allotments to June 30, 1975	\$	86,398,385
Total Federal Obligations (Other)			322,147,000	Allotments for F.Y. 1976		22,800,000
Net Property and Other Transfers			2,346,000	Transition Quarter (July 1-September 30)		6,125,000
Cash Advances--Non-Federal			220,000	Allotments to Date		115,323,385
Adjustment (Reimbursement) <u>3/</u>			-766,000	Allotments Required for F.Y. 1977		22,000,000
Total to be Allocated		\$	323,947,000	Balance to Complete after F.Y. 1977	\$	184,823,615
ALLOCATIONS <u>4/</u>		REPAYMENT		AMOUNTS PER ACRE		
Irrigation	\$ 323,947,000	Amount Repaid by Irrigators	\$	Irrig. Invest. per Acre \$	Payment Capacity	
Power		Amount Repaid by Power		Repayment of Invest-	per Acre \$	
M & I Water		Amount Repaid by M & I Water		ment per Acre:	Annual Charges:	
Recreation				By Irrigators	\$	
F & WL				By Power Revenues	Construction	
Flood Control				By M & I Water Users		
Other		Nonreimbursable	323,947,000			
Total	\$ 323,947,000	Total	\$ 323,947,000		Total \$	
STATUS OF REPAYMENT CONTRACT: A form of contract between the United States, represented by the Bureau of Indian Affairs and the Bureau of Reclamation, and the Navajo Tribe of Indians, which provides for deferring the collection of construction costs so long as the benefited lands are in Indian ownership, is under study.						
STATUS OF ENVIRONMENTAL IMPACT STATEMENTS: Projectwide - scheduled to Council on Environmental Quality - draft September 15, 1975, final July 1976.						
DESCRIPTION: This project is located in Rio Arriba and San Juan Counties in northwestern New Mexico. The project plan of development provides for placing a total of 110,630 acres under irrigation. The project plan will provide a livelihood for an estimated 6,550 Navajo families as farm operators, custom laborers and employees in related service activities, thus providing a higher standard of living for more than 33,000 Navajo Indians. The project also will provide a power supply of 23,000 kilowatts, primarily for operation of the project's pumping facilities. Included in the total cost is \$9,298 for 510 acres of lands for right-of-way at an average cost of \$18 per acre. Approximately 52 percent has been acquired.						

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PROJECT DATA SHEET--2
Navajo Indian Irrigation Project, New Mexico

Included in the total cost is \$404,000 for acquisition of 14,075 acres of privately-owned patented lands susceptible to irrigation lying adjacent to the Navajo Indian Reservation to increase the project area at an average cost of approximately \$29 per acre, of which 89 percent has been acquired. Approximately 23 percent of the relocation work has been accomplished. The project lands are presently capable of providing only very poor grazing for livestock. When adapted to irrigation, they will be well suited for producing small grains, hay forage crops, vegetables, and fruits.

OTHER INFORMATION: Funds to initiate preconstruction planning for the Navajo Indian Irrigation Project were transferred to the Bureau of Reclamation in fiscal year 1963 out of Bureau of Indian Affairs' fiscal year 1963 appropriations. Funds to initiate construction on the Navajo Indian Irrigation Project were appropriated in fiscal year 1964. The plan of development anticipates an all sprinkler irrigation system.

Footnotes:

- 1/ Initial water service will start in March 1976 with water available to 9,300 acres.
- 2/ No change from FY 1976 Budget Justifications. Increased project costs have been offset by increased benefits.
- 3/ Represents construction of roads and bridges funded from the Road Construction appropriation. Amount shown is based on amounts bid for pay items for construction of roads and bridges under contract awarded January 28, 1974, plus estimated costs for construction supervision.
- 4/ Change in allocations and repayment from FY 1976 Budget Justifications:

	<u>1976</u> <u>Estimate</u>	<u>1977</u> <u>Estimate</u>
Irrigation.....	\$303,580,000	\$323,947,000

The increase of \$20,367,000 reflects cost indexing.

NORTHERN PUEBLOS, \$85,000. The work for the Northern Pueblos for the fiscal year 1977 will be for Teseque Pueblo to rehabilitate storage reservoir. Replace and expand infiltration system and rehabilitate main canal and structure....\$85,000.

SOUTHERN PUEBLOS, \$105,000. The work proposed for the Southern Pueblos for the fiscal year 1977 and the projects or Pueblos involved are as follows:

<u>Acoma Pueblo</u>	
Canal lining	\$ 30,000
<u>Jemez Pueblo</u>	
Canal lining	30,000
<u>Zia Pueblo</u>	
Canal lining	<u>45,000</u>
TOTAL	\$105,000

ZUNI, \$95,000. The Zuni irrigation project consists of five separate units ranging in size from 100 acres at Tekapo to 1,600 acres at the Zuni unit. Ultimate development of these units is limited by the available water supply. There are 4,727 acres of irrigable land under the present irrigation system. Preliminary hydrology studies indicate there is enough water available to irrigate 3,000 acres, provided adequate storage facilities and distribution systems are constructed.

A recent study by the U. S. Bureau of Reclamation indicates that under maximum probable flood conditions, the storage dams upstream of the Zuni Village are not safe. If a maximum probable flood occurred, it would cause a disaster such as that which occurred in the early 1960's on the Blackfeet Reservation in Montana. This would result in loss of life, property damages in the Zuni Village and property damage to the Zuni Reservation lands. Future planning outlined in the Zuni Comprehensive Development Plan includes development of residential, industrial, and commercial investments in and around the Zuni Village, which would also be endangered.

The irrigation program for the fiscal year 1977 is:

Continuation of the program for the correction of structural deficiencies as disclosed by recent Bureau of Reclamation study..... \$95,000

UTAH

UINTAH AND OURAY PROJECT, \$330,000. This project, located in northeastern Utah, was authorized by the Act of June 21, 1906 (34 Stat. 375). Construction of the project was initiated in 1906 and substantially completed by 1922. There are 78,950 acres of land with water rights included in the project. About 30 percent of the project area is affected by inadequate surface or sub-surface drainage. A drainage construction and rehabilitation program is needed to relieve this situation in order to maintain the productivity of the land and/or bring back into production lands that are now temporarily non-assessable because of drainage problems.

