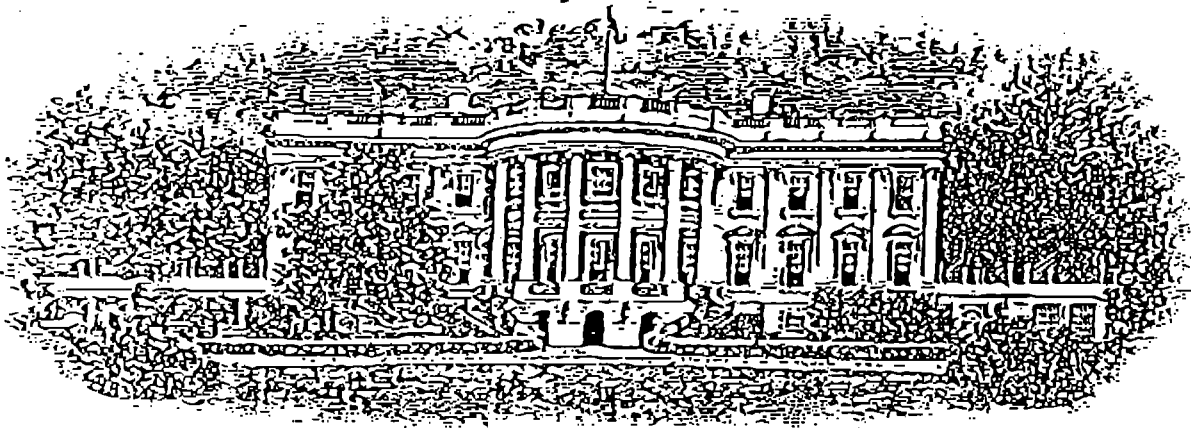


The White House



COUNSEL'S OFFICE

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

June 23, 2000

THE DIRECTOR

The Honorable Trent Lott
Majority Leader
United States Senate
Washington, D.C. 20510

Dear Mr. Leader:

I would like to bring to your attention reductions to the Administration's FY 2001 Budget for high-priority programs serving American Indians and Alaska Natives (Native Americans) by the House and Senate appropriations committees. Since 1993, the Administration has worked successfully with Congress to increase Federal funding for Native American programs by over 50 percent (\$2.8 billion). Our goal has been to improve the quality of life throughout Native American communities, from health care to education opportunities and school facility repair and replacement; road maintenance and construction to business development and housing improvement; and law enforcement to natural resource protection.

The Administration has also strived to enhance tribal self-determination and honor the government-to-government relationship the Federal Government has with Tribes. In so doing, the President's Budget for FY 2001 requests \$9.4 billion government-wide (an increase of \$1.2 billion over FY 2000) for priority health care, education, economic development, and infrastructure to continue improving social and economic conditions in Indian Country.

The enclosed table and narrative summarize the major components of the FY 2001 Native American Programs Initiative, and the latest House and Senate appropriations actions on the budget requests. The Administration recognizes that recent Senate Appropriation Subcommittee action on the FY 2001 Interior and Related Agencies appropriations bill increased funds for certain components of the Initiative. While this is a constructive step in the right direction, congressional action to date fails to address these needs sufficiently. We strongly urge you to reconsider our Initiative, remove any objectionable tribal riders in appropriation bills, and restore funding for the priority programs highlighted in the enclosures.

I look forward to working with you to achieve these goals.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jacob J. Lew".

Jacob J. Lew
Director

Enclosures

Identical Letter Sent to:

The Honorable J. Dennis Hastert,
The Honorable Richard A. Gephardt
The Honorable Thomas A. Daschle,
The Honorable Trent Lott

**FY 2001 Native American Programs Initiative
as of June 20, 2000 (Enclosure A)**

Health Care. The Indian Health Service (IHS), in the Department of Health and Human Services, has sole responsibility for the delivery of health services to Native Americans. The FY 2001 Budget requests \$2.6 billion (\$230 million over FY 2000) to provide Native Americans with better access to quality health care and to improve the medical facilities that serve them in remote locations. Compared to the rest of the population, Native Americans are about three times more like to die from diabetes, about five times more like to die from tuberculosis, and over two times more likely to have a child die from Sudden Infant Death Syndrome. The House FY 2001 Interior and Related Agencies appropriation bill provides the IHS \$2.4 billion (\$178 million below the request and \$52 million over FY 2000). Based on preliminary information, we understand that the Senate Subcommittee has provided a \$143 million increase over the FY 2000 enacted level. We are disappointed that the increase results in a funding level that is still \$87 million below the Administration's request. The budget request proposes new initiatives to target major health problems, including, diabetes, cancer, heart disease, dental and mental health. Few, if any, of these initiatives could be supported under the funding level provided by the House and Senate.

Education. The Bureau of Indian Affairs (BIA), in the Department of the Interior, provides a wide array of social and economic programs to Tribal governments and individual members, and operates 185 elementary and secondary schools and dormitories that serve over 50,000 Indian students. The BIA's FY 2001 request of \$2.2 billion (\$332 million over FY 2000), includes \$507 million for elementary and secondary school operations; an unprecedented \$300 million for school facility repair, maintenance, and replacement; and \$38 million for tribal college operations. The House FY 2001 Interior and Related Agencies bill provides only \$472 million for school operations, \$120 million to improve school facilities, and \$36 million for tribal colleges. No additional funds are provided for early childhood development, therapeutic health services at boarding schools, or to significantly reduce the \$800 million backlog of needed school repairs and improvements -- including funds for the school modernization bonding initiative to help leverage funds to construct replacement BIA schools. Based on preliminary information, the Senate Subcommittee has provided an estimated \$115 million less than the request and \$217 million over the FY 2000 enacted level for the Bureau of Indian Affairs (BIA). The Subcommittee funded the construction of the six BIA replacement schools requested, but still falls short of the \$300 million proposed for BIA school construction, repair, and maintenance.

The Education Department administers grants to fund the education needs of over 500,000 Indian students attending public schools, as well as special education programs at BIA's schools. The FY 2001 budget requests \$1.7 billion for Indian education programs, including \$50 million for construction of public schools with high concentrations of Native American students, as part of a \$1.3 billion national initiative to improve public school facilities across the country. The House FY 2001 Labor, Health and Human Services, and Education appropriation action fails to fund this important national initiative, as well as the Native American component. Senate action to-date also fails to fund this initiative.

Without Congressional funding commitments to Indian elementary and secondary education, Native American students will continue to suffer lower attendance, academic performance, and graduation rates. A strong and stable education early in life is extremely important for improving quality of life throughout Indian Country.

Economic Development. The Administration proposes multi-faceted commitments to economic development in Indian Country, through rural development opportunities, new small business programs, and expansion of technical assistance to individual Indians and Tribes. On some reservations, the average unemployment rate is over 70 percent, and about one-third of the nation's Native American households have incomes below the poverty line.

The Commerce Department's New Markets and Native American initiatives include \$54 million (\$49 million over FY 2000), primarily for the Economic Development Administration (EDA) to support infrastructure, planning and public works projects on Indian reservations to ensure technology, business and economic development growth. For the Small Business Administration (SBA), an additional \$6 million is requested for three initiatives to improve economic development on Indian reservations: an Office of Native American Affairs, the Business LINC network, and new Native American Small Business Development Centers. The House Committee's FY 2001 Commerce, Justice, State, and Judiciary, and Related Agencies appropriation bill does not provide these additional funds for EDA or SBA.

Overall, at this point in the FY 2001 appropriation process, the Congress is failing to meet sufficiently the economic development needs of Indian Country in the proposed FY 2001 appropriations for the Departments of Commerce, Agriculture, Health and Human Services, and other federal agencies. Business growth and financial stability are essential to achieving economic self-sufficiency on Indian reservations.

Infrastructure and Other Basic Services. The Transportation Department (DOT) requests \$375 million (\$125 million over FY 2000) to improve Indian reservation roads, bridges, highway safety, and other transportation services. The House bill provides \$240 million for the Indian reservation road program (\$109 million below the request). The Senate bill provides \$274 million for the Indian reservation road program (\$75 million below the request). Indian reservations have a \$4 billion backlog of road and bridge construction to improve public safety and to reduce the long commutes across many reservations. The House Interior bill denies BIA the additional \$6 million requested to improve maintenance of Indian reservation roads.

The Department of Housing and Urban Development request includes \$725 million (\$32 million over FY 2000) for Tribes to create affordable rental and home ownership opportunities. The House bill provides no additional funding for these critical housing needs and fails to support the Indian Home ownership Intermediary and the Law Enforcement Housing initiatives. In addition, the BIA requests \$32 million (\$16 million over FY 2000) for repair or replacement of dilapidated homes to prevent family displacement. The House provides only \$9 million and precludes BIA from replacing homes even though many Indian families do not qualify for federal insured home loans. We encourage the Congress to join the Administration in efforts to improve the standard of living on reservations.

The Department of Justice (DOJ) cites Native Americans as twice as likely to be victims of violent crimes as non-Native Americans. As part of the third year of the joint DOJ and BIA law enforcement initiative, the Budget requests \$439 million (\$100 million over FY 2000) to improve public safety on Indian reservations. The House bills, however, provide only a combined \$247 million (\$192 million below the request and \$92 million below FY 2000). The House FY 2001 Commerce, Justice, State appropriations bill fails to fund several DOJ Indian Country programs that Congress funded in FY 2000, including COPS, detention facility construction, Tribal courts, and juvenile delinquency prevention. The bill also provides no funding for any of the new initiatives requested in FY 2001, including Drug Testing and Treatment, Civil and Criminal Legal Assistance, Tribal Youth Mental Health, Alcohol and Substance Abuse, Sexual Assault Nurse Examiners, and Forensics Labs.

