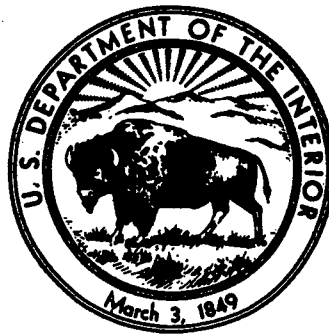


**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUDGET JUSTIFICATIONS, F. Y. 1978**



BUREAU OF INDIAN AFFAIRS

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SUMMARY

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

HIGHLIGHT STATEMENT

The Bureau of Indian Affairs proposes a budget of \$1,247,952,000 for fiscal year 1978 which includes \$842,322,000 in Federal appropriations and \$405,630,000 in permanent and trust funds. This represents an increase of \$148,035,000 over fiscal year 1977 of which \$54,360,000 is for Federal funds and \$93,675,000 for permanent and trust funds. The largest single item is \$245,467,000 for Indian Education Programs.

For the past few years the Bureau has used a system known as the Band Analysis, as a tool to provide opportunity for local Indian tribes to have input into the budgetary process. Priorities established by the tribes provide the basis for determining total funding levels and distribution for most of the on-going operating programs. There are two facets of this system which should be pointed out. First, the system does not provide additional funds, but rather gives tribes a chance to distribute among programs within established funding limits. Second, the system does not include all funds of the Bureau. It does not include welfare payments for example because the Bureau is required to make these payments based upon other criteria. It does not include payments required by law such as the Alaska Native Fund and Trust Funds. It does not include some funds distributed by formula such as Johnson-O'Malley.

The following charts indicate the "Banded" and "Unbanded" amounts by item showing respective amounts requested in FY 1977, appropriated for FY 1977 and the amounts included in this 1978 request:

BANDED

<u>(\$ in millions)</u>	<u>FY-1977 Budget Request</u>	<u>FY-1977 Appropriation</u>	<u>FY-1978 Budget Request</u>
<u>Operation of Indian Programs:</u>	<u>\$ 342.9</u>	<u>\$ 343.9</u>	<u>\$ 366.4</u>
Education.....	158.1	159.0	165.3
Indian Services.....	34.2	33.6	37.8
Economic Development and Employment Program.....	47.2	44.1	47.9
Natural Resources Development.....	26.1	26.4	29.3
Trust Responsibilities.....	19.1	18.7	21.3
General Management and Facilities Operation.....	58.2	62.1	64.8
<u>Construction</u>	<u>2.2</u>	<u>2.2</u>	<u>1.5</u>
<u>Road Construction</u>	<u>2.0</u>	<u>2.0</u>	<u>2.1</u>
<u>Loan Guaranty</u>	<u>1.3</u>	<u>1.3</u>	<u>-</u>
<u>Pay Cost for Pay Raise October 1, 1976..</u>	<u>-</u>	<u>-</u>	<u>13.2</u>
TOTAL, BIA (BANDED).....	<u>\$ 348.4</u>	<u>\$ 349.4</u>	<u>\$ 383.2</u>

UNBANDED

<u>(\$ in millions)</u>	<u>FY-1977</u> <u>Budget Request</u>	<u>FY-1977</u> <u>Appropriation</u>	<u>FY-1978</u> <u>Budget Request</u>
<u>Operation of Indian Programs:</u>	<u>\$ 246.6</u>	<u>\$ 258.8</u>	<u>\$ 273.9</u>
Education.....	65.1	71.1	73.4
Indian Services.....	122.5	121.8	134.7
Economic Development and Employment Program.....	28.0	28.8	18.2
Natural Resources Development.....	8.1	12.3	19.5
Trust Responsibilities.....	4.9	6.8	8.8
General Management and Facilities Operation.....	18.0	18.0	19.3
<u>Construction.....</u>	<u>44.1</u>	<u>74.9</u>	<u>85.2</u>
<u>Road Construction.....</u>	<u>35.2</u>	<u>37.1</u>	<u>66.8</u>
<u>Loan Guaranty.....</u>	<u>18.7</u>	<u>13.7</u>	<u>-</u>
<u>Miscellaneous Appropriations.....</u>	<u>44.9</u>	<u>44.9</u>	<u>45.6</u>
<u>Trust Funds.....</u>	<u>267.1</u>	<u>267.1</u>	<u>390.0</u>
<u>Pay Cost for Pay Raise October 1, 1976</u>	<u>-</u>	<u>-</u>	<u>3.2</u>
TOTAL, BIA (UNBANDED)....	<u>\$ 656.6</u>	<u>\$ 696.5</u>	<u>\$ 864.7</u>
TOTAL, BIA.....	<u>\$1,005.0</u>	<u>\$1,045.9</u>	<u>\$1,247.9</u>

In all of the budget decisions for FY 1978 by the Bureau, the Department and the Office of Management and Budget, the "banded" programs were considered as a single program. At all times total funds to be "banded" were the consideration, not the amount "banded" for an individual program. This is a necessary procedure to preserve the priorities established in the field.