This feature of work and estimated cost will provide for:

Major structure repair, canal realignment, and structure
replacement..... \$330,000

SURVEYS, INVESTIGATIONS, AND PLANS, \$515,000. This item represents the amount required for continuation of surveys, investigations, studies, and plans for the preparation of Feasibility, Completion (Definite Plan), and Rehabilitation and Betterment Reports to be made of all existing Indian irrigation projects under the jurisdiction of the Bureau of Indian Affairs. This work is necessary in order to establish a program for completing existing Indian irrigation projects presently authorized, developing additional Indian irrigation resources, and for the rehabilitation and betterment of existing irrigation works with a view to transferring the operation and maintenance of the completed projects from the Government to acceptable water user organizations. It also provides funds for studies covering the safety of dams, studies of Pueblo lands included in the tributary units of the authorized San Juan - Chama Trans Mountain Diversion Project, studies relating to Ute Indian lands included within the Central Utah Project, and studies for improvement of project power systems.

ENGINEERING SUPERVISION, \$1,188,000. This item represents the amount required to pay salaries, office, rent, travel expenses, and miscellaneous expenses incidental to executing the irrigation program proposed for the fiscal year 1977. Staff employees engaged in irrigation activities are located in Phoenix, Arizona; Billings, Montana; Portland, Oregon; Sacramento, California; Albuquerque, New Mexico; Window Rock, Arizona and the Washington Central Office.

ITEMIZATION OF ESTIMATE

DEPARTMENT OF THE INTERIOR

APPROPRIATION TITLE: Construction

Bureau of Indian Affairs

	Actual 1975	Estimate 1976	Estimate T.Q.	Estimate 1977	Increase (+) Decrease (-)
<u>Program and Financing</u>					
Total obligations...	\$56,420,091	\$74,750,222	\$13,550,000	\$78,742,000	+\$ 3,991,778
Unobligated balance available, start of year.....	-35,804,313	-44,188,222	-43,360,000	-43,360,000	+ 828,222
Unobligated balance available, end of year.....	<u>44,188,222</u>	<u>43,360,000</u>	<u>43,360,000</u>	<u>10,881,000</u>	<u>- 32,479,000</u>
Appropriation..	<u>64,804,000</u>	<u>73,922,000</u>	<u>13,550,000</u>	<u>46,263,000</u>	<u>- 27,659,000</u>

Obligations by Object

BUREAU OF INDIAN AFFAIRS

11.0 Personnel					
Compen- sation....	5,435,000	5,221,000	1,305,000	5,500,000	+ 279,000
12.1 Personnel					
benefits..	414,000	400,000	98,000	550,000	+ 150,000
21.0 Travel and					
transportat- tion of					
things....	550,000	550,000	150,000	550,000	---
22.0 Transportation					
of things	312,000	300,000	75,000	300,000	---
23.0 Rent, communi- cation, and					
utilities..	168,000	250,000	60,000	200,000	- 50,000
24.0 Printing and					
reproduct- ion....	41,000	50,000	12,000	40,000	- 10,000
25.0 Other ser- vices..	10,146,000	8,000,000	800,000	12,000,000	+ 4,000,000
26.0 Supplies and					
materials	3,539,000	4,000,000	2,000,000	3,000,000	- 1,000,000
31.0 Equipment.	2,487,000	5,000,000	1,200,000	3,500,000	- 1,500,000
32.0 Lands and					
structur- es.....	17,315,000	28,178,000	1,725,000	31,102,000	+ 2,924,000
41.0 Grants, subsidies, and contri- butions.	100,000	---	---	---	---
42.0 Insurance					
claims & indemnities	1,000	---	---	---	---
Subtotal	<u>40,508,000</u>	<u>51,949,000</u>	<u>7,425,000</u>	<u>56,742,000</u>	<u>+ 4,793,000</u>

	Actual 1975	Estimate 1976	Estimate T.Q.	Estimate 1977	Increase (+) Decrease (-)
Quarters and sub- sistence charges	11,000				
Total, Bureau of Indian Affairs....	40,497,000	51,949,000	7,425,000	56,742,000	+ 4,793,000
ALLOCATION ACCOUNTS					
11.0 Personnel compensation..	2,212,000	2,339,000	824,000	2,538,000	+ 199,000
12.1 Personnel benefits.....	202,000	233,000	77,000	233,000	---
13.0 Benefits to former per- sonnel.....	9,000	---	---	---	---
21.0 Travel and tran- sportation of persons	27,000	33,000	9,000	33,000	---
22.0 Transportation of things.....	93,000	105,000	11,000	105,000	---
23.0 Rent, communica- tion and utilities.....	79,000	79,000	20,000	79,000	---
24.0 Printing and reproduction..	15,000	18,000	5,000	18,000	---
25.0 Other services	249,000	250,000	45,000	250,000	---
26.0 Supplies and materials.....	35,000	37,000	10,000	37,000	---
31.0 Equipment.....	32,000	21,000	6,000	21,000	---
32.0 Lands and structures...	12,970,091	19,686,222	5,118,000	18,686,000	- 1,000,222
Allocation Accounts.....	15,923,091	22,801,222	6,125,000	22,000,000	- 801,222
99.0 Total obligations	56,420,091	74,750,222	13,550,000	78,742,000	+ 3,991,778

Personnel Summary

Construction

	1975 Actual	1976 Estimate	1977 Estimate
BUREAU OF INDIAN AFFAIRS			
Total number of permanent positions....	157	170	170
Full-time equivalent of other positions	142	140	140
Average paid employment.....	318	299	300
Average GS grade.....	7.76	7.80	7.84
Average GS salary.....	\$13,404	\$14,215	\$14,357
Average salary of ungraded positions...	\$12,070	\$13,532	\$15,307
ALLOCATION ACCOUNTS			
Total number of permanent positions....	157	157	176
Full-time equivalent of other positions	3	4	4
Average paid employment.....	145	157	166
Average GS Grade.....	8.50	8.50	8.50
Average GS salary.....	\$15,379	\$15,618	\$15,930
Average salary of ungraded positions...	\$13,849	\$14,674	\$14,832

