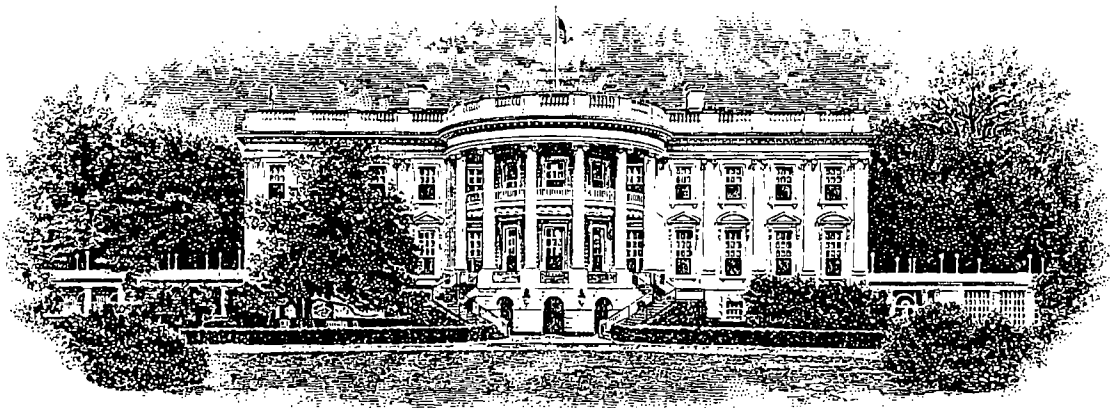


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The White House



Tribes treated as nations, not wards of U.S.

New diplomacy for Indians

By Jeff Barker
Republic Washington Bureau

WASHINGTON — Housing and Urban Development Secretary Henry Cisneros was addressing a roomful of Indian leaders at the White House recently when he paused in the middle of a sentence.

Cisneros was telling the tribal heads that he hoped to visit as many reservations as possible to inspect housing conditions. Before reaching the word "reservations," the Cabinet secretary stopped. He said "nations." A White House liaison to Indian Country stepped to the microphone, smiled approvingly and said Cisneros "catches on fast."

Cisneros' double clutch reflects a push by the Clinton

administration to refer to tribes as nations and to address their leaders as "president" or other formal titles.

The change to the elevated language of diplomacy is more than cosmetic. It signals a significant transformation in the relationship between Indians and the federal government.

More than ever, Indians are asserting their right to participate in nation-to-nation partnerships with the United States rather than being treated as wards of the government.

Tribal leaders, encouraged by the administration, have increased their communication with Washington.

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Ferrell Secakuku (right), chairman of the Hopi Tribal Council in Arizona, meets with Rep. Ralph Regula, R-Ohio, on Capitol Hill last week. Tribal leaders, encouraged by the Clinton administration, have increased their communication with Washington.

Photopress



Special for The Arizona Republic
Sen. Daniel Inouye, D-Hawaii, (second from left) meets last week with (clockwise, starting at center) Hopi Tribal Council Chairman Ferrell Secakuku, staff assistant Kim Secakuku, and members Clifton Ani, Cedric Kuwaninwayaya and Alexander Ani. The administration has encouraged tribes to be treated as nations, which has improved communications.

Their contacts come in settings that can produce results for their people. In recent weeks, tribal leaders have met with Cisneros about Indian housing shortages, challenged the scope of federal and state taxation on Indian land, and buttonholed Treasury officials about improving tribes' access to bank credit. In Washington society, Indian officials are more likely than ever to show up at White House state dinners or receptions.

Seeking to bolster their independence, dozens of tribes also have signed up for a program under which they may manage and disperse federal funds for education, law enforcement and economic development without interference from federal bureaucrats.

"It's just a historic era that we're entering into, a bench mark in federal-tribal relations," said Ron Allen, chairman of the Jamestown Band of Klallam Indians in Washington state. "The administration clearly has provided the tribes an opportunity to advance the government-to-government relationship into a more meaningful context."

Major success story

The administration considers the tribes' inroads a major success story, even if that story is little known outside Indian Country.

"What's emerging, I think, is going to be satisfactory to everyone, provided we do it carefully," Interior Secretary Bruce Babbitt said. "Indian tribes will continue to develop in a way in which they resemble governments rather than sort of wards of the Bureau of Indian Affairs."

The tribes' first step has been to change the culture in Washington.

Many tribal leaders believe Indians have been unfairly categorized for years as just another special-interest group competing for federal dollars. The tribes believe they should be set apart because they surrendered so much land in treaties and because of their status as descendants of the first Americans.

"People have been educated in elementary and secondary schools about sovereigns: federal and state government," said Albert Hale, president of the Navajo Nation, which extends into Arizona, New Mexico and Utah. "People aren't taught there is another sovereign in the mix. You

have to continually educate them."

Eager to embrace the new relationship, the administration has sought to make Indians feel as welcome as other heads of state. Loretta Avent, a deputy assistant to the president for intergovernmental affairs, meets with an average of 20 to 30 tribal leaders a week. Recently, she invited Hale to sit in the president's box for a musical performance at the Kennedy Center.

She also has appealed to White House staff members to treat top Indian officials the same way they treat governors.

"You think staff members called (former New York Gov.) Mario Cuomo, 'Mario'?" Avent said. "I just say it very simply: 'The first place you start in respecting sovereign rights is respecting sovereign leaders.'"

Better treatment seen

Indian nations already have begun to see a substantive change in the way some federal agencies approach them. Increasingly, agencies are dealing directly with tribes instead of using states as a "middleman" in administering funds.

"When it goes into the states, not only do we get little or no money at all, we also have to give up our sovereign rights to deal with the state governments," Ferrell Secakuku, chairman of the Hopi Tribal Council in Arizona said during a recent trip to Washington. "We are supposed to be on the same level."

Allen said Indians have had particular success dealing with HUD and the Environmental Protection Agency. The EPA has established an American Indian Environmental Office to deal directly with tribes, and it plans to soon grant the tribal nations authority to administer programs under the Clean Air Act.

"And we've seen HUD shifting their policies so as not to force tribes to have to deal with states and not to compete with states," Allen said. "They've clearly identified programs and conditions that are reflective of the tribes' sovereign status."

Housing is a priority in Indian Country. On some reservations, Indian families are doubled or tripled up with other families while they wait on long lists for their own homes.

For that reason, Avent included Cisneros among the administration officials invited to the White House on March 9-10 to meet with the

leaders of 30 tribes.

It was an opportunity to get answers from a Cabinet officer who had once been so elusive to Indian officials.

The tribal leaders did not waste their opportunity. They pressed Cisneros about a program that helps low-income Indians get housing.

Under the program, housing recipients are assessed 30 percent of their income by HUD.

But the Indian leaders complained that the program is a disincentive to working.

"When their wages go higher, HUD takes more," said Arcadio Gastelum, chairman of the Pascua Yaqui Tribal Council in Arizona. "So my tribal members say, 'Don't give me a raise.' The incentive to go to work and get better wages is shot down."

Cisneros told the audience he understood. He said the department was exploring whether such rental increases could be gradually phased in to blunt their impact.

"We want to be a positive force and a partner with you," Cisneros said. "Give us the benefit of the doubt. Let us try before you assume we cannot do it."

Challenging authority

As part of the strong declaration of their sovereignty, Indians have been challenging federal and state authority on reservations.

For example, Hale has complained that Indian courts lack authority to prosecute non-Indians who commit crimes in Indian Country, even for misdemeanors.

Janet Napolitano, U.S. attorney for Arizona, agreed that such a doctrine was a handicap but said federal authorities have taken a number of steps to help. The measures include offers of FBI-style training to Navajo officers and authorization for tribal prosecutors to bring select cases into federal court.

Tribal officials also are mounting challenges to the scope of taxation by federal and state governments.

"Now that tribes are getting into economic development, everybody seems to think we have a lot of money," said Gastelum, of the Pascua Yaqui council. "We're afraid once they come in and tax our enterprise, they will keep taxing on everything we do."

Tribal/Federal Consultation Process

Draft Proposal

This is a **draft** proposal regarding the Tribal/Federal consultation process. It was developed with input from a number of Tribal leaders. However, the "consultation" process, which this proposal discusses, is far from complete on the proposal itself. The proposal needs considerable discussion within the federal and Tribal communities in order to ascertain its appropriateness and level of effectiveness.

This proposal represents the **minimum** level of consultation which would be expected from federal agencies. It is not intended to represent the full range of consultation for which an agency or department is required or wishes to do. The proposal was developed as a beginning point to enhance the consultation process and it is fully expected that once the minimum level is established that Tribal/Federal consultation interactions will grow in a number of meaningful and effective ways.

Another goal of this proposal is to set a basic framework for consultation which reflects the level of resources available to both Tribes and Federal departments and agencies. Therefore, it utilizes a resource (fax equipment) which is readily available to most organization and begins to explore the use of the Internet as another tool for information exchange. While it only calls for one "face-to-face" meeting it is fully expected that federal agencies will continue to meet with Tribes as they do today. The one meeting discussed in the proposal is simply for the purpose of identifying key issues which Tribal leadership believe needs to be at the forefront of Tribal/Federal discussions and to insure that at least once a year, the highest officials from each department or agency will be available for discussion purposes.

This proposal suggests the use of executive summaries for providing Tribes with concise information on issues. A major concern of Tribes is that the quantity of information from all government sources is simply overwhelming and that many important issues go without proper attention simply because they cannot adequately respond to all. The proposal seeks to enhance the Federal Register process -- not replace it or diminish its use.

Finally, this proposal attempts to lay-out a mechanism in which the White House identifies lead agencies for issues which are of concern to the Tribal community, thus requiring more inter-agency communication to bring holistic approaches to problem-solving. Tribes expect issues to be addressed in a concerted manner -- not each agency individually. This facet of the proposal would insure that there is a proper level of inter-agency interaction on all key issues.

Background: The federal government wishes to establish a consultation process with Native American Nations which is consistent, efficient and, most importantly, effective.

Issues: Tribes expect a significant level of consultation on all issues which relate to them directly or indirectly based on this Nation's government to government relationship with Tribes. There are 553 separate Native American Nations varying dramatically in size, and in ability to absorb vast quantities of information. There are many federal agencies which have an impact on Native Americans, although, in most of those agencies, the resources allocated to Native American issues are small.

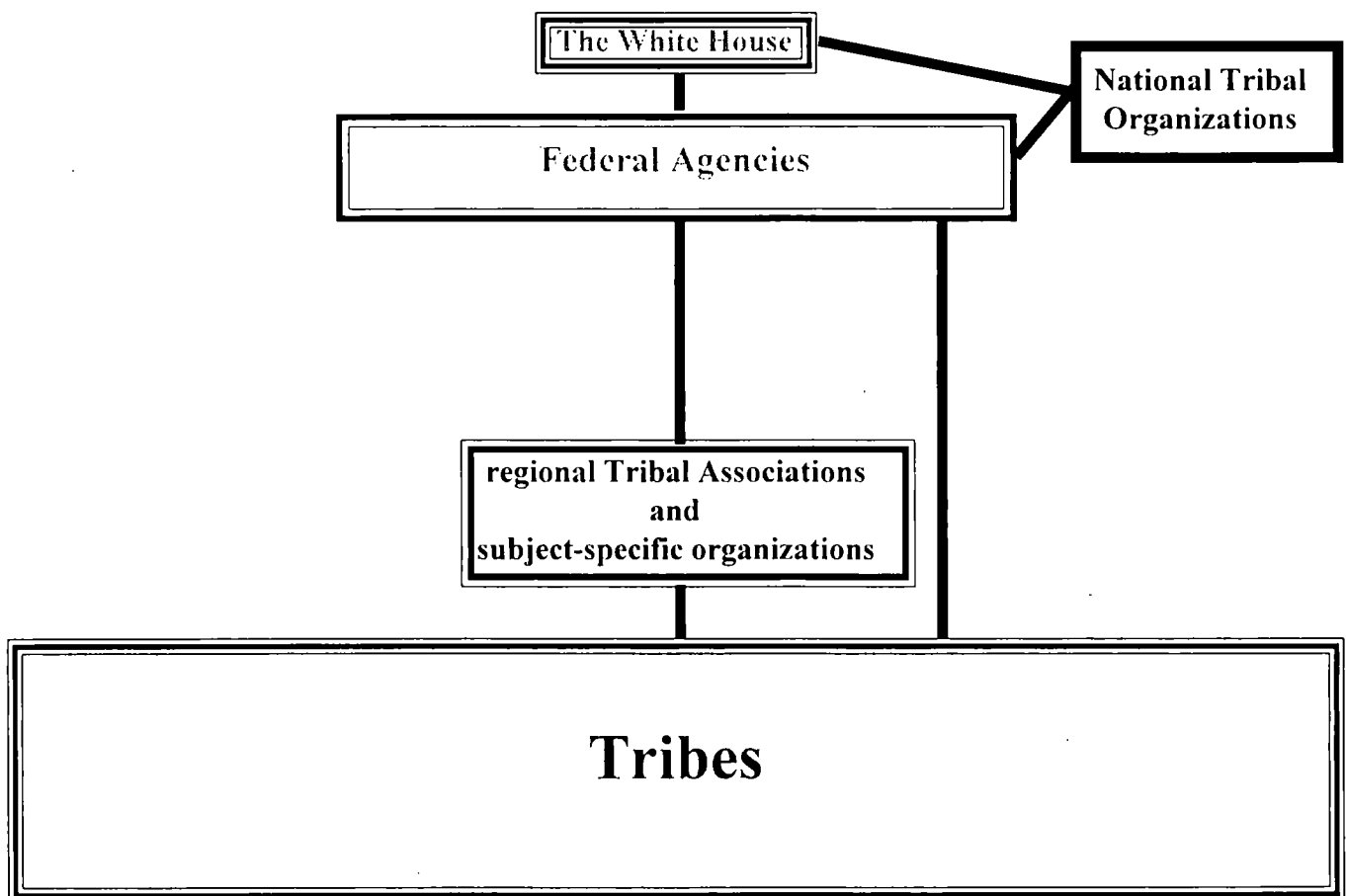
Proposal:

1. Identify through the Domestic Policy Council a core group of federal agencies which will be required to participate in a specific consultation process. Establish a written agreement signed by the Secretary or equivalent official at each agency outlining the agreed-upon process. Implement consultation process AFTER consultation with Tribes within 30 days.
2. Tribal governments and federal agencies coordinate with the Domestic Policy Council to identify a set of key issues and a lead agency for each of those issues; e.g. Courts - DOJ, housing - HUD, economic development - Interior. Provide all Tribes with a regularly updated listing of "lead" agencies on particular issues.
3. Establish a process for the electronic transmission of tribal briefing papers on issues of policy and budgetary importance (both BIA and DOJ have already established a "broadcast fax" process.) All agencies with major Tribal relationships need to establish a similar process or to establish a relationship with BIA or DOJ to use theirs. Similarly, Inter-Tribal associations who wish to act as a conduit between the Tribes and federal agencies must establish a mechanism for the timely retransmission of information.

Agencies will transmit directly to Tribes where the issues are of such magnitude and of a time-sensitive nature to warrant the additional expense. Otherwise, agencies will transmit to Inter-Tribal associations with those organizations reviewing the information and retransmitting to their members.

4. Establish a format for "Tribal Executive Summaries" which is used by the core agencies identified by DPC. The format should be;
 - a. concise, short (no more than 3 pages) and clear.
 - b. should clearly identify the agency and subject.
 - c. should provide direction on where to find additional information and a response mechanism for questions or comments.
 - d. Clearly identifies the status of the information (e.g. draft, proposal, final decision)
5. Establish ONE annual meeting hosted by the Department of Interior in Washington, D.C. with mandatory participation for all core agencies and optional participation by other agencies with Native American issues. The meeting should be planned well in advance to give the Tribes, as well as the agencies, the ability to carefully set the most important issues on the agenda. Furthermore, the agencies should have the highest ranking officials possible attend the appropriate portions of the session.

6. The Bureau of Indian Affairs to develop and maintain the following information which will be available to all agencies at all times in both a written and electronic format (Wordperfect, dBase, e.g.):
- a. an updated listing of Tribes, Tribal leaders, address, phone number and fax number.
 - b. an updated listing of all national organizations, addresses, phone numbers, fax numbers and organizational contact.
 - c. an updated listing of all regional Tribal organizations, addresses, phone numbers, fax numbers and organizational contact.
7. All lead agencies to develop similar listings in their primary areas of responsibility.
8. Explore greater use of networks and telecommunications for enhancing the consultation process. Use the Internet and World Wide Web to begin the process of expanding inter-agency, inter-Tribal and Tribal-federal communications.



THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release

April 29, 1994

April 29, 1994

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Government-to-Government Relations with
Native American Tribal Governments

The United States Government has a unique legal relationship with Native American tribal governments as set forth in the Constitution of the United States, treaties, statutes, and court decisions. As executive departments and agencies undertake activities affecting Native American tribal rights or trust resources, such activities should be implemented in a knowledgeable, sensitive manner respectful of tribal sovereignty. Today, as part of an historic meeting, I am outlining principles that executive departments and agencies, including every component bureau and office, are to follow in their interactions with Native American tribal governments. The purpose of these principles is to clarify our responsibility to ensure that the Federal Government operates within a government-to-government relationship with federally recognized Native American tribes. I am strongly committed to building a more effective day-to-day working relationship reflecting respect for the rights of self-government due the sovereign tribal governments.

In order to ensure that the rights of sovereign tribal governments are fully respected, executive branch activities shall be guided by the following:

(a) The head of each executive department and agency shall be responsible for ensuring that the department or agency operates within a government-to-government relationship with federally recognized tribal governments.

(b) Each executive department and agency shall consult, to the greatest extent practicable and to the extent permitted by law, with tribal governments prior to taking actions that affect federally recognized tribal governments. All such consultations are to be open and candid so that all interested parties may evaluate for themselves the potential impact of relevant proposals.

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(c) Each executive department and agency shall assess the impact of Federal Government plans, projects, programs, and activities on tribal trust resources and assure that tribal government rights and concerns are considered during the development of such plans, projects, programs, and activities.

(d) Each executive department and agency shall take appropriate steps to remove any procedural impediments to working directly and effectively with tribal governments on activities that affect the trust property and/or governmental rights of the tribes.

(e) Each executive department and agency shall work cooperatively with other Federal departments and agencies to enlist their interest and support in cooperative efforts, where appropriate, to accomplish the goals of this memorandum.

(f) Each executive department and agency shall apply the requirements of Executive Orders Nos. 12875 ("Enhancing the Intergovernmental Partnership") and 12866 ("Regulatory Planning and Review") to design solutions and tailor Federal programs, in appropriate circumstances, to address specific or unique needs of tribal communities.

The head of each executive department and agency shall ensure that the department or agency's bureaus and components are fully aware of this memorandum, through publication or other means, and that they are in compliance with its requirements.

This memorandum is intended only to improve the internal management of the executive branch and is not intended to, and does not, create any right to administrative or judicial review, or any other right or benefit or trust responsibility, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

The Director of the Office of Management and Budget is authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON

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DEPARTMENT OF AGRICULTURE

Activities

- The U. S. Department of Agriculture (USDA) works with Native American Tribal Nations on a regular basis with respect to its programs, including housing, nutrition and loan programs, and specifically through three major programs solely for Native Americans. USDA has a Director of Native American Programs and a Working Group for Native American Affairs that reports to the Secretary, whose responsibilities are to ensure that Native Americans have access to the services and programs of USDA's agencies. The Department has also published a pamphlet which it regularly distributes to increase awareness among Native Americans.
- USDA efforts to improve service to Native American communities have taken two directions. One is directed at increasing the understanding of USDA agencies in the Federal trust responsibilities that apply to certain relationships with Tribal members and Tribal Governments. The other is to meet the outreach and technical assistance mandates of the Food, Agriculture, Conservation and Trade Act of 1990 to increase program participation by Tribal members.
- USDA agency state directors, regional staff, and headquarters officials participated, along with Tribal Leaders, in two workshops sponsored by the Natural Resources Conservation Service (NRCS) and the Terrene Institute in 1994 specifically targeted for those states with large reservation land holdings. For Federal officials, the program focused on an overview of treaties, trust responsibilities, and land ownership issues. For Tribal Leaders, the programs provided an orientation to USDA resources available to Indian lands. The meetings were held as part of a multi-year cooperative agreement with the Intertribal Agriculture Council, and they were a part of the continued effort of USDA to build government-to-government relationships with Native American Tribal governments, in keeping with the spirit of President Clinton's directive. Indian culture, protocols, legal responsibilities and team building with the tribes were emphasized.
- The most successful outreach efforts exist where USDA is providing service through full time offices and consolidated suboffices located on reservations. Those offices were exempt from the reductions on office sites imposed in the recent restructuring of local USDA service centers and will be maintained.