The Environmental Protection Agency (EPA) requests \$188 million for the development and implementation of environmental programs on Tribal lands, through grants and technical assistance to Tribes on hazardous and solid waste removal, leaking underground storage tanks, and water protection. While the House bill provides \$175 million (\$13 million below the request), it fails to authorize an increase of the Tribal share of the Clean Water State Revolving Fund appropriation to 1.5 percent, eliminate permanently the cap on Tribal non-point source grants, and authorize cooperative agreements with Tribes to assist EPA with environmental program implementation.

Tribal Self-Determination and Self-Governance. Finally, the House Interior bill fails to fund the requested \$45 million increase for IHS and BIA contract support and imposes another one-year moratorium on new or expanded contracts for those agencies funded in the bill. The Administration urges the removal of this objectionable rider that will interfere with the long-standing policy of Tribal self-determination and self-governance, and encourages restoration of funding for new or expanded contracts.

In the remaining weeks of the second session of the 106th Congress, the Administration seeks to work with Congressional leadership and appropriators to restore FY 2001 funding for high-priority Native American programs, delete unwarranted riders, and authorize the several items requested in the Budget.

ENCLOSURE B
FY 2001 FEDERAL FUNDING FOR SELECTED MAJOR
GOVERNMENT-WIDE NATIVE AMERICAN PROGRAMS*

(Budget Authority, in millions of dollars)

	Approps Bills	FY 1999 Actual	FY 2000 Enact. Adj.**	FY 2001 Request	Latest*** House	House vs. Request	Latest*** Senate	Senate vs. Request
Department of Health and Human Services								
non-add, Indian Head Start	(Labor/HHS/EO)	130	145	175	158	(17)	175	0
Indian Health Service (Budget Authority)	(Interior)	2,240	2,391	2,620	2,443	(178)	N/A	(2,620)
non-add, Indian Health Service (Total Program Level) 1/		[2,650]	[2,430]	[3,060]	[2,882]	[-178]	N/A	[0]
non-add, Contract Support		204	229	269	229	(40)	N/A	(269)
Admin. on Native Americans - Commercial Code Initiative	(Labor/HHS/EO)	35	35	44	35	(9)	40	(4)
Administration on Aging	(Labor/HHS/EO)	18	18	24	18	(5)	23	(0)
Department of the Interior								
Bureau of Indian Affairs	(Interior)	1,746	1,869	2,201	1,881	(320)	N/A	(2,201)
non-add, Operation of Indian Programs		1,584	1,640	1,795	1,657	(138)	N/A	(1,795)
non-add, School Operations		476	467	507	472	(35)	N/A	(507)
non-add, Therapeutic Model		--	--	8	0	(8)	N/A	(8)
non-add, FACE		6	6	12	6	(7)	N/A	(12)
non-add, TCCs		31	35	38	36	(2)	N/A	(38)
non-add, Road/Bridge Maintenance		26	28	32	26	(6)	N/A	(32)
non-add, Housing Improvement		16	16	32	9	(23)	N/A	(32)
non-add, Contract Support and ISD		115	125	134	125	(9)	N/A	(134)
non-add, Law Enforcement Initiative		99	141	160	141	(19)	N/A	(160)
non-add, Trust Services		73	73	108	88	(19)	N/A	(108)
non-add, School Construction, Repair, Maintenance		60	133	300	120	(180)	N/A	(300)
non-add, Bonding Initiative		--	--	30	0	(30)	N/A	(30)
Office of Special Trustee and Land Consolidation	(Interior)	44	95	95	87	(8)	N/A	(95)
Department of Housing and Urban Development								
non-add, Native American Housing Block Grant	(VA/HUD)	693	693	725	693	(32)	N/A	(725)
non-add, Title VI Loan Guarantee		620	620	650	620	(30)	N/A	(650)
non-add, Title VI Loan Guarantee		[6]	[6]	[5]	[6]	[-1]	N/A	[5]
non-add, Indian Homeownership Intermediary Initiative		--	--	[5]	[0]	[5]	N/A	[5]
non-add, Indian Community Development Block Grant		67	67	69	67	(2)	N/A	(69)
non-add, Native American Business Access Center		--	--	[2]	[0]	[2]	N/A	[2]
non-add, Tribal Colleges Initiative		--	--	[5]	[0]	[5]	N/A	[5]
non-add, Indian Housing Loan Guarantee		6	6	6	6	0	N/A	(6)
Department of Transportation								
non-add, Indian Reservation Roads and Bridges	(Transportation)	284	250	375	258	(117)	292	(83)
non-add, Job Access		264	232	349	240	(109)	274	(75)
non-add, Tribal Colleges Technical Assistance		--	--	5	0	(5)	0	(5)
non-add, Construction Skills Training		--	--	1	0	(1)	0	(1)
non-add, Highway Safety Grants		1	1	2	1	(1)	1	(1)

ENCLOSURE B
FY 2001 FEDERAL FUNDING FOR SELECTED MAJOR
GOVERNMENT-WIDE NATIVE AMERICAN PROGRAMS*

(Budget Authority, in millions of dollars)

	Approps Bills	FY 1999 Actual	FY 2000 Enact. Adj.**	FY 2001 Request	Latest*** House	House vs. Request	Latest*** Senate	Senate vs. Request
<u>Department of Education</u>	(Labor/HHS/ED)	1,530	1,577	1,703	1,668	(35)	1,699	(4)
non-add, School Renovation Initiative		--	--	50	0	(50)	0	(50)
non-add, Impact Aid - Public School Construction		5	5	5	19	14	19	14
non-add, Native American Teacher Corps		--	10	10	10	0	10	0
non-add, Native American Administrator Corps		--	--	5	0	(5)	5	0
non-add, Tribal College Capacity Building		3	6	9	12	3	10	1
non-add, Inter-agency Tribal Colleges Initiatives		43	57	67	66	(0)	N/A	(67)
<u>Department of Commerce</u>	(C/D/IS)	7	6	54	N/A	(54)	N/A	(54)
non-add, Economic Development Administration		3	3	49	N/A	(49)	N/A	(49)
<u>Small Business Administration</u>	(C/D/IS)	0	0	6	0	(6)	N/A	(6)
non-add, Native American Small Business Development Centers		--	--	3	0	(3)	N/A	(3)
non-add, Tribal Business Information Centers		0	0	2	0	(2)	N/A	(2)
non-add, BusinessLINC		--	--	1	0	(1)	N/A	(1)
<u>Department of the Treasury</u>								
Comm. Dev. Financial Institutions	(VA/HUD)	0	0	5	5	0	N/A	(5)
<u>National Science Foundation</u>								
Tribal College Initiative	(VA/HUD)	--	--	10	10	0	N/A	(10)
<u>Department of Agriculture</u>	(Agriculture)	197	198	229	N/A	(229)	N/A	(229)
non-add, Rural Community Advancement Program		12	12	24	12	(12)	24	0
non-add, Tribal College Endowment, Interest, & Payments to 1994 Instit.		9	10	14	13	(1)	14	0
non-add, Reservation Agents		2	2	5	2	(3)	3	(3)
<u>Department of Justice/Department of the Interior Law Enforcement Initiative</u>		281	336	439	247	(192)	N/A	(439)
non-add, DOJ Law Enforcement Initiative	(C/D/IS)	182	195	279	106	(173)	N/A	(279)
non-add, DOI Law Enforcement Initiative	(Interior)	99	141	160	141	(19)	N/A	(160)
<u>Environmental Protection Agency</u>	(VA/HUD)	159	170	188	175	(13)	N/A	(188)
non-add, General Assistance Program		43	43	53	53	0	N/A	(53)
<u>Department of Energy (Tribal Energy Program)</u>	(Energy/Water)	5	4	5	N/A	(5)	N/A	(5)

CONFERENCE CALL ON NATIVE AMERICAN INITIATIVE BUDGET
July 12, 2000

Participants:

Lynn Cutler

Mary Smith

Representatives from agencies

Today, you are having an Administration conference call to follow-up on our earlier conference call on the Native American Initiative budget. The important thing is to stress that we need to continue to work to get more funding for this Initiative. As you may recall, Jack Lew sent a letter to the Hill on June 23, 2000 to urge more funding for this initiative. Attached is an updated chart with the latest information on the status of funding.