ROAD CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

CONTRACT AUTHORITY AND LIQUIDATION PROGRAM
ROAD CONSTRUCTION

	<u>Contract authority available</u>	<u>Obligations</u>	<u>Unliquidated obligations prior year</u>	<u>Obligations</u>	<u>Expenditures</u>	<u>Unliquidated obligations carried forward</u>
<u>Fiscal Year 1975</u>						
Federal-Aid Highway Roads.....	<u>\$60,500,000</u>	<u>\$59,630,797</u>	<u>\$35,064,833</u>	<u>\$94,695,630</u>	<u>\$66,081,576</u>	<u>\$28,614,054</u> ^{1/}
<u>Fiscal Year 1976</u>						
Federal-Aid Highway Roads.....	<u>\$66,705,000</u>	<u>66,705,000</u>	<u>28,614,054</u>	<u>95,319,054</u>	<u>66,757,000</u>	<u>28,562,054</u> ^{2/}
<u>Fiscal Year 1976</u>						
Federal-Aid Highway Roads.....	<u>\$28,000,000</u>	<u>28,000,000</u>	<u>28,562,054</u>	<u>56,562,054</u>	<u>27,000,000</u>	<u>29,562,054</u> ^{3/}
<u>Fiscal Year 1977</u>						
Federal-Aid Highway Roads.....	<u>\$41,339,000</u>	<u>41,339,000</u>	<u>29,562,054</u>	<u>70,901,054</u>	<u>46,795,000</u>	<u>24,106,054</u> ^{4/}

^{1/} Available cash for liquidation is \$246,090; balance of \$28,367,964 is unfunded.

^{2/} Available cash for liquidation is \$194,090; balance of \$28,367,964 is unfunded.

^{3/} Available cash for liquidation is \$1,194,090; balance of \$28,367,964 is unfunded.

^{4/} Available cash for liquidation is \$1,194,090; balance of \$22,911,964 is unfunded.

Status of Cash Appropriations for
Liquidation of Contract Authority

	1975	1976	TQ	1977
Appropriations.....	\$59,500,000	\$66,705,000	\$28,000,000	\$46,795,000
Unexpended balance brought forward	6,827,666	246,090	194,090	1,194,090
Total available...	66,327,666	66,951,090	28,194,090	47,989,090
Less: Outlays.....	66,081,576	66,757,000	27,000,000	46,795,000
Unexpended balance	246,090	194,090	1,194,090	1,194,090

JUSTIFICATION

ROAD CONSTRUCTION (CASH PROGRAM) \$74,000,000

1. Appropriation (To Liquidate Contract Authority) - 1975, \$66,081,576; 1976, \$66,757,000; 1977, \$46,795,000.

The estimate for cash needed for liquidation of contract authority is \$46,795,000 pursuant to authority contained in Title 23, U.S.C., Section 203, as amended by Federal-Aid Highway amendments of 1974. This amount is required to liquidate \$28,368,000 of unliquidated prior year obligations and the 1977 program obligations that come due for payment during the fiscal year. This liquidating cash program will result in unfinanced obligations of \$22,912,000 at the end of the 1977 fiscal year.

2. Appropriation (Budget Authority) - 1977, \$27,205,000.

The estimate of funds needed for the roads program pursuant to Title 25, U.S.C., Section 318a, is \$27,205,000.

ROAD CONSTRUCTION (OBLIGATION PROGRAM) \$68,544,000

Indian Reservation Roads - 1975, \$59,630,797; 1976, \$66,705,000; 1977, \$68,544,000.

Major Program Changes

1. Road Construction Program, +\$1,839,000; Total, \$68,544,000.

Proposal. The increase will be used to plan, design and construct additional highest priority road projects and to strengthen the engineering services needed to provide a level of construction quality control commensurate with Federal Highway Administration standards.

Justification. Current FHWA estimates for replacing all Indian reservation roads and bridges by 1990, when virtually all will require replacement, is \$2,500,000,000. In order to maintain overall program balance, the objective of the Bureau's road construction program is to improve, with paving or gravel as minimally required, all arterial highways, all community streets, and 50 percent of the local roads on the Indian road systems. The estimate of all projects necessary to meet this program objective is approximately

\$1,500,000,000. The increase is needed to construct highest priority projects in 1977 and to make additional progress in achieving the long-range program goal.

Cost Factors.

	<u>Unit of Measure</u>	<u>Output</u>	<u>Cost</u>
1. Investigation and planning, performing field surveys, investigation, public hearings, rights-of-way acquisition, environmental impact statements, location survey, plan preparation and documents needed for FHWA approval of roads construction projects.	Miles	523.6	\$ 5,129,400
2. Grade and Drain, installation of drainage structures, and construction of cuts, fills, and base materials.	Miles	439.8	27,944,200
3. Gravel Surfacing, i.e., applying a gravel wearing course to base course aggregates.	Miles	187.6	3,701,700
4. Paved surfacing, i.e., applying mat-type bituminous materials or equivalent.	Miles	549.3	28,033,800
5. Bridge Construction, including replacement of existing unsafe structures.	Linear feet	2,776.0	3,734,900
Total			68,544,000

Program Description

The Bureau is responsible for providing a transportation network which will be the skeletal support of reservation development, and upon which social, economic and educational achievement may advance. There is a total of 49,872 miles of roads on Indian reservations, and the Bureau is responsible for the improvement of 28,154 miles consisting of 21,414 miles of unimproved roads, 2,892 miles of gravel roads, and 3,848 miles of paved roads.

The present condition of roads on Indian reservations can be compared with the early 1930's in rural America, when the Federal Government's commitment was to get the farmers "out of the mud." A reflection of these conditions is the fact that 76% of all Bureau roads on reservations are unimproved. The construction of a usable and adequate road system is a prerequisite to the success of programs such as education, law enforcement, housing, commercial development, and others. To this end the Bureau's goal is to build a network of roads on Indian reservations at least equal to the surrounding communities so that the development of Native Americans can proceed at a rate and manner comparable with the rest of the people in the United States.

A secondary benefit of the program is the employment of Indian people on road construction projects. With unemployment rates on many reservations in the 30-40% range, this productive employment is a significant source of Indian income and adds materially to the local economies.