Accomplishments in Major Programs Serving Native Americans

- The Forest Service's (FS) Tribal Government Policy and Program. The FS established this policy and program to strengthen its relationship with Tribal Nations, and it has four major points: (1) Maintaining governmental relationships with federally recognized Tribal Governments; (2) Implementation of FS programs and activities honoring Indian treaty rights and fulfilling legally mandated trust responsibilities to the extent that they are determined applicable to National Forest system lands; (3) Administering programs and activities to address and be sensitive to traditional native religious beliefs and practices; and (4) Providing research, transfer of technology and technical assistance to Indian governments.

Implementation of the policy is underway at all levels of the FS to develop effective government-to-government relationships with American Indian Tribal Governments and Alaskan Natives. Some of the activities of this relationship are: Coordinating the management of National Forest lands and resources with adjacent Indian Tribes; including tribes in the assessments of strategic issues such as the timber, wildlife and fish issues in the Northwest; honoring reserved rights such as the exercise of hunting, fishing, gathering and grazing on present day National Forests by regularly consulting with the affected Indian tribe or tribes; consulting with traditional spiritual Tribal Leaders on cultural practices such as the gathering of basket materials from National Forests or the conducting of ceremonies on National Forest lands; and providing and sharing technology, research and technical skills and knowledge with Indian Tribes. Tribal Governments are also being included in training and planning activities more regularly as well as being provided opportunities to present tribal perspectives on natural resources or Tribal cultures.

To further help the FS consult and work effectively with Tribes, the FS has recently issued a working draft of the *Forest Service National Resource Book on American Indian and Alaskan Native Relations*, which provides information to all FS employees on the governmental status of federally recognized Tribal Nations.

- The Cooperative Research, Education and Extension Service's (CREES) Native American Institutions Endowment Fund. This new USDA land-grant program is a 1996 budget initiative proposed to strengthen undergraduate programs in the food and agricultural sciences at Tribal Colleges. The food and agricultural system has almost no American Indians in scientific and professional leadership roles, and Tribal colleges, which have the potential to reach the largest numbers of such students, do not have the resources to launch their students into these fields. CREES will manage the program, seeing that funds generated on the endowment each year are distributed as indicated to the twenty-nine institutions. These institutions will be linked to other land-grant institutions, as well as non-land-grant institutions with teaching activities in the food and agricultural sciences, by incorporating their faculty into ongoing teaching workshops, peer-review panels, and other education-founded events co-sponsored by

USDA and other Federal agencies.

- The Food and Consumer Service's (FCS) Food Distribution Program on Indian Reservations. The FCS is working hard to improve the nutritional quality and variety of commodities provided to low income Indian households through this program, which is offered in lieu of food stamps. In addition, because of significant diet related health problems among Indian households, the FCS has begun a major nutrition education initiative to improve the diet and health of low income Indians. These activities are undertaken with the advice of an Advisory Council on which Indian tribal organizations have a representative.

Additional Programs and Accomplishments

- The Consolidated Farm Service Agency (CFSA) has been working with different Tribes on outreach programs for long-range planning, on empowerment communities that include Tribes, and on specific requests from Tribes on cooperative methods training. CFSA administers an Indian Land Acquisition Loan Program to assist Tribal Governments in purchasing lands within their reservations, primarily to eliminate fractional heirships and to round out farm and ranch units. CFSA has directed county offices to take positive steps to improve Indian participation on local farmer-elected committees. Counties have been directed to increase contact with Tribal Governments and Tribal realty officials to ensure that all eligible Indian landowners are aware that they can participate in elections for local committees which administer USDA crop, conservation, insurance, and farm credit programs. Offices are working directly with Sovereign Tribal Governments and the Bureau of Indian Affairs to update the mailing lists and databases of agricultural producers and landowners.

Further, to restructure the CFSA county committees, as provided in the Department of Agriculture Reorganization Act of 1994, Public Law Number 103-354 (P.L. 103-354), new procedures and regulations will stress the importance of setting up local committee election districts to encompass reservation areas as a unit. Numerical advantage in election areas should help to increase Indian representation on committees.

- P.L. 103-354 also included authority to reform the Federal crop insurance program. Because of the changes, the Federal Crop Insurance Corporation (FCIC) under CFSA has been working closely with the Intertribal Agriculture Council (IAC) for the past few months in an outreach effort to inform Indian communities about catastrophic crop insurance and the new benefits of and regulations for the Crop Insurance Program. Since Native American producers typically haven't participated in USDA crop insurance programs, there was concern that producers would miss the deadlines and have no assistance at all if losses occur. The Montana Regional Service Office in Billings has participated in several IAC conferences and has developed a good working

relationship with them. They are working with the IAC and the individual tribes to provide a level of service to Native American producers comparable to that provided to non-Native American producers. They have been focusing on increasing awareness and addressing concerns such as crop insurance record requirements and insurance coverage for rangeland and timber.

- NRCS works closely with Tribal Governments on a regular basis, since it deals directly with people in the field and it has the flexibility to have offices on reservations. NRCS provides technical assistance and service, primarily for conservation planning, and also for watershed planning, water quality assessments and grazing lands planning and range assessment. NRCS is also working to complete soils mapping of reservation lands. It has completed soil surveys on approximately 40 million acres of Native American lands, and has established suboffices on Native American reservations to conduct more surveys and to facilitate the delivery of services and programs. NRCS has fifteen full-time offices and thirteen sub-offices on reservations, and is working closely with the IAC to establish more offices on those reservations with over 10,000 acres. In addition, there is a budget initiative proposed in the 1996 budget to increase funding for NRCS technical assistance and services on reservations.
- NRCS has initiated a four-part agreement with the IAC aimed at improving NRCS program delivery to the Indian reservations. The agreement includes providing a database on Indian operators, a review of manuals and regulations to determine impediments to Indian participation, developing training materials for establishing conservation districts on Indian reservations, and providing on-site training to new districts.
- Rural and Economic Community Development (RECD) provides community development related research, educational and technical assistance upon request. The Cooperative Services Division is providing assistance to two Native American groups that are in the process of forming cooperatives, the Din'eh Bi' Arts Cooperative, and the Oglala Lakota Sioux Craft Cooperative. RECD also administers the Business and Industry Loan Program, the Intermediary Relending Program and other loan programs focused on small community and rural development that are also available for Native American cooperatives and Tribal Governments.
- The Animal and Plant Health Inspection Service (APHIS) has programs that involve cooperative efforts with and on the lands of Native Americans. Additionally, APHIS units are actively involved in establishing and enriching relationships with Native Americans, providing technical assistance for aquaculture protection advice, salmon smolt protection, beaver control, and other areas. APHIS has also helped tribes with animal control, such as the Passamaquoddy Tribe in Maine with rat and black bear control after a landfill site closed and the Standing Rock Sioux Tribe in South Dakota with grasshoppers. As a regulatory agency, APHIS is also actively seeking views of

Tribal Nations in cases where regulatory requirements might significantly or uniquely affect tribes and attempting to minimize those burdens on the Tribes.

- The Foreign Agriculture Service (FAS) works with tribes, individuals and trade organizations to help Native Americans export products. FAS has been working closely with the American Indian Trade Development Council (AITDC) in Seattle to increase awareness of export programs, including the Foreign Market Development Program and the Market Promotion Program, to help Native American businesses that are interested in exporting. FAS actively seeks out Native American businesses through organizations like the AITDC, which sponsors seminars and training sessions to help businesses learn how to find markets and buyers overseas and promote their products.
- The Cooperative State Research, Education and Extension Service (CSREES) administers an Extension Indian Reservation Program (EIRP), and works with Tribally Controlled Colleges. CREES has for the first time invited Native American organizations to participate actively in the process of allocating EIRP resources to the thirty Reservation Extension Agent projects. This has allowed those organizations to gain some direct exposure to the nature, scope and variety of EIRP programs, and to provide suggestions for future directions.

As a result of these programs and efforts, USDA has established a good working relationship with the IAC and with many individual Tribes as well. The Department of Agriculture will continue to strengthen the relationships it has begun and to build new ones.

DEPARTMENT OF COMMERCE

The Department of Commerce's Policy on American Indians and Alaskan Natives

- In November 1994, Secretary Brown, in response to President Clinton's Memorandum of April 29, 1994, directed Commerce's office of Civil Rights to draft a Departmental policy on American Indians and Alaskan Natives. The draft policy statement was developed in consultation with Commerce's American Indian and Alaska Native employees and the Department's Diversity Council, and, in December 1994, was sent to all federally-recognized Tribes for their review. In all, twenty written and verbal comments were received from Tribes.

In March 1995, Secretary of Commerce Ronald R. Brown signed the Department's first policy statement recognizing the government-to-government relationship with American Indian and Alaskan Native Tribal Governments. The policy affirms the Department's commitment to consult with Tribal Nations when developing programs or policies affecting Tribes; remove impediments to developing a working relationship with Tribes; strive for inter-agency coordination on issues affecting Tribes; and ensure access to Departmental programs that will assist Tribes in building strong and stable economies.

Activities and Accomplishments

- In June 1994, the Department's National Oceanic and Atmospheric Administration (NOAA) entered into a Memorandum of Understanding with the Confederated Salish and Kootenai Tribes of the Flathead Reservation located in northwest Montana. NOAA will install and operate an automated local flood warning system for the Flathead Safety of Dams Program, Early Warning System. This includes selecting equipment, providing technical assistance, maintaining software, providing advisories, and monitoring hydrologic forecast models.
- In September 1994, Secretary Brown met with American Indian and Alaskan Native Department employees.
- In November 1994, Commerce's National Telecommunications and Information Administration (NTIA) awarded a grant in the amount of \$150,000 to the Native American Public Broadcasting Corporation under the Telecommunications and Information Infrastructure Assistance Program (TIIAP). This grant is a comprehensive planning grant leading to a demonstration project to link all sovereign Tribal Nations to the Information Superhighway.

- National Weather Service (NWS) Director Friday met with staff of the Navajo Nation Department of Water Resources Management to initiate dialogue on : (1) The need to provide upper air coverage for the Navajo Nation after the closing of the Winslow, Arizona National Weather Service Office; and (2) The need to include the Navajo Nation permanently in the national infrastructure for the collection and dissemination of weather information throughout the establishment of a NWS office in the Navajo Nation and through inclusion in NEXRAD and associated systems. The meeting was fruitful and will result in continuing dialogue.
- In November 1994, Deputy Secretary Barrum addressed the National Congress of American Indians in Denver and announced the timetable for the development, review, and implementation of the Department's policy statement on American Indians and Alaskan Natives.
- In January 1995, Deputy Secretary Barrum was appointed to the Domestic Policy Council's Working Group on Indian Affairs.
- In February 1995, Department recruiters visited three Tribal Colleges for the purpose of soliciting interest among American Indian students for the Department of Commerce Summer Intern Program.
- In February 1995, the Department sponsored an outreach and development seminar aimed at encouraging greater participation of minority and women-owned firms in the Department's programs. The seminar was conducted in the southwestern U.S., home to a significant number of American Indian businesses. The Vice-President of the Navajo Nation and other representatives of the Navajo Nation were invited and attended this seminar at the Navajo Nation. Attendees were informed about trade promotion services that are available to them from the Department, as well as upcoming opportunities for participation in U.S. trade missions to foreign countries. As a result of this seminar, the Secretary is working to promote a Commerce-led trade mission with the Navajo Nation and a number of Tribes to Europe to promote trade with Tribal Nations.
- In April 1995, the Secretary signed a Memorandum of Understanding between the Department and the American Indian Science and Engineering Society. The MOU provides the framework for mutually rewarding relationships between the Department and AISES.
- In May of 1995, fourteen summer interns will begin work at various Bureaus in the Department as a result of the AISES MOU listed above. An undetermined number of other American Indian students will be placed as well.

- Commerce's Minority Business Development Agency (MBDA) funds a project through the National Indian Business Association to plan, organize, and coordinate the promotion of American Indian business and develop a comprehensive data base of American Indian firms to match foreign markets with American Indian products and services.
- MBDA also funds a project to update the reference book, Federal and State Indian Reservations and Indian Trust Areas, as well as an initiative by the American Indian Trade and Development Council to promote entrepreneurial development among the American Indian business community.
- MBDA has conducted seminars on the Navajo and Cherokee reservations to inform interested entrepreneurs about the risks and rewards of franchising as a business pursuit.
- Through the Navajo Nation Department of Water Resources Management, the Navajo Nation is involved in the NOAA Atmospheric Modification Program.
- The Oklahoma Industrial Extension System/Oklahoma Alliance for Manufacturing affiliated with the NIST Manufacturing extension services to small- and medium-sized companies in the region by contracting with a number of local consortia made up of economic development and educational institutions. One such consortium--consisting of the Cherokee Nation, Northeastern State University in Tahlequah, and the Indian Capitol Vo Tech School in Muskogee--now deploys two broker agents who service local manufacturing firms, many of which are either Native-American owned and/or are located on Native-American-owned land.

DEPARTMENT OF DEFENSE

Base Closure and Reuse

Tribal Nations from across the Nation are participating in the local redevelopment of several closed military bases. Examples of anticipated transfers include:

- Fifty acres of property, including two buildings at Norton AFB in California to the San Manuel Band of Mission Indians for use as a health center.
- A golf course and approximately 140 acres of undeveloped land at Williams AFB in Arizona to the Gila River Indian Community.
- A convenience store, child care center, housing units and industrial buildings at K.I. Sawyer AFB in Upper Michigan to the Sault Ste. Marie Tribe of Chippewa Indians.

Contracting

- DoD awarded \$581 million in defense contracts to Native American firms during FY '94. This represents 10.2% of the total DoD awards to small and disadvantaged businesses during the year.

Native American Military Personnel

- Since 1991, the percentage of Native Americans in the military has remained at .6%. This figure is consistent with the percentage of Native Americans in the U.S. workforce (.6%).
- The number of Native Americans in the armed services has not decreased in the Clinton Administration. For example, two of the four Native American general officers now serving are Brigadier General Joe L. Campbell, USAF (Choctaw) Commander of the 403rd Tactical Airlift Wing and Rear Admiral Leonard Vincent, USN (Cherokee), Assistant Commander for Contracts, Naval Air Systems Command.

DEPARTMENT OF EDUCATION

Policies and Goals

- The Department of Education (ED) is committed to policies that help raise academic standards for Indian students, continue Impact Aid payments to school districts with Indian children, and improve coordination with the Bureau of Indian Affairs education programs. Through its recently reauthorized Indian Education program, ED serves Indian students from both Federal- and State-recognized Tribes and supports improved teacher training, increased parental involvement and integrated educational services to help meet the needs of Indian children. For FY 1996, the Department of Education has requested nearly \$550 million for over a dozen education programs which support the efforts of school districts, States, Indian tribes, and BIA-supported schools to improve teaching and learning for American Indian and Native Alaska children.

Activities/Accomplishments

- The Department of Education has strengthened its formal advisory system with the Tribes by: 1) Installing new Presidentially-appointed membership on the National Advisory Council on Indian Education (NACIE); 2) Developing an on-going partnership and working relationship with NACIE staff and membership; 3) Participating in and supporting NACIE sponsored meetings, hearings, and projects; and 4) Developing a new, inclusive Tribal consultation process.
- The Department of Education has improved interagency coordination of Indian education policy and program development by: 1) Developing new memoranda of understanding with the Bureau of Indian Affairs for Goals 2000 and for a consolidated payment effort; 2) Participating in five White House sponsored meetings with Indian education advocates; 3) Serving on interagency coordinating committees for economic development, environmental education, school-to-work transitions, and educational technology to ensure that Tribal education interests are addressed.
- The Department of Education has expanded its outreach efforts in Indian Country by: 1) Fully supporting and participating in the National American Indian/Alaska Native Education Summit; 2) Actively participating in the annual conferences of the National Indian Education Association, the National Congress of American Indians, the Bureau of Indian Affairs, and the National Indian School Boards Association; and 3) Visiting and providing technical assistance to over 300 Indian education projects throughout the nation.

- The Department has been exploring new and better ways to provide national support for and leadership in such areas as: 1) Native language revitalization and cultural preservation; 2) Comprehensive federal policy development and planning; 3) School improvement/reform initiatives; 4) Research and evaluation; 5) Adult and vocational education; and 6) Comprehensive local program planning and technical assistance.
- The Department is continuing to provide Impact Aid payments on behalf of Indian children. Impact Aid provides compensation to school districts for federal activities that create a burden on the financing of public education. Despite proposed cut-backs in a number of Impact Aid programs, the Administration has retained its full commitment to compensating school districts for children living on Indian lands. Indian children are one of only two categories of students for whom payments to school district would continue under the FY 1996 budget policy. Under this program, the President's budget would provide an estimated \$318 million in funds for school districts with Indian children.
- The Department supports flexibility and local autonomy for Indian job training and education programs through the Indian Employment and Related Services Demonstration Act (P.L. 102-477). This program allows Tribal Governments to consolidate formula-driven employment and education funds from the Departments of the Interior, Labor, Health and Human Services and Education. The Administration is committed not only to ensuring efficient implementation of P.L. 102-477, but to expanding its use to assist more Tribes in establishing viable workforce and economic development systems and in reducing paperwork and regulatory burdens.

DEPARTMENT OF ENERGY

Energy Efficiency and Renewable Energy:

- Funds are available to assist Indian Tribes with development of energy efficient and renewable energy as well as vertically integrated conventional energy projects on Indian reservations: \$1.5 million in grants will be awarded. Also, \$10 million has been earmarked for two energy development and vertical integration projects: \$6.6 million for the Navajo Transmission Project, and \$3.4 million for the Tazimina Hydroelectric Project (Alaska).

Environmental Management:

- Significant support is provided for Indian program activities. Over \$11 million has been funded to several Tribal Nations at locations near or adjacent to the Department's sites or along transportation corridors used for shipping hazardous waste. These Tribes include the Pueblos of Cochiti, Jemez, Santa Clara, and San Ildefonso in New Mexico, the Navajo Nation in New Mexico and Arizona, the New Perce and the Shoshone-Bannock Tribes in Idaho, the Yakima Indian Nation in Washington, the Confederated Tribes of the Umatilla Indian Reservation in Oregon, and the Seneca Nation in New York. Funds are also provided to individual Tribal Governments for oversight activities.

Civilian Radioactive Waste Management:

- The National Congress of American Indians (NCAI) received \$534,455 to assist in the implementation of the Nuclear Waste Policy Act of 1982. Funds are used to support various national and regional committee meetings and activities, including the development of a model "Tribal Transportation Regulatory Code." Workshops are conducted on radiological emergency response and Tribal participation is included in Yucca Mountain stakeholder meetings.
- The Morgantown Energy Technology Center has been funded \$100,000 to support a study of electrical and thermal energy service options to remote locations of interest to the Alaskan Energy Authority and to Alaskan Native Regional and Village Corporations. \$635,000 funds are available for remote Tribes and Villages to demonstrate small atmospheric fluidized-bed combustion systems and/or coal-bed methane-fired fuel cell systems. \$40,000 has been earmarked for a training program for Tribes by the Naval Petroleum Reserve (Wyoming). Also, \$3.7 million has been appropriated for Fossil Energy's Exploration and Drilling program, which includes Tribal participation.

Energy Information Administration:

- Funds totalling \$21,000 were used to sponsor the American Indian Heritage Month Program and a summer student partnership.

Public Affairs:

- Publish and distribute the Energy Messenger, which is the Department's publication on energy activities of interest to American Indians.