CJS - full cmte - news letter

Commerce -

DOJ -

SBA -

VA HUD in Sept

P E L I A Y
FY 2001 FEDERAL FUNDING FOR SELECTED MAJOR
GOVERNMENT-WIDE NATIVE AMERICAN PROGRAMS*

(Budget Authority, in millions of dollars)

	Approps Bills	FY 1999 Actual	FY 2000 Enact. Adj.**	FY 2001 Request	Latest*** House	House vs. Request	Latest*** Senate	Senate vs. Request
Department of Health and Human Services								
Indian Head Start	(Labor/HHS/ED)	130	147	175	158	(17)	175	0
Indian Health Service (Budget Authority)	(Interior)	2,240	2,391	2,620	2,443	(178)	2,534	(87)
Indian Health Service (Total Program Level) 1/		[2,650]	[2,830]	[3,060]	[2,882]	[-178]	[2,973]	[-87]
Contract Support		204	229	269	229	(40)	244	(25)
Admin. on Native Americans - Commercial Code Initiative	(Labor/HHS/ED)	35	35	44	35	(9)	40	(4)
Administration on Aging	(Labor/HHS/ED)	18	18	24	18	(5)	23	(0)
Department of the Interior								
Bureau of Indian Affairs	(Interior)	1,748	1,869	2,201	1,881	(320)	2,088	(113)
Operation of Indian Programs		1,584	1,640	1,795	1,657	(138)	1,707	(88)
School Operations		476	467	507	472	(35)	479	(28)
Therapeutic Model		—	—	8	0	(8)	0	(8)
FACE		6	6	12	6	(7)	6	(6)
Tribal Colleges Operation		31	35	38	36	(2)	38	(0)
Road/Bridge Maintenance		26	26	32	26	(6)	27	(5)
Housing Improvement		16	18	32	9	(23)	16	(16)
Contract Support and ISD		115	125	134	125	(9)	130	(4)
Law Enforcement Initiative		99	141	160	141	(19)	152	(8)
Trust Services		73	73	108	88	(19)	85	(23)
School Construction, Repair, Maintenance		60	133	300	120	(180)	277	(23)
Bonding Initiative		—	—	30	0	(30)	0	(30)
Office of Special Trustee and Land Consolidation	(Interior)	44	95	95	87	(8)	93	(2)
Department of Housing and Urban Development								
(VA/HUD)		693	693	725	693	(32)	N/A	(725)
Native American Housing Block Grant		620	620	650	620	(30)	N/A	(650)
Title VI Loan Guarantee		[6]	[6]	[5]	[6]	[-1]	N/A	[5]
Indian Homeownership Intermediary Initiative		—	—	[5]	[0]	[-5]	N/A	[5]
Indian Community Development Block Grant		67	67	69	67	(2)	N/A	(69)
Native American Business Access Center		—	—	[2]	[0]	[-2]	N/A	[2]
Tribal Colleges Initiative		—	—	[5]	[0]	[-5]	N/A	[5]
Indian Housing Loan Guarantee		8	6	6	6	0	N/A	(6)
Department of Transportation								
(Transportation)		284	250	375	258	(117)	292	(83)
Indian Reservation Roads and Bridges		264	232	349	240	(109)	274	(75)
Job Access		—	—	5	0	(5)	0	(5)
Tribal Colleges Technical Assistance		—	—	1	0	(1)	0	(1)
Construction Skills Training		—	—	1	0	(1)	0	(1)
Highway Safety Grants		1	1	2	1	(1)	1	(1)

PRELIMINARY
FY 2001 FEDERAL FUNDING FOR SELECTED MAJOR
GOVERNMENT-WIDE NATIVE AMERICAN PROGRAMS*

(Budget Authority, in millions of dollars)

	Approps Bills	FY 1999 Actual	FY 2000 Enact. Adj.**	FY 2001 Request	Latest*** House	House vs. Request	Latest*** Senate	Senate vs. Request
Department of Education	(Labor/HHS/ED)	1,530	1,627	1,708	1,688	(18)	1,744	38
School Renovation Initiative		—	—	50	0	(50)	0	(50)
Impact Aid - Public School Construction		5	5	5	0	(5)	0	(5)
Native American Teacher Corps		—	10	10	10	0	10	0
Native American Administrator Corps		—	—	5	0	(5)	5	0
Tribal College Capacity Building		3	6	9	12	3	10	1
Inter-agency Tribal Colleges Initiatives		43	57	67	61	(6)	62	(5)
Department of Commerce	(C/S)	7	20	56	17	(39)	N/A	(56)
Economic Development Administration		3	17	49	15	(34)	N/A	(49)
Small Business Administration	(C/S)	0	0	8	0	(6)	N/A	(8)
Native American Small Business Development Centers		—	—	3	0	(3)	N/A	(3)
Tribal Business Information Centers		0	0	2	0	(2)	N/A	(2)
BusinessLINC		—	—	1	0	(1)	N/A	(1)
Department of the Treasury								
Comm. Dev. Financial Institutions	(VA/HUD)	0	0	5	5	0	N/A	(5)
National Science Foundation	(VA/HUD)							
Tribal College Initiative		—	—	10	10	0	N/A	(10)
Department of Agriculture	(Agriculture)	197	198	229	N/A	(229)	N/A	(229)
Rural Community Advancement Program		12	12	24	12	(12)	24	0
Tribal Colleges Endowment, Interest, & Payments to 1994 Instit.		9	10	14	13	(1)	14	0
Reservation Agents		2	2	5	2	(3)	3	(3)
Department of Justice/Department of the Interior Law Enforcement Initiative		281	336	439	247	(192)	N/A	(287)
DOJ, Law Enforcement	(C/S)	182	195	279	106	(173)	N/A	(279)
DOI, Law Enforcement	(Interior)	99	141	160	141	(19)	152	(6)
Environmental Protection Agency	(VA/HUD)	159	170	188	175	(13)	N/A	(188)
General Assistance Program		43	43	53	53	0	N/A	(53)
Department of Energy (Tribal Energy Program)	(Energy/Water)	5	4	5	2	(3)	N/A	(5)

FOOTNOTES:

*Table includes funding for programs specific to Native Americans and set-asides for Native Americans within larger programs.

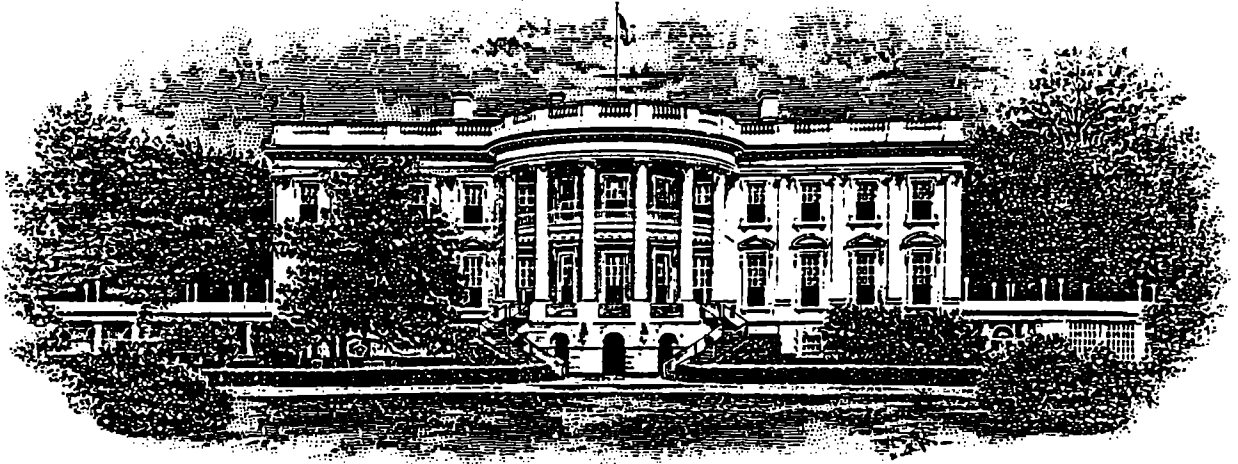
**The FY 2000 Enacted Adjusted column does not include one time expenses that would skew comparisons with other fiscal years' funding levels.

***The FY 2001 Congressional decisions, in many cases, are based on information available as of 08/30/00. Many programs are formula-driven; the level provided is an estimate and may change.

1/ Includes budget authority plus collections from Medicare, Medicaid, private insurance, quarters, and \$30 million from HCFA for a Special Diabetes Initiative.

N/A - Not available; funding levels being determined or no Congressional action to-date.

THE WHITE HOUSE
WASHINGTON
EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF THE CHIEF OF STAFF



Please Deliver To: Maria Echaveste

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Sender: Todd Plants

Date: 12 July 2000

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Message: Paper for your 4:30 conference
call on the Native American Initiative
Budget.

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United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

FAX TRANSMITTAL

No of Pages: 4
(Including Cover Sheet)

TO: <i>Lynn Cutter</i>	FROM: Michael Anderson Deputy Assistant Secretary - Indian Affairs By: <i>Angel</i>
LOCATION:	LOCATION: AS-IA, MS-4140
PHONE No.:	PHONE No.: (202) 208-7163
FAX No.: <i>202/456-2889</i>	FAX No.: (202) 208-5320
<i>Red Hat to: Maria Laura Graham Staff Secy - to go in his book - (or they may want me to do memo based on this) Heather Davis</i>	
Please hand deliver. Should there be any difficulties with this message, please notify sending office immediately. Thank-you	

Michael Anderson

To: Michael Anderson/DC/BIA/DOI,

05/12/00 03:24 PM

cc:

Subject: Pequot/Paucatuck

The BIA has issued proposed findings to acknowledge the Eastern Pequot and Paucatuck Eastern Pequot petitioning groups as Indian tribes under federal law. The proposed findings are now subject to public comment pursuant to 25 C.F.R. Sec. 83.10(i). The Connecticut towns of Ledyard, North Stonington and Preston, through their attorneys, Perkins, Coie have written to Secretary Babbitt and raised a number of alleged Administrative Procedure Act violations in the proposed findings and have asked that the decision-maker in this case (Assistant Secretary Kevin Gover) be recused. The arguments of the Perkins, Coie firm are contained in the attached letter.