The funds requested will provide for:

Indian Education - \$245.5 million. The \$245.5 million represents an \$8.8 million increase over FY-1977. Included in the request is \$4.2 million reflecting the development of tribal priorities for reservation day and boarding schools, as well as, improvement in program management; \$1.4 million is required to open or expand school facilities at 13 locations; \$1.0 million will increase the higher education program providing special emphasis on financial assistance to tribal education institutions; \$2.2 million is proposed for previously private schools to provide for expanded enrollment and cost increases.

Indian Services - \$173.9 million. The increase of \$17.2 million reflects an \$8.1 million increase for Tribal Government Services to cover increased workload in areas such as assistance and the preparation of tribal membership and payment rolls and preparation of reservation maps for the U. S. Census Bureau; also included in the requested increase is the transfer of \$3.0 million from the Law Enforcement program. An increase of \$8.0 million in Social Services is required to meet increased unit costs in General Assistance and Child Welfare and a minor increase in miscellaneous assistance. Law Enforcement reflects a net decrease of \$2.6 million as a result of the transfer of Judicial Services to the Tribal

Government Services. An increase of \$1.5 million in the Housing Services will provide technical assistance for Indian housing authorities and the construction of 490 new homes and the renovation of 2,630 homes. Self-Determination Services increase of \$2.2 million is necessary for the grant program to assist eligible tribal population as revised from the 1970 Census base; also included are funds for training and technical assistance.

Economic Development and Employment Programs - \$67.5 million. The FY 1978 request of \$67.5 million for economic development and employment programs is \$6.8 million below the \$74.3 million for FY 1977. A reduction of \$5.5 million is associated with the expiration of funding authorization for the Indian Business Development Program, for which no funding is requested for FY 1978. Funding for employment programs is requested at \$45.9 million for FY 1978, a reduction of \$5.2 million from FY 1977, including a reduction of \$6.0 million in the Indian Action Team program, partially offset by small increases in other programs.

Natural Resources Development - \$49.8 million. The request of \$49.8 million for natural resources programs in FY 1978 provides for an increase of \$10.1 million over FY 1977. New emphasis is being given to energy-related resources, where an increase of \$7.6 million is proposed. The increase will be used largely to expand and intensify mineral inventories and development planning on reservations with high energy development potential. An increase of \$0.9 million will be used to operate and maintain Indian Irrigation Projects. The \$5 million forest development program initiated in FY 1977 will be continued. \$2.4 million is requested to begin farm unit development work on Block 3 of the Navajo Indian Irrigation Project. Increases of \$2.6 million are proposed to strengthen other resource conservation and development programs in accordance with tribal priorities.

Trust Responsibilities - \$30.8 million. The FY 1978 request for \$30.8 million for programs to carry out the Federal trust responsibility represents an increase of \$4.6 million over FY 1977. An increase of \$0.9 million is proposed for activities to carry out the "Boldt" decision in the State of Washington, bringing to \$4.1 million the total requested for this work, including \$1.0 million in the "Indian Services" account. An increase of \$2.8 million is proposed for other rights protection and environmental quality work, and an additional \$0.9 million is proposed to strengthen real estate and financial trust services.

General Management and Facilities Operation. Included in the fiscal year 1978 budget request are funds to provide for the general management and administration of the Bureau, \$12.0 million, including \$3.0 million for annual program planning and development at the reservation level; safety management and employee compensation, \$3.4 million; operation, repair and maintenance of Bureau-owned physical facilities in support of Bureau programs, \$66.2 million, and \$5.6 million for space provided by GSA in GSA-owned or leased facilities. - \$87.3 million.

Construction (Buildings and Utilities) - \$42.9 million. The Construction program is estimated at \$42.9 million of which \$25.3 million is new construction at various locations within the Indian communities. The requested new construction projects are: Sherman Indian Boarding High School, California; Standing Rock Boarding School, North Dakota; Jemez School, New Mexico; Haskell Indian Junior College, Kansas; Lower Brule School, South Dakota; Napakiak School, Alaska; Pine Ridge Rehabilitation Center, South Dakota; and Administration Building at Fort Hall Agency, Idaho. Also includes funds for water treatment and disposal, kindergartens and quarters, deferred equipment, planning and design, and technical assistance.

In addition, \$11.3 million is for public school construction which is authorized under the provisions of P.L. 93-638. The remaining \$6.3 million will be used for facilities improvement and common program-type services.

Irrigation Construction - \$44.4 million. A major new thrust in this year's budget for Indians is a significant acceleration in constructing and rehabilitating Indian irrigation projects. An increase of \$14.4 million is requested for this purpose, bringing the total requested to \$44.4 million. Of the total, \$25 million is for continuing construction on the Navajo Indian Irrigation Project. The remaining \$19.4 million will be used to significantly accelerate construction and rehabilitation work on selected high-priority irrigation projects.

Road Construction - \$70.3 million. New budget authority of \$70.3 million is proposed for construction of the Indian road system. In addition, an appropriation of \$22.9 million is requested to liquidate obligations incurred under previously provided contract authority. The proposed obligation program for FY 1978 of \$70.3 million compares with the FY 1977 obligation program of \$81.7 million, of which \$11.2 million represents work carried forward from prior years.