Field Operations/National Laboratories:

- Sandia National Laboratory signed an agreement with the National Indian Business Association to collaborate on business development projects with American Indian owned businesses to provide technical assistance and CRADA development. The Albuquerque Operations Office Uranium Mill Tailings Remedial Action Project has managed activities and remedial actions at Monument Valley, Arizona; Shiprock, New Mexico; Mexican Hat, Utah; and Tuba City, Arizona. Cleanup of these sites was conducted under the direction of the Department in cooperation with the Navajo Nation, the Hopi Tribe and the Bureau of Indian Affairs.

ENVIRONMENTAL PROTECTION AGENCY

Further enhancing Tribal Operations is a high priority for the Environmental Protection Agency as evidenced by the Administrator's July 14, 1994 Nine Point Action Memorandum. Establishing the American Indian Environmental Office (AIEO) in October, 1994, and reissuing the Agency's 1984 Indian Policy, the Administrator has given clear direction and created a central point of coordination for the Agency to work with both the Headquarters Program Office and Regions to improve Tribal operations. The following is a compilation of highlights of the actions taken around or since the historic meeting held in April, 1994 between Tribal Leaders and the Clinton Administration in an effort to improve EPA's Tribal programs and environmental protection in Indian Country. Also, please refer to the EPA Report, "Improving Tribal Operations," which should be available for you at this April 28, 1995 meeting.

Accomplishments/Activities

- Increases in the Agency's Resources for Tribal Operations. EPA funding for Tribal Operations has increased substantially over the past two years, from \$35 million and 81.5 FTE in 1994 to approximately \$47 million and 101 FTE in 1995. In the Administration's proposed FY 1996 Budget, EPA would increase even further to approximately \$85 million and 122 FTE.
- Reissuance of the Agency's 1984 Indian Policy Which Calls for Government-to-Government Relationship Between EPA and the Tribes and Recognizes Tribal Sovereignty. In 1984, EPA became the first Federal agency to adopt a formal Indian Policy. EPA is proud of that Policy, which has provided the framework for our developing partnership with Tribal Nations. The policy sets out nine major principles, including:
 - The Agency Stands Ready to Work Directly With Indian Tribal Governments on a One-to-One Basis Rather Than as Subdivisions of Other Governments;
 - The Agency will Recognize Tribal Governments as the Primary Parties For Setting Standards, Making Environmental Policy Decisions and Managing Programs for Reservations, Consistent with Agency Standards and Regulations; and
 - The Agency Will Incorporate These Indian Policy Goals Into Its Planning and Management Activities, Including Its Budget, Operating Guidance, Legislative Initiatives, Management Accountability System, and Ongoing Policy and Regulation Development Process.

Since 1984, programs have changed and several agency statutes have been amended to address Tribal needs. Nevertheless, the core principle of the policy, a commitment to working with Federally Recognized Tribes on a government-to-government basis to enhance environmental protection, has been reaffirmed by President Clinton in his historic April 29, 1994 meeting with the Tribal Nations and remains the cornerstone of EPA's Indian Program. Accordingly, Administrator Browner formally reaffirmed this policy in 1994, and set to work on strengthening the agency's implementation programs to reflect the goals and values of this long-term vision and strategic agenda.

- Establishment of the American Indian Environmental Office (AIEO) Headed by Terry Williams from the Tulalip Tribe. In October, 1994, EPA demonstrated its commitment to enhancing Tribal operations in part through establishing the new American Indian Environmental Office (AIEO). For the first time, the Agency now has a central coordination point for all Tribal environmental program development and implementation activities. The Office is only one component of the Agency's Tribal operations, with most implementation activities occurring in the Regional and Headquarters Program Offices. AIEO is working with these counterparts to obtain support and resources necessary for the new activities called for by Administrator Browner to ensure environmental protection in Indian Country.

In general, AIEO is responsible for coordinating the Agency's Tribal operations and encouraging ongoing development of a strong program to protect Tribal health and environments. Specifically, AIEO is working with Senior EPA management, staff, Tribal governments and other Federal agencies in the following areas: building Tribal capacity; development of Tribal programs; management and authorization of EPA programs where the Tribes apply, and, where Tribal programs are absent, Federal implementation of programs.

AIEO will promote the continued implementation of the Agency's 1984 Indian Policy and will work with all parts of EPA to maintain a government-to-government relationship with Federally recognized Tribes. AIEO will also work with the Programs and Regions to ensure that the Agency is working in a manner consistent with its trust responsibilities and is effectively performing its duties as a co-regulator with Tribes.

- Establishment of the Tribal Operations Committee Comprised of Senior EPA Officials and Tribal Representatives to Provide Input into Agency Operational Matters that Affect Tribes. In March, 1995, EPA established the Tribal Operations Committee, which is made up of top EPA Officials and 25 Tribal leaders to provide guidance and input into agency matters that affect tribes.
- Issuance by the Administrator of the Action Memorandum to Enhance Tribal Operations Which Identified Nine Points of Action to be Taken Agency Wide. In July of 1994, Administrator Browner issued an Action Memorandum detailing nine points of action that the Agency would be taking to enhance Tribal operations agency-wide.

Those nine action items were:

1. Tribal Environmental Workplans: In order for EPA and Tribes to plan for and respond effectively to Tribal environmental problems, the Agency and Tribes need to establish a base description of the types of environmental problems and priorities Tribes face and then formulate specific workplans for responding to the problems. Each Regional Administrator will promptly begin to work with Tribes to develop such environmental workplans.
2. EPA Regional and Program Indian Workplans: To focus and facilitate Program and Regional efforts for effective Tribal environmental protection, each Assistant and Regional Administrator will begin to establish strategies for achieving the goals outlined in the Tribal environmental workplans.
3. EPA Implementation, Management, and Compliance Activities: Each Assistant and Regional Administrator, in close consultation with Tribes, should take immediate steps to increase implementation and management to ensure compliance with environmental programs.
4. Program and Regional Organization: To strengthen the Indian program within EPA and to ensure greater consistency in the work performed across the agency, each Assistant and Regional Administrator should begin to review and, where necessary, modify the organization and/or management of the Indian program within his/her office.
5. Field Assistance for Tribes: Each Regional Administrator should ensure that there is effective EPA/Tribal liaison capacity to provide direct field assistance to the Tribes.
6. Training of EPA Staff: The Office of Indian Affairs will promote and coordinate training on Indian issues for Agency managers and staff.
7. Communications with Tribes: To promote and facilitate communications between EPA and Tribal governments, in keeping with the spirit of the 1984 Indian Policy and with Environmental Justice, Assistant and Regional Administrators should include Tribes in decision-making and program management activities that affect them. Requests for Tribal input should occur early in any Agency process that may affect Tribes.
8. Grant Flexibility and Streamlining: In order to increase the efficient use of limited resources, each Assistant and Regional Administrator should, to the extent allowed by law, use available discretion to consolidate issuance and administration of grants to Tribes and allow for both program operation and program development.

9. Resource Investment in Tribal Operations: To begin immediately strengthening the Indian program and to implement the new activities outlined here, resources must be invested in FY 1994 and FY 1995 in Tribal capacity building and staff assistance in the development of Tribal environmental workplans.
- Emphasis Towards Addressing Tribal Issues Included in the Agency's Environmental Justice Strategy to be Issued Shortly. EPA has begun a new partnership with Federally-recognized Tribal governments, Tribal and indigenous organizations, affected native populations, the Tribal Operations Committee, and the National Environmental Justice Advisory Council to integrate the provisions of the Environmental Justice Executive Order into EPA's environmental policies, programs, and activities.
 - Template for Establishing Individual Agreements Between the EPA and Tribal Governments to Establish Tribal Plans for Building Environmental Programs. In March of 1995, EPA developed an EPA/Tribal Agreement Template that provides a common set of principles and consistent factors to include in the workplan agreements between the Regions and Tribes.
 - Establishment of a Data Base Including Baseline Information on Tribal Governments and Their Environmental Progress and Existing Needs.
 - Publication of Regulations Simplifying EPA's Process for Qualifying Indian Tribes for EPA Grants and Program Approval. This regulation was designed to simplify EPA's process for qualifying Indian Tribes for program approval (the so-called "treatment as a state, or TAS regulation), and was published in the Federal Register on December 14, 1994.
 - Development of Training to be Offered by EPA Trainers on Working Effectively with Tribes on a Government-to-Government Basis.

HEALTH AND HUMAN SERVICES: ADMINISTRATION FOR NATIVE AMERICANS

ANA Policies and Goals

- The Administration for Native Americans (ANA) promotes the goal of social and economic self-sufficiency of American Indians, Alaska Natives, Native Hawaiians, and other Native American Pacific Islanders, including Native Samoans. ANA is the only Federal agency which serves all Native Americans, including over 500 Federally recognized tribes in the lower 48 states and Alaska, approximately 60 tribes that are State recognized or seeking Federal recognition, Indian organizations, urban Indians, Native Hawaiian communities, and populations throughout the Pacific basin. In short, ANA is a relatively small agency with a big mission; the impact of our programs and policies are visible and viable throughout Native American Communities across the Country.

Administrative Efficiency

- With a primary objective to maximize resources spent on Native American grantees, ANA makes every effort to minimize its' own administrative and personnel expenses. And, thus, spends approximately only 5 percent of its' total combined budget on personnel and expenses. The remaining 95 percent is dedicated entirely to ANA grants.

ANA Grant Programs

- ANA announced the availability of FY 1995 funds for its three grant programs in a consolidated funding Program Announcement in the Federal Register on July 21, 1994. This announcement combined the following ANA grant programs: 1) Social and Economic Development Strategies (SEDS); 2) Environmental Regulatory Enhancement; and 3) Native American Languages Preservation and Enhancement into one comprehensive document.

Number of Grants Applied for and Received

- Of the 100 to 200 grant applications received for each application closing date, approximately one-third receive full or partial funding for the proposed project. Of the 764 applications received in Fiscal Year 1994, ANA awarded 259 new competitive grants under the six application closing dates.

Innovative "SEDS" Programs

- Some of the accomplishments of the Tribes and other Native American communities with SEDS grants include the following innovative business enterprises: the Navajo Nation at Window Rock, Arizona, which has a Navajo Arts and Crafts Cooperative underway at Crownpoint, and includes several manufacturing shops operated by tribal members; the Nambe Pueblo, in Santa Fe, New Mexico, is the only Indian owned and operated tour business in Santa Fe; and, in North Carolina the Cumberland County Association for Indian People's Senior Day Care Center, established a self-sustaining business, that provides interior and exterior designs, landscaping, and architectural consultant advice.

Native American Languages Preservation and Enhancement Project

- In FY 1994, ANA established a competitive grant program to ensure the survival and continuing vitality of Native American languages. ANA received 158 applications requesting over \$12.5 million for projects. 18 grants were awarded totaling over \$1.9 million for activities including: data collection on current language use; development of specialized curricula; development of master/apprentice training programs; establishment of language immersion camps; compilation and transcription of oral narratives; and incorporation of language learning into tribal Head Start programs. With the impetus of the Native American Languages Act, ANA expanded that effort with a "bottoms up" approach, that includes in-depth consultation with Tribal Leaders and "hands-on" training and technical assistance with potential applicants.

Indian Environmental Regulatory Enhancement Projects

- In FY 1994, ANA established a competitive grant program to improve the capability of Indian tribal governments to regulate environmental quality. In 1994, there were 77 applications, and ANA approved 26 projects totalling approximately \$3.1 million for projects to assist Tribal governments in planning, developing and implementing Tribal environmental programs which are consistent with tribal culture.

Department of Defense Environmental Mitigation on Indian Lands

- In FY 1995, ANA awarded 19 grants for the mitigation of serious damage to Indian lands due to Department of Defense activities. the projects will address mitigating the damage to treaty-protected spawning habitats caused by artillery practice; damage caused to Tribal range and forest lands by gunnery range activities; low level flights over sacred sites and religious ceremonies; suspected leakage of underground storage

tanks on lands taken for temporary war-time use by the Defense Department; and unexploded ordnance from gunnery and bombing practice on Indian lands that resulted in significant damage to rangelands, wildlife habitats, and stock water wells.

Interagency Agreements

- ANA is involved in several Interagency Agreements with other Federal agencies to better promote the tribal agenda, enhance the tribal/federal partnership and strengthen the government-to-government relationship. At present, ANA has stimulated inter-agency agreements with the following Federal agencies: Department of Commerce, Minority Business Development Administration, Environmental Protection Agency, Federal Highway Administration, Indian Health Service, and the Bureau of Indian Affairs. Projects are varied, and include; establishing a Northwest Indian Business Development Center, funding Tribal Colleges, and addressing transportation issues on tribal lands. A full length description of all inter-agency agreements are attached for your review.

Intra-Departmental Council on Native American Affairs

- In April 1994, Secretary Shalala signed a Decision Memorandum that approved the Intra-Departmental Council on Native American Affairs' Charter. The Intra-Departmental Council on Native American Affairs serves as the focal point within DHHS for inter-agency activities related to Native American affairs, and effect coordination, cooperation and complimentary utilization of DHHS's resources for Native Americans. Further, the Council promotes the full and continuous application of these policies throughout the Department.

Training and Technical Assistance

- As much of our Native American communities are geographically isolated and limited in their resources, in September 1992, ANA awarded five contracts to provide short-term training and technical assistance to both current and prospective ANA grantees, in order to improve their efforts toward greater self-sufficiency. Although the contractors are not authorized to write applications, they assist potential grantees to conceptualize strategies for social and economic development, and then further translate those ideas into a viable application for ANA funds. This assistance is rendered in a very "hands-on" fashion, and provided free of charge to the recipient. As a result of this effort, there has been an increased number of successful grantees from geographically isolated and remote areas.

HEALTH AND HUMAN SERVICES: INDIAN HEALTH SERVICE

Fiscal Year 1996 Budget

- The Department of Health and Human Service's (HHS) commitment to improving the health status of American Indians and Alaska Natives, in the context of a government-to-government relationship can be seen in the budget proposed for the Indian Health Service (IHS). Compared with other parts of the HHS, the Fiscal Year (FY) 1996 President's Budget provides larger dollar increases and smaller FTE reductions for IHS, than for the rest of the HHS.
- Dollars: The President's budget proposes a 4.9 percent increase in budget authority for IHS as compared with a 3.6 percent increase for all Public Health Service (PHS) programs and a 4.1 percent increase for all HHS discretionary programs.
- FTE: The President's budget proposes an FTE reduction for IHS of 1.5 percent as measured from the baseline (FY 1993) established by the Federal Workforce Restructuring Act. During this period, PHS will reduce FTE use by 4.6 percent and HHS will reduce FTE use by 4.9 percent.

Streamlining the Agency

- The Director, IHS, established the Indian Health Design Team (IHDT) to guide the design of the new Indian health system and assure that agency streamlining recommendations reflect Indian country priorities. The IHDT is structured to provide Tribal Governments and urban Indian health programs majority representation. Of the 28 members, 22 are Tribal and urban Indian health program representatives. The IHDT was convened in February 1995 and plans to complete a draft restructuring plan by summer 1995.
- The IHDT's guiding principles commit the design process to upholding Tribal sovereignty, achieving system-wide simplification, and maintaining patient/customer focus. Two way communications link the Tribal Governments and Indian health organizations to the IHDT. As design concepts are discussed, they are submitted to Tribes and organizations for feedback to the IHDT. The draft plan will be developed with full consideration given to the tribal and other Indian leadership feedback.

Supporting Self-Determination

- At the end of FY 1994, the IHS transferred \$574 million to Tribal Nations through self-determination contracts and self-governance compacts. This represents approximately 35% of the IHS services budget for that year.
- Self-Determination Contracting (Title I) The Indian Self-Determination Contract Reform Act, P.L. 103-413 was enacted in October 1994. The Act is intended to simplify the self-determination contracting process and facilitate the assumption of Federal programs (e.g. Indian Health Service) by Tribal Governments and Tribal Organizations.

In compliance with the Act, which requires that final rules and regulations be published in 18 months (April 1996), the Department jointly established the negotiated rulemaking committee with the Department of Interior (DOI) and the tribes. The rulemaking committee, comprised of 6 HHS, 10 DOI, 48 tribal representatives, met on April 11-13, 1995 to begin the development of regulations to implement P.L. 103-413. Similar meetings will be held over the next several months.

- Self-Governance (Title III). The IHS negotiated 29 Self-Governance (SG) compacts and 42 annual funding agreements for FY 1995. This transfers approximately \$270 million to 197 Tribes in Alaska and 28 Tribal Governments in the lower 48 states participating in the Self-Governance Demonstration Project (SGDP).
- The Director, IHS, made 3 critical agency policy decisions which will frame both Title I contract and Title III compact negotiations for FY 1996:
 - Residual: Tribal shares will be calculated for FY 1996 compacts and contracts using Headquarters Residual of approximately 1 percent of the IHS services budget (FY 1994 dollars), plus negotiated Area Office Residuals.
 - User Population: The IHS will continue to use the existing active user population definition for the FY 1996 negotiations. Recommendations for a new definition will not be adopted until the implications have been thoroughly evaluated and discussed with Tribes.
- The Tribal Size Adjustment (TSA) methodology will be used for the Headquarters General Pool. Under this method, 87 percent of the allocation is based on population and 13 percent on the total number of Tribes.
- The allocation methods for the remaining categories of funds will be based on longstanding legislative provisions, program experience and feasibility. Some will use existing methodologies until additional study and analyses are completed, and some methodologies will continue unchanged.

Facilitating Tribal-State Health Initiatives

- The Department strengthened its Indian health advocacy role by improving the IHS participation in the Health Care Financing Administration (HCFA) and Departmental Medicaid waiver application review process. Departmental review of all Federal and State proposals to alter the organization, financing, and delivery of health care assures that Indian health interests are appropriately considered.

Under this process, IHS participates in the review of all State Medicaid waiver requests and identifies their potential impact on Indian health programs. Proposals reviewed through this process include State 1115 Medicaid Waivers, Federal and State welfare reform proposals addressing Medicaid eligibility, and State health reform. Application and understanding of Medicaid and Medicare policies vary greatly, and often confusion has resulted. In recognition of this, HCFA and IHS staff work closely to address a number of issues. Presently, the vehicle used in this endeavor is the HCFA-IHS Policy Exchange. To assure the capacity to address the broadest range of issues, the Policy is arrayed into ten work groups, comprised of Central and Regional Office staff, as well as IHS Area Office staff, focussed on specific program areas. The group serves as the focal point for information exchange and dissemination and policy guidance.

To help enhance States' understanding of Indian health programs and to provide a forum for States to present their proposed state health reforms to tribes, Philip R. Lee, M.D., Assistant Secretary for Health and Director of the Public Health Service (PHS), is holding a second series of regional meetings.

Improving Tribal Access to Public Health Programs

- The Assistant Secretary for Health and the Director, IHS, formed a committee to work on improving Tribal Government and Indian health organizations' access to all PHS programs and resources. IHS is identifying Tribal and Indian health organizational needs for technical assistance and other resources in order to facilitate their access to PHS assistance.
- The IHS and Department are jointly seeking tribal input regarding the development of the appropriate mechanism for achieving Tribal and Indian health program access to PHS Performance Partnership funds proposed in the FY 1996 President's Budget.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Accomplishments/Activities

Immediately upon completion of the historic meeting between the Nation's Tribal Leaders and the White House, the U.S. Department of Housing and Urban Development substantially strengthened its efforts on behalf of its Native American Programs:

- Secretary Cisneros immediately issued a Department-wide policy echoing the President's direction for a government-to-government relationship with all Tribal Nations. The policy was sent to all HUD Offices with instructions for its display in a prominent manner.
- HUD had already begun an effort titled "Consultation 94" which was a series of 27 separate meetings with Tribal leadership and housing officials throughout the country in order to craft a legislative and regulatory agenda for change. As a result of those meetings, the following has been accomplished:

- The Indian Housing Program Final Rule was published April 10, 1995. This regulatory change provides for the most sweeping changes in the Indian Housing program in its 34 year history. In addition to moving the regulations from Part 905 to 950, the final rule amends a number of the Indian Housing consolidated regulations to simplify program processes, reduce the number of regulatory requirements and provide more flexibility to local Tribal and Indian housing authority officials in the administration of the Indian housing program.