The BIA and the Assistant Secretary carefully considered all of the evidence before them prior to issuing the proposed finding. Since this finding is a proposed finding, the towns will have the opportunity over the next 180 days to comment. The Assistant Secretary consulted the Office of the Solicitor on whether he should recuse himself from the Pequot/Paucatuck matters and was advised that he did not need to do so. The Office of the Solicitor will review the latest submission from the Connecticut towns, although it is not expected to result in any recusal of the Assistant Secretary.

Assistant Secretary Gover was interviewed today by Eileen McNamara of "The Day" newspaper and provided his views on the proposed finding and the need for public comment. Since the proposed finding is in the public comment period, the Department of Interior recommends against any White House meetings with the petitioning groups or the towns on this subject matter. Any meetings without the requisite BIA historians, genealogists and researchers would likely lead to confusion with the public and create problems with the administrative record.

Proposed recognitions sometime lead to opposition from neighboring communities and nearby tribes but the final determination of recognition must be based on satisfactory evidence. The BIA has not had a decision to recognize a tribe overturned by a court and generally courts give wide deference to executive branch expertise in this matter. The courts also give great deference to recognition of tribes by the Congress through legislation. It is expected that the towns will raise allegations that the Mashantucket Pequot tribe was erroneously recognized by Congress due to the publication of a book entitled "Without Reservation: The Making of America's Most Powerful Indian Tribe and Foxwoods, the World's Largest Casino." The Department sees no valid possibility of revisiting the decision of Congress and the President to recognize the Mashantucket Pequot tribe in 1983 nor is it likely or desirable that Congress terminate the tribe based on allegations in a tabloid-style book. The Department would also recommend against meeting the towns on the allegations raised in the book.



NEWS

U.S. DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

FOR IMMEDIATE RELEASE

March 24, 2000

CONTACT: Nedra Darling

202-208-3710

PROPOSED FINDING ON THE RECOGNITION OF THE EASTERN PEQUOT AND PAUCATUCK EASTERN PEQUOT

The Assistant Secretary-Indian Affairs, Kevin Gover, today issued two proposed positive findings concerning petitions for Federal acknowledgment from the Eastern Pequot Indians and the Paucatuck Eastern Pequot Indians, both groups are headquartered in North Stonington, Connecticut.

Both petitioners meet the seven criteria for Federal acknowledgment under the federal regulations. (25 CFR Part 83) The positive proposed finding states that both petitioners are, singly and together, the continuation of a historically state-recognized tribe whose relationship with the State of Connecticut goes back to the early 1600's.

- The historical Eastern Pequot tribe has maintained a continuous historical government-to-government relationship with the State of Connecticut since colonial times;
- The historical Eastern Pequot tribe had a state reservation established in colonial times, and has retained its land area to the present;
- The historical Eastern Pequot tribe had members enumerated specifically as tribal members on the Federal Census, Special Indian Population Schedules, for 1900 and 1910.

The modern conflicts between the two have focused on their relationship with the State of Connecticut. The Eastern Pequot Indians of Connecticut have taken the position that there is only one tribe, but the Paucatuck Eastern Pequot Indians of Connecticut have taken the position that the ancestors of the other petitioner were not of Eastern Pequot ancestry and were never part of the tribe. The Department found that there was not sufficient information in the record to determine that there is only one tribe with two political factions.

The proposed positive findings for both petitioners do not prevent the Department, in the final determination stage, from recognizing a combined entity, or both petitioners, or either one of the current petitioners but not the other, or neither of the current petitioners, depending upon the evidence developed during the comment periods.

These are proposed findings based on available evidence. The next stage is a 180-day comment period during which petitioners and third parties may submit additional evidence and analysis. In addition to evidence and argument on the proposed findings in general, petitioners and interested parties, and informed parties may submit comments as to the Secretary's authority, under the circumstances of recent separation of the two petitioners, to acknowledge two tribes or only one tribe

which encompasses them both as the continuation of the historic tribe. At the end of the 180 days, each petitioner will have 60 days in which to respond to comments from the other petitioner and third parties. The final determination will be based on both the new evidence submitted in response to the proposed finding and the original evidence used in formulating the proposed finding.

BIA -2-

SANTA CLARA

POST OFFICE BOX 580
(505) 753-7326
(505) 753-7330



INDIAN PUEBLO

ESPANOLA, NEW MEXICO

OFFICE OF GOVERNOR

FACSIMILE MESSAGE

Date Sent: 6-27-90

Time Sent: _____

From Telefax No. (505) 753-5375

To Telefax No. (202) 456-2889

To: Mrs. Lynn Cutler
Department: The White House

From: Gov. Butterfield
Department: _____

Subject: _____

Number of pages 3 (including cover sheet)

Note: If you did not receive the correct number of pages noted above, please
contact my office at (505) 753-7330 or (505) 753-7326 Ext. 203

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Date Received: _____

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Comments:

SANTA CLARA

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(505) 753-7326
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INDIAN PUEBLO

ESPANOLA, NEW MEXICO
87532

OFFICE OF GOVERNOR

June 27, 2000

Ms. Lynn Cutler
Deputy Assistant to the President & Sr. Advisor
to the Chief of Staff for Indian Affairs & Special Projects
The White House
Washington, D.C. 20510

RE: Cerro Grande Fire -- Emergency Appropriation

Dear Ms. Cutler:

Myself and other representatives of Santa Clara Pueblo met with you in late May to discuss the catastrophic damage suffered by the Pueblo in the Cerro Grande Fire, and our need for emergency assistance. It now appears that Congress is prepared to pass an emergency appropriation that would include money for Santa Clara and San Ildefonso, but despite the clear documentation of our needs, and the support of our congressional delegation for a substantial appropriation to begin to meet those needs, the Office of Management & Budget has been waging a vigorous, and seemingly successful, campaign to keep the amount earmarked for the tribes to well below the minimum we need right away. I am therefore writing to ask that your office step in and do what you can to prevent a second catastrophe being wreaked on the Pueblos.

In early June, the Bureau of Indian Affairs contracted with the Center for Applied Research in Denver to conduct an assessment of the losses suffered by the Pueblos as a result of the fire. The study concluded that Santa Clara has short-term losses totaling more than \$43 million, plus others that cannot be evaluated at this time. More than half of that, about \$24 million, was for immediate damage repair and remediation. We understand that the report prepared concerning the Pueblo of San Ildefonso, while showing considerably less loss than Santa Clara's, nonetheless came up with a significant figure. In the face of that report, OMB initially recommended a figure of \$1.6 million, total, for both Pueblos, for the emergency appropriation bill. (At the same time, we are told that OMB was willing to go with a figure of \$450 million for DOE and LANL). OMB felt that any other Pueblo losses should be dealt with in the claims process to be created as part of the emergency legislation. Senator Domenici rejected the OMB

position, however, and concluded that the sum of \$25 million (of which about \$20 million was to go to Santa Clara) would be a fair amount for the two Pueblos, a figure that we fully agreed with and supported.

Now, OMB has apparently come back with a figure of \$8.982 million, and has been working overtime persuade Congress to stick with that number, even while it supports a mammoth appropriation for DOE. (The amount proposed to cover LANL's losses is extremely ironic, since Lab spokesmen throughout the fire kept insisting that the Lab has not suffered any major damage.) We understand that OMB may now have persuaded enough members involved in the process of putting the emergency appropriation together to accept the \$8.982 million figure, and that it is close to being finalized.

We are of course extremely disappointed at this development. While we understand that the direct appropriation is intended only to cover items as to which immediate assistance is needed to avoid even greater losses down the road, we believe OMB has clearly shortchanged the tribes, especially Santa Clara, in arriving at this number. Two specific points will illustrate this:

First, OMB adopted the BAER ("Burned Area Emergency Rehabilitation") report's figure of \$1.64 million for reforestation. Santa Clara lost 6900 acres of forest, and San Ildefonso lost about 500 acres. We have no idea how the BAER team arrived at its figure, but we are quite sure that \$220/acre is not going to cover even the most minimal level of reforestation. The CAR report, after a careful examination of this issue (and of the BAER report) arrived at a total figure of \$6.315 million for reforestation (of which just over \$6 million would be needed at Santa Clara). This money is vitally needed, to enable us to be repairing this damage as quickly as reasonably possible. Delay due to lack of adequate funds will undoubtedly compound our losses. We urge that the full amount determined by CAR for reforestation be included in the emergency appropriation, increasing the total by \$4.675 million.

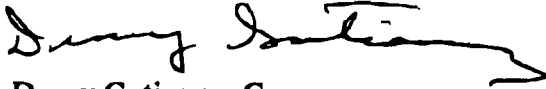
Second, the CAR report identified the need for \$850,000 for road repairs at Santa Clara. This money is urgently needed, to enable us to do the other necessary remediation. OMB reasoning for leaving it out was its belief that the money should be available from some other source, but this is unlikely and illogical. We are not aware of any other available sums of that magnitude that could be tapped for that purpose, but even if they existed they should not have to be drawn on to cover the extraordinary damages caused by this fire. The fire season is not over here, and regularly programmed fire funds will still be needed for losses caused by future fires. Especially given the unusual origin of the Cerro Grande fire, Congress should be willing to deal specially with the losses it caused, and not require resort to normal appropriations.