Alaska Native Claims. Included in the fiscal year 1978 budget request is \$30.0 million for payment to the Alaska Native Fund for settlement of land claims for Alaska Natives as authorized by P.L. 92-203, December 18, 1971. This settlement will be accomplished in conformity with the real economic and social needs of the Natives and with their maximum participation in decisions affecting their rights and property. Funding to date has been \$12.5 million in 1972, \$50.0 million in 1973; \$70.0 million in 1974 and 1975; \$71.6 million in 1976; \$40.0 million in the Transition Quarter, and \$30.0 million in 1977. The total amount of the claims is \$465.5 million and will be paid out in 1981.

Loan Programs. Direct loans from the revolving loan fund are projected at \$21 million for FY 1978, up from \$20 million in FY 1977. The loans will be financed from available fund balances.

Appropriation authorization for the loan guarantee and insurance fund expired with the 1977 fiscal year. Reauthorization and appropriations are not being requested for FY 1978. Guaranteed and insured loans will be financed from available fund balances in FY 1978.

Travel Costs. In view of the continuing congressional interest and restriction on travel costs, the Bureau has revised its Accounting and Reporting System. This action will provide more effective managerial information on which to better monitor the actual costs of travel and be able to estimate the travel requirements more accurately. The following guidelines have been established to assist in controlling travel costs:

1. All national meetings/conferences must be approved by the Commissioner.
2. Minimize the number of people who must travel for a single purpose and never allow two persons to travel when one will suffice.
3. Examine travel assignments at official stations to assure that travel is performed by employees at stations which are in closest proximity to travel destinations.
4. Establish effective controls on all continuous or indefinite travel authorizations.
5. Establish a system within each respective Area to limit trips, numbers of individuals traveling, points to be visited, itineraries and durations to those that are essential to the performance of Area and Office missions.
6. Review policies and procedures affecting employee transfers between official duty stations to reduce such transfers to those essential for mission accomplishment.

The Bureau will continue to monitor and take necessary action in an effort to keep the travel costs at the lowest minimum.

BIA Permanent Full-time Positions. The total permanent positions set forth in the justifications represents an increase of 67 full-time permanent positions for a total of 13,987 in FY 1978. These additional positions are required to open or expand school facilities at 13 locations.

Productivity. The Bureau is developing a long-term productivity improvement plan which will include the redefinition of measurable outputs, a systematic method of productivity data collection, and the utilization of productivity information, along with other measurements for management improvement.

Budget Structure. The Bureau request for FY 1978 shows changes in the budget structure. These changes have been made to better align the activities with the organizational structures and to allow for improved management of the BIA funds. A summary of the changes are:

1. The sub-activity "Career Development" under the Education activity has been changed to "Continuing Education" and includes only Higher Education and Adult Education.
2. The activity Navajo-Hopi Settlement Program is now under the Tribal Government Services portion of the Indian Services activity.
3. A new activity Economic Development and Employment Programs now includes under one sub-activity, Employment Development, the following employment type programs; Adult Vocational Training, formerly under Career Development of Education; On-the-job Training; and Indian Action Teams.
4. Also, the Economic Development and Employment Programs include the Business Enterprise Program and the Credit Operations under the sub-activity entitled, "Business Enterprise Development."
5. The Natural Resources Development activity includes Forestry and Agriculture; and Minerals, Mining, Irrigation and Power.
6. The Common Services Program is shown as a separate entry in the justifications for each sub-activity and justified as a separate program.

Status of Authorizations. United States Code 25 is the basic authority under which the BIA programs operate. Some of the major legislative authorities are:

- The Snyder Act of 1921 (25 U.S.C. 13)
- The Indian Reorganization Act (48 Stat. 984)
- The Johnson-O'Malley Act of 1934 (25 U.S.C. 452-456)
- The Vocational Training Act (25 U.S.C. 309)
- The Indian Reservation Roads Act (25 U.S.C. 3189)
- The Indian Financing Act of 1974 (P.L. 93-262, 25 U.S.C. 1451)
- The Indian Self-Determination and Educational Assistance Act of 1975 (P.L. 93-638, 25 U.S.C. 450)
- The Navajo-Hopi Rehabilitation Act (25 U.S.C. 631)
- The Navajo-Hopi Settlement Act (P.L. 93-531).

A review of the authorities reveals all are still in effect except Section 403 of Title IV and Section 402 of Title III of the 1974 Indian Financing Act which authorized for the three consecutive years 1975, 1976 and 1977, \$10 million for Indian Business Development Programs and \$20 million for Loan Guaranty and Insurance Programs.

Population. The United States Census for 1970 reports there are 792,730 Indians and 34,378 Aleuts and Eskimos in the United States. This is a total of 827,108 Americans claiming Indian or Alaska Native ancestry. In April 1976, the Bureau of Indian Affairs estimated about 638,000 Indians and Alaskan natives were living on or near reservations including all rural California Indians in counties containing trust land, reservations areas in Oklahoma, and reservations in New York State.

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

Program Direction. The Administration will continue to provide the American Indian the opportunity to live in prosperity, dignity and honor, and to help determine their destiny through their participation and involvement. This budget supports those directions.