In keeping with the policy of Indian self-determination, the road construction project priorities for each reservation are determined by the respective tribal council. Funding levels for major geographic areas are established by formula. Formula factors are designed to provide a program balanced geographically in accordance with need.

The following table provides selected accomplishment data for the road construction program:

	Unit of Measure	FY 1975 Actual	FY 1976 Est.	FY 1977 Est.*
Investigation & Planning	Miles	772.9	553.4	523.6
Grading & Draining	Miles	384.3	409.8	439.8
Surfacing - Gravel Paved	Miles	242.2	143.6	187.6
	Miles	361.4	496.6	549.3
Bridge Construction	Linear Feet	1,784.8	2,426.0	2,776.0

* FY 1976 and FY 1977 program accomplishment differences can be accounted for by differences in project terrain, climate, availability of skilled labor, equipment, and materials to the site, and other factors.

Personnel Summary

Road Construction (Liquidation of Contract Authority)

	1975 Actual	1976 Estimate	1977 Estimate
BUREAU OF INDIAN AFFAIRS			
Total number of permanent positions.....	410	410	410
Full-time equivalent of other positions.	600	600	600
Average paid employment.....	985	1,025	990
Average GS grade.....	7.76	7.80	7.84
Average GS salary.....	\$13,404	\$14,215	\$14,367
Average salary of ungraded positions...	\$12,070	\$13,532	\$15,307

ALLOCATION
TO
FEDERAL HIGHWAY ADMINISTRATION
DEPARTMENT OF TRANSPORTATION

	1975 Actual	1976 Estimate	1977 Estimate
Total number of permanent positions....	17	17	17
Full-time equivalent of other positions	5	5	5
Average paid employment.....	22	22	22
Average GS grade.....	8.40	8.41	8.41
Average GS salary.....	\$14,352	\$15,240	\$15,404

ITEMIZATION OF ESTIMATE

DEPARTMENT OF THE INTERIOR

APPROPRIATION TITLE: Road Construction (Liquidation of

	Contract Authority		Bureau of Indian Affairs		
	Actual	Estimate	Estimate	Estimate	Increase (+) Decrease (-)
	1975	1976	1976	1977	

Program and Financing

Total oblig.....	\$59,630,797	\$66,705,000	\$28,000,000	\$68,544,000	+ \$1,839,000
Unoblig. balance available, start of period.....	-95,674,958	-136,044,161	-69,339,161	-41,339,161	+ 94,705,000
Unoblig. balance available, of period.....	<u>136,044,161</u>	<u>69,339,161</u>	<u>41,339,161</u>	<u>161</u>	<u>- 69,339,000</u>
Contract authority (New)(Perm)....	100,000,000	...	....	...	...
Appropriation (adjusted).....	...	...	...	27,205,000	+ 27,205,000

Obligation by object

BUREAU OF INDIAN AFFIARS

11.0 Personnel compensation....	12,986,000	13,728,000	3,365,000	13,850,000	+ 122,000
12.1 Personnel benefits.....	1,062,000	1,112,000	278,000	1,125,000	+ 13,000
13.0 Benefits for former personnel	1,000	...	...	...	...
21.0 Travel and tran- sportation of persons.....	639,000	700,000	200,000	700,000	...
22.0 Transportation of things.....	657,000	700,000	200,000	700,000	...
23.0 Rent communi- cations and utilities.....	2,015,000	2,000,000	500,000	2,000,000	...
24.0 Printing and re- production.....	51,000	100,000	25,000	100,000	...
25.0 Other services...	19,234,000	20,000,000	4,000,000	22,000,000	+ 2,000,000

	Actual 1975	Estimate 1976	Estimate T.O.	Estimate 1977	Increase (+) Decrease (-)
26.0 Supplies and materials.....	6,740,000	7,000,000	1,750,000	8,000,000 +	1,000,000
31.0 Equipment.....	1,100,000	2,000,000	500,000	2,000,000	...
32.0 Lands and structures....	14,812,000	18,218,000	16,382,000	15,569,000 -	2,649,000
42.0 Insurance claims and indemnities....	22,000	...	...	...	...
Subtotal.....	59,319,000	65,558,000	27,200,000	66,044,000 +	486,000
Quarters and subsistence charges.....	89,000	...	...	...	...
Total, Bureau of Indian Affairs....	59,230,000	65,558,000	27,200,000	66,044,000 +	486,000

ALLOCATION
TO
FEDERAL HIGHWAY ADMINISTRATION
DEPARTMENT OF TRANSPORTATION

11.0 Personnel compensation	274,797	280,000	69,000	291,000 +	11,000
12.1 Personnel benefits	22,000	26,000	6,000	27,000 +	1,000
13.0 Benefits to former personnel	2,000	...	...	...	...
21.0 Travel and transportation of persons.....	107,000	124,000	31,000	124,000	...
22.0 Transportation of things....	39,000	44,000	11,000	44,000	...
23.0 Rents, communication, and utilities....	12,000	16,000	4,000	16,000	...
24.0 Printing and reproduction.	7,000	8,000	2,000	9,000 +	1,000
25.0 Other Services	162,000	186,000	46,000	186,000	...
26.0 Supplies and materials....	8,000	9,000	2,000	9,000	...
32.0 Land and structures...	...	454,000	629,000	1,794,000 +	1,340,000
96.0 Portions of foregoing obligations originally charged to object class 32.0	233,000	...	...	...	...
Total obligations, Federal Highway Administration	400,797	1,147,000	800,000	2,500,000 +	1,353,000
Total obligations...	59,630,797	66,705,000	28,000,000	68,544,000 +	1,839,000

ADMINISTRATIVE
PROVISIONS

ADMINISTRATIVE PROVISIONS

Explanation of Language Change

The language provides for the purchase of 138 passenger carrying motor vehicles of which 107 shall be for replacement only. The vehicles maybe used for the transportation of Indians.