Furthermore, the Rule provides for a more effective and quicker re-use of grant dollars so that Tribes receive the benefit of each dollar more often.

- Published revised CDBG regulations for comment on July 27, 1994; final rule scheduled for publication before September 30, 1995.
- In an effort to eliminate unneeded program requirements for Indian Housing Authorities, four Indian housing program handbooks were eliminated. The Indian Housing Management, Indian Housing Financial, Indian Housing Development and Indian Housing Monitoring Handbooks were cancelled and are available as guidance only.
- In addition, numerous public housing handbooks were eliminated further freeing IHAs from burdensome and irrelevant requirements.

- Increased Tribal flexibility in the Indian HOME program by expanding eligible applicants to Tribally designated organizations.
 - The Department is currently developing a revised ceiling rent rule which will better address the needs in Indian country. Currently, ceiling rents are determined based on an imputed debt service amount. The proposed regulation will eliminate the imputed debt service and calculate a ceiling using actual debt plus operating costs. This will substantially reduce some of the concern expressed by Tribal leaders regarding the "30 percent" rule.
 - HUD revised its Notice of Fund Availability process to allow for more regional flexibility and input by Indian housing Authorities on how units are awarded.
- In order to emphasize the development of "culturally-relevant" housing, in the recent past HUD issued a Design Guide entitled "Our Home - Giving Form to Traditional Values". The objective of the Guide is to encourage the development of Indian Housing which stresses community input and involvement in the design of housing. As a follow-up, in 1994, HUD conducted its first annual Cultural Design Award competition for HUD funded grants. Forty-three projects were submitted for consideration in the eight categories of awards and will hold a Design Conference for Indian housing authorities, architects, builders and engineers in June, 1995.
 - The Department administered the highest level of Native American Program funding in its history.
 - Provided over \$520 million to fund 5,000 new Indian housing units in FY 94 and already in FY 95.
 - Funded 17 Indian HOME projects for \$12.7 million. HOME is a Tribal Government housing program which has great flexibility for the Tribe to develop its own housing program.
 - Funded 119 Indian Community Development Block Grant projects for \$46 million. CDBG is used by Tribes for community infrastructure, land acquisition, job creation, economic development and housing rehabilitation.
 - Provided \$1.5 million for Emergency Shelter Grants to 11 tribes. Emergency Shelter Grants allow Tribes to develop housing for temporary uses for the homeless.
 - Special assistance to Alaska villages hurt by the chum salmon disaster.

- Of the 60 Indian Housing Authorities that applied for the Drug Elimination Program, 43 were funded for approximately \$7.7 million. This program is designed to for use in eliminating drug related crime in public and Indian housing developments.
- Of the 71 IHAs that applied for the Youth Sports Program 21 were funded for approximately \$2.6 million. The Youth Sports program was created to serve as an added component of the larger Drug Elimination Program to establish positive, drug-free activities for public and Indian housing youth.
- Of the 29 IHAs that applied for the Family Investment Center Program, 7 were funded for approximately \$6.3 million. This Program is to provide families living in public and Indian housing with better access to education and employment opportunities to achieve self-sufficiency and independence.
- Of the 38 Resident organizations which applied for the Tenant Opportunity Program 26 were funded for approximately \$2.3 million. The program provides assistance to resident groups to fund training and other tenant opportunities.
- Approximately \$167 million was provided to IHAs in Fiscal Year 1994 for modernization of existing housing units. Of that amount, \$142 million was available to IHAs with over 250 units under the Comprehensive Grant Program, and \$25 million was provided to smaller IHAs on a competitive basis. For Fiscal Year 1995, \$200 million is available for Indian housing modernization.
- The Section 184 Indian Housing Loan Guarantee Program which allows Native American families and Indian Housing Authorities to gain access to sources of private financing previously not available to them on restricted lands and in Indian areas moved from legislation to implementation with over (75) conditional and firm commitments made.
- The Loan Guarantee Program was designed and implemented in less than nine months.
- In addition, HUD undertook a number of other initiatives designed to increase the effectiveness and efficiency of its programs.
 - Secretary Cisneros has personally met with Tribal leadership in many meetings in both Washington, DC and around the country. He has travelled to New Mexico for the Listening Conference, and to Alaska, South and North Dakota, and Montana.

- Developed and planned a series of Tribal/Federal meetings entitled "Indian Homeownership: THE FIRST GENERATION" which will bring together all federal agencies with responsibility for housing activities along with many of the private sector resources available to Indian country. Twelve regional sessions will be held throughout the Nation beginning in May, 1995.
- Participation in the federal initiative to eliminate the "honey-bucket" from Alaskan housing.
- Conducted twelve workshops to improve tribal ability to implement HOME and CDBG funded projects.
- The Federal Indian Policy and Cultural Awareness Training program which was developed by the Office of Native American Programs (ONAP) was presented again this year to 30 HUD/ONAP employees. This award winning training course was designed to increase cultural awareness and sensitivity among HUD staff when working with Native Americans.
- A Native American youth calendar contest in which young Native Americans were asked to draw their perception of what a culturally relevant home would look like drew national attention and was exceptionally well received throughout Indian country.
- Worked with the White House to assist urban Native American to find better access to HUD programs.

DEPARTMENT OF THE INTERIOR

Department-wide

Enhancement of the Government to Government Relationship and Consultation with Sovereign Tribal Nations:

- Secretary Babbitt serves as Chair of the interdepartmental Working Group on American Indians and Alaska Natives under the White House Domestic Policy Council.
- The Secretary is committed to meeting with Indian Tribal Nations on a regional basis. To date, the Secretary has met with Tribes in California, Arizona, Oklahoma and Wisconsin. Topics discussed were Indian gaming, streamlining, BIA budget, environmental issues, self-governance, water rights, mining, forestry and other trust issues. The Secretary is also planning to meet with Tribes in the states of Oregon, New Mexico, Michigan and Minnesota in the coming months.
- The Secretary made implementation of the Tribal Self-Governance Act of 1994 (Titles II and IV of P.L. 103-413) one of the Department's top priorities for 1995. During 1995, the Department has made substantial progress in a number of areas including submitting an extensive report to Congress identifying non-BIA programs that are eligible for the Self-Governance Program; conducting Self-Governance training for non-BIA agencies such as the National Park Service; convening several consultation sessions with Tribes; implementing a Department-wide procedure to negotiate and enter into funding agreements for FY 1996; and beginning a negotiated rulemaking to adopt final regulations.
- The Department sent all participating Self-Governance Tribes and Congress a list of non-BIA programs that were eligible for negotiation into self-governance agreements for 1996. In addition, the Department set programmatic targets for each Bureau to meet in 1996 and the Secretary issued guidance for conducting 1996 negotiations for all Bureaus within the Department. A Federal Register notice was issued that will allow up to twenty additional Tribes to enter into self-governance compacts. To date, twelve Tribes have submitted applications.
- The Secretary appointed two Departmental self-governance negotiators to the 15-member Joint Tribal and Federal Self-Governance Negotiated Rulemaking Committee which will have its first meeting on May 18, 1995, in Washington, D. C.
- Vice President Gore, Secretary Babbitt and Assistant Secretary Deer attended the annual conference of the National Congress of American Indians and spoke of the President's commitment to respect the government-to-government relationship.

- DOI convened 11 consultation meetings with Tribes on the reorganization and streamlining of the Bureau of Indian Affairs.
- The Department has entered into discussions with the Department of Health and Human Services around how the Bureau of Indian Affairs and the Indian Health Service can work more effectively together both at the regional and reservation levels. This is the first step toward creating "one stop shopping," which enhances service delivery, while reducing each department's administrative overhead.
- The Federal Advisory Committee Act (FACA) and the Indian Self-Determination Negotiated Rulemaking Committee was established to negotiate regulations for the Indian Self-Determination Act, as amended. They held their first meeting in early April 1995. At least three other meetings are scheduled in the next six months to meet the requirements of the Act.

Settlement of Land, Water and Other Tribal Claims

- DOI reached agreements worth \$87 million with three Alaska Native corporations as part of the Exxon Valdez oil-spill restoration.
- Crow Boundary Settlement Act of 1994 resolved the 107th meridian boundary dispute between the United States, the Crow Indian Tribe, and the Northern Cheyenne Indian Tribe resulting from an erroneous survey of the eastern boundary of the Crow Indian Reservation.
- The Grand Coulee Dam Settlement Act of 1994, provides Federal restitution to the Colville Confederated Tribes as a result of a court settlement between the Tribes and the federal government and allows the tribes damages, revenue-sharing, and participation in future operations of the Grand Coulee Dam.
- The Ninth Circuit Court of Appeals ruled in favor of the Department in Katie John et al. v. United States, a case involving the subsistence fishing rights of Alaska Natives. The court agreed with the Department's position that ANILCA's subsistence preference for rural Alaskans applies to all waters subject to a federal reserved water right and that it does not extend to all navigable waters.
- BIA, BLM and MMS created the Indian Minerals Steering Committee and completed a Memorandum of Understanding to improve and enhance inter-bureau coordination of American Indian mineral policy and activities and Indian lessee trust assets.

Protection of Trust Resources

- The Secretary endorsed a comprehensive Indian Fish and Wildlife Policy which recognizes the status of Tribes as resource managers, and outlines "reasonable and necessary" standards to be applied when federal actions are considered that may result in restrictions on the exercise of treaty fishing, hunting and gathering rights. He has further worked to have these principles incorporated into the policy documents of other federal agencies.
- Departmental bureaus and offices are preparing draft procedures or directives to ensure that the trust resources of Indian Tribal Nations are conserved, identified and protected per Secretarial Order No. 3175. The Office of American Indian Trust (OAIT) has also drafted a Departmental Manual Chapter that will actuate the plans developed pursuant to the Secretarial Order and continue to ensure that the objectives to protect and conserve Indian trust assets are met after the Secretarial Order expires.

The following is a status report on Departmental compliance with the Order:

Bureau/Office	Status
Bureau of Reclamation	Reclamation had developed an Indian Trust Resource Policy for the protection of trust assets in advance of the Secretarial Order. Subsequent to the Order, Reclamation developed a supplementary set of common "questions and answers" about Indian/Alaska Native trust resources. The procedures and supplementary document were reviewed by the Office of American Indian Trust (OAIT) and were found to be in "substantial compliance" with the Order. The Assistant Secretary - Indian Affairs has concurred with the finding.
Office of Environmental Policy and Compliance	The Office has developed procedures for the Department regarding how any impacts to Indian trust resources must be addressed in the compliance documents developed. And, further that any impacts will require consultation with the effected Tribal Governments. The procedures and supplementary document were reviewed by OAIT and were found to be in "substantial compliance" with the Order. The Assistant Secretary - Indian Affairs has concurred with the finding.

Fish and Wildlife Service	After extensive consultation with the Tribes FWS has developed a Regional implementation plan that has been incorporated into their draft National plan. The draft procedures for compliance with the Secretarial Order have been received by OAIT and are expected to be final within the next few weeks.
Office of Surface Mining	The Office of Surface Mining has drafted a "directive on coordination and consultation" with Indian Tribes. The directive would apply to both abandoned mine lands, as well as active mines. The draft has been submitted to OAIT for review and should be final within the next few weeks.
Geological Survey	Geological Survey has developed a "statement of procedures" to comply with the Secretarial Order. A draft has been provided to OAIT and expects to be finalized within the next few weeks.
National Biological Survey	A task force was formed to clarify and document the responsibility of NBS regarding implementation of the Secretarial Order. The draft procedures for compliance with the Secretarial Order have been received by OAIT and are expected to be final within the next few weeks.
Minerals Management Service	The draft procedures for compliance with the Secretarial Order have been submitted to OAIT and are expected to be final within the next few weeks.
Bureau of Mines	The draft procedures for compliance with the Secretarial Order have been received by OAIT and are expected to be final within the next few weeks.
National Park Service	NPS is working with their Regional Indian Desks to develop Regional implementation plans that will be used at the National office to assemble their National plan. No draft of the plan has been received by OAIT at this time.
Bureau of Land Management	Procedures have been developed and are in draft stage. No draft plan has been submitted to OAIT at this time.

Bureau of Indian Affairs

Land, Water and Natural Resources

- Provided a total of \$2.9 million to 86 Tribes for hazardous and solid waste clean-up on Indian lands.
- Trained over 100 Tribal members to perform water-resources and land surveys, with 99 percent continuing with college course work, 66 percent continuing to work for tribes, and several program participants pursuing college degrees.
- Provided over \$23 million to more than 100 Tribes to conduct technical studies for water rights settlements.
- Developed an oil and gas evaluation and management software system to assist the Osage Tribe in managing its production and financial oil and gas data.
- Installed seismic data processing system to assist Tribes to more cost effectively explore and develop remaining oil and gas deposits.
- Provided \$44 million to 107 tribes and 20 intertribal organizations for the management of Indian fish and wildlife resources on-reservation and in treaty-ceded territory.
- Developed an Indian Fish and Wildlife policy, which guides discussions regarding the protection, management and enhancement of Tribal fish and wildlife resources.

Trust Funds Management Improvements

- Secretary's Six Point plan: In June, 1994, the Department issued the draft Indian Trust Funds and Trust Asset Management Reform Plan. It addresses the 3 basic goals of ensuring the safe investment of trust funds at favorable rates of return, providing timely and accurate account holder information; correcting decades of accounting inaccuracies, improving inter-Bureau coordination; and promoting Tribal management of trust funds. It provides the framework for implementing much needed reforms to the management of \$2.3 billion in Indian trust funds and assets generating receipts over \$979 million. We have been on target in implementing the 6 basic reform areas in this plan.
- Reconciliation of Indian Trust Fund Accounts - Prior Year Reconciliation Project: BIA has undertaken a massive reconciliation project, reconciling Tribal trust fund accounts for a twenty year period from 1992 back to 1973. The contractor involved in this effort has reconciled nearly 90% of the transactions and 85% of the dollars in the non-investment category. For a massive reconciliation of this type -- which is without precedent in terms of its scope -- we are completing a major milestone.

This is just one of several Tribal reconciliation components that are in various stages of completion. During fiscal year 1995, periodic reports will be provided to Tribes as each

of these components is completed.

- **Current Reconciliation Improvement:** For the first time in 20 years, BIA is reconciling transactions and maintaining current balances for Tribal and Individual Indian Money (IIM) accounts on a regular basis.
- **Improved Systems:** Work in maintaining accurate balances is being advanced by the conversion to a state-of-the-art core trust fund system provided by a private sector service bureau. BIA awarded a major contract at the beginning of this fiscal year and the system will be fully operational in the third quarter of this fiscal year.
- **New Trust Funds System:** The new trust core system has state-of-the-art processing capabilities for trust fund administration. It assists in performing such duties as investments, accounting, and government reporting, while providing reliable, timely, and accurate reporting. The new system will provide regular account statements, daily security pricing, quick payment and settlement of securities, and automatically investing available cash into the Government "overnighter" account at the U.S. Treasury.
- **Improvement in Daily Management of Funds/Operations:** Technical Advancements - BIA has also implemented improvement since October 1, 1992 to put the Office of Trust Funds Management (OTFM) on-line with the Treasury Department, allowing OTFM to monitor daily cash activity of investment and field financial activities. Electronic Funds Transfer procedures have been piloted by OTFM to ensure timely collection of Tribal funds for quicker investment. Full implementation of this process is planned in the future. An electronic certification system has been implemented enabling tribal drawdowns of their funds to be reflected in the Tribal accounts by the next business day and eliminates excessive paperwork and forms previously required.
- **Development of Needed Policies and Procedures:** Controls have been implemented to eliminate overdrafts in Tribal accounts (a problem which had previously plagued trust fund operations). Standardized desk operating procedures for handling IIM accounts at BIA field office have been developed and are being implemented. Additionally, in 1994 BIA approved a trust fund loss policy which contains procedures to identify and resolve losses promptly.
- **Staffing/Office Realignment :** The Office of Trust Funds Management has also been realigned. The new organization, approved in April, 1994, for the first time brings about the division of duties between the accounting functions and the investment functions. A focus on customer relations is reflected in the new organization as well. The realignment will facilitate implementation of long term improvements in customer service and quality assurance, continued success in the reconciliation efforts, and implementation of major improvements in data processing systems.
- **Special Trustee:** The White House has indicated an intent to nominate Paul Homan, an

independent financial and regulatory consultant to banks and thrifts, a former bank president and former senior staff member of the U.S. Comptroller of the Currency as the Special Trustee over the Department of the Interior's Indian trust funds matters. The Special Trustee position is a Presidential appointment, called for in the American Indian Trust Fund Management Reform Act of 1994 to provide oversight over the Department's trust responsibilities and coordinate reform efforts.

Criminal Justice and Law Enforcement

- Established a procedure for making FBI criminal history records available to tribes for character checks on employees whose work involves children.
- Created Office of Internal Affairs to investigate recent reports of incidents of BIA police officers using excessive force during arrests.
- Requested and was appropriated \$2 million to repair detention facilities located on Indian lands.
- Provided \$6.8 million to Sac and Fox Tribes (Oklahoma) for the balance of construction of a detention center. This is the first construction project accomplished under self-governance.
- Conducted five interagency training seminars for Tribal officials and employees on reporting and investigating child abuse.
- Completed construction and operational implementation of Fort Peck and Cheyenne River detention facilities.
- Created a special criminal investigation position dedicated to archaeological and cultural antiquities crime in Indian Country.
- Completed installation of 45 locations of a new national system to network 200 Tribal law enforcement programs for incident reporting and information management.

Economic Development

- Aberdeen Area Tribal Economic Summit: In November 1994, the Assistant Secretary of Indian Affairs hosted Tribal Nations and federal agencies at the Aberdeen Area Tribal Economic Summit. Two follow-up meetings have occurred with recommendations concerning technical assistance, credit availability and other economic development policy issues. The BIA will be proposing a unique joint partnership between the Aberdeen Tribes, SBA and BIA on May 5 which will address technical assistance service delivery.

- Alaska Economic Summit: In February 1995, the Assistant Secretary of Indian Affairs met with Alaska Tribes and federal agencies to discuss economic development, 638 contracting and energy issues. Federal agency participants had the opportunity to visit rural Native Alaska villages, and tribal participants learned how to develop and market their economic development projects. Federal agency participants are following up on specific issues and projects.
- Subcommittee on Indian Economic Development: As a Subcommittee of the President's Community Enterprise Board, the Subcommittee on Indian Economic Development has focused its' attention on legislation to create financial institutions in Indian country and to improve the economic conditions and supply of housing in Native American communities by creating a Native American Financial Services Organization (NAFSO). Legislation (S.346) is pending in the Senate.
- Fannie Mae and the BIA: To facilitate home mortgages in Indian Country, Fannie Mae and the BIA have forged a new partnership. Fannie Mae will purchase mortgages from primary lenders for the secondary market, thereby, providing incentives to the private sector to offer mortgages in Indian Country.
- Community Development Financial Institutions. On September 23, 1994, the President signed the Community Development Banking and Regulatory Improvement Act that will bring technical assistance and financial assistance for community development to need areas and populations. As a advisory member, the BIA is ensuring that the Community Development Financial Institutions will indeed target Indian Country as specifically required by the Act.

Tribal Governments and Tribal Courts

- Published final regulations to improve and expedite the administrative process for acknowledging Indian Tribes.
- Delegated to 23 BIA agencies, the authority to approve, award, decline and perform all other functions in the administration of non-procurement self-determination contracts.
- Acknowledged two new Tribal Governments: the Mohegan Indian Tribe of Connecticut - May 1994; and the Ione Bond of Miwok Indians of California - March 1994.