BUDGET AUTHORITY
(In thousands of dollars)

<u>Account and Functional Code</u>		<u>1976 Actual</u>	<u>1977 Estimate</u>	<u>1978 Estimate</u>
Operation of Indian Programs Supplemental	999	566,118	616,746 10,040	654,740
Construction	452	80,672	77,101	87,247
Road Construction	452			
Liquidation of Contract Auth. Budget Authority		(76,705) -0-	(36,795) 39,075	(22,912) 70,335
Revolving Fund for Loan	452	3,000	-0-	-0-
Loan Guaranty	452	10,000	15,000	-0-
Alaska Native Claims	452	71,600	30,000	30,000
Total Federal Funds, BIA		731,390	787,962	842,322
<u>Trust Funds</u>				
Miscellaneous Appropriations (Indefinite special funds)	452	15,698	12,866	15,630
BIA Trust Funds (Permanent indefinite)	452	251,172	299,089	390,000
Total Federal and Trust Funds		998,260	1,099,917	1,247,952

OPERATION OF
INDIAN PROGRAMS

BUREAU OF INDIAN AFFAIRS

Operation of Indian Programs

Appropriation, 1976.....	\$542,918,000	
Second supplemental.....	13,250,000	
Pay act supplemental.....	<u>9,950,000</u>	
Total appropriation, 1976.....		<u>\$566,118,000</u>
Appropriation, 1977.....	602,713,000	
Pay cost supplemental.....	14,033,000	
Unobligated balance.....	<u>3,077,830</u>	
Total available, 1977.....		<u>619,823,830</u>

SUMMARY OF INCREASES AND DECREASES, 1978

	<u>Base for 1978</u>	<u>Increase or Decrease 1978</u>	
Education.....	\$239,760,630	\$+ 5,539,370	
Indian services.....	156,785,000	+17,109,000	
Economic development and employment programs.....	74,266,200	- 6,777,200	
Natural resources.....	39,655,000	+10,109,000	
Trust responsibilities.....	26,161,000	+ 4,582,000	
General management and facilities operation.....	83,196,000	+ 3,997,000	
Annualization of October 1976 pay raise.....	-	<u>+ 357,000</u>	
Total, net increase, 1978.....			<u>34,916,170</u>
Budget Estimate, 1978.....			<u>654,740,000</u>

BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS
Analysis by Activity

Activity	(Direct Appropriation)				
	Fiscal Year 1977				
	FY 1976 Amount Available	Total Appropriation	Pay Cost Supplemental	Unobligated Balance Available	Amount Available
1. Education.....	\$224,222,186	\$230,106,800	\$ 6,576,000	\$3,077,830	\$239,760,630
2. Indian services.....	137,616,000	155,407,000	1,378,000	--	156,785,000
3. Economic development and employment programs.....	72,528,000	72,899,200	1,367,000	--	74,266,200
4. Natural resources.....	36,012,000	38,681,000	974,000	--	39,655,000
5. Trust responsibilities.....	23,392,000	25,521,000	640,000	--	26,161,000
6. General management and facilities operation.....	73,067,000	80,098,000	3,098,000	--	83,196,000
Total.....	<u>566,837,186</u>	<u>602,713,000</u>	<u>14,033,000</u>	<u>3,077,830</u>	<u>619,823,830</u>

BUREAU OF INDIAN AFFAIRS
OPERATION OF INDIAN PROGRAMS

Analysis by Activities

(Direct Appropriation)

Activity	FY 1976 Amount Available	FY 1977 Amount Available	FY 1978 Estimate	Increase (+) or Decrease (-) 1978 Compared with 1977
1. Education.....	\$224,222,186	\$239,760,630	\$245,467,000	\$+ 5,706,370
2. Indian services.....	137,616,000	156,785,000	173,935,000	+17,150,000
3. Economic development and employment programs.....	72,528,000	74,266,200	67,520,000	- 6,746,200
4. Natural resources.....	36,012,000	39,655,000	49,788,000	+10,133,000
5. Trust responsibilities.....	23,392,000	26,161,000	30,759,000	+ 4,598,000
6. General management and facilities operation.....	73,067,000	83,196,000	87,271,000	+ 4,075,000
Total.....	566,837,186	619,823,830	654,740,000	+34,916,170