MISCELLANEOUS
APPROPRIATIONS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Miscellaneous Appropriations
(Alaska Native Claims)

Appropriation, 1975.....	\$70,000,000
Appropriation, 1976.....	70,000,000
Appropriation, 1977.....	40,000,000
<u>Decreases:</u>	
Alaska Native Claims.....	<u>70,000,000</u>
<u>Increases:</u>	
Alaska Native Claims.....	<u>30,000,000</u>
Budget estimate 1977.....	<u>\$30,000,000</u>

Miscellaneous Appropriations
(Alaska Native Claims)

	Amount Available 1976	Amount Available 1977	F.Y. 1977 Budget Estimate	Total Avail- able 1977 com- pared to total available 1976
Alaska Native Claims	\$70,000,000	\$40,000,000	\$30,000,000	\$-40,000,000

The Alaska Native Claims will be used for the settlement of land claims of Alaska Natives. This settlement will be accomplished in conformity with the real economic and social needs of Natives, with maximum participation by Natives in decisions affecting their rights and property, without litigation, without establishing any permanent racially defined institutions, rights, privileges, or obligations, without creating a reservation system or lengthy wardship or trusteeship, and without adding to the categories of property and institutions enjoying special tax privileges, or to the legislation establishing special relationships between the United States Government and the State of Alaska, as provided by Public Law 92-203 (85 Stat. 688), approved December 18, 1971.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Analysis by Activities

Miscellaneous Appropriations

	FY 1975 Actual	FY 1976 Estimate	FY 1977 Estimate	FY 1977 Estimate
Alaska Native Fund	\$70,000,000	\$70,000,000	\$40,000,000	\$30,000,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
Miscellaneous Appropriations

Alaska Native Fund

For transfer to Alaska Native Fund to provide for the settlement of certain land claims by Natives and Native groups of Alaska and for other purposes based on aboriginal land claims, as authorized by the Act of December 18, 1971 (Public Law 92-203), \$30,000,000.

MISCELLANEOUS
REVOLVING FUNDS

BUREAU OF INDIAN AFFAIRS

Revolving Fund for Loan

Appropriation, 1976.....	\$3,000,000
<u>Decrease</u>	<u>3,000,000</u>
Subtotal	<u>...</u>
<u>Increase</u>.....	...
Budget Estimate, 1977.....	<u>...</u>

BUREAU OF INDIAN AFFAIRS

REVOLVING FUND FOR LOANS

Activity	Budget Authority				Change-- 1977 com- pared with 1976
	FY 1975 Available	FY 1976 Estimate	TQ Estimate	FY 1977 Estimate	
Revolving Fund for Loans	\$38,000,000	\$3,000,000	--	-0-	-\$3,000,000

Revolving Fund for Loans: Fiscal Year 1976, \$3,000,000; Fiscal Year 1977, none; decrease of \$3,000,000.

Major Program Change

Revolving Fund for Loans: -\$3,000,000; Total -0-

No funds are requested in FY 1977. Of the \$50,000,000 authorized by the Indian Financing Act of 1974 (P.L. 93-262) for this fund, \$9,000,000 remains unfunded.

It is anticipated that cash balances of \$6.1 million will be available for loans at the start of FY 1977. Anticipated collections during the year amount to \$8.2 million. The \$14.3 million available will fund the projected FY 1977 direct loan program.

Program Description

The Indian Revolving Loan Fund was established by the Indian Financing Act of 1974 (P.L. 93-262). Authorizations for three separate loan funds were combined into the one fund. Additional appropriations of \$50 million to the fund were authorized, bringing to \$77 million the total authorization of the fund.

The fund is used to provide a source of credit for Indians who cannot borrow from other Government sources or from ordinary commercial lenders because of their low economic status, isolated geographic location, lack of bankable security, and other reasons.

A summary of program and funding data through FY 1977 is shown in the following table.

SUMMARY OF PROGRAM AND FUNDING DATA

Revolving Fund for Loans

Item	(\$ in millions)		
	General Fund	Expert Assistance	Total
FY 1976 - Est.			
<u>Funds Available for Lending:</u>			
Cash balances, start of year.....	33.8	1.2	35.0
Anticipated appropriations.....	3.0	--	3.0
Anticipated collections.....	<u>3.2</u>	<u>0.5</u>	<u>3.7</u>
Total Available.....	40.0	1.7	41.7
<u>Loan Program:</u>			
Unallotted commitments, start of year.	13.3	1.2	14.5
Applications authorized, start of year	18.5	--	18.5
Other loans anticipated.....	<u>--</u>	<u>0.5</u>	<u>0.5</u>
Total Loans.....	31.8	1.7	33.5
<u>TRANSITION QUARTER - Est.</u>			
<u>Funds Available for Lending:</u>			
Cash balances, start of quarter.....	8.2	--	8.2
Anticipated appropriations.....	--	--	--
Anticipated collections.....	<u>0.9</u>	<u>--</u>	<u>0.9</u>
Total Available.....	9.1	--	9.1
Loan Program - Total anticipated.....	3.0	--	3.0
<u>FY 1977 - Est.</u>			
<u>Funds Available for Lending:</u>			
Cash balances, start of year.....	6.1	--	6.1
Appropriations requested.....	--	--	--
Anticipated collections.....	<u>8.2</u>	<u>0.7</u>	<u>8.9</u>
Total Available.....	14.3	0.7	15.0
<u>Loan Program</u> - Total Anticipated.....	14.3	0.7	15.0
Cash balances, end of year.....	<u>--</u>	<u>--</u>	<u>--</u>

LOAN GURANTY

BUREAU OF INDIAN AFFAIRS

Indian Loan Guaranty and Insurance Fund

Appropriation, 1976.....	\$ 10,000,000
<u>Decrease</u>	<u>10,000,000</u>
Subtotal.....	<u>-0-</u>
<u>Increase</u>	20,000,000
Budget estimate, 1977	<u><u>20,000,000</u></u>

BUREAU OF INDIAN AFFAIRS
INDIAN LOAN GUARANTEE AND INSURANCE FUND

Activity	Budget Authority				Change-- 1977 com- pared with 1976
	FY 1975 Available	FY 1976 Estimate	TQ Estimate	FY 1977 Estimate	
Loan Guarantee and Insurance Program	\$20,000,000	\$10,000,000	--	\$20,000,000	\$10,000,000
Positions	9	60		60	--

Loan Guarantee and Insurance Program: Fiscal Year 1976, \$10,000,000; Fiscal Year 1977, \$20,000,000; increase of \$10,000,000.