- Provided New Tribes funding to six congressionally recognized Tribal Governments:
 - 1) Pokagon Band of Potawatomi Indians of Michigan, September 1994
 - 2) Little River Band of Ottawa Indians of Michigan, September 1994
 - 3) Little Traverse Bay Bands of Odawa Indians of Michigan, September 1994
 - 4) United Auburn Indian Community of California, October 1994
 - 5) Paskenta Band of Nomlaki Indians of California, November 1994
 - 6) Central Council of the Tlingit & Haida Indian Tribes of Alaska, November 1994

Housing, Social Services and Education

- Provided emergency disaster funding to repair homes of 14 Indian families ravaged by the 1993 Kingfisher Flood.
- Completed draft regulations for implementation of the Indian Child Protection and Family Violence Prevention Act.
- Signed an updated interagency agreement with the Indian Health Service to coordinate child abuse prevention.
- Established a BIA-Tribal Goals 2000 Indian panel to oversee that development and implementation of a state-wide BIA plan to meet the National Education Goals.
- Completed 22 regional Tribal consultation hearings on Indian education issues.
- Trained more than 500 school board members on national issues affecting their respective schools.
- Implemented School Support Teams in BIA funded schools during the 1994-95 school year as authorized in the Improving America's Schools Act of 1994.
- Provided a total of 12.4 million to seven Tribes under interim procedures for implementation of education facilities grants in accordance with provisions of P.L. 100-297, as amended, to repair or construct school facilities. Additional grants are being negotiated and will be awarded during the remainder of the fiscal year.
- Developed a DOI-HUD interagency workgroup for consultation by the Secretaries of the Interior and Housing and Urban Development to address housing issues:

Convened workgroups to solicit options for resource allocation methodologies for housing and welfare assistance, as those funds moved to Tribal priority allocation.

Established and convened the Housing Improvement Plan Reinvention Management Lab to advise on funding issues, HIP regulations and streamlining/improving HIP.

Base Closures

- Sponsored a forum with Tribal representatives in March regarding a proposed Secretarial Order on the Department's Base Closure policy, which would replace an interim policy. Tribal input is in the process of being reviewed and incorporated into a final policy, which should be issued by June 1, 1995.

Indian Gaming

- Reviewed and approved 22 Tribal-State compacts with 33 Tribes in 8 States.
- Developed proposed regulations for off-reservation land acquisitions and per capita distribution payments.
- The Chief of Staff of the Department addressed the National Indian Gaming Association on April 19, 1995, concerning the Department's perspective on a variety of Indian gaming issues.

Upcoming

- A Fiscal year 1997 Annual Budget Meeting is scheduled for May 21-22, 1995. Tribes will participate in the development of the Bureau of Indian Affairs' FY 1997 budget.

Bureau of Land Management

- Established a national Native American Program Office (NAPO) to enhance the BLM's effectiveness in meeting national Indian program objectives.
- Established a bureauwide network of Indian program coordinators in each BLM state office to enhance both internal and external coordination of Indian concerns, to improve communication of Indian policy and assist in the delivery of Indian related training.
- Signed an agreement with the National Indian Justice Center to provide training to BLM managers on working with Indian Tribes, sovereignty, trust responsibility and religious freedom and, to assist in dispute resolution involving Tribal Governments.
- Created Native American Project Teams in Colorado and Wyoming to improve the BLM's responses to issues raised by Tribes or their members.

- Mandated that each State Director establish a government-to-government relationship with Tribes, meet with Tribal leaders, and become more directly involved in issues of importance to tribes.
- Signed a Cooperative Agreement with Colorado State University for the education and professional development of Indian students in natural resource fields, through BLM internships.

Minerals Management Service

- Operated Indian Royalty Assistance Offices in three western locations to provide direct assistance to Indian mineral owners regarding their mineral revenues.
- Established the Indian Gas Valuation Study Group, including members from MMS, BIA, Indian Tribes, and allottee groups, which is in the process of revising Indian gas valuation regulations.
- Established cooperative audit agreements with Indian Tribes to empower them to audit their own mineral leases and revenues.
- Launched a "Circuit Rider," a cooperative DOI Indian minerals outreach program to meet and consult on a recurring, regular schedule with Indian mineral owners. The first cycle of this schedule has been completed for the Muskogee Area Tribes.
- Issued MMS Statement of Policy and Approach on Indian Royalty Management to help define and communicate its trust responsibility.

Office of Surface Mining Reclamation and Enforcement

- Established, with the Navajo Nation and the BIA, a Mine Plan Review Committee to review mining activities on the Navajo Reservation.
- Created a task force to assist Tribes in developing regulatory surface mining programs in accordance with the Energy Policy Act of 1992.
- Created a task force to study the feasibility of creating an Office of Indian Excellence to handle all activities on Indian lands.
- Provided \$3 million for a Cultural Center and Museum on the Navajo Reservation.
- Settled litigation with the Navajo Nation, Hopi Tribe and the United States over regulation of surface coal mining on Indian lands. The terms of the settlement allows

the Tribes to retain sovereign authority to regulate mining on lands within their jurisdiction as long as they are consistent with federal regulations.

U.S. Fish and Wildlife Service

- Completed an historic Native American Policy setting forth general principles that will guide the Service's affairs with Indian Tribes.
- Created Native American liaison offices at each of the seven Regional Offices of the Fish and Wildlife Service, and are in the process of establishing a headquarters liaison office.
- The new National Eagle Repository in Denver, Colorado is nearing completion, and should be fully operational in early July. This should greatly improve the Services ability to provide eagles and parts to American Indians for religious purposes.
- Adopted a new and simplified Eagle Permit application for American Indians seeking eagle for religious purposes.
- Established a Memorandum of Understanding with the White Mountain Apache Tribe articulating the principles of the Fish and Wildlife Service's trust responsibilities.
- Provided training to agency personnel to raise sensitivity towards and understanding of Native Americans, including cultural and religious issues.

National Park Service

- Created an American Indian Liaison Office at headquarters as part of the National Park Service Restructuring Plan and continued the American Indian Liaison Offices in the Southwest and Rocky Mountain Regional Offices.
- Provided cooperative training with Park personnel and American Indians to improve understanding of National Park Service responsibilities to Indian Tribes.
- The Parks as Classrooms provided education and training in National Parks to American Indian students and teachers.
- Awarded \$1,835,000 in grants to 43 American Indian Tribes for projects to protect their cultural heritage.

National Biological Service

- Developed an American Indian Policy, currently under legal review, that will establish general guidance for all NBS activities.
- Conducted training programs to familiarize Indian students with careers in natural resource management and science.

U.S. Geological Survey

- Established a network of Indian affairs coordinators for USGS programs in order to increase responsiveness to Indian affairs.
- Developed outreach programs to keep Indian Tribes informed of USGS national energy and mineral assessment projects.
- Sponsored and conducted Indian education programs at Haskell Indian Nations University on hydrology and geographic information systems and at Indian schools in San Carlos, Arizona and in Bad River, Wisconsin on geologic concepts.
- Solicited participation of Indian tribes on advisory committees and workshops for the National Water Quality Assessment Program, ecosystem studies and geologic studies.

U.S. Bureau of Mines

- Consulted with 25 Tribes to target environmental and resource issues requiring technical assistance.
- Prepared agreements to conduct economic and market assessments of aggregate and gravel resources for Campo Band of Mission Indians, Soboba Band of Mission Indians, Torres-Martinez Band of Mission Indians, the White Mountain Apache Tribe, and the Shoshone and Arapaho Tribes of the Wind River Reservation.
- Utilized ground-penetrating radar system to locate remnants of Native villages near Barrow, Alaska as part of archeological research supported by the USBM, the National Science Foundation, other Interior agencies, among others.

Bureau of Reclamation

- Completed an Indian Trust Resources Policy to ensure that obligations concerning trust resources are upheld.
- Conducted American Indian cultural awareness workshops at regional offices.

- Provided training about the Indian Self-Determination Act for Reclamation employees to facilitate Tribes' contracting under the Act.
- Funded programs at Central Washington and Arizona State Universities, Southwestern Indian Polytechnic Institute, and the Hualapai Indian Tribal Council to further natural and cultural resource training for Indian students.
- Provided financial or technical assistance for municipal, rural and industrial water supply system studies for numerous Tribal Nations, including Navajo, Standing Rock Sioux, Chickasaw, Shoshone and Arapahoe (Wind River), Northern Cheyenne, and Havasupai.
- Provided technical assistance in such areas as well rehabilitation, fisheries, and river basin management to numerous Tribal Nations, including the Yakima, Laguna Pueblo, Navajo, Pima and Maricopa (Gila River).
- Provided staff and financial assistance to 30 Departmental teams concerned with negotiating Indian water rights settlements or implementing completed settlements.
- Provided instructors or funding for technical water resources training programs for Indian students at New Mexico State University, Haskell University and Cispus Learning Center.
- Provided specialized technical training programs for several Tribes in such areas as water measurement; water flow models; irrigation system operations and maintenance; and municipal, rural and industrial water supply systems.

DEPARTMENT OF JUSTICE

National American Indian Listening Conference

- The Department of Justice has made the development of a new partnership with Indian Tribal Governments a priority. On May 5-6, 1994, the Department of Justice and the Department of the Interior sponsored the National American Indian Listening Conference in Albuquerque, New Mexico. The Conference was designed to be the first step in the process of forging a new partnership with Tribal Nations. In order to be a better partner, the federal government needs to be a better listener. The Listening Conference provided an opportunity for tribes to describe their vision of this new partnership to federal officials. In response to tribal concerns and in accordance with the Department's duties in Indian Country, we have taken the following steps during the past year:

Creation of the Office of Tribal Justice

- At the Listening Conference, it became apparent to the Department that we needed to establish a permanent channel for tribes to communicate their concerns to the Department. The Office of Tribal Justice was established to provide such a point of contact within the Department for Indian Tribes. This office will ensure better communication between the Department and Tribes.
- The Office of Tribal Justice also is another step toward our goal of Reinventing Government. One of the roles of the office will be to ensure internal uniformity of Department policies, litigating positions, and legislative efforts relating to Indian Country. By coordinating and focusing the Department's policies and positions on Native American issues, the Office of Tribal Justice will enable existing Departmental programs to operate more effectively and lead to better service to Indian tribes and Indian people.

The Department is confident that through the Office of Tribal Justice the Department will address issues that are of importance to the First Americans with renewed effectiveness.

Native American Religious Rights

- Last year, the Department was actively involved in development of a bill to protect Native American religious rights. We worked with the Department of the Interior, a coalition of tribes, the Senate Committee on Indian Affairs, and the House Subcommittee on Native American Affairs to redraft legislation.

- In addition, the Department worked with the other federal agencies, the House Subcommittee on Native American Affairs, and tribal groups on an amendment to the American Indian Religious Freedom Act (AIRFA). This amendment protects the right of Indians to possess and use peyote for religious purposes. Both the House and Senate have passed the amendment, and the President signed it last fall.

Indian Gaming

- The Department has filed several briefs defending the constitutionality of the Indian Gaming Regulatory Act (IGRA), which provides the regulatory framework for Tribes to engage in gaming activities. We also have successfully opposed in federal district court attempts by gaming competitors and dissident Tribal members to stop the opening of legal gaming operations in Mississippi, Louisiana, and California. This has permitted these Tribes to have access to much needed revenue for Tribal social and economic development programs.

Litigation Brought on Behalf of Tribes Defending Treaty Rights and Tribal Sovereignty

- The Department, primarily through the Environment and Natural Resource Division's Indian Resource and Appellate Sections, brings affirmative litigation on behalf of Tribes and against third parties (often states and their political subdivisions) seeking, among other things, to defend aspects of Tribal sovereignty and treaty rights, establish Tribal water rights, quiet title to Tribal lands, resolve reservation boundary and survey disputes, redress trespasses to Indian lands. As the following cases illustrate, we have had an active and successful year litigating cases on behalf of Tribes:

1. Cases

- U.S. v. Washington -- In a landmark victory for the United States and the Tribal Nations, a federal district court recently issued an opinion confirming the treaty right of 16 northwestern United States Tribes to a 50% share of the shellfish take. This decision represents a major success for the particular tribes involved and, more generally, for the defense of Indian treaty rights.
- Southern Ute Tribe v. State of Colorado -- The federal district court entered summary judgment in favor of the Tribe and the U.S. (participating as amicus curiae) in this action brought to challenge state and county taxation of the Tribe's reservation income from oil and gas activities on its fee-owned lands. Significantly, the court rejected the defendants' assertions that the reservation had been diminished and that the Tribe's fee lands are taxable pursuant to a recent Supreme Court case.

- Mille Lacs Band of Chippewa Indians v. Minnesota -- The federal district court held that the Tribe's treaty right to hunt, fish, and gather continued to exist on ceded territory.
- In Re Gila River Adjudication -- The state court issued a crucial ruling in this general stream adjudication, holding that the sub-flow of a river in Arizona is hydrologically connected to the surface flow. The significance of this ruling is that the groundwater users in the Basin, heretofore exempt from the court's jurisdiction, must quantify their claims to water and face subjugation of their water use to the senior rights of the Arizona Tribes with rights in the Basin.
- County of San Diego v. Babbitt -- The federal district court dismissed a challenge to the Secretary of the Interior's approval of a Tribal economic development project to construct and operate a solid waste disposal facility.
- U.S.ex rel Cheyenne River Sioux Tribe v. South Dakota -- The federal district court granted summary judgment in favor of the United States and the Tribe in a suit filed by the Environment and Natural Resources Division that challenged state imposition of an excise tax on motor vehicles owned and operated by members of the Tribe living on the Cheyenne River Reservation. The court also granted in full the United States' motion to dismiss the State's counterclaim.
- Black Hills Inst. of Geological Research v. South Dakota School of Mines & Tech. -- The Eighth Circuit upheld a district court ruling that the Black Hills Institute, which had excavated and removed a Tyrannosaurs Rex fossil (the largest and best preserved ever found) from an Indian allotment held in trust by the United States, had no interest in the fossil because its purported purchase from the Indian allottee owner never was approved by the federal government. The United States was represented by the Appellate Section of the Environment and Natural Resources Division.
- United States v. Tenneco -- In an exemplary model of inter-agency cooperation, the Department of Justice has issued a formal demand letter to Tenneco Oil in anticipation of filing an action on behalf of the Secretary of the Interior and the Environmental Protection Agency for the benefit of the Sac and Fox Nation and its members to seek a remedy for the saltwater pollution and degradation of the land and groundwater resources of the Sac and Fox Nation caused by improper operation and maintenance of oil and gas leases. This pollution has deprived the Nation of its sole natural water source - it currently pays to have water piped in from an off-reservation source - and has inhibited economic development and the expansion of social programs on the Reservation.
- United States v. Gila Valley Irrigation District --the federal district court for the District of Arizona ruled, in a case filed by the Environment and Natural Division, that federal reserved water rights include the right to water of sufficient quality to support

reservation commercial agriculture and that the United States can enjoin non-Indian upstream farmers from employing farming practices, and water use practices, including ground water pumping, that degraded the tribal water source.

- United States v. Idaho -- Reaffirming fundamental principles of sovereign immunity, the Supreme Court struck down an Idaho statute that attempted to "tax" federal water rights, including rights held for the benefit of Indian Tribes. The State of Idaho, as part of its adjudication of all rights to use water from the Snake River system, required all water users, including the United States, to appear as defendants in the adjudication and pay a "filing fee" measured by the extent of the right claims. Failure to pay the fee would, under the State scheme, result in forfeiture of the right. The State sought to collect in excess of \$10,000,000 from the United States, much of it based on the water that the United States had reserved for the benefit of various Tribal Nations in Idaho. When the Clerk of the Court refused to accept the government's claims for filing, because they were not accompanied by the fees, the Environment and Natural Resources Division brought an action in mandamus that led to the eventual Supreme Court victory.

2. Procedure

- In response to Tribal suggestions, the Department has initiated work to enhance our advocacy on behalf of Tribes. We have proposed to establish an internal procedure for handling litigation brought on behalf of Tribes that would provide additional opportunities for consultation with Tribes throughout the litigation process.

Claims Against the United States

- The Department also defends the United States (typically the Secretary of the Interior) in challenges to its implementation of Administration Indian policy. These challenges often take the form of lawsuits by States, non-Indians, individual Indians, or Tribes that disagree with policy and administrative decisions on Indian matters.

1. Cases

- Flathead Joint Board of Control v U. S. -- Three Irrigation Districts and their Joint Board of Control were spurned in their efforts to find the United States in breach of alleged statutory and contractual obligations to turn over to non-Indian interests the operation and maintenance of the irrigation works and power distribution system of the Flathead Indian Irrigation Project on the Flathead Indian Reservation in Montana. The Tribe presently operates the power division under a contract with the United States. The present operation and management of the irrigation works by BIA protects Indian interests and treaty based water rights.

- South Dakota v. Department of the Interior -- The district court rejected a challenge to the Secretary's decision to take newly acquired land into trust for the Lower Brule Sioux Tribe to be used for economic development.

2. Claims Settlement

- The Department intends to play a more active role, where appropriate, in the process of pursuing settlement claims where tribes sue the United States. This resolve is illustrated by the Department's efforts in securing the enactment of the Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act, which settled a 40-year old lawsuit over whether the United States failed to honor commitments to afford the Tribes a share of the revenues from Grand Coulee Dam which was constructed, in part, on reservation lands. The settlement agreement and legislation compensate the Tribes for lost revenues from 1941 to the present and provides annual payments to the tribes beginning in 1996.

Criminal Investigation and Enforcement in Indian Country

- Crime extracts a tremendous price from the communities of this Nation. Indian communities have paid particularly high costs both in terms of broken lives and in dollars lost. By statute, the Department through the United States Attorneys' Offices is responsible for the prosecution of major and other crimes between Indians and non-Indians in most of Indian Country. The Department is committed to carrying out these responsibilities in a manner consistent with the government-to-government relationship between Tribal Nations and the federal government.

The United States Attorneys' Offices and the Criminal Division -- in conjunction with the Federal Bureau of Investigation (FBI), the Bureau of Indian Affairs (BIA), and the tribes -- are working to address the unique problems of combatting crime in Indian Country. The prosecution of violent crimes against victims in Indian Country is one of the Department's highest enforcement priorities, especially where the victims are children.

1. Federal Prosecution of Crime in Indian Country

The Justice Department has taken several important steps aimed at improving its responsiveness to crime and crime victims in Indian Country. United States Attorneys' Offices with significant Indian jurisdiction have focused on how to provide better service to the Native American population.

- Special Assistants for Indian Affairs -- The Department has encouraged United States Attorneys to appoint special assistants for Indian Affairs in order to develop better working relations with Tribal Nations and to provide a point of contact for crime

victims and their families, tribal law enforcement officers, victim advocates, social workers, prosecutors, and other officials. In recognition of the importance of this task, 26 additional Assistant United States Attorney positions have been provided to those districts containing significant amounts of Indian Country.

- Development of Agreements to Resolve Problems of Overlapping Jurisdiction -- The problems involving the scope of federal, State, and Tribal jurisdiction present a barrier to effective law enforcement in Indian Country. Several U.S. Attorneys' Offices have worked with federal, State, and Tribal agencies to develop memoranda of understanding (MOU) to address problems caused by overlapping jurisdictions. For example, in 1994, the Tribal Nations and United States Attorneys Offices in Oklahoma worked with the FBI, BIA, the Indian Health Service, and the State to develop an MOU to guide the investigation, reporting, and prosecution of physical and sexual abuse of Indian children. Several additional United States Attorneys' Offices are exploring the possibility of MOUs with other sovereign Tribal Nations.
- Training -- Within the Department, we are redesigning our training programs to ensure that federal prosecutors understand the jurisdictional framework for Indian Country, the law, and their responsibilities to American Indian communities. The FBI is providing similar training for agents assigned to Indian Country or having significant responsibilities in Indian Country. Our goal is to ensure that our federal enforcement responsibilities are carried out sensitively, responsibly, and effectively.
- Prosecution of Child Sexual Abuse -- The prosecution of federal child sexual abuse statutes in Indian Country is an area of great concern within the Department. Since the enactment of the Indian Child Protection Act, the Crime Control Act, and the Indian Law Enforcement Reform Act in 1990, the Department has taken steps to enhance its responsiveness to Indian child victims and to utilize fully the tools provided by Congress. On issues of child protection, the Child Exploitation and Obscenity Section (CEOS) of the Criminal Division enhances, through its expertise and human resources, the efforts of United States Attorneys. CEOS is a litigation section staffed by attorneys with backgrounds and expertise in child protection issues and the prosecution of child exploitation cases. Since November 1994, CEOS has hired seven attorneys with extensive expertise in child sexual abuse and Indian Country issues.
- Correction Facilities in Indian Country As part of a pilot project to address the need for corrections and treatment facilities in Indian Country, the Department is exploring the possibility of opening a Halfway House in Indian Country in New Mexico. Such Halfway Houses would allow Indian offenders to remain in their communities within reasonable proximity to their families.