OPERATIONS OF INDIAN PROGRAMS

Analysis of Subactivities

	1976 Amount Available	1977 Amount Available	Perm. Pos.	1978 Estimate	Perm. Pos.	Increased or Decreases (-) 1978 compared with 1977 Dollars Pos.	
1. Education:							
A. School Operations.....	\$156,729,000	\$166,269,000	6,517	\$174,171,000	6,576	+ 7,902,000	+59
B. JOM Educational Assistance.....	31,671,186	34,529,830	1	31,542,000	1	- 2,987,830	-
C. Continuing Education.....	35,822,000	38,961,800	65	39,754,000	65	+ 792,200	-
Total.....	224,222,186	239,760,630	6,583	245,467,000	6,642	+ 5,706,370	+59
2. Indian Services:							
A. Tribal Gov't Services.....	16,250,000	11,442,000	163	19,498,000	223	+ 8,056,000	+60
B. Social Services.....	65,999,000	71,935,000	370	79,953,000	370	+ 8,018,000	-
C. Law Enforcement.....	24,283,000	26,136,000	388	23,521,000	328	- 2,615,000	-60
D. Housing.....	14,359,000	15,335,000	105	16,827,000	105	+ 1,492,000	-
E. Self-Determination Svs.	16,725,000	31,937,000	48	34,136,000	48	+ 2,199,000	-
Total.....	137,616,000	156,785,000	1,074	173,935,000	1,074	+17,150,000	-
3. Economic Devel. & Manpower Program:							
A. Employee Devel. & Trng.....	47,337,000	51,050,200	384	45,887,000	384	- 5,163,200	-
B. Business Enter. Devel.....	15,746,000	12,342,000	181	9,113,000	226	- 3,229,000	+45
C. Road Maintenance.....	9,445,000	10,874,000	236	12,520,000	236	+ 1,646,000	-
Total.....	72,528,000	74,266,200	801	67,520,000	846	- 6,746,200	+45
4. Natural Resources Devel:							
A. Forestry and Agriculture.....	31,807,000	35,263,000	843	37,824,000	843	+ 2,561,000	-
B. Mineral, Mining and Irrig & Power.	4,205,000	4,392,000	9	11,964,000	9	+ 7,572,000	-
Total.....	36,012,000	39,655,000	852	49,788,000	852	+10,133,000	-
5. Trust Responsibilities:							
A. Indian Rights Protection.....	6,887,000	7,955,000	33	11,666,000	33	+ 3,711,000	-
B. Real Estate & Fin. Trust Svs.....	16,505,000	18,206,000	629	19,093,000	647	+ 887,000	+18
Total.....	23,392,000	26,161,000	662	30,759,000	680	+ 4,598,000	+18
6. General Mgmt. and Facilities Operation:							
A. Management & Administration.....	10,441,000	11,270,000	258	12,036,000	240	+ 766,000	-18
B. Program Support Svs.....	2,167,000	2,251,000	34	3,430,000	34	+ 1,179,000	-
C. Facilities Management.....	60,459,000	69,675,000	1,476	71,805,000	1,484	+ 2,130,000	+ 8
Total.....	73,067,000	83,196,000	1,768	87,271,000	1,758	+ 4,075,000	-10

OPERATION OF INDIAN PROGRAMS
Analysis of Subactivities (Con't)

	1976 Amount Available	1977 Amount Available	Perm. Pos.	1978 Estimate	Perm. Pos.	Increased or Decrease (-) 1978 compared with 1977 Dollars	Pos.
Common Program and Administrative Support Services	(\$24,959,900)	(\$28,121,000)	1,067	(\$32,885,300)	1,067	(4,764,300)	-
TOTAL OPERATION OF INDIAN PROGRAMS.....	<u>566,837,186</u>	<u>619,823,830</u>	<u>12,807</u>	<u>654,740,000</u>	<u>12,919</u>	<u>+34,916,170</u>	<u>+112</u>

1. Education
Analysis of Subactivities

Activity/Subactivity	1976 Amount Available	1977 Amount Available	Perm. Pos.	1978 Estimate	Perm. Pos.	Increase or Decrease (-) 1978 compared with 1977 Dollars	Pos.
1. Education:							
A. School Operations.....	\$156,729,000	\$166,269,000	6,517	\$174,171,000	6,576	+\$7,902,000	+59
B. Johnson O'Malley Educational Assistance.....	31,671,186	^{1/} 34,529,830	1	31,542,000	1	- 2,987,830 ^{2/}	-
C. Continuing Education.....	35,822,000	38,961,800	65	39,754,000	65	+ 792,200	-
Total.....	<u>224,222,186</u>	<u>239,760,630</u>	6,583	245,467,000	6,642	+ 5,706,370	+59

^{1/} Includes unobligated balance carried forward of \$3,077,830.

^{2/} Reflects decrease of \$3,077,830 and an increase of \$90,000.

1. EDUCATION

1. Education: Fiscal year 1977, \$236,683,000; Fiscal Year 1978, \$245,467,000; increase of \$8,784,000. The increase consists of:

<u>Increase (+) or Decrease (-)</u>	<u>Amount</u>	<u>Positions</u>	<u>Total Program</u>	<u>Total Positions</u>	<u>Explanation</u>
A.	+\$7,902,000	+59	\$174,171,000	6,576	<u>School Operations</u> -- increases in educational services for Indian children.
B.	+ 90,000	--	31,542,000	1	<u>Johnson-O'Malley Educational Assistance</u> -- increase in program.
C.	+ 792,000	--	39,754,000	65	<u>Continuing Education</u> -- provide financial aid in Higher Education for tribal institutions.
<hr/>					
	<u>+ 8,784,000</u>	<u>+59</u>	<u>245,467,000</u>	<u>6,642</u>	

Program Synopsis

Of the total \$245,467,000 request, \$164,481,400 is the banded amount. The Bureau of Indian Affairs provides a Federal school system comprised of 213 schools and 16 dormitories for over 51,000 Indian students where public schools are not available or cannot meet the special needs of Indian children. Included in the school system are three post-secondary institutions serving approximately 2,600 students. The majority of these schools are operated by the Bureau; however, an increasing number are controlled, operated and managed by Indian groups under contractual arrangements with the Bureau. Where or when necessary, residential programs are provided in conjunction with instructional programs, either Federal or public. The total number of boarding students served was 32,585 in Fiscal Year 1976 and day school enrollments amounted to 19,244. In Fiscal Year 1976 over 120,000 students were served under contracts with States, school districts, tribal organizations, or Indian corporations for special supplementary education through the Johnson-O'Malley Educational Assistance program. Operational support was provided for an additional 22,830 students through the JCM Educational Assistance program.