Those two items alone would warrant increasing OMB's number by \$5,525 million, to just over \$14.5 million. We strongly feel that the number of \$25 million for the two Pueblos, originally approved by Sen. Domenici, much more fairly approximates the magnitude of the Pueblo's needs, relative to the amount being appropriated for DOE and

LANL, but even if OMB's minimalist approach carries the day, its number should be increased as described about to reach the threshold of reasonableness.

I would therefore ask that you do whatever you can to rein in OMB, and allow Congress to treat the Pueblos fairly. Our land has been devastated by this fire, and we should not be subjected to pennypinching when it comes to paying for emergency remediation needs.

Sincerely,

A handwritten signature in black ink, appearing to read "Denny Gutierrez", with a long, sweeping horizontal stroke extending to the right.

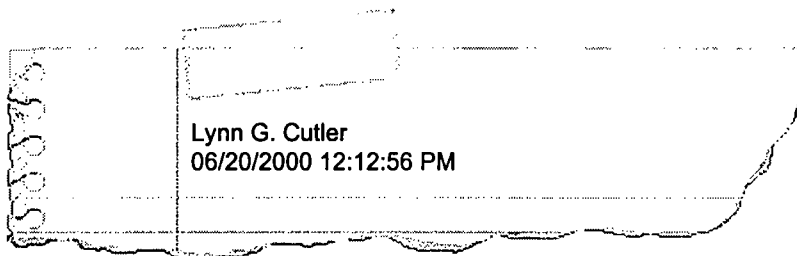
Denny Gutierrez, Governor
Santa Clara Pueblo

Native Am. w/21.

- Riders - one bad one - Alaska GPA probably stolen
 - Direct link to the language

w/m
propos.

- New Mktz -
 - ⊕ want to add a provision - will meet w/ Gov
- Accelerated state bonding - Treasury in conordy
- School construction set aside -



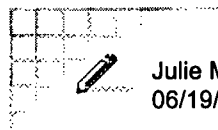
Lynn G. Cutler
06/20/2000 12:12:56 PM

Record Type: Record

To: Maria Echaveste/WHO/EOP@EOP, John Podesta/WHO/EOP@EOP
cc: Mark D. Magana/WHO/EOP@EOP, Michele Ballantyne/WHO/EOP@EOP, Irene Bueno/WHO/EOP@EOP
Subject: Washoe Tribe Lake Access bill

Finally--we have a proposal on the table that the tribe wants and that we can support.

----- Forwarded by Lynn G. Cutler/WHO/EOP on 06/20/2000 12:11 PM -----



Julie M. Anderson
06/19/2000 04:51:06 PM

Record Type: Record

To: Lynn G. Cutler/WHO/EOP@EOP, Stuart R. Kasdin/OMB/EOP@EOP
cc:
Subject: Washoe Tribe Lake Access bill

Reid dropped the conveyance bill today.

----- Forwarded by Julie M. Anderson/WHO/EOP on 06/19/2000 04:48 PM -----



Sally_Hampton@reid.senate.gov (Sally Hampton)
06/19/2000 07:40:53 PM

Record Type: Record

To: Julie M. Anderson/WHO/EOP
cc: Kai_Anderson@reid.senate.gov (Kai Anderson)
Subject: Washoe Tribe Lake Access bill

Julie, I introduced this today.



- Washoe Convey_382.pdf

106TH CONGRESS
2D SESSION

S. _____

IN THE SENATE OF THE UNITED STATES

Mr. REID introduced the following bill; which was read twice and referred to
the Committee on _____

A BILL

To direct the Secretary of Agriculture to convey certain
land in the Lake Tahoe Basin Management Unit, Ne-
vada, to the Secretary of the Interior, in trust for the
Washoe Indian Tribe of Nevada and California.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. WASHOE TRIBE LAND CONVEYANCE.**

4 (a) FINDINGS.—Congress finds that—

5 (1) the ancestral homeland of the Washoe Tribe
6 of Nevada and California (referred to in this section
7 as the “Tribe”) included an area of approximately
8 5,000 square miles in and around Lake Tahoe, Cali-

1 fornia and Nevada, and Lake Tahoe was the heart
2 of the territory;

3 (2) in 1997, Federal, State, and local govern-
4 ments, together with many private landholders, rec-
5 ognized the Washoe people as indigenous people of
6 Lake Tahoe Basin through a series of meetings con-
7 vened by those governments at 2 locations in Lake
8 Tahoe;

9 (3) the meetings were held to address protec-
10 tion of the extraordinary natural, recreational, and
11 ecological resources in the Lake Tahoe region;

12 (4) the resulting multiagency agreement in-
13 cludes objectives that support the traditional and
14 customary uses of Forest Service land by the Tribe;
15 and

16 (5) those objectives include the provision of ac-
17 cess by members of the Tribe to the shore of Lake
18 Tahoe in order to reestablish traditional and cus-
19 tomary cultural practices.

20 (b) PURPOSES.—The purposes of this Act are—

21 (1) to implement the joint local, State, tribal,
22 and Federal objective of returning the Tribe to Lake
23 Tahoe; and

24 (2) to ensure that members of the Tribe have
25 the opportunity to engage in traditional and cus-

1 tomary cultural practices on the shore of Lake
2 Tahoe to meet the needs of spiritual renewal, land
3 stewardship, Washoe horticulture and ethnobotony,
4 subsistence gathering, traditional learning, and re-
5 unification of tribal and family bonds.

6 (c) CONVEYANCE.—Subject to valid existing rights
7 and subject to the easement reserved under subsection (d),
8 the Secretary of Agriculture shall convey to the Secretary
9 of the Interior, in trust for the Tribe, for no consideration,
10 all right, title, and interest in the parcel of land com-
11 prising approximately 24.3 acres, located within the Lake
12 Tahoe Basin Management Unit north of Skunk Harbor,
13 Nevada, and more particularly described as Mount Diablo
14 Meridian, T15N, R18E, section 27, lot 3.

15 (d) EASEMENT.—

16 (1) IN GENERAL.—The conveyance under sub-
17 section (c) shall be made subject to reservation to
18 the United States of a nonexclusive easement for
19 public and administrative access over Forest Devel-
20 opment Road #15N67 to National Forest System
21 land.

22 (2) ACCESS BY INDIVIDUALS WITH DISABIL-
23 ITIES.—The Secretary shall provide a reciprocal
24 easement to the Tribe permitting vehicular access to

1 the parcel over Forest Development Road #15N67
2 to—

3 (A) members of the Tribe for administra-
4 tive and safety purposes; and

5 (B) members of the Tribe who, due to age,
6 infirmity, or disability, would have difficulty ac-
7 cessing the conveyed parcel on foot.

8 (e) USE OF LAND.—

9 (1) IN GENERAL.—In using the parcel conveyed
10 under subsection (c), the Tribe and members of the
11 Tribe—

12 (A) shall limit the use of the parcel to tra-
13 ditional and customary uses and stewardship
14 conservation of the Tribe and not permit any
15 commercial use (including commercial develop-
16 ment, residential development, gaming, sale of
17 timber, or mineral extraction); and

18 (B) shall comply with environmental re-
19 quirements that are no less protective than en-
20 vironmental requirements that apply under the
21 Regional Plan of the Tahoe Regional Planning
22 Agency.

23 (2) REVERSION.—If the Secretary of the Inte-
24 rior, after notice to the Tribe and an opportunity for
25 a hearing, based on monitoring of use of the parcel

1 by the Tribe, makes a finding that the Tribe has
2 used or permitted the use of the parcel in violation
3 of paragraph (1) and the Tribe fails to take correc-
4 tive or remedial action directed by the Secretary of
5 the Interior, title to the parcel shall revert to the
6 Secretary of Agriculture.

Indian Budget

mtg w/ Maria E 6/20

- DOI - Ann Shields problem in 302(b) allocation. - MEG
- SAP/Virus with storage
- Mark's computer - What Interior Dept is doing.
- Is this on Martha's screen
- Check w/ HHS (Pick) for IHS - not for service \$230
- \$51 only for building

- Draft of - get letter out by Thurs for NACF
- Purpose - get some focused
- letter to the Hill - letter after mark up.

- Call to Donors

- School Construction - make sure rooms ~~say~~ mature interior

- Dept of Comm -

- SBA - will ~~not~~ be folded in

- Maria needs me info on SBA - may will ~~get~~ ^{sent}

- Bureau work - Lynn will check.