2. Federal Criminal Investigation in Indian Country

The FBI and the BIA work together to investigate federal crime which occurs on Indian Country. To be effective in reducing crime in Indian Country, increased prosecutorial resources must be mirrored by an increase in law enforcement personnel.

- Law Enforcement Cooperation -- In 1995 and 1996, the United States Attorneys will encourage the further development of Tribal police and law enforcement programs and aggressive cross-designation of Tribal police with BIA and other appropriate policing authorities.
- Additional Federal Law Enforcement Personnel -- Twenty-seven additional FBI agents will be assigned to supplement the agents currently conducting investigations in Indian Country.
- Tribal/Federal Cooperative Programs -- Because of the complex jurisdictional issues and the expanse of Indian Country, the FBI works with tribes to develop cooperative law enforcement efforts. These efforts include the initiation of Operation Safe Trails in cooperation with the Navajo Nation's Department of Law Enforcement. This program, which is designed to address major crime and sexual abuse in Indian Country, is staffed by a task force of FBI Special Agents and Navajo Nation Police Officers. FBI field offices in other areas are exploring the possibility of implementing Safe Trails programs. In addition, the FBI has developed pilot programs to train Tribal police in FBI facilities. The FBI plans to expand its programs and training efforts to include regional training programs for Tribal police officers.

3. Building Tribal Capacity to Address Crime

- Although the Department enforces federal law in much of Indian Country and works with Tribes to prevent crime, the solutions to the crime problem must come from within Tribal communities. The Department is committed to enhancing the capacity of Tribal Nations to confront the problems of crime in Indian communities.
- Tribal Law Enforcement -- The Community Oriented Policing Services (COPS) program was established under the Violent Crime Control and Law Enforcement Act of 1994. COPS is committed to helping Tribal Governments control crime by helping them hire more police officers and expand their law enforcement capacity. In FY 1995, 128 Tribes have received over \$9 million in funding from police hiring grants. Such direct grants to Tribes are an important step toward building tribal law enforcement capacity.
- Tribal Courts Project -- Tribal courts are critical to effective law enforcement in Indian Country. The Department has initiated a Tribal Courts Project to assist tribes in developing and strengthening their systems of justice, so that Tribal Governments are

able to establish, maintain, and enforce the laws that govern Indian lands. The Tribal Courts Project -- which coordinates its activities with the BIA -- is undertaking a number of efforts related to the improvement of Tribal family court and juvenile justice systems. The Project is about to initiate a Tribal Court - DOJ Partnership Program with certain Tribal Governments, which will coordinate Department resources aimed at improving Tribal systems of justice. The particular emphasis of the Partnership will be family violence and juvenile justice. The Department tentatively plans to focus resources on increased training opportunities for Tribal Court judges in those areas, and will support traditional Tribal justice systems such as the Navajo Nation Peacemaker Division -- for the handling of juvenile justice issues.

- The Bureau of Justice Assistance (BJA) provides formula grants to states to assist state and local criminal justice systems. Tribal Governments are eligible to receive funding from the states under this program. In addition, BJA tentatively has planned to provide the following awards directly to tribes: planning grants to three reservations for the establishment of a comprehensive plan to reduce crime, domestic violence, and drug/alcohol abuse; funding for the improvement of Tribal Court systems, including the possible establishment of a pilot program to increase the effectiveness of prosecutions of child sexual and physical abuse; support for training and technical assistance for programs in Indian Country offered by the Office of Victims of Crimes and Bureau of Indian Affairs Law Enforcement; and work with the Boys' and Girls' Clubs of America to explore the feasibility of establishing sites in Indian Country.
- The Office of Juvenile Justice and Delinquency Prevention (OJJDP) manages the Native American pass-through provision of the Juvenile Justice and Delinquency Act. In addition, OJJDP provides training, technical assistance, and grant funds to Tribes and institutions for the prevention and treatment of juvenile delinquency. Currently, OJJDP is engaged in, or planning, several initiatives in Indian Country. OJJDP is providing assistance to the Pueblo of Jemez, Navajo Nation, Gila River Indian Community, and the Red Lake Band of Chippewa Indians to develop community-based alternatives to secure detention and incarceration facilities. In FY 1995, OJJDP plans to identify a site in Indian Country for one of five "Safe Futures" programs. Safe Futures will focus on implementing a comprehensive delinquency prevention and intervention program. This program will enhance public safety and provide a continuum of care for at-risk and delinquent youth.
- The Office of Victims of Crime (OVC) works with federal, State, and Tribal authorities to support programs to compensate and assist victims of crimes. In addition, OVC offers training for Tribal, State, and federal law enforcement officers, prosecutors, and social service and mental health staff through the biennial Indian Nations Conference.

- Addressing Domestic Violence -- No discussion of crime would be complete without stressing the tremendous impact that family violence has on the growth and spread of crime. A child that observes domestic violence grows up to accept violence as a normal part of life and is more likely to become an abuser or an abuse victim. As a society we must take the position that family violence will not be tolerated. The Violence Against Women Act, established under the Violent Crime Control and Law Enforcement Act of 1994, authorizes and appropriates funds for a grants program to combat violent crime against women. These grants are designed to develop and strengthen effective law enforcement strategies to combat violent crimes against women and strengthen victim services in cases involving violence against women. The Act stipulates that 4% of the appropriated funds must be reserved for direct grants to Tribal Governments. The Office of Justice Programs anticipates awarding 15-20 grants to Tribes through this discretionary program in FY 1995.

Civil Rights Protections

The Department has been very active over the last several years enforcing statutes that prohibit discrimination against Native Americans. That activity includes the following:

1. Housing

- We brought four lawsuits in South Dakota alleging discrimination against Native Americans. At the time of filing we conducted a major press conference in which representatives of several Tribes participated along with Attorney General Reno. One case was against a bank. The other three were brought against owners and operators of rental housing (two located in Sioux Falls and one in Rapid City) and resulted from evidence gathered as part of the Section's fair housing testing program. Since the filing of the cases, we have successfully resolved each of them.

2. Voting

- The Department has taken several actions that have resulted in significant increases in Native American voter registration and voter turn-out. In April 1994, extensive programs to provide information and assistance in the Navajo and Pueblo languages resulted from U.S. v. Cibola County, New Mexico and U.S. v. Socorro County, New Mexico. In September 1994, a similarly extensive program was set out in our revised consent decree in U.S. v. Sandoval County, New Mexico. We are seeking to extend our consent agreement affecting McKinley County, New Mexico, and we are continuing to monitor our consent agreement affecting Navajo speakers in Apache and Navajo Counties, Arizona.

- In April and May 1994, the Attorney General objected under the Voting Rights Act to the addition of superior court judgeships in Coconino and Navajo Counties, Arizona, where the judges would be elected under methods that are unfair to Native Americans.
- Federal observers were assigned under the Voting Rights Act to monitor polling place activities and the effectiveness of the counties' use of the Navajo and Pueblo languages during the 1994 primary and general elections in Apache and Navajo Counties, Arizona, Cibola, McKinley, Sandoval, Socorro Counties, New Mexico (federal observers also monitored the 1995 school board election in the latter two counties), and the 1994 general election in San Juan County, Utah.

3. Education

- In 1993, we initiated an investigation into allegations that Native American students in San Juan County, Utah, were being denied equal educational opportunities because of their race and limited-English-speaking proficiency. Among other things, the school officials were accused of failing to provide academic courses and extracurricular offerings at predominantly Indian schools which were comparable to predominantly white schools; failing to properly address language barriers faced by Indian students; and refusing to build a high school in a remote area populated mostly by Indians, while placing schools in remote areas populated largely by whites. The school district encompasses a vast area, much of which is on the Navajo Indian Reservation. In addition to our own investigation, we also received a Title VI referral from the Office for Civil Rights (OCR) of the U.S. Department of Education following their finding that Navajo children in the San Juan County School District who speak primarily the Navajo language are not offered an adequate language remediation program, and that the district has failed to meet its agreement to develop and implement an appropriate bilingual program.
- In 1994, the Attorney General approved the United States' intervention in two private suits, Sinajini v. San Juan County School District and Meyers v. San Juan County School District, to challenge the above described practices.

DEPARTMENT OF LABOR

Legislative Authority

Public Law 97-300, Job Training Partnership Act (JTPA), as amended by Public Law 102-367, Job Training Reform Amendments of 1992

Title IV, Part A, Sec. 401-Native American Programs
Title II, Part B, Sec. 252(a) - Summer Youth Programs

Public Law 102-477, Indian Employment, Training and Related Services Demonstration Act of 1992

Program Description

- These programs are designed to increase the economic well-being of Native Americans, Native Alaskans and Native Hawaiians by direct placement into jobs and by providing job training and related services which will lead to placement in unsubsidized employment. The JTPA program currently has 182 designated grantees, and the majority are tribal governments and consortia. Other grants are awarded to Native American non-profit organizations serving urban areas. Grantees are designated for a two-year period. The current designation period began on July 1, 1993 and will end June 30, 1995 (Program Year's 1993 and 1994). There are currently 10 JTPA grantees with approved plans to participate in the P.L. 102-477 demonstration program. This program permits federally recognized Indian Tribes, including Alaska Native Villages, to submit plans that integrate employment and training formula based funds from the Departments of Interior, Health and Human Services, and Labor.
- The Department of Labor has strived to fulfill the President's commitment to Indian leaders by administering employment and training programs for Indian Tribes founded on a government-to-government relationship. The Assistant Secretary for the Employment and Training Administration has designated the Division of Indian and Native American Programs (DINAP) with this responsibility, pursuant to Sec. 401(j) of the amended Act.

G.I. Bill For America's Workers

- The Administration's G.I. Bill for America's Workers consolidates youth programs into block grants that shift funds, power, responsibility and accountability for such programs to local governments, which are closest to the people to be served. There would, however, continue to be separate funding for Tribal Governments, just as there

is now under the Job Training Partnership Act (JTPA). Proposals to consolidate Indian programs with state block grants undermine the very essence of local empowerment and Tribal self-determination. State block grants that include Indian funding are inconsistent with the President's commitment to Tribal Leaders and their independence from State governments.

Division Chief

- Effective August 1994, Thomas M. Dowd, a Hopi tribal member, assumed the duties of Division Chief for the Indian and Native American Employment and Training Program. Mr. Dowd has been working to effect a partnership between the Indian and Native American community and the Department of Labor that improves program results. He has attended several regional meetings to discuss program issues with grantees throughout Indian Country.

Advisory Council

- The Native American Employment and Training Council was established by statute when the Act was amended in 1992 (JTPA, Title IV - Part A, Sec. 401). The Department views the Council as its direct link to the Native American community for advice, consultation and input on all matters impacting the Indian and Native American Program.
- The Council must meet not less often than twice each program year and maintain a membership of no fewer than 17 Indians, Alaskan Natives and Hawaiian Natives. The Indian and Native American grantees recently submitted 68 nominations to fill ten Council seats. This is the greatest number of nominations ever received from the grantee community. A list of nominations has been forwarded to the Secretary of Labor for his consideration and to make appointments.
- In addition, the Department expanded the Council by one to include a representative from the State of Oklahoma. This decision was based on the fact that Oklahoma is expressly cited in the Act at Sec. 401 (c)(1)(a) because of the unique historical and political circumstances in the development of Oklahoma as a State and its relationship to the Indian Tribes formerly removed to "Indian Territory."
- In order to make "partnership" a meaningful part of our dialogue with grantees, all major policy issues are presented to the Advisory Council for their consideration and advice. Preparations are being made for an Advisory Council meeting to be held at the National Indian and Native American Employment and Training Conference in Bismark, North Dakota this May.

Partnership Plan Meeting

- The first ever "Partnership Plan Meeting" was held in Washington, D.C. from April 10th to the 12th involving eighteen grantees from throughout Indian Country. This meeting provided the grantee community and DINAP an opportunity to develop practical steps to improve the success of the program as true partners.
- The practical steps adopted by the group will be finalized and submitted to grantees for consideration and adoption at the National Indian and Native American Employment and Training Conference in Bismark, North Dakota.
- The finalized Partnership Plan will serve as a blueprint for program success for the next 18 months. The plan will also outline each partner's responsibilities. Again, this is the first time a partnership plan has been developed with our partners that focuses on success and improved results.
- A second "Partnership Plan Meeting" is currently being scheduled for June involving several members of the Advisory Council and others from throughout the grantee community. This meeting will follow the national conference and primarily focus on implementation. The overall plan will be activated at the beginning of Program Year 1995 (July 1, 1995).

Designation Process

- The "waiver of competition" provision included in the 1992 JTPA Amendments was successfully implemented for the first time during the recently completed designation process. The law provides the Secretary with the right to waive competition for a grantee that is successfully administering a current grant.
- On September 26, 1994 DINAP issued Bulletin No. 94-07 for the purpose of transmitting the Designation Process for Program Years 1995-1996. The process remained essentially the same as past years with the exception of the waiver of competition as provided in section 401(1) of the Act, as amended. This process resulted in 139 waivers of competition, or 76% of existing grantees redesignated without competition.
- On March 1, 1995, the Department of Labor designated one hundred ninety-one tribes and organizations as Indian and Native American Job Training Partnership Act (JTPA) grantees for the two-year funding cycle that starts on July 1, 1995. The 191 grantees represent 97 federally recognized Tribal Nations, 16 Tribal consortia, 15 Alaska Native organizations, 61 non-profit Indian-controlled organizations, one Hawaiian Native organization and one Hawaiian state agency. This streamlining effort substantially reduced paperwork, staff time and grantee administrative burden. Grantee feedback

has been very positive.

Section 401 Program Evaluations

- The Employment and Training Administration (ETA) will conduct a 24-month study to determine the nature and quality of employment training and supportive services provided by the Indian and Native American (INA) program. It is expected that the results of the study, culminating in a final report, will be used by ETA, program grantees and service provider, to improve the efficiency and effectiveness of the INA program.
- Critical to the success of the study is for researchers to have an intimate understanding of Native American culture and its effects on service strategies and program administration regarding INA participants. To insure this critical understanding, DINAP's Native American Employment and Training Council (advisory council) members reviewed and commented on pre-RFP questions and essential research tasks. The Council has also been asked to serve as a technical advisory group during the course of the study to assist the research contractor. The contract must be awarded no later than June 30, 1995.

Office of Federal Contract Compliance Programs (OFCCP) and the Tribal Employment Rights Organization (TERO)

- The Progress Report draft for the Department omitted mention of the OFCCP Tribal Employment Rights Organization (TERO) and Native American initiative. The OFCCP Regional Offices (RO) made about 250 contacts with Tribal and Native American leaders during fiscal year 1994. The ROs invite TERO Directors and other Native American officials to participate in regional management meetings and to make presentations regarding their concerns. The TEROs serve as linkage groups for the placement of Native Americans with Federal contractors and helps these contractors find qualified Native Americans for employment. They also provide vocational and other training programs for residents of the reservations and apprenticeship training from the Department's Bureau of Apprenticeship and Training and through the Job Training and Partnership Act.
- OFCCP recognized two Native American groups during the annual OFCCP awards ceremony in 1994. The Exemplary Public Interest Contribution Award (EPIC), initiated in 1994, was presented by the Deputy Assistant Secretary, OFCCP to The Council for Tribal Employment Rights, Normandy Park, Washington and to the Cheyenne River Sioux Tribe TERO, East Butte, South Dakota. The Council which comprises 100 TEROs and the Cheyenne River Sioux Tribe TERO have played key roles in helping Native Americans achieve economic sufficiency and in solving persistent and serious problems of poverty, inadequate education and unemployment.

SMALL BUSINESS ADMINISTRATION

Activities/Accomplishments

- In March 1995, the SBA selected Montana, South Dakota and North Dakota as participants in the Minority Pre-qualification Pilot Loan Program. This Program is specifically directed at reservation communities and is designed to alleviate some of the difficulties of lending in reservation communities. The intent of this Program is to pre-qualify individuals, or Tribal Organizations, for an SBA guaranteed loan for new or expanding business ventures "prior to" their first meeting with a financial lender. This program will encourage Indian businesses to establish relations and a credit history with financial lenders, assist in the development of reservation based businesses, and foster creation of a private sector Indian business economy. Currently, the SBA Montana, North Dakota and South Dakota District Offices are conducting reservation workshops to explain this and other SBA program opportunities.
- SBA continues to monitor and fund the Oregon Native American Native American Business Entrepreneurial Network (ONABEN). ONABEN is a Pilot Program for the SBA, a permanent entity for the Oregon Tribes. It is a not for profit corporation chartered by the Confederated Tribes of Grand Ronde, Klamath, Siletz and Warm Springs and was founded in July 1991, to create reservation based, Indian Business Development Centers. These Centers provide Tribal members: a variety of business development classes (from how to start a small business to marketing and cash flow analysis); counseling; academic credit from Northwest Indian College (NWIC) for attendance; micro-loans; support for SBA, BIA, FMHA loan applications and servicing and one-on-one technical and management assistance once the business is up and running. ONABEN has an outstanding impact on these reservation communities, for both Indian and non-Indian people, and has succeeded in creating an Indian business private sector and an expanded economic base for Indian Tribes throughout Oregon. To expand and support business development opportunities for Indian people the SBA will provide (3) three high-technology mini-Business Information Centers to ONABEN in May 1995. These Centers will be located on the Grand Ronde, Warm Springs and Klamath reservations. In addition, the SBA is working with other Tribes around the country to develop more successful reservation based, Tribally driven, Indian Business Development Centers.
- The SBA is working with, and closely monitoring the Defense Acquisition Regulatory Council (DARC), in the re-drafting of Federal Acquisition Regulation (FAR) Part 26 which implements the Indian Incentive Program (IIP). The IIP, initially created by a 1987 amendment to the Indian Financing Act, promises Federal Prime contractors a flat monetary five percent (5%) subcontract "bonus" to utilize Indian businesses. The legislative intent of the Act is to provide Federal prime contractors with an incentive to reach into Indian Country and utilize Indian Businesses located in reservation

communities. Since 1987 Department of Defense (DOD) appropriations have provided \$8.0 million, drawn pro-rata, out of Title III Procurement accounts to pay the incentives. Unfortunately, the current interim rule published in the FAR in 1988 virtually did away with the IIP. SBA however, has been working with the DOD to develop a new rule. We hope to announce the publication of a new regulation by June 1995. It is the SBA's position, that the IIP is implemented correctly through regulation, will provide substantial business and economic support for reservation based businesses participating in Federal procurements.

- Since the appointment of Quanah Crossland Stamps, SBA Assistant Administrator, Native American Affairs (AA/ONAA) in October 1994, she has met with fourteen Tribes in five states to discuss Tribal Business development opportunities, the SBA 8(a) Program, the SBA Micro-loan Program and the creation of reservation based Small Business Development Centers. In addition to traveling to these reservation communities, Quanah has visited 5 of the SBA District Offices which service Indian communities to encourage and facilitate cooperative working relationships between SBA District Directors, Tribal Leaders, Tribal Economic Development staff and the Bureau of Indian Affairs.
- In February 1995, SBA created a separate Native American Goal category and negotiated Native American Lending goals with 28 SBA District Offices servicing the Indian communities across the United States. This new goal category is designed to increase participation by SBA District Offices in assisting Native American businesses in accessing capital markets.
- The AA/ONAA has developed an aggressive marketing strategy directed at both the Federal and private sector business community. Specifically, SBA continues to encourage large Federal Prime contractors to enter into Mentor/Protege agreements with Indian businesses and Tribal Organizations, outlines the business and monetary opportunities of locating businesses subsidiaries in reservation communities, and the benefits of teaming and contracting with individual Indian businesses and Tribal Organizations.
- In Fiscal Year 1995 which began October 1, 1994, the SBA has made 48 micro-loans to the Native American community in the amount of \$5,147,270 and 132 SBA Guaranteed loans totaling \$22,531,782.
- The SBA has proposed a legislative amendment to the Small Business Act to eliminate the requirement for Tribes to prove they are economically disadvantaged prior to acceptance into the SBA Minority Enterprise Development 8(a) Program.
- The SBA is currently sponsoring two Native American conferences in May 1995: The Third Annual Cultural Tourism Conference for the Alliance of Tribal Tourism on the Lower Brule reservation in South Dakota May 5-7, 1995; and the Native American

Economic Development Conference at KwaTaqNuk Resort in Polson, Montana May 18-19, 1995. This conference will include special presentations by NASA, DOE, and Battelle Labs on the subject of Technology Transfer and the business opportunities for Native American businesses. All are welcome to attend!