Direct student aid for 14,500 college and university students, financial support to tribal higher education institutions, and funding for special higher education programs are provided to qualified individuals or institutions, where applicable, through the Higher Education program. A total of 17,400 students will receive direct or indirect assistance through the Higher Education program. Adult education opportunities are provided or coordinated with public schools.

A. School Operations

Fiscal Year 1977, \$166,269,000; Fiscal Year 1978 \$174,171,000; increase of \$7,902,000.

Major Program Changes

(1) Off-reservation boarding schools +\$482,000; total \$28,464,900

Proposal. The increase will provide additional program services in accordance

with tribal priorities as reflected in the band analysis.

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

The Bureau presently operates 15 off-reservation boarding schools with an enrollment of 6,659. The enrollments for Fiscal Years 1977 and 1978 are expected to remain stable or possibly decrease slightly.

Cost Factors. The increase of \$482,000 as established on priorities in the band analysis represents an average increase of 1.7 percent. The average cost per student will increase from \$4,240 in Fiscal Year 1977 to \$4,313 in Fiscal Year 1978.

(2) Previously private schools +\$2,167,600; total \$8,602,300

Proposal. It is proposed to expand this program to fully fund one school receiving only partial funding in Fiscal Year 1977 and to provide for expanded enrollments and cost increases in nineteen other previously private schools which received full funding in Fiscal Year 1977.

Justification. Public Law 93-638, the Indian Self-Determination and Education Assistance Act (Section 208), authorizes and directs the Bureau of Indian Affairs (through the Secretary of the Interior) to "provide funds ... to any tribe or tribal organization which controls and manages any previously private school." Over \$5.0 million was appropriated for this purpose in Fiscal Year 1976. This amount was increased by the Congress to approximately \$6.5 million in Fiscal Year 1977. Under this proposal this would increase to approximately \$8.6 million, an increase of over \$2.1 million. Enrollments would increase by over 500 students. Applicants are funded based on date of application and availability of funds.

Funds are determined for qualified schools on a formula basis using State average per pupil (average daily membership) expenditures for the State in which the school is located adjusted for cost factors unique to Indian schools. In addition, a standard allowance is provided for residential students served.

Cost Factors. The following cost factors were calculated on an overall basis for all schools:

<u>Program component</u>	<u>Fiscal Year 1977</u>		<u>Fiscal Year 1978</u>	
	<u>No. of students</u>	<u>Ave. Cost / student</u>	<u>No. of students</u>	<u>Ave. cost / student</u>
Instructional program (all students)	3,260	\$1,735	3,803	\$1,970
Residential program (boarding only)	(432)	\$1,800	(556)	\$2,000

A number of previously private schools participate in overall funding priorities of the respective tribes through the band analysis process. These schools with applicable amounts for FY 1978 are as follows:

Ramah Navajo, N. Mex.	\$1,755,900
Crow Creek, S. Dakota	460,600
St. Michaels, S. Dakota	232,300
Wyoming Indian H. S., Wyo.	407,700
St. Francis, S. Dakota	290,000
Theodore Jamerson, N. Dakota	155,000
Paschal Sherman, Washington	55,800
Coeur d'Alene, Idaho	27,000
Ojibway, N. Dakota	218,000
Total	<u>3,602,300</u>

In those cases where the banded amount does not meet the allowance determined by formula, an additional amount will be provided to meet the formula allowance.

In FY 1977 students enrolled in previously private schools were considered eligible for Johnson-O'Malley funding assistance. Funds were made available to meet the special educational needs of Indian children, in addition to the regular contract amounts, based upon the distribution formula used for the Johnson-O'Malley program. In FY 1978 the eligibility of students enrolled in previously private schools will be determined based upon publication in the Code of Federal Regulations with consultation of the Indian community as required to amend regulations.

(3) Other Federal schools + \$3,543,400; total \$129,364,800
+ 59 positions; total positions 6,576

Major Program Change. None

Proposal. Proposed major program changes include increases and decreases in (a) improvement of overall program management and (b) funding for the operation of newly constructed or expanded schools. (c) Banded Programs will increase significantly.

Justification. (a) Improvement in Program Management +\$1,000,000. The proposed increase is to be used in part for a joint USOE/BIA study of Federal support for non-Federal schools, to include an analysis of total Federal, State, and local funding for each school eligible to participate in the previously-private or Johnson-O'Malley programs, and for other education program management improvements.