Major Program Changes

Loan Guarantee and Insurance Program: \$+10,000,000; Total \$20,000,000.

The requested amount represents the final \$20,000,000 authorized by the Indian Financing Act of 1974 (P.L. 93-262) for this program.

Proposal: The increase will be used as follows:

1. \$3,700,000 for reserves for losses on guaranteed and insured loans.
2. \$5,800,000 for interest subsidies.
3. \$500,000 for management and technical assistance to borrowers or grantees through contracts with private sources or on a reimbursable basis with other Federal agencies.

Justification: Participation in the program is increasing rapidly. It is anticipated that current fund resources will be totally committed through the Transition Quarter. The increase is needed to meet reserve and cost requirements on an estimated additional \$24.7 million of new loans in 1977. The total loan program for 1977 is estimated at \$52.0 million. The loans are needed for business development by Indians.

Cost Factors:

15% reserves on 90% of \$27.4 million of loans.....	\$ 3,700,000
3% interest subsidies on \$27.4 million of loans with average life of 10 years.....	5,800,000
Management and technical assistance contracts for loans and grants.....	500,000
Total increase	\$10,000,000

Program Description

The Loan Guarantee and Insurance Fund was established by the Indian Financing Act of 1974 (P.L. 93-262). The Act authorized the appropriation of \$20 million for each of the three Fiscal Years 1975, 1976, and 1977 for operation of the fund, to pay interest subsidies and for administrative expenses under the Act. The purpose of this program is to provide commercial sources of credit to Indians, not otherwise available, for economic development purposes.

Program of Work

Because Indian organizations, groups and individuals generally do not have the necessary collateral to secure loans, they are unable to obtain financing through outside private lending institutions. The Loan Guaranty and Insurance Fund will provide additional incentives to private lenders to loan more money for Indian economic projects. It is estimated that approximately \$52.0 million in loans will be generated through the Loan Guaranty and Insurance Fund for Fiscal Year 1977.

The requested appropriation will provide:

- (1) \$7,230,000 for reserve for losses on \$50.6 million of guaranteed and insured loans. In addition, it is expected that collections will provide \$0.2 million reserves for \$1.4 million of new loans.
- (2) \$200,000 for cost of taxes, insurance, prior liens, etc., incidental to projected defaulted loans.
- (3) \$9,970,000 to cover cost of interest subsidies on the \$50.6 million in loans estimated in item (1) above. It is expected that collections will provide \$0.2 million for interest subsidies on \$1.4 million of loans.
- (4) \$1,000,000 operating cost to provide competent management and technical assistance to borrowers or grantees through contracts with private sources or on a reimbursable basis with other Federal agencies.
- (5) \$1,600,000 operating cost to administer the Loan Guaranty and Insurance Fund including the development and review of loan packages, processing and paying interest subsidies and other costs, receiving and depositing collections, etc., and to administer the Indian Business Development Program which provides for non-reimbursable grants to Indians and Indian tribes to establish or expand profit-making Indian owned business enterprises on or near reservations.

Selected Accomplishment Data are provided as follows:

	Unit	FY 1975	FY 1976	FY 1977
	<u>Measure</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Guaranteed and Insured Loans	No.	--	160	104
Guaranteed and Insured Loans	Mil. \$	--	79.6	52.0
IBDP Grants	No.	591	530	530
IBDP Grants	Mil. \$	10.0	8.5	8.5

As of December 31, 1975, Loan Guaranty Agreements have been entered into with 32 banks, and 16 loans totaling \$6,560,000 have been approved for guarantee.

The following table provides a summary of program and funding data for FY 1976, the Transition Quarter, and FY 1977.

Summary of Program and Funding Data

<u>Item</u>	FY 1976 <u>Estimated</u>	(\$ in millions) T.Q. <u>Estimated</u>	FY 1977 <u>Estimated</u>
<u>Funds Available for Reserves and Costs:</u>			
Balance, start of year	\$ 19.9	\$ 0.6	\$ 0.2
Appropriation	10.0	--	20.0
Collections	<u>0.2</u>	<u>--</u>	<u>0.5</u>
Total Available	30.1	0.6	20.7
Less needs for reserves and costs	<u>29.5</u>	<u>-0.4</u>	<u>20.4</u>
Balance, end of year	0.6	0.2	0.3
<u>Guaranteed and Insured Loans:</u>			
Outstanding, start of year	\$ --	\$74.4	\$ 71.9
New loans during year	79.6	--	52.0
Defaults during year	1.2	0.6	3.5
Repayments during year	4.0	1.9	11.6
Outstanding, end of year	74.4	71.9	108.8
<u>Reserves and Costs:</u>			
Reserves for losses	\$ 11.4	\$ --	\$ 7.4
Reserves for interest subsidies	15.7	--	10.2
Mgt. and Tech. Assist. costs	1.0	--	1.0
Defaulted loan costs	0.2	--	0.2
Administrative costs	<u>1.2</u>	<u>0.4</u>	<u>1.6</u>
Total for reserves & costs	29.5	0.4	20.4
<u>Status of Reserves:</u>			
<u>For Interest Subsidies:</u>			
Balance, start of year	\$ --	\$14.5	\$ 13.9
Reserved during year	15.7	--	10.2
Payments from reserve	1.2	0.6	2.9
Balance, end of year	14.5	13.9	21.2
<u>For Defaults:</u>			
Balance, start of year	\$ --	\$10.3	\$ 9.8
Reserved during year	11.4	--	7.4
Payments from reserve	1.1	0.5	3.4
Balance, end of year	10.3	9.8	13.8

ITEMIZATION OF ESTIMATE (Cont.)