- DOJ - ~~up~~ ^{up} going ahead with - fighting for it

~~EPA~~ - EPA is highly

Next Steps - ^{Pastor} meet w/ Kilder, Patrick King, Maria ~~edit~~

State Dept only before Fall create - not sure

Indian Office - Public Zill - know

Outside

~~Meeting~~

(4)

Wt mty - on Thursday - Lynn + Mary

Chart

working to update

OPed

Wade - MTE will call (4)

- Be customer
- Mary Bury
- Christopher

~~Meeting~~

Trish
Colley

edue - OK

• Inver - slight increase

• NSF - \$10 million --- got that

• WDR

(4)

Agree

- Cop Call on FRI (MTE will be on the call) - 3pm

mtg 6/20/00

Native American Funding

Action Items:

- Need to ensure that Native Americans are mentioned in statements regarding school construction. Mary to make sure that Sperling is aware of this. Adrienne to tell Barbara Chow.
- Native American letter on all funding issues. OMB to draft letter probably for Podesta signature. Need to call Domenici and Inoye prior to sending letter.
- Department of Commerce programs – Lynn to call David Lane. Martha to determine whether there are supporters on the committee.
- SBA programs – Martha to snoop to see if Hastert could be helpful here. Lynn to call Fred Hochberg.
- Department of Justice – Mary to talk to Bruce about adding language to statements on COPS
- EPA – Possible Walsh problem regarding inclusion of some necessary language on grants. (Action item?)
- Conversations with Conrad and Dorgan – Sylvia to discuss with Senators. *Adrienne will check*
- Funding chart to Steve Cortese ^{*in. Steve*} (who is going to send? Kieffer?) *OK*
- ^{*Jack at HUD*} HUD and Transportation funding – Both departments have active staff working to get the funding (Jackie Johnson in HUD and Jack Basso in Transportation).
- Conference in Alaska – Call to Cortese prior to conference (Kieffer/Gore?). Roll-out with other members. ~~NEAT~~
NEAT

P L INARY
FY 2001 FEDERAL FUNDING FOR PROTECTED MAJORITY
GOVERNMENT-WIDE NATIVE AMERICAN PROGRAMS*

(Budget Authority, in millions of dollars)

	Approps Bills	FY 1998 Actual	FY 2000 Enact. Adj.**	FY 2001 Request	Latest*** House	House vs. Request	Latest*** Senate	Senate vs. Request
Department of Health and Human Services								
non-add, Indian Head Start	(Labor/HHS/ED)	130	145	175	159	(17)	175	0
Indian Health Service (Budget Authority)	(Interior)	2,240	2,391	2,620	2,443	(178)	N/A	(2,620)
non-add, Indian Health Service (Total Program Level) 1L		[2,630]	[2,630]	[3,080]	[2,882]	[-178]	N/A	[0]
non-add, Contract Support		204	229	269	229	(40)	N/A	(269)
Admin. on Native Americans - Commercial Code Initiative	(Labor/HHS/ED)	35	35	44	35	(8)	40	(4)
Administration on Aging	(Labor/HHS/ED)	18	18	24	18	(5)	23	(0)
Department of the Interior								
Bureau of Indian Affairs	(Interior)	1,746	1,869	2,201	1,881	(320)	N/A	(2,201)
non-add, Operation of Indian Programs		1,584	1,640	1,795	1,657	(138)	N/A	(1,795)
non-add, School Operations		478	467	507	472	(35)	N/A	(507)
non-add, Therapeutic Model		—	—	8	0	(8)	N/A	(8)
non-add, FACE		8	8	12	6	(7)	N/A	(12)
non-add, TCCs Tribal Colleges		31	35	38	34	(2)	N/A	(38)
non-add, Road/Bridge Maintenance		28	28	32	26	(6)	N/A	(32)
non-add, Housing Improvement		16	16	32	9	(23)	N/A	(32)
non-add, Contract Support and ISD		115	125	134	125	(9)	N/A	(134)
non-add, Law Enforcement Initiative		99	141	160	141	(19)	N/A	(160)
non-add, Trust Services		73	73	108	88	(19)	N/A	(108)
non-add, School Construction, Repair, Maintenance		80	133	300	120	(180)	N/A	(300)
non-add, Bonding Initiative		—	—	30	0	(30)	N/A	
Office of Special Trustee and Land Consolidation	(Interior)	44	95	85	87	(8)	N/A	(95)
Department of Housing and Urban Development								
non-add, Native American Housing Block Grant	(HHS/ED)	693	693	725	693	(32)	N/A	(725)
non-add, Title VI Loan Guarantee		620	620	650	620	(30)	N/A	(650)
non-add, Indian Homeownership Intermediary Initiative		[8]	[6]	[5]	[8]	[+1]	N/A	[5]
non-add, Indian Community Development Block Grant		—	—	[5]	[2]	[5]	N/A	[5]
non-add, Native American Business Access Center		67	67	69	67	(2)	N/A	
non-add, Tribal Colleges Initiative		—	—	[2]	[0]	[2]	N/A	[2]
non-add, Indian Housing Loan Guarantee		—	[6]	[5]	[0]	[5]	N/A	[5]
non-add, Indian Housing Loan Guarantee		0	—	6	6	0	N/A	(6)
Department of Transportation								
non-add, Indian Reservation Roads and Bridges	(Transportation)	284	250	375	258	(117)	N/A	(375)
non-add, Job Access		264	232	349	240	(109)	N/A	(349)
non-add, Tribal Colleges Technical Assistance		—	13	6	0	(5)	N/A	(5)
non-add, Construction Skills Training		—	—	1	0	(1)	N/A	(1)
non-add, Highway Safety Grants		—	—	1	0	(1)	N/A	(1)
non-add, Highway Safety Grants		1	1	2	1	(1)	N/A	(2)

F B I N A R Y
FY 2001 FEDERAL FUNDING FOR SELECTED MAJOR
GOVERNMENT-WIDE NATIVE AMERICAN PROGRAMS*

(Budget Authority, in millions of dollars)

	Approps Bills	FY 1999 Actual	FY 2000 Enact. Adj.**	FY 2001 Request	Latest*** House	House vs. Request	Latest*** Senate	Senate vs. Request
Department of Education	(Labor/HHS/ED)	1,520	1,577	1,703	1,669	(35)	1,699	(4)
non-add, School Renovation Initiative		—	—	50	0	(50)	0	(50)
non-add, Impact Aid - Public School Construction		5	5	5	19	14	19	14
non-add, Native American Teacher Corps		—	10	10	10	0	10	0
non-add, Native American Administrator Corps		—	—	5	0	(5)	5	0
non-add, Tribal College Capacity Building		3	6	9	12	3	10	1
non-add, Inter-agency Tribal Colleges Initiatives		43	57	67	66	(1)	N/A	(67)
Department of Commerce	(C/US)	7	6	54	N/A	(54)	N/A	(54)
non-add, Economic Development Administration		3	3	49	N/A	(49)	N/A	(49)
Small Business Administration	(C/US)	0	0	6	N/A	(6)	N/A	(6)
non-add, Native American Small Business Development Centers		—	—	3	N/A	(3)	N/A	(3)
non-add, Tribal Business Information Centers		0	0	2	N/A	(2)	N/A	(2)
non-add, BusinessLINC		—	—	1	N/A	(1)	N/A	(1)
Department of the Treasury								
Comm. Dev. Financial Institutions	(VA/HUD)	0	0	5	N/A	(5)	N/A	(5)
National Science Foundation								
Tribal College Initiative	(VA/HUD)	—	—	10	10	0	N/A	(10)
Department of Agriculture	(Agriculture)	197	198	229	N/A	(229)	N/A	(229)
non-add, Rural Community Advancement Program		12	12	24	12	(12)	24	0
non-add, Tribal College Endowment, Interest, & Payments to 1994 Instl.		9	10	14	13	(1)	14	0
non-add, Reservation Agents		2	2	5	2	(3)	3	(3)
Department of Justice								
Law Enforcement Initiative	(C/US)	182	195	279	104	(175)	N/A	(279)
Environmental Protection Agency	(VA/HUD)	159	170	188	175	(13)	N/A	(188)
non-add, General Assistance Program		43	43	53	53	0	N/A	(53)
Department of Energy (Tribal Energy Program)	(Energy/Water)	5	4	5	N/A	(5)	N/A	(5)

FOOTNOTES:

*Table includes funding for programs specific to Native Americans and set-asides for Native Americans within larger programs.

**The FY 2000 Enacted Adjusted column does not include one time expenses that would skew comparisons with other fiscal years' funding levels.

***The FY 2001 Congressional decisions, in many cases, are based on information available as of 06/16/00. Many programs are formula driven, thus the level provided is an estimate.

1/ Includes budget authority plus collections from Medicare, Medicaid, private insurance, quarters, and \$30 million from HCFA for a Special Diabetes Initiative.

N/A - Not available; funding levels being determined or No Congressional action to-date.

Mania
Adrienne
Mary
Mark
Greene



UNITED STATES DEPARTMENT OF COMMERCE
Office of the Secretary
Washington, D.C. 20230

**OFFICE OF
POLICY AND STRATEGIC PLANNING**

Fax Transmittal Sheet

(202) 482-4127 - Telephone

(202) 482-4636 - Fax

Date: _____

To: Lynn Cutler

From: _____
David Festa, Director
Bernard Carreau, Deputy Assistant Secretary
Justin Kenney, Policy Advisor
Maxie Hollingsworth, Special Assistant to the Director
Sandra Hawkins, Administrative Assistant
Pamela Brandon, Office Automation Assistant

Fax Number: 456-7589 Phone Number: _____

Number of Pages (including cover sheet): _____

Message: Background as Request

D

If all pages are not received, please call (202) 482-4127

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Talking Points

FY 2001 Native American Program Initiatives

- In this time of historic prosperity for our country, American Indian and Alaska Native communities continue to suffer from long-term economic deterioration and substantial poverty. The poverty rate in Native communities is two-and-a-half times the national average, unemployment is over eight times higher than the national average and the median family income is less than two-thirds the national average, and less than half of Indian homes have telephones.
- The President's \$54 million request is focuses on **bringing prosperity to all Americans** by using 21st century tools: additional resources to **attract private investment to Native communities** and increased services to **expand Native owned businesses into the global economy**.