(b) Operation of Newly Constructed or Expanded School Facilities - \$1,600,000. The - \$1.6 million will be a reduction from the Fiscal Year 1977 program which included \$3.0 million for the operation of new facilities. The Bureau will be opening new or expanded school facilities at 13 locations in Fiscal Year 1978. In order to open these schools, 59 new positions and \$1.4 million will be required.

(c) Banded Program + \$4,143,400. The increase of \$4.1 million has been reflected in the development of tribal priorities for reservation boarding and day schools. The increase requested includes amounts for 186 reservation schools or dormitories and three post-secondary institutions.

(4) Common program services (3599) + \$1,709,000; total \$7,739,000.

Proposal. The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

B. Johnson-O'Malley Educational Assistance

Fiscal Year 1977, \$31,452,000; Fiscal Year 1978, \$31,542,000; increase of \$90,000.

(1) Major Program Change None total position 1

Proposal. The requested amount will (1) provide operational support to public schools in five States to enable such schools to maintain a school program which meets established State educational standards, (2) provide special supplementary financial assistance to those program efforts designed to meet the specialized educational needs of eligible Indian students and, also (3) provide assistance in financing the cost of education of non-resident children housed in Federal dormitories who attend public schools peripheral to the reservation.

Justification. Some school districts on Indian reservations have insufficient funds to operate effective school programs even with State aid and general Federal aid to education programs. Such districts have an inadequate tax base. In these districts, financial aid is needed to provide assistance for the Operational (Basic) Support program. This is the third and final year of a three-year phase out of this program. Bureau regulations, adopted two years ago and effective in FY 1976, provided for the phase out in order to provide more funds for the Supplementary Support program. The phase out was extended over a three year period in order to spread the impact over a longer period of time to avoid an abrupt cut off of funds to affected school districts.

The Bureau of Indian Affairs recognizes that frequently Indian children have special problems and special needs over and above the ability of the Schools with Indian Enrollment to meet them because of a small or nonexistent tax base caused by tax-exempt Indian lands in many cases. Schools often need to provide special programs to meet the needs of Indian students because of the parents' economic status or because of cultural and language differences. To aid such districts, the policy of the Bureau is to enter into contracts to provide programs in schools that qualify for Federal assistance under the Supplementary Support program.

As States and local school districts assume increased responsibility for providing basic education programs, financial aid is provided to meet the special educational needs of Indian children through the Supplementary Support program. Such programs will have a positive effect in improving educational achievement, reducing dropouts, and will pave the way for entrance into improved employment opportunities or higher education programs. Some of these supplemental programs are: Transportation for kindergarten children; employment of home school coordinators and guidance counselors; arts and crafts programs; teacher aides and in-service training programs; workshops for teachers of Indian children; cultural enrichment programs; summer programs; parental costs; curriculum development; student conferences; special transportation and special library services; and financial support for local education committees.

Aid is also provided to assist in financing the education cost of Indian children housed in Federal dormitories who attend out-of-district public schools peripheral to the reservation. A contract is negotiated with each such district for a specified number of Indian students. These funds are not supplemental in nature and amounts per pupil will vary depending upon the actual cost of the school district which provides the educational service. For those students who reside out-of-State, the contract provides for the full

per pupil cost of education. An estimated amount of \$700,000 will be made available for this purpose.

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

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

As the following chart will indicate, the number of contracts has increased from 27 in 1972 to 136 in 1976. We believe this has moved the program closer to the people being served.

<u>1972</u>	<u>1976</u>
4 tribal contracts	44 tribal contracts
11 district contracts	83 district contracts
12 state contracts	4 statewide contracts
	5 partial state contracts
<u>27</u>	<u>136</u>

History of Enrollments and Appropriations:

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Appropriation</u>
1972	86,765	\$22,652,000
1973	93,767	24,352,000
1974	99,718	25,352,000
1975	115,225	28,352,000
1976	120,497	30,952,000
1977	155,483	31,452,000

Johnson-O'Malley Educational Assistance Estimates
by Program Component

<u>Program Component</u>	<u>FY 1977</u>	<u>FY 1978</u>
Operational (Basic) Support	\$ 2,600,200	\$ 1,300,100
Supplementary Support	27,151,800	28,591,900
Federal Dorm Student Tuition	<u>750,000</u>	<u>700,000</u>
Total	<u>30,502,000</u>	<u>30,592,000</u>

In FY 1977, Indian students enrolled in Federal Contract Schools were considered eligible for the Johnson-O'Malley program. Such students were declared eligible because they were not excluded from eligibility by the Federal Regulations. Eligibility determination for students in FY 1978 will be published in the Code of Federal Regulations based upon consultation with the Indian community as required to amend regulations. Eligibility considerations for funding under the formula will include all Indian children attending public, contract, and Federally-operated schools.

Funds for Johnson-O'Malley Educational Assistance in FY 1978 will be

apportioned as one allocation among the States based on the number of eligible Indian students for whom funds are sought, multiplied by a national average per pupil cost and a weighting factor which is intended to take into account the differences in education costs among the States. A new procedure for determining the most appropriate weighting factor to be used in the above formula is presently under development, hence no breakout of the requested amount by State can be provided at this time.