DEPARTMENT OF THE INTERIOR				Bureau of Indian Affairs		
APPROPRIATION TITLE: Loan Guaranty and Insurance Fund						
	1975	1976	Estimate	1977	Increase and Decrease	
	Actual	Estimate	Trans. Qtr.	Estimate	1977	over 1976
<u>Obligation by object</u>						
11.0 Personnel compensation.....	81,000	950,000	250,000	1,135,000	+	185,000
12.0 Personnel benefits: Civilian.....	9,000	95,000	25,000	114,000	+	19,000
21.0 Travel and Transportation of Persons.....	28,000	55,000	15,000	80,000	+	25,000
22.0 Transportation of Things.....	2,936	8,064	2,000	15,000	+	6,936
23.0 Rent, communication and utilities.....	1,000	2,000	1,000	5,000	+	3,000
24.0 Printing and reproduction.....	--	--	--	--		--
25.0 Other services.....	11,000	1,060,000	107,000	1,201,000	+	141,000
26.0 Supplies and material.....	5,000	20,000	--	30,000	+	10,000
31.0 Equipment.....	12,000	10,000	--	20,000	+	10,000
33.0 Investments and loan.....	--	1,274,000	510,000	3,370,000	+	2,096,000
41.0 Grants, subsidies and contributions.....	--	1,193,000	563,000	2,892,000	+	1,699,000
99.0 Total obligation.....	149,936	4,667,064	1,473,000	8,862,000	+	4,194,936

PERSONNEL SUMMARY

Loan Guaranty and Insurance Fund

	1975 Actual	1976 Estimate	1977 Estimate
Total number of permanent positions.....	9	60	60
Full-time equivalent of other positions.....	1	6	10
Average paid employment.....	9	62	66
Average GS grade.....	7.76	7.80	7.84
Average GS salary.....	\$13,404	\$14,215	\$14,357
Average salary of ungraded positions.....	\$12,070	\$13,532	\$15,307

ITEMIZATION OF ESTIMATE

DEPARTMENT OF THE INTERIOR

APPROPRIATION TITLE: Loan Guaranty and Insurance Fund

	1975 Actual	1976 Estimate	Estimate Trans. Qtr.	1977 Estimate	Bureau of Indian Affairs Increase and Decrease 1977 over 1976
<u>Program and Financing</u>					
Total obligation.....	149,936	4,667,064	1,473,000	8,862,000	+ 4,194,936
Receipts and reimbursement from non-Federal Sources.....	---	- 199,000	---	- 462,000	- 263,000
Unobligated balance available, start of year.	---	-19,850,064	-25,382,000	-23,909,000	- 4,058,936
Unobligated balance available, end of year...	19,850,064	25,382,000	23,909,000	35,509,000	+ 10,127,000
Appropriation.....	20,000,000	10,000,000	---	20,000,000	+ 10,000,000

MISCELLANEOUS
TRUST FUNDS

TRUST FUNDS

Highlight Statement

A. Tribal Funds:

Tribal funds are deposited into the U.S. Treasury pursuant to various acts of Congress to be made available for expenditure for the use and benefit of the respective tribal groups. About 300 Indian tribes, bands or identifiable groups have some 700 accounts which are maintained separately by the Bureau of Indian Affairs, and in a consolidated account in the U.S. Treasury, which are used for the conduct of tribal financial programs, enterprises, businesses, per capita payments and other tribal affairs. Approximately fifty percent of tribal income is derived from judgments or awards made pursuant to either general or specific acts of Congress. The balance of such income is derived from Federal management of tribal real properties, the title to which is held in trust by the United States for the tribes.

Tribal funds are available for various purposes, under various acts of Congress and are also subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various tribes, bands or groups. For the past several years, the Congress has required that special legislation be enacted to permit the expenditure of judgment funds. The Act of October 19, 1973 (87 Stat. 466) provides general authority for the distribution of funds appropriated in satisfaction of judgments of the Indian Claims Commission and the Court of Claims, subject to certain conditions, including the development of a plan for the use of the funds. Funds derived from the management of tribal trust properties are available for tribal use in accordance with approved budgets under permanent, annual or indefinite authorizations.

Funds programmed under permanent authorization are made available under legislation which gives the Secretary of the Interior continuing authority to carry out the provisions of specific acts, and can be disbursed either through the Indian Service Special Disbursing Agents' accounts or advanced to tribes for disbursement by their bonded tribal treasurers under approved plans of operation. These funds do not require annual approval by Congress but are reported annually in the budget schedules to give the Congress an opportunity to review the activity conducted under the authorities extended to the Secretary of the Interior.

In the absence of permanent legislation, annual authorization by the Congress is required to permit the use of tribal funds. Such authority is provided annually in the Department of the Interior Appropriations Act and includes two categories: (1) annual definite; and (2) annual indefinite.

Funds programmed under annual definite are not otherwise available for expenditure without Congressional action and the \$3 million requested for fiscal year 1977 is to provide the Secretary of the Interior with expenditure authority for the implementation of programs, for those tribes which are not sufficiently organized to be represented by a recognized governing body, and to permit disbursements through a Regional Disbursing Office when no other legislative authority exists. Expenditures made under this authority are individually made through the Treasury Regional Disbursing Offices, subject to the same regulations and procedures as appropriations from the general fund of the Treasury.

The annual indefinite authorization in the Appropriation Act, under the heading Tribal Funds, provides the necessary authority, on an annual basis, for the Secretary of the Interior to withdraw from tribal accounts in the Treasury, funds needed to carry out programs designated by a particular tribe and approved by the Secretary for the conduct of tribal operations, including, but not limited to: management of tribal resources and other programs designed to improve the situation of the general membership. These funds are advanced to tribes for disbursement by Indian Service Special Disbursing Agents or by bonded tribal treasurers under plans of operation.

B. Miscellaneous Trust Funds:

Included in this category are miscellaneous revenues derived from Indian reservations, agencies, and schools, which are not required to be used for other purposes, but are used to support schools and agency functions. It also includes contributions, donations, gifts, etc., to be used and/or invested with the income to be used for the relief and benefit of American Indians.