DEPARTMENT OF TRANSPORTATION

Activities/Accomplishments

- Secretary Pena issued a Fifteen Point Action Plan relative to Native American Transportation concerns.
- The Federal Lands and Highways Office updated its list of federal and state transportation planners. This list, which was forwarded to all division offices, was also provided to the four Indian Technology Centers. The BIA was encouraged to forward the list to all Tribal Governments.
- The Federal Highway Administration (FHWA) awarded a contract in September, 1993, under the Native American Local Technical Assistance Program (LTAP) which will assist both Tribal and State transportation planners. The products from this contract include: 1) Training guides for use by the LTAP centers. These guides will be used by contractors in teaching transportation planning; 2) A five minute video explaining the importance of transportation planning, and; 3) A "how-to" guide for use by transportation planners, which would contain information on how to develop intergovernmental transportation planning activities.
- FHWA has entered into a reimbursable with the Administration for Native Americans to develop tribal transportation planning capacity. Discussions with the Intertribal Transportation Association are planned to discuss their possible participation in the activity.
- DOT actively participated in interagency meetings and submitted two letters to OMB during the past year to move the Native American Religious Freedom Legislation toward resolution.
- In August of 1994, FAA completed the Medicine Wheel Agreement, in which FAA agreed to minimize the visual, audible, and atmospheric impacts to the Medicine Wheel National Historic Landmark.
- May 10-11, 1994, Denver, Colorado -- American Indian Technology Transfer Center Meeting. Federal Highways Administration, BIA, four technology centers, and a group of tribal organizations discussed the center's accomplishments for 1993 and future activities.
- May 24, 1994, Pittsburgh, Pennsylvania -- American Indian Transportation Day at the Community Transportation EXPO '94. Discussion topics included funding issues for transit projects, the Intermodal Surface Transportation Act (ISTEA) and its impacts on tribal sovereignty, communication problems and Local Transportation Assistance Program coordination with the Federal Transit Administration.

- July, 1994, South Dakota -- A training session on ISTEA and transportation planning was conducted by the Federal Highways Administration (FHWA) Division Office for area Indian Tribes.
- August 2, 1994, Shawnee, Oklahoma -- At a bimonthly meeting of the Oklahoma Tribal Transportation Council, eight tribes, the BIA, and FHWA representatives discussed the Indian Technology Centers and the current Indian Reservation Road (IRR) inventory update.
- August 10-12, 1994, Kansas City, Kansas -- At the FHWA National Civil Rights Conference, a session on State/Federal Responsibilities for Native American participation in ISTEA funded programs was conducted.
- August 23, 1994, Norfolk, Nebraska -- The FHWA participated in the Native American Transportation Coordination Conference.
- September 7, 1994, Washington, DC -- A Transportation Research Board planning meeting was held for the April 23-26 American Indian Transportation and Land Use Summit.
- December 14, 1994, Washington, DC -- A Coordination Meeting for Improving Transportation Planning Between Indian Tribal Governments, States, Metropolitan Planning Organizations, and Counties was held. Presentations made by FHWA, FTA, and an Assistant Secretary to Tribal organizations included the issuance of Secretary Pena's fifteen point action plan relative to Native American Transportation concerns.
- January, 1995, Washington, DC -- At the Transportation Research Board's Annual Meeting, DOT agency representatives attended the Subcommittee on Indian Affairs meeting and TRB sessions on Native American Transportation planning.
- March, 1995, Washington, DC -- Secretary Pena and FHWA Administrator Slater met with representatives from the Navajo Nation's Department of Transportation regarding issues of concern to the tribe.
- April, 1995, Albuquerque, New Mexico -- The Department of Transportation will attend and send representatives to present remarks at the American Indian Transportation & Land Use Summit. This is the first summit of its kind.

DEPARTMENT OF TREASURY

CRA Regulations

- On April 19, 1995, the bank and thrift regulatory agencies introduced a final regulation implementing the Community Reinvestment Act (CRA). The new CRA regulation will help increase access to capital and financial services in underserved communities (Tribal communities), and ensure that institutions are extending credit, safely and soundly as well as fairly, to all creditworthy borrowers.

Community Development Financial Institutions Fund

- The Community Development Financial Institutions Fund promotes the revitalization of distressed communities through the formation and expansion of community development financial institutions (CDFIs). CDFIs promote revitalization in distressed communities, including Indian reservations, through lending, investment and development services. They also target credit to populations such as Native American individuals and Indian Tribes that have historically been underserved by capital markets. CDFIs can take many forms including community development banks, low-income credit unions, loan funds, micro-enterprise funds, multi-bank development corporations, and community based non-profit organizations. Specifically, the Fund will conduct a study to identify barriers to private financing on Indian reservations and make recommendations to address such barriers.

Native American Financial Services Organization

- Treasury has been participating in the interagency Native American Finance Working Group. The group developed a legislative proposal to create the Native American Financial Services Organization (NAFSO), a for profit, federally chartered corporation. The NAFSO would assist the CDFI Fund in creating community based Native American Financial Institutions (NAFIs) which would provide a broad range of financial services to Native Americans. Specifically, the NAFSO would provide technical assistance and other services to the NAFIs under a cooperative agreement with the CDFI Fund. The NAFSO would also provide ongoing assistance to the existing secondary market for Native American residential mortgages. This legislation was introduced in the last Congress, and has been reintroduced this year.

Indian Trust Fund Investments

- As of March 31, 1995, the Secretary of the Treasury invested about \$300 million in public debt securities held in trust for individual Native Americans and Tribal Governments.

Tax Issues

- On October 17, 1994, the IRS published Revenue Ruling 94-65 clarifying that certain federally chartered corporations organized under section 3 of the Oklahoma Indian Welfare Act are not subject to federal income tax on the income earned in the conduct of a commercial business on or off the Tribe's reservation. The ruling also provides tax relief for Tribes seeking to dissolve a corporation organized under state law and organize into a federally chartered organization.
- The IRS Office of Compliance Specialization is in the process of drafting an Indian Assistance Handbook to provide general guidance on taxation policies and procedures.
- In response to requests for assistance from several Tribes, a provision was included in the GATT legislation which imposes an income tax withholding requirement on distributions of profits from certain gaming activities conducted or licensed by Indian Tribal Governments made to Tribal members after December 31, 1994. Prior to the enactment of GATT, there was no provision that allowed the Tribes to withhold on such payments which often resulted in significant tax liability to the Tribal members. For some Tribal members, this withholding may eliminate the need to make quarterly estimated tax payments. For others, it will reduce the likelihood that they will face penalties for underpayment of tax.

Office of the Comptroller of the Currency

- The OCC, working with Fannie Mae, is exploring legal issues regarding the ability of banks to make mortgage loans on Indian reservations, and is working towards developing innovative solutions to Native American credit needs.
- The OCC is preparing guidance for its examiners and national banks on issues affecting the availability of credit to Native Americans. It will be released this summer.
- The OCC has provided technical assistance to several tribes on credit, investment, and other financial services that financial institutions can provide.

Tribal Visit

- As part of President Clinton's Community Reinvestment Act (CRA) reform effort, the OCC and the other bank and thrift regulatory agencies held a series of seven public hearings across the Nation in 1993. Following the hearing in Albuquerque, NM, in September 1993, former President Peterson Zah invited the Comptroller to visit the

Navajo Nation in order to see for himself the lack of credit and banking services on the reservation.

While touring the Navajo Nation on March 29-30, 1994, the Comptroller met with representatives from the Navajo Nation Economic Development Division, Shorebank Advisory Services, the Navajo Business Association, the Navajo Agricultural Products Industry, as well as the Department of Justice.

He also chaired a meeting between the leadership of the Navajo Nation and more than 30 bankers from New Mexico, Arizona and Utah. Navajo officials have told us this was by far the largest meeting of its type in their recollection. Periodic reports from Tribal representatives since the Comptroller's visit confirm that a productive dialogue between commercial bank lenders and the Navajo Nation continues today and has led to increased credit and other services.

CRA Final Rule

- As a result of information gathered from the Comptroller's trip to the Navajo Nation, from public hearings, and from comment letters from tribal governments and other Indian groups, the CRA final rule includes several references to Native American. Although the CRA always implicitly applied to low and moderate-income Indian communities, the new rule explicitly informs banks that lending, investing and providing banking services to Indian Country will receive favorable CRA consideration. The rule encourages lending institutions to consult with Tribal Governments where appropriate.

Most importantly, the rule recognizes and rewards the efforts of lenders that use innovative or flexible underwriting methods, in a safe and sound manner, to address nettlesome credit availability problems such as this facing Native Americans living on trust lands.

Banking Bulletin on Mortgage Lending to Indian Country

- This summer, the OCC plans to release guidance for examiners and national banks on first mortgage lending to residents of Indian reservations who face unique lending issues because of Tribal sovereignty and trust land status.

Educating National Banks About Federal Government Programs

- The OCC will participate in HUD's "Homeownership: The First Generation" seminar series beginning in May. OCC officials will address the CRA rule and other banking issues facing Native Americans.

Technical Assistance

- The OCC is providing technical assistance to Indian tribes regarding the CRA rule, community development projects and the possibility of chartering Tribal-owned banks.
- The OCC will also continue to provide technical assistance to the BIA as the Bureau establishes a financial data system to track the \$2.4 billion in national trust funds it administers for Indian Tribes.

Staffing Resources

- Last year, the Comptroller created an OCC Native American Working Group which is chaired by Janice Booker, Director of the Community Development Division and comprised of representatives from Economic Analysis, Public Affairs, the Law Department, the Chief National Bank Examiner's office and the Community Development Division. This group participates in the activities of Vice President Gore's Community Empowerment Board -- Subcommittee on Indian Economic Development.
- OCC staff attended the Albuquerque Native American Listening Conference in May 1994, the Aberdeen Economic Summit in July 1994, the Alaska Native Economic Summit in February 1995, the White House Economic Development meeting in March 1995 and the Reservation Economic Summit '95 in Phoenix, in April of 1995.
- Members of the OCC Native American Working Group will continue to participate in major conferences and meetings on Native American issues to maintain regular contact with national Native American organizations.
- Addressing the problems impeding the provision of credit and other financial services on Indian reservations is a priority for the Comptroller and the OCC.

DEPARTMENT OF VETERANS AFFAIRS

Government-to-Government Relationship

- Secretary Brown has issued a memorandum to all VA employees stressing the need for increased awareness of the government-to-government relationship with federally recognized Tribal Nations. The memorandum accompanied guidelines issued by President Clinton to heads of executive departments and agencies outlining principles to follow in interactions with these Tribal governments.

National Congress of American Indians

- Mid-Year Conference: Staff from VA facilities in Buffalo, New York, addressed the NCAI mid-year conference in June 1994. Subject specialists from the Buffalo Vet Center, VA medical center and VA regional office discussed post-traumatic stress disorder among American Indian veterans; culture-specific drug and alcohol treatment modalities; and VA's direct home loans for veterans living on trust lands.
- Annual Conference: Representatives from VA Central Office, several Vet Centers, regional offices, and medical centers made presentations to attendees at NCAI's annual conference in Denver, Colorado, in November 1994. Topics addressed included women veterans, homelessness among American Indian veterans, outreach enhancement efforts, and updates on VA's direct home loan program.

Compensated Work Therapy (CWT) Program

- The Standing Rock Substance Abuse CWT Program, a cooperative effort between the Standing Rock Sioux Tribe and the Ft. Meade VA Medical Center, was established to provide a special form of medical vocational rehabilitation which combines maintenance phase addiction treatment and vocational rehabilitation/work therapy for veterans living on and near the Standing Rock and Cheyenne River Sioux Tribes in North and South Dakota.
- The work therapy portion includes a Veterans Industries Programs in McLaughlin, South Dakota, where the Polaroid Corporation, in cooperation with VA, has established a recycling program to recover metal, plastic and batteries from film packs. Native American veterans, trained through VA's CWT program, provide all labor and are reimbursed from the contract monies.

White House Conference on Aging

- The National Indian Council on Aging, Inc., invited VA's Assistant Secretary for Public and Intergovernmental Affairs to attend their August 1994 Conference on Indian Aging, held in Spokane, Washington. She chaired a panel of VA employees with expertise in the fields of aging, benefits, and American Indian veteran issues. VA facilities represented were the Seattle Geriatric Research, Education and Clinical Center (GRECC); the Spokane VA Medical Center; and the Seattle VA Regional Office. The Conference was sanctioned as an official White House Conference on Aging and designed to recommend solutions for an official report to be presented to the 1995 National White House Conference on Aging.
- A Native American veteran was selected by President Clinton to be a delegate at the National White House Conference on Aging. Grace Thorpe, a Women's Army Corps (WAC) veteran who served during World War II, is a member of the Sac and Fox Nation. She was nominated as a delegate by VA Secretary Jesse Brown.

Native American Conference and Powwow

- The Edith Nourse Rogers Memorial Veterans Hospital (Bedford, Massachusetts) and the Greater Lowell Indian Cultural Association (GLICA) (Lowell, Massachusetts) co-sponsored a national conference in September 1994 to discuss "Native American Culture in the Federal Sector." Participants included representatives from VA Central Office, VA medical facilities and local elected officials.

Although this was the first "national" VA Native American conference, the Bedford facility has been co-hosting powwows with GLICA for eight years. The powwows take place on the grounds of the medical center and veteran patients who are unable to leave their beds to participate are visited in the wards by American Indian dancers, who perform traditional dances in full dress regalia.

Readjustment Counseling

- A satellite Vet Center is scheduled to open on the Yakima Reservation in Washington State. The Yakima facility will be the second readjustment counseling outreach center on Tribal land. The Keams Canyon Center, located on the Hopi Reservation in Arizona, was established in 1992. The Centers will assist American Indian veterans through counseling and supportive social services, including the use of various kinds of traditional ceremonies.

Navajo Nation

- Secretary Brown addressed the Navajo Nation on January 10, 1995, at the inauguration of the Nation's new President and Vice President. Following the inauguration, Secretary Brown and President Albert Hale signed a historic agreement that allowed American Indian veterans living on Navajo trust lands to participate in VA's direct home loan guaranty program.
- A veteran member of the Navajo Nation was appointed by Secretary Brown to serve on VA's Advisory Committee on Minority Veterans in April 1995.

Outreach to the Native American Community

- Small and Disadvantaged Business Utilization: VA will spend more than a billion dollars with small businesses in 1995 and is taking steps to make sure more of those dollars go to American Indian, minority and women-owned enterprises. For these vendors, VA's goal is to increase procurements by more than 45 percent, to nine percent of VA's total procurements (approximately \$200 million).
- Educational Opportunities: VA and the Department of Energy (DOE) are partnered in a joint project designed to strengthen associations with Native American and Hispanic-Serving Institutions and Historically Black Colleges and Universities. The cooperative education program increases opportunities for minority students to participate in and benefit from Federal programs and includes DOE recruitment of minority students in the fields of science and technology as well as encouragement of interested faculty scientists at these institutions to participate in collaborative biomedical/biobehavioral research studies in laboratories at VA health care facilities.
- Leadership Forum: A representative from VA Central Office serves as a member of the Washington Indian Leadership Forum. The Forum meets monthly to exchange information among Tribal, Federal, and private sector leaders in the Greater Washington, D.C. area who are involved and interested in American Indian matters.

MORE PAGE ONE

Clinton to protect sacred sites

By Buntj Anguoe
Today Washington Bureau

WASHINGTON — The Clinton administration is moving closer toward federal protection of tribal religious sites.

Interior Secretary Bruce Babbitt is preparing an executive order to be signed by President Clinton that would require federal agencies to consult with tribal governments when federal actions impact sacred sites.

"All federal agencies are close to a conceptual understanding on the order," Secretary Babbitt said. "But we still need input from all of (the tribes). I'm ready to act. We are in year three of the administration, and we need to get it out now."

Native religions have found little protection from Congress and from the Supreme Court. Legislation has repeatedly failed over the last few years, and the high court has increasingly limited Indian religious practices.

The Supreme Court's 1988 *Lyng vs. Northwest Cemeteries* decision held that the federal government's interest in building a logging road took precedence over Native sacred sites in California although

the road destroyed the praying grounds of several tribes.

At least 44 sacred sites are now threatened by development or encroachments from agencies such as the U.S. Forest Service, according to the Native American Rights Fund, an Indian legal advocacy group in Boulder, Colo.

John EchoHawk, the advocacy group's director, said the proposed executive order is both welcome and long overdue.

"The assessment from the NARF is that the legislation that tribes were seeking last year would have a difficult time getting through the 104th Congress so they're hoping that the administration can do some things that would protect sacred sites," he said.

"We're trying to get help from the administration since it's unlikely we would get it from this Congress."

Last year President Clinton signed an executive order to protect tribal use of eagle feathers.

Mr. EchoHawk said the sacred sites order will help bring Native religions to the protections afforded others.

"What we're trying to do is get the same protection for Native American religions as other religions have in this country," he said. "A lot of people do not understand that some Native American religions have sacred sites just like churches would be. Some people have a hard time equating sacred sites with churches, but that's what needs to be done."

Arizona's Mt. Graham is sacred to San Carlos Apache, but the University of Arizona, in consortium with several other groups, is trying to construct a telescope there, said Mr. EchoHawk to provide an example.

"Building the telescope would subvert the tribe's ability to pray at a site they've used since the beginning of time," he said. "It's a tough issue because what we're talking about here are sites located off the reservations on former tribal lands. Most are on what's considered federal lands now."

Bob Walker, Interior Department spokesman, said the executive order is still being finalized and that Faith Roessei, former director of the Navajo Nation's Washington, D.C. office and, currently, special assistant to Secretary Babbitt, is the point person working on the order.



News Release-- July 25, 1995

9th Circuit Unanimously Rejects Appeal of U. of Arizona Telescope Project.

UA now faces environmental and cultural studies they have tried to avoid for 10 years

The 9th Circuit Court of Appeals in San Francisco issued an order on July 20, 1995 unanimously rejecting the en banc appeal of the University of Arizona (UA) and the U.S. Forest Service regarding the Dec. 7, 1993 "Pearl Harbor" clandestine 5:00 AM clearcutting of a new and unauthorized telescope site on Mt. Graham. The District Court in Tucson (July 29, 1994) and two separate three-judge panels of the 9th Circuit Appeals court (on Aug. 23, 1994 and April 24, 1995) had all ruled the UA and FS leveled the forest in an area outside the area designated by the U.S. Congress in 1988 and in violation of that law.

All three Appeals Court judges of the panel which ruled (two-to-one) on April 24, 1995 against the university and Forest Service unanimously recommend, this time, against an en banc appeal.

While there are presently 37 members of the Appeals Court, 23 were randomly selected to decide whether to accept the UA/FS request for en banc hearing. None of the 23 requested to hear the UA/FS case en banc.

"The en banc appeal was a desperate attempt by UA and the FS to continue to avoid complying with U.S. environmental and cultural laws," said Robin Silver of the Maricopa Audubon Society. "In 1988 they spent a million dollars in lobbying fees to avoid the lawful, full-disclosure studies. They sneaked a rider through Congress in the final hours of the 1988 session. This represented the first peacetime exemption of a project from all U.S. cultural, religious and environmental protection laws."

Silver said: "Now for the first time the Forest Service and university will have to lawfully and fully examine the environmental and cultural studies which they have fought so hard to avoid for the last 10 years."

Silver said Native Americans can no longer be ignored. The Forest Service and the U. of Arizona have tried for ten years to avoid the fact that Mt. Graham is of central sacred importance to the Apache people.