FY 2001 Native American Economic Development Program Initiative – Capacity Building

- One of the most evident reasons for the persistent state of distress in Native American communities is the **lack of access to capital** for financing economic development programs on reservations and Alaska Native villages. The President's has requested \$49 million specifically as capital that will serve as the **seed money to build the kind of public-private partnerships** that will bring long-term, diversified economic growth to Native communities.
- The requested resources will be used to fund **capacity building**, including revolving loan funds, and infrastructure projects that are **needed to enable Native Americans to attract business to American Indian reservations and Alaskan Native communities**, and to take full advantage of the Indian Investment and Employment Tax Incentives Plan enacted in 1994 as a package of tax credits.

FY 2001 Native American Economic Development Program Initiative – International Trade and Tourism

- Access to global markets has enabled U.S. companies to expand their businesses and strengthen their local economies. With the President's \$5 million request, **Native-owned firms can build their exporting capacity** through training, ongoing consultation and support, and participation in trade events – tools that can help these firms meet the European market's high demand for Native American products.

The House bill hurts the efforts of Native Americans to attract business to their communities by severely reducing funds necessary to build strong and diversified tribal economies:

- Presently, **funding for planning grants is at its lowest level since 1978**. In addition, **the average Indian planning grant award has been at a stagnant level for over 10 years at \$42,000**, compared to today's average \$54,000 grant awarded to a non-Native communities. **1970's funding cannot solve 21st century challenges**, and without additional investments, Native communities will be left only as observers of the Digital Economy – not participants.
- Our request for additional infrastructure investments provides the kind of seed capital for private investments that could generate **\$31.2 million in total capital investments**. Without it, the House prevents Native communities from developing the backbone of business and infrastructure development that ensures their place in the new economy.
- Independent estimates show that the reduction in investments will result in the **loss of over 12,000 jobs** for residents of Native communities, **\$5.3 million in Revolving Loan Funds**, and **\$113 million in private sector investments**.

FY 2001 NATIVE AMERICAN ECONOMIC DEVELOPMENT PROGRAM INITIATIVE
ECONOMIC DEVELOPMENT ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE

2/7/2000

Program: The purpose of the Native American Economic Development Program Initiative is to fund capacity building, including planning and technical assistance, revolving loan funds and capital access, and infrastructure projects that are needed to enable American Indian tribes and Alaskan Native Villages (Native Communities) be more effective and competitive in the economic development and livability of their reservations and communities. This initiative will allow EDA to more adequately support sustainable economic development programs in Native Communities.

Budget: \$49,200,000 (\$5.2 million for Planning and Technical Assistance, \$39 million for Public Works and \$5 million for Economic Adjustment).

Implementation: Priority will be given to projects that promote the Administration's "New Markets" initiative by funding new capacity building programs and projects that support the growth of native-owned businesses in Native Communities; strengthen the economic infrastructure of Native Communities, including the deployment and enhancement of technology infrastructure; support sustainable economic development opportunities in Native Communities, including the development of natural resource-based economies; and support workforce development programs, including skill-training and distance learning facilities.

EDA will fund tribally identified projects that:

- assist in developing and building local capacity;
- satisfy a pressing need;
- offer the best opportunity to stimulate sustainable economic development programs;
- provide permanent employment opportunities for native residents; and,
- increase the productive capacity of Native Communities.

The Native American Economic Development Program Initiative is important because it will:

- help remove barriers to economic development in Native Communities and provide badly needed investments for physical infrastructure, planning assistance and workforce development as revealed by the study conducted by New Mexico State University College of Engineering and documented in its recent report entitled, "Assessment of Technology Infrastructure in Native Communities."
- help close the technology gap, both the physical in terms of infrastructure and the informational in terms of access to learning and knowledge, that exists in Native Communities;
- help support the growth of existing, and the attraction of new businesses to Native Communities, which are urgently needed to help abate off-reservation spending by native residents;

- help produce trained and knowledge-based Native workers for both community-based and nearby off-reservation businesses;
- help Native Communities take full advantage of the Indian Investment and Employment Tax Incentives Plan that was enacted in 1994 as a package of tax credits (similar to those available to Empowerment Zones and Enterprise Communities);
- support the attraction of outside private investment capital and the location of commercial business operations in Native Communities; and,
- allow EDA to accommodate the special needs and considerations associated with doing business on federal trust lands and providing financing for businesses located on trust or tribally-owned lands.

based in terms of programs, and under-representation of minorities in these programs is severe, long-standing, and well-documented. According to the Census Bureau, Blacks and Hispanics comprise some 12.8 percent and 11.6 percent of the population, respectively. However, according to the National Science Foundation, they account for only 2 percent of the scientific workforce. MSIs are the only realistic way to increase minority representation in these fields because most of the "best and the brightest" minority students matriculate at MSIs. The statistics bear this out. For example, 40% of African-American students receive undergraduate degrees at HBCUs. But 85% of black physicians, 80% of black Federal judges, 75% of black lawyers, 75% of black military officers, and 75% of black Americans who hold doctoral degrees all received undergraduate degrees at HBCUs.

This is also a problem for the economy at large and requires a visible and substantial response. But, there are no simple or quick solutions; we must invest in a sustained and strategic way. MSIs serve minority students very well. MSIs graduate half of the minorities going into science or engineering. Any reasonable strategy to increase minority graduates in science or engineering must include a central role for MSIs. With these conclusions in mind, we must face the reality that few MSIs today have the capacity to offer state-of-the-art science and engineering studies, particularly at the graduate degree level.

- In NOAA, we are proposing to create three Cooperative Science Centers in oceanic, atmospheric, and environmental fields to form true partnerships with MSIs to strengthen their ability to participate in federal grant and contract research in a competitive way. In addition, NOAA will establish a Junior area scholarship/fellowship program to support training and eventual employment of MSI students and to implement a graduate scientist program to bring graduates into NOAA. One of the most novel components of NOAA's MSI effort is the Environmental Entrepreneurship Program. This component will allow NOAA to build the capacity for minority individuals as well as minority-owned businesses to participate in contract work in environmental projects such as natural resources restoration.
- NIST also would invest in MSI partnerships using the Center of Excellence model to improve access to state-of-the-art facilities and to create opportunities for minorities to produce technical publications and patents. Through the Commerce Student Fellowship Program and the NIST/NRC Postdoctoral Associateship Program, NIST will also offer an additional 47 Fellowships over five years to undergraduate, graduate, doctoral, and post-doctoral students. Finally, NIST will establish a collaborative metrology training center in at least one MSI and will develop two new NIST metrology training courses.

Promoting Native American Economic Development — While the country continues to thrive during one of the longest and strongest economic expansions in its history, Native Americans are one segment of the Nation's population that has been

consistently left behind. This \$54 million program will promote self-sufficient economic development activities like tourism and will provide the capital to encourage more collaboration between the Native communities and adjacent non-native jurisdictions on economic development matters central to both communities.

Among the most distressed in the country, Native American communities suffer from a poverty rate twice the national average, unemployment rates eight times higher than the national average, and a median income less than two-thirds the national average. On July 7, 1999, President Clinton demonstrated his concern about this situation by visiting the Pine Ridge Reservation, home of the Oglala Sioux nation. This was the first visit by a sitting American President to a reservation since Franklin Roosevelt.

In keeping with the Administration's "New Markets" initiative the Department of Commerce's Economic Development Administration (EDA) will concentrate \$49 million on the provision of both basic and advanced infrastructure needs. EDA will give priority to projects that emphasize the attraction of outside capital to, and the location of basic commercial business operations in, Native American communities. In addition, workforce development, including distance learning facilities, will be given high priority. Such facilities are urgently needed for the attraction of new businesses to these communities as well as for producing trained and knowledge-based Native American employees for nearby privately-owned, off-reservation businesses.

The FY 2001 request also includes \$5 million for ITA to use in the following ways. First, under the Department's Global Diversity Initiative, ITA will engage in a rigorous outreach program to identify Native-American owned firms with core attributes for successful international sales (management skills, sound products, and internal resources), and to help provide them with sufficient capability to become successful exporters. Native American businesses are a constituency which traditionally under-participates in the American economy, and this sector has not prospered as much as the American economy as a whole. Second, the Native American culture and products have a continued fascination within the mainstream culture in this country, and certainly in many foreign nations. Increasing the amount of tourism which focuses on Native American culture and products will bring needed jobs and income into Native American communities, which are among the most economically depressed in the Nation.

Promoting Lower Mississippi Delta Region Economic Development — Commerce requests \$10 million to join a multi-agency effort that underscores the Administration's commitment to revitalize this area of the country. As a result of the longest peacetime economic expansion in American history, some areas of the delta region have improved, but much work remains to be done. As part of this Federal effort, Commerce will work to revitalize local economies by financing public works

Adrienne
Lisa
Mama
Jene
Ciff.

U.S. Department of Transportation
Office of the Secretary
Assistant Secretary for Budget & Programs

TO: LYNN CUTLER

FROM: LEW for
LINDA DARR

DATE:

6/20/00

FAX NO.:

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PAGE TOTAL:

3

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Editorial

MAY 27, 2000.

Eyes on Delta

By JAMES O. POWELL

The Clinton administration has making a climactic effort to focus national attention and energy upon the Mississippi Delta, the storied region in which the greatest of American rivers reaches down through seven states to the Gulf at New Orleans. No part of the country has had a more rolic history or a more worrisome experience in fulfilling its promise.