C. Alaska Native Fund:

This fund was reestablished to account for certain funds required to be held in trust by Order of the United States District Court for the District of Columbia in C.A. 2141.73. To comply with the subject order, until enrollment of eligible non-resident Natives in a thirteenth region, the quarterly payments which would have been disbursed under provisions of the "Alaska Native Claims Settlement Act" (Act of December 18, 1971, 85 Stat. 688), are being transferred to and held in trust status.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 TRUST FUNDS
 10-76-9998-0-7-999

Analysis of Changes in Requirements
 (in thousands of dollars)

	<u>Budget Authority</u>	<u>Outlay</u>
1975 Total.....	184,890	148,911
<u>Decreases</u>		
Program decreases:		
Miscellaneous Trust.....	- 1,294	
<u>Increases</u>		
Program increases:		
Direct program.....	831	831
Advances to Indian Tribes.....	114	723
Miscellaneous Permanent (Tribal).....	76,817	110,228
Alaska Native Fund.....	<u>10,000</u>	<u>11,316</u>
1976 Total.....	271,358	272,009
Transition Quarter.....	(86,905)	(77,954)
<u>Decreases</u>		
Program decreases:		
Miscellaneous Permanent (Tribal).....		- 1,181
Alaska Native.....	- 10,000	- 12,161
<u>Increases</u>		
Program increases:		
Advances to Indian Tribes.....	4,187	
Miscellaneous Permanent.....	<u>1,544</u>	
1977 Total.....	<u>267,089</u>	<u>258,667</u>

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Trust Funds

	<u>1975</u>	<u>1976</u>	<u>197Q</u>	<u>1977</u>
1. Annual Definite Authorization.....	\$ 2,168,801	\$ 3,000,000	\$ 750,000	\$ 3,000,000
2. Annual Indefinite Authorization.....	32,379,897	31,200,000	10,000,000	38,387,000
3. Permanent Authorization.....	150,341,273	227,158,000	76,155,000	228,702,000
4. Alaska Native Fund.....	-0-	10,000,000	-0-	-0-
Total.....	<u>\$184,889,971</u>	<u>\$271,358,000</u>	<u>\$86,905,000</u>	<u>\$270,089,000</u>

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
ANNUAL DEFINITE AUTHORIZATION--TRIBAL FUNDS

Statement Relating to 1975, 1976, and 1977 Programs

1975 Appropriation.....	<u>\$3,000,000</u>
1976 Budget Estimate.....	<u>\$3,000,000</u>
Total Appropriation for 1976.....	<u>\$3,000,000</u>
Deductions: (None).....	...
Additions: (None).....	...
Total Estimate for 1977.....	<u><u>\$3,000,000</u></u>

Analysis of Annual Definite Authorization, Tribal Trust Funds, by Activity:

Activities	F.Y. 1975 Amount Available	F.Y. 1976 Amount Available	F.Y. 1977 Estimate	Increase (+) or Decrease (-) 1976 Compared w/1977
1. Education and Welfare Services.....	\$ 101,295	\$ 102,838	\$ 102,838	...
2. Resources Management.....	785,054	491,115	491,115	...
3. Construction and Land Acquisition.....	87,500	70,000	70,000	...
4. General Tribal Affairs.....	1,194,952	2,336,047	2,336,047	...
Total	<u>\$2,168,801</u>	<u>\$3,000,000</u>	<u>\$3,000,000</u>	...

Tribal Funds--Annual Definite: Fiscal year 1975, \$3,000,000; fiscal year 1976, \$3,000,000; no change.

Status of Programs

Funds programmed under the annual definite authorization as shown on the following tabulation are to be used for various education and welfare programs, resources management, construction and land acquisition and general tribal affairs, including taxes and attorneys' fees. All amounts in the estimate have been requested properly by the Indians except the sum of \$946,508 for miscellaneous tribes. The amount under miscellaneous tribes is required to provide for additional tribal requests that can be anticipated during the fiscal year.

COMPARATIVE STATEMENT OF ANNUAL DEFINITE AUTHORIZATION BY TRIBE

STATE-AGENCY-TRIBE	1975	1976	1977
<u>Arizona</u>	\$ 462,778	\$ 671,000	\$ 671,000
Navajo	432,778	641,000	641,000
Salt River--Salt River-Pima	20,000	20,000	20,000
San Carlos	10,000	10,000	10,000
<u>California</u>	243,267	359,205	359,205
Agua Caliente	97,429	129,905	129,905
Colusa	2,000	2,000	2,000
Hoopa Valley	123,500	219,975	219,975
Owens Valley	4,000	4,000	4,000
San Pasquel	13,013	-0-	-0-
Santa Rosa	325	325	325
Tule River	3,000	3,000	3,000
<u>Minnesota</u>	93,810	87,056	87,056
Red Lake	93,810	87,056	87,056
<u>Montana</u>	84,200	73,000	73,000
Arapaho	36,750	35,000	35,000
Blackfeet	10,700	3,000	3,000
Shoshone	36,750	35,000	35,000
<u>New Mexico</u>	92,510	26,800	26,800
Jicarilla	92,510	26,800	26,800
<u>Oklahoma</u>	206,100	127,850	127,850
Cherokee	14,000	-0-	-0-
Choctaw	192,100	120,500	120,500
Creek	-0-	7,350	7,350
<u>Oregon</u>	986,136	708,581	708,581
Coeur d'Alene	29,858	30,000	30,000
Colville	138,000	143,000	143,000
Nez Perce	8,740	31,000	31,000
Spokane	30,000	10,000	10,000
Yakima	779,538	494,581	494,581
<u>Miscellaneous Tribes</u>	-0-	946,508	946,508
<u>GRAND TOTAL</u>	\$2,168,801	\$3,000,000	\$3,000,000

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

TRUST FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is hereby appropriated not to exceed \$3,000,000 from tribal funds not otherwise available for expenditure for the benefit of Indians and Indian tribes, including pay and travel expenses of employees; care, tuition, and other assistance to Indian children attending public and private schools (which may be paid in advance or from date of admission); purchase of land and improvements on land, title to which shall be taken in the name of the United States in trust for the tribe for which purchased; lease of lands and water rights; compensation and expenses of attorneys and other persons employed by Indian tribes under approved contracts; pay, travel, and other expenses of tribal officers, councils, and committees thereof, or other tribal organizations, including mileage for use of privately owned automobiles and per diem in lieu of subsistence at rates established administratively but not to exceed those applicable to civilian employees of the Government; relief of Indians, without regard to section 7 of the Act of May 27, 1930 (46 Stat. 391) including cash grants: Provided, That in addition to the amount appropriated herein, tribal funds may be advanced to Indian tribes during the current fiscal year for such purposes as may be designated by the governing body of the particular tribe involved and approved by the Secretary.

(25 U.S.C. 123; Department of the Interior and Related Agencies Appropriation Act, 1976.)