For the first time the U.S. Fish and Wildlife Service will have to lawfully face the reality that they illegally approved the telescope in July 1988 in defiance of the provisions of the Endangered Species Act. Michael Spear, regional USFWS director in July 26, 1990 testified that he broke that law by going outside his authority as a regional director in approving a project having irreconcilable impacts upon the endangered Mt. Graham Red Squirrel. Such a decision, the General Accounting Office congressional oversight investigators concluded, can only be lawfully made by the cabinet-level "God Committee."

Roger Featherstone of the Mt. Graham Coalition in Washington D.C. remarked: "How many times does the university and the Forest Service have to be told by the courts before they find themselves forced to obey the law? This is the fourth time they have been told no by the federal courts. Now the University will have to do the same environmental and cultural studies that everyone else in the country has to do -- and that they should have done 10 years ago." Featherstone also said that UA, by skating around environmental laws, was able to ignore the fact that studies for some 20 other leading U.S. universities showed 38 better continental U.S. sites than Graham and that Hawaii and Chile were also superior.

Bob Witzeman, conservation chairperson, Maricopa Audubon Society, commented that the UA/FS claim that the new, illegal site was better for the squirrel was not born out by the squirrel surveys. In all five of the years from 1988 up until the 1993, the illegal clear-cut site averaged per year more squirrels. Even worse, the illegal site, which was never envisioned to be a lawful site was so far to the east out of the squirrel study area that only one half of the illegal clear-cut area had ever been studied.

Witzeman said UA lobbied the Forest Service for the illegal site far to the east of the lawful area because they discovered belatedly in 1993 that the site they lobbied Congress for in 1988 was the worst astrophysical site on the mountain. UA waited five years after they lobbied congress to complete their science homework. UA studies obtained by an Arizona newspaper under freedom of information laws revealed that the site UA had lobbied congress for had such poor topographic contours and such dense forestation that it was "unacceptable" for astronomy. UA said the high degree of air turbulence from the poor geography and the dense virgin spruce-fir made the congressionally approved site "unusable."

Plaintiffs in this case against the University and Forest Service were some 20 national and local conservation organizations, and individual citizens, viz. Mount Graham Coalition (Wash. D.C.) National Audubon Soc. (NYC) Friends of the Earth (DC), Defenders of Wildlife (DC), Save America's Forests (DC), Sierra Club (San Francisco), Humane Soc. of the U.S. (DC), Huachuca Audubon Society (Sierra Vista, AZ) Northern AZ Aud. Soc. (Sedona, AZ), Prescott Aud. Soc. (Prescott, AZ), Tucson Aud. Soc. (Tucson, AZ), Yuma Aud. Soc. (Yuma, AZ), Arizona Wildlife Federation (Mesa, AZ), Biodiversity Legal Foundation (Boulder, CO), Southwest Center For Biological Diversity (Phoenix, AZ), Student Environmental Action Coalition - Southwest Chapter (Tucson, AZ), Sky Island Alliance (Tucson, AZ).

For Info: Bob Witzeman 602 840 0052, Robin Silver, 602 246-4170, Roger Featherstone, 200 547-900 ext. 3236, Eric Glitzenstein (contact Kim Walley) lawyer for plaintiffs 202 588-5206, Ola Cassadore Davis, Apache Survival Coalition 520-475-2543, 520 294-1863, Wendsler Nosie, Apaches For Cultural Preservation 520 475 2494, (or 2545).

John McCain

A Raw Deal for Indians

In his op-ed piece of Sept. 18 ["Indians Are Getting a Fair Shake"], my friend Sen. Slade Gorton argues that funds for Native Americans aren't being cut disproportionately in the 1996 interior appropriations bill. But was it fair for the Senate to cut tribal government operations by more than 25 percent while increasing funding for National Park Service operations? I guess what's a fair shake depends on who's shaking down whom.

In 1995, the Interior Department's spending on Indians amounted to slightly over one-quarter of all the funds it administered. For 1996, Gorton persuaded the Senate to base nearly half of the entire reduction in the department's budget in cuts to

priority for two reasons. First, our nation has solemn treaty commitments to tribes to support their education, health and governmental services. Second, most Indians live at the edge of survival. Unemployment soars to 80 percent in Indian country, where one in five children lives in poverty. No matter how you look at it, American Indians and Alaska natives are still the worst-off by every measurement of American well-being.

Accordingly, the House spending bill cut Bureau of Indian Affairs accounts by less than 2 percent from 1995 levels. However, Gorton's interior appropriations subcommittee slashed these accounts by 15 percent, with the lion's share of those cuts stripped from accounts directly controlled by local tribal governments. Tribal funding is cut more than 25 percent, striking at the very heart of reservation services.

Gorton's argument obscures the severity of these cuts by referring to spending by other federal agencies on Native Americans. But he uses grossly inflated numbers from the president's budget request, not the actual levels appropriated by Congress for 1995 and 1996. For example, the House has allocated \$100 million, the Senate \$200 million, for new home construction on Indian reservations by the Department of Housing and Urban Development, not the \$485 million Gorton says Indians "would receive" in 1996.

The most disturbing Indian cuts are those slashed from the base funding accounts of tribal governments. These cuts won't reduce the inefficient and paternalistic bureaucracy at the federal Bureau of Indian Affairs. Instead, they will gut basic tribal self-governance operations on reservations, where tribally elected officials set the priorities, not federal bureaucrats or members of Congress far from reservation realities.

Tribes set their own priority on how these funds are spent, so no one can predict precisely now where the cuts will occur. But we do know what tribes spent these funds on in 1995: criminal law enforcement, improvements and repairs on housing for the elderly, child abuse protection and intervention services, adult vocational training, natural resource protection, child welfare and family services, land management, reservation road maintenance, administrative support activities and other essential tribal government programs and operations.

When considering our national responsibilities to Native Americans, we would be wise to recall Sam Houston's poignant description of his own sense of obligation to them. On Feb. 14, 1854, in the twilight



BY ELEANOR MILL

federal support for Native Americans. Does this, by any definition, spread the pain fairly?

Native Americans have had few occasions in history to celebrate the fairness with which they have been treated by the federal government. In an 1852 treaty, the United States solemnly promised the San Carlos Apache Tribe that Congress would "legislate and act to secure [their] permanent prosperity and happiness."

The San Carlos Apache long ago abandoned any illusion that Washington would ever show a decent concern for their prosperity and happiness. Nearly one-third are unemployed. The average Indian on the San Carlos Reservation has an annual income of just \$3,000.

In 1995, the San Carlos Apache tribal government received \$6.1 million in tribal priority funding. The Senate's cuts would have immediately reduced that to \$4.4 million on Oct. 1. A few days ago, the House and Senate conferees reduced that \$1.7 million cut by less than one-half. If those cuts are not restored, we will have completed the betrayal of the San Carlos Apache, a betrayal that will forever dishonor this country.

Under the budget resolution, Gorton's subcommittee had to cut about 11 percent from the 1995 interior and related agencies spending levels. The budget resolution recommended that Indian accounts be held at 1995 spending levels, paid for by reductions in other accounts.

The budget resolution made Indian funding a

of his career, Houston told his colleagues in the United States Senate that they had to choose whether to "deceive [the Indians] by promises, or to confirm to them rights long promised. . . . I am aware that in presenting myself as the advocate of the Indians and their rights, I shall claim but little sympathy from the community at large, and that I shall stand very much alone, pursuing the course which I feel it my imperative duty to adhere to. . . . [I]mplant[ed] in me [is] a principle enduring as life itself. That principle is to protect the Indian against wrong and oppression, and to vindicate him in the enjoyment of rights which have been solemnly guaranteed to him by this Government."

A week ago, the House and Senate conferees who met to reconcile differences in appropriations for Native Americans faced the same choice that Sam Houston faced so forthrightly. I believe they, on behalf of the American people, chose to break our treaty obligations—obligations that were solemnly made and, all too often, casually violated—to a people for whom fairness has never been an evident quality of life.

The writer is a Republican senator from Arizona.

COLMAN MCCARTHY

Another Trail of Tears Awaits

In the early days of the Clinton administration, few groups had greater cause to expect positive social change than American Indians.

Ada Deer, a Menominee from Wisconsin with a solid background in social services, was appointed head of the Bureau of Indian Affairs. At the White House, plans were made for the first-ever conference on Indian issues, an event that came off in April 1994 and at which President Clinton spoke with and listened to more than 300 tribal leaders. This was the first president to invite Indian leaders to the White House in such large numbers, and the first also to see tribes as governmental partners, not wards of the state.

From Congress, Indians—the poorest of America's poor—also had expectations for progress. Their stout allies included Rep. George Miller (D-Calif.), then chairman of what was then the House Interior Committee, and Sen. Daniel K. Inouye (D-Hawaii), then chairman of the Senate Indian Affairs Committee.

A shift for the worse came with the new Congress. Miller and Inouye were out as chairmen. Then came a Republican-led legislative assault against Indians equal in intensity to any of the U.S. cavalry attacks of a century ago. The Senate and House recently passed appropriations bills that would assure a second trail of tears, this one a forced march to unprecedented poverty.

The onslaught includes:

- A cut of 67 percent in federal housing programs for Indians.
- A 26 percent decrease in the Bureau of Indian Affairs budget.
- The elimination of higher education scholarships for Indians.
- A 50 percent decrease for Indian education programs in the Department of Education.
- Decreases in Indian Health Service programs for hospitals and clinics, alcoholism, dental health and immunization.

These hits—now before a House-Senate conference committee—are directed at a group of 1.8 million citizens, 33 percent of whom live below the poverty line. Twenty percent of Indians lack home toilets, 50 percent have no phones and 40 percent (80 percent on some reservations) are jobless.

That is not the worst of it. No ethnic group has a higher rate for diabetes and tuberculosis, or a higher rate of increase in AIDS cases. Indian teenagers have four times the national suicide rate.

If the suffering that those numbers represent is unimaginable, it is beyond reckoning, too, what further depths lie ahead for a people already at the bottom. In Congress and elsewhere, it has been claimed that Indians are not hurting as badly as they and their allies claim: Look at the casino profits and the instant millionaires among the tribes. Donald Trump, the noted social scientist, said that it is time rich Indians began helping poor Indians.

The reality is different. Less than 5 percent of the tribes have successful casinos. Federal law requires that gaming profits be used for tribal schools, health and other social needs. The money is but a few drops in the driest of wells.

Another argument heard in the House and Senate to justify the budgetary hacking is that Indians, along with others on welfare, need to acquire self-reliance. It is forgotten that social programs for Indians are matters of justice, not charity, largess or the dole.

Federal funds for those programs are owed to Indians as a matter of treaty obligations, or what Sen. Inouye called "the very first Contract With America." In exchange for hundreds of millions of acres of land ceded to the federal government, legal commitments were made by Washington to provide for the education, housing and health care of tribal citizens. The obligations were to last "for as long as the grass grows and the mountains stand," not until some nasty politicians came along kicking the poor as a way to balance a budget.

Earlier this month, Ron Allen, chairman for the past 18 years of the Jamestown S'Klallam, a Pacific Northwest tribe with 230 members, met with White House officials and Senate Majority Leader Robert J. Dole (R-Kan.). Allen reminded them that the proposed funding decreases "are the severest in the history of Indian programs. What's more, these are successful programs just beginning to show results."

Allen was one of several hundred Indian leaders who came to Congress this month. They spoke of tribal poverty and federal treaties. For many in Congress, the one is out of sight, the other out of mind.

Slade Gorton

Indians Are Getting a Fair Shake

American Indian tribes have been canvassing Capitol Hill asking Congress to spare their programs from budget cuts and to restore more money to their accounts. They claim that the 1996 Interior Appropriations bill hands them an unfair and unequal share of spending reductions.

Unfair? No. Unequal? Yes. Indian programs took the smallest reduction out of all the spending categories within the Interior Appropriations bill, and other Interior accounts will face steeper budget cuts as a result.

Any spending reductions are a part of our overall goal to balance the budget. Specific groups of people and organizations are not being singled out for unfair treatment, nor are they being saddled with a disproportionate share of spending cuts. The American people asked for a balanced budget, a lower deficit and a smaller government that spends less. We all have to do our part to balance the books and secure a prosperous future for the next generation.

Over-dramatizing the impacts of federal budget reductions doesn't help and often leads to misperceptions. Let's set the record straight.

The Interior budget was reduced by 11 percent from the 1995 level, while Indian programs were reduced by only 8 percent. Compare that with other Interior accounts such as forest services, which were reduced by 22 percent, or land management accounts, which were cut by 14 percent, or cultural accounts, cut by 15 percent.

That aside, critics of the bill don't mention the approximately \$1.8 billion worth of programs for Indians in four other appropriations bills. BIA programs represent only one-third of all funding for Indians.

Under the president's budget, Indian programs would receive \$356 million from the Department of Agriculture, \$20 million from the Army Corps of Engineers, \$5 million from the Department of Commerce, \$470 million from the Department of Education, \$214 million from the Department of Health and Human Services, \$485 million from the Department of Housing and Urban Development, \$4 million from the Department of Justice and \$85 million from the Environmental Protection Agency.

These sums aren't chump change. Moreover, the Indians are not wholly dependent on federal government for their income. Many tribes run revenue-generating activities such as gambling operations.

By contrast, most of the other programs funded by the Interior Appropriations bill have no secondary source of revenue. This bill is the sole source of funding for National Park Service maintenance, cultural institutions like the Smithsonian and National Gallery of Art, and the federal government's massive land-management responsibilities.

To insulate Indian programs from any funding cuts can only be done at the expense of all the other Interior agencies and programs. If we give more money to Indian programs, we must give less money to other Interior accounts. That would gut our natural sciences budget, undermine our ability to manage our wildlife refuges and our land-management lands and hamper the government in protecting those lands for the American people's enjoyment.

The Senate recently passed an amendment endorsing the current BIA funding levels. It passed by a strong majority with bipartisan support. If the appropriations bill represented as dire a threat to Indian tribes as the Indians would have us believe, the amendment would not have passed so easily.

Critics will discuss at length all of the things this bill does not fund while they ignore what was funded. The subcommittee prioritized funding for health and education, two critical needs among tribes around the country. Funding for Indian Health Services (IHS) was increased. In fact, IHS is the only program of that size that

"The ability of tribes to govern themselves is not determined by the amount of money they are given."

received an increase. The Bureau of Indian Affairs (BIA) elementary- and secondary-education funding was increased by \$2.1 million. We also increased funding for legislated Indian land and water settlements by \$5.6 million.

The largest Indian account to be cut is in the Bureau of Indian Affairs account for central and area office operations and tribal governments. In order to fully fund health and education and provide funding for economic development, natural resources and other tribal programs, we cut bureaucracy. The American people have demanded a balanced budget and a smaller government. Spending reductions, including reductions in federal government staff, are a part of reaching that goal.

Of all the criticisms lobbed against this bill, the one that troubles me the most is the argument that reductions in spending will undercut the tribes' right of self-sufficiency and self-governance. The ability of tribes to govern themselves is not determined by the amount of money they are given. To the contrary, some would argue that self-governance and self-determination ought to involve a de-

gree of self-sufficiency and self-reliance.

As chairman of the subcommittee on interior appropriations, it has been neither an easy nor pleasurable task figuring out how to minimize the impact of budget cuts throughout all of the Interior programs. After much analysis of the impacts on all the programs funded in the Interior bill, we have achieved a reasonable balance.

The dynamics of debate about spending have changed since the 104th Congress began. Instead of racing to get more money for this program and that program, we are—at the American people's behest—putting ourselves on the road to a balanced budget and reversing the trend of explosive government growth.

Again, no one can or should expect to be exempt from the inevitable cuts which ensue from balancing the budget. It is an ordeal, no question about it. But the difficulties we bear now will be more than compensated when we finally have a smaller government and a sounder economy.

The writer, a Republican senator from Washington state, chairs the subcommittee on interior appropriations.

THE WASHINGTON POST
MONDAY, SEPTEMBER 18, 1995

Sen. Gorton and the Indian Treaties

In his op-ed piece of Sept. 18 ["Indians Are Getting a Fair Shake"], Sen. Slade Gorton grossly distorts the figures and the truth and sends a clear message that he intends to dishonor the treaty commitments of the United States to Indian people.

Tribal governments and Indian people gave up their lands at the dawn of this republic in return for the federal government's promises to preserve and protect the lands of native people and maintain them as "permanent tribal homelands." These commitments were undertaken in numerous Indian treaties negotiated by federal officials to secure a cessation of warfare and to legalize the conveyance of millions of acres of Indian land.

Sen. Gorton and Congress are successors to these agreements. Indian tribes are willing to bear an equitable share of the funding reductions needed to help balance the federal budget, but a compelling case can be made that equity requires funding Indian programs at their current levels.

Sen. Gorton has grossly distorted the figures to arrive at his conclusion

that the tribes take the smallest reduction in his Interior Appropriations bill. He combines the Bureau of Indian Affairs (BIA) and Indian Health Service (IHS) budgets and concludes that "tribal programs" took only an 8 percent cut, while Interior programs in aggregate were reduced by 11 percent. This is akin to putting Medicare together with the Bureau of Mines to hide cuts in the mining budget.

The IHS budget is not a part of the Interior budget. Although the IHS had a slight increase this year, when it is compared with health spending nationwide, it's clear that Indian health programs have not kept pace with non-Indian ones and that IHS remains underfunded.

Sen. Gorton's shell game obscures the fact that his bill has actually slated the BIA for a 16 percent reduction of \$270 million. This is a disproportionate share of the overall reductions in the bill for the Interior Department. Hardest hit of all—with a crippling 29 percent cut—are the Tribal Priority Allocations, which provide direct funding for tribal government opera-

tions, education, law enforcement, fire protection, housing, natural resource management and other essential services. These services, which Sen. Gorton labels "bureaucracy," are the embodiment of the federal promise to preserve permanent tribal homelands.

Sen. Gorton further distorts the situation by using figures from the president's 1996 budget request—figures that are no longer a consideration in any appropriations analysis. He goes on to claim that "many" Indian tribes receive significant revenues from businesses such as gaming. The fact is that most tribes are located on reservations far too remote and isolated for the development of private-sector businesses.

Sen. Gorton tips his hand as to his true motives toward Indian tribes in Section 115 of the Senate bill. There he has singled out Indian tribes from his home state of Washington for even greater budget reductions if they assert their rights to regulate and protect natural resources within their reservations. As attorney general of Washington state, Sen. Gorton battled the state's tribes and lost 16 cases on Indian natural resources issues. Now he is apparently using his authority as a Senate committee chairman to settle an old score.

JOANN K. CHASE

Executive Director
National Congress of American Indians
Washington

Working Together for Better School Lunches

Stephen Glass's "Incredible Yet Edible: How Rhode Island Beefed Up Its School Lunch Program," [Outlook, Sept. 3] misses the point of the administration's school meals policy. It's hard to see how Mr. Glass managed to conclude that we oppose this state initiative. Needless to say, we do not.

One might think from reading the article that Rhode Island is no longer part of the National School Lunch Program. In fact, it is. Local school districts prepare meals that meet nutrition standards and are reimbursed with federal funds, just as they are across the nation. Rhode Island's use of private vendors is far from unique; thousands of schools across the coun-

try rely on them. Local communities may find good reasons to opt for a private vendor or to choose an internally run program. We are committed to offering flexibility.

The big point is that the Department of Agriculture is proud to work with the private sector—in partnership—to ensure healthier school meals. Our new policy reflects extensive public input from food producers and processors, among many other private stakeholders. We're working with commodity groups to make important changes in the foods that USDA purchases for schools to use.

More than 200 organizations, most from the private sector, have joined us in support of USDA's Team Nutrition, which will provide the skills and motivation for children to choose and enjoy a healthy diet. Bringing the public and private sectors together is the hallmark of the administration's approach to new government. There's no better way to stretch our investment in nutrition and to ensure that our efforts are as dynamic and innovative as they can be.

ELLEN HAAS
Washington

The writer is undersecretary for food, nutrition and consumer services at the U.S. Department of Agriculture.

Letters should be signed and must include the writer's home address and home and business telephone numbers. Because of space limitations, those published are subject to abridgment. Although we are unable to acknowledge those letters we cannot publish, we appreciate the interest and value the views of those who take the time to send us their comments. Letters intended for publication should be addressed to Letters to the Editor.

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