Right now, in Washington, the key question is whether the Republican Congress will pass the bill to set up a Delta Regional Commission as proposed by Sen. Blanche Lincoln and Congressman Marion Berry of Arkansas.

In May the administration staged the first national conference on the Delta, bringing together in Arlington, Va., just outside Washington, nearly a thousand people who have been working to develop the region that has famous so long for both its comparative poverty and the richness of its resources. President Clinton and Vice President Gore led an array of government figures and experts from the private sector in two days of discourse and dialogue on how to keep the good work going and how to capture the Delta's opportunities.

Governors, senators and congressmen joined Secretary Glickman of the Agriculture Department and other Cabinet members and leaders of business and finance in the presentations. The assemblage was as bipartisan as the administration could make it, in reaching out to both parties for help.

This is the last of Clinton's eight years, and he is anxious to advance an enterprise that has had high priority with him since he was governor of Arkansas and chairman, 10 years ago, of the

Lower Delta Development Authority. Arkansas played a major role in the conference, not to mention the presence of the President who hails from Arkansas. The moderator of the conference was Rodney Slater, secretary of Transportation, who was reared at Marianna in the Arkansas Delta and whose success story has been one of the brightest in the state's recent history. His lieutenant for the conference and in the Transportation agency is Jerry Malone, a native of Earle, which is in the Delta between Forrest City and Memphis. Dale Bumpers, the former senator and one of the most distinguished figures in the Senate for a quarter century, spoke to the assembly on the Delta and his own experience wrestling with its seemingly intractable problems.

Three bright high school students from the Arkansas Delta — Latrice Jackson of Marianna, Marlon Henderson of Jonesboro and Jimmi Faye Lampley of Earle — were on the program and gloried in the limelight. At the close of the two-day conference a young adult choir from West Memphis sang rousing choruses including "Joshua Fit the Battle of Jericho."

The President and Vice President Gore announced a series of new grants and programs for Delta initiatives. The region has 219 counties in the seven states. Economic indices have shown encouraging improvement in the late nineties, but much remains to be done at the turn of the century as suggested in the title of a 113-page report called "The Delta Beyond 2000." A key proposal now is the creation of the Delta Regional Commission. It would be patterned after the Appalachia Commission, which was set up to invigorate the Appalachian region.

The problem is getting the bill through the Republican Congress and what's needed most is the support of Trent Lott, the Senate majority leader, whose state of Mississippi would have a big stake in the Delta Commission bill. Essentially the question is whether Lott would want a Democratic administration to get credit for the Commission.

It was a conference packed with

meeting with the Vice President to a session on Growing the Delta Economy, featuring speakers from the Delta's enterprise communities along with Horace Webb, a senior executive from Entergy, and Tom McRae, executive vice president of the Southern Development Bank Corporation, who is well known in Arkansas for his days as a politi-

SEE EYES - 5A

Eyes

cal figure and head of the Rockefeller Foundation. Rodney Slater presented to President Clinton the report on "Delta Vision, Delta Voices: The Delta Beyond 2000" (a publication whose executive editor happens to be my son, Lee Riley Powell).

President Clinton, in his address, emphasized the value to the whole country in developing the economies in areas of the Delta that had been left behind in the march to prosperity.

The conference had its leavening of humor and a high social event. Bill Clinton shook hands with the crowd after "y'all come out to the house." That night there was a White House reception, complete with the Marine Dance Band, marvelous food, and many memories for some of us. Under a portrait of Lady Bird Johnson, I recalled dancing there with her a long time ago while my wife danced with Lyndon Johnson.

There were many good lines at the conference, like the description of the celebrated Peabody Hotel as "the capitol of the Delta." Perhaps the best was from Bruce Babbitt, the secretary of the Interior, who called the Delta "God's special place." It summed up the spirit of the meeting.

(EDITOR'S NOTE: James O. Powell is the former editorial director of the Arkansas Gazette.)

Delta Work Group hears suggestions for improvements

By KENDALL

T-H Staff Writer

Gov. Mike Huckabee and the Arkansas Delta Development Initiative Work Group heard from the U. S. Department of Transportation and Delta business leaders Tuesday during a meeting held at the Forrest City Civic Center.

Discussion at the summit centered on improving the Delta region economically, educationally and through health

initiatives.

"We want to spend a few minutes getting the perspective of several of you as business leaders and hopefully you will share with us a few ideas of what we can do to improve the Delta," Huckabee said. "What we don't need to do is have another meeting talking about what we need to plan. With all I can possibly muster within me, I hope that we do not simply gather together and have another study another plan and

all we do is congratulate ourselves on how much we care.

"We must come away from this with a very concrete and specific idea of what we can, must and will do for the citizens of this area," Huckabee said.

The governor also addressed education and health care for the state's children.

"I don't think that the people that elected us are really interested in the internal politics that go on at the capital," Huckabee said. "What the peo-

ple that elected us are interested in is knowing that when their kid is sick can they take him or her to the doctor, and that if their kid goes to school, kindergarten through 12th grade, in the state of Arkansas, that that diploma will be worth something and the child will be able to forge their way through college, get a degree and get a job that will pay good wages."

Huckabee said the education will get a level of independence, not because the gov-

ernment is there to prop them up, but because government was there to give them the opportunity and health care to be all that they can be."

Al Rosenberg, Deputy Assistant Secretary for Transportation Policy spoke to the group on the Mississippi Delta Regional Initiative.

"We could not agree more with the governor in his statements that we must go from plans to action," he said.

See DELTA on Page 9

Huckabee hopes for Delta improvements by next year

FORREST CITY (AP). — Gov. Mike Huckabee said Tuesday he expects to see an improved Delta region by this time next year after a meeting with business leaders and others on how to pry the Delta from its decades of poverty.

"We want to formulate policy and legislation based on what's working," Huckabee said after meeting with some 250 people to discuss what can be done for the region. "We know we've got problems. We're trying to move beyond this sitting around congratulating ourselves for how much we care."

Huckabee met with members of his Arkansas Delta Development Initiative Work Group and said afterward that the group would draft legislation on measures to change people's lives. The draft should be ready by the fall, in time for the legislative session in January, he said.

The governor said he did not want to create more bureaucracy in trying to solve the region's problems but wanted to see, besides the legislative changes, more private-public partnerships aimed at educating Delta residents, helping find jobs



Forrest City Mayor Larry Bryant, Gov. Mike Huckabee, Rep. Arnell Wilks of Helena and Rep. Steve Jaque of Marion Eban to business leaders from the Arkansas Delta during the Governor's Arkansas Delta Development Initiative Summit Tuesday in Forrest City. The governor and business and government leaders in the 42 counties that make up the Arkansas Delta will be working to find ways to improve health care, education and transportation in the Delta. Some of the proposals will be considered in the 2001 legislative session. (Photo Submitted)

Over the next few months, he said, members of the work group will look at what student scholarships can be offered, where health care can be made available to those who need it to get to work.

He said the group will look at the possible creation of "super enterprise zones" to reward companies that bring jobs to the Delta or incentive programs that help people build and buy homes; will study changes to medical reimbursements so

health care facilities find it advantageous to locate in the Delta; and will look at ways to improve the region's infrastructure, including systems for safe drinking water. Education was a primary topic at the meeting.

Huckabee said the local community colleges and technical colleges can become vital in that regard. In addition, he said, the state can make sure that school districts are getting the money they need to educate their students.

 Maria Echaveste

06/16/2000 04:13:11 PM

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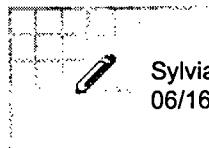
To: Irene Bueno/WHO/EOP@EOP

cc:

Subject: Re: Indian country budget

fyi

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Sylvia M. Mathews
06/16/2000 03:52:21 PM

Record Type: Record

To: Lynn G. Cutler/WHO/EOP@EOP

cc: See the distribution list at the bottom of this message

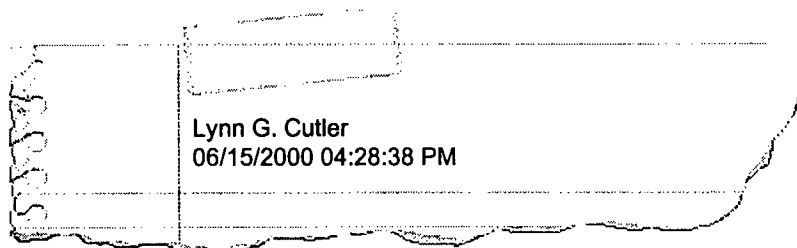
bcc:

Subject: Re: Indian country budget 

Maria, I had not seen Lynn's email when I responded earlier. I did raise the issue with the Chief's of Staff on Tuesday and previewed that Lynn would be calling them.

Lynn do we know who our problem departments are?

Lynn G. Cutler



Lynn G. Cutler
06/15/2000 04:28:38 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: Indian country budget

I am learning, to my great dismay, that most of our agencies are simply not doing anything to help deliver the President's budget initiative on Indian country. In fact, there is some evidence that some people in BIA are making different priority decisions, working with majority staff, that were reflected in the outcomes in the House funding. With an inexplicable problem in the Indian advocacy community, that is being

addressed, we have a very troubling picture if the Interior budget comes up next week. I would hope that we could call a meeting early next week with some of the Chiefs of Staff and their leg. people to clarify again that this is a very big deal to the President.

Message Sent To:

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