<u>Cost Factors.</u>	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>
1. Operational support:			
a. Estimated number of students	22,830	23,985	24,715
b. Average cost per student	\$171	\$108	\$53
2. Special supplementary support			
a. Estimated number of students	120,497	155,483	175,000
b. Average cost per student	\$207	\$175	\$163
3. Federal dormitory student tuition:			
a. Estimated number of students	1,200	1,130	1,100
b. Average cost per student	\$625	\$664	\$636
(2) Common program services (3599)	\$950,000; no change		

Proposal. Provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

C. Continuing Education

Fiscal Year 1977, \$38,962,000; Fiscal Year 1978, \$39,754,000; increase of \$792,000.

Major Program Change. None

(1) Higher Education + \$1,014,100; total \$34,950,900

Proposal. It is proposed to expand the higher education program effort by \$1.0 million, providing special emphasis on financial assistance to tribal higher education institutions and to maintain our efforts in the area of special higher education programs at selected institutions in critical fields such as law, school administration, forestry, engineering, health, and other professions. The proposed distribution of higher education funds by major program components is as follows:

	<u>(Dollars in Thousands)</u>		
	<u>FY 1977</u>	<u>FY 1978</u>	<u>Change</u>
Direct aid to students	\$27,352.6	\$27,353.0	+\$.4
Financial aid to tribal institutions	4,903.2	5,916.9	+ 1,013.7
Special higher education programs	<u>1,681.0</u>	<u>1,681.0</u>	+ -
Total	<u>33,936.8</u>	<u>34,950.9</u>	+ <u>1,014.1</u>

Justification. Direct aid to Indian students to attend college is an important part of the higher education program concept. The fellowship grant program of the Bureau of Indian Affairs is designed to assist the Indian applicant of one-fourth or more blood quantum of a Federally recognized tribe. Each applicant for assistance is expected to gain entrance to a college or university of his choice and to cooperate

with the financial aid officer of that institution in preparing a financial assistance application based upon need. Such assistance may range from paying the cost of one unit of work to complete support at the graduate level. This could be a range of \$50 to \$4,000 depending upon the individual circumstances.

Higher education fellowship grants are considered to be planned as supplemental in nature. That is, each applicant will strive to gain support from other public sources and search all avenues of financial assistance in combination with the Bureau of Indian Affairs' financial help.

The amount estimated for direct aid to students for Fiscal Year 1978 is \$27,353,000. These funds are intended as financial support for Indian students. Additional funding for these students is obtained through various programs administered by the United States Office of Education, i.e., Basic Educational Opportunity Grant and Supplementary Educational Opportunity Grant programs.

Financial aid to tribal institutions is another important thrust of the higher education program effort. At the present time, three such institutions are provided financial aid in amounts determined at the local level by the tribe in the budget development process. These institutions and amount of assistance is shown below:

(Dollars in Thousands)

	<u>FY 1977</u>	<u>FY 1978</u>	<u>Change</u>
Navajo Community College	\$4,403.2	\$5,317.8	+\$914.6
Sinte Gleska	300.0	291.8	- 8.2
Lakota	200.0	307.3	+ 107.3
Total	<u>4,903.2</u>	<u>5,916.9</u>	<u>+1,013.7</u>

Special higher education programs are conducted at selected institutions such as Harvard, Penn State and the University of New Mexico in areas of critical need to the Indian community. Special needs exist in this program effort which is planned for Fiscal Year 1978 in order to reach professional areas, particularly those fields in which local Indian communities are experiencing a shortage of trained professionals. The American Indian Law program, the School Administrators program, the In-Med program, and the Masters in Public Health program will be continued in Fiscal Year 1978.

Cost Factors.

	<u>Average Cost/Student</u>		
	<u>FY 1977</u>	<u>FY 1978</u>	<u>Change</u>
Direct aid to students	\$1,891	\$1,891	-
Financial aid to tribal institutions	2,184	2,475	+ 291
Special programs	5,797	5,797	-

(2) Adult Education +\$160,900; total \$3,100,100
total positions 65

Major Program Change. None

Proposal. Another important part of the continuing education program concept enables adult Indians, through part-time education near their homes, to improve their opportunities for employment or expand their education.

It is planned to extend programs to Indians not now receiving services. Major emphasis is placed on expressed local needs which is generally preparation for high school equivalency examinations and basic literacy. Courses are also offered in a variety of other subjects including consumer economics, nutrition, safety, civics, and Indian language and culture.

The program of work in Fiscal Year 1978 will allow the establishment of learning centers at locations that presently have no adult education services. It will also provide the necessary training to staff them.

Justification. Adult education is unique in that it is intended primarily to meet the education needs of adults who are not yet competent to enter desired formal or institutionalized programs currently available. Adult education develops opportunities for those adults who in effect, have been dropouts from formal programs (elementary school, secondary school, etc.) and who need additional services if they are to lead lives that are personally, socially, and economically more satisfactory. Adult education provides services for adults at practically any level, whether such be in relationship to literacy, high school equivalence, competence for entry into vocational training or college, social and political competence, initial employment or employment upgrading, or personal satisfaction.

The concept of the learning center is to provide within a local community the resources which will allow groups of individuals to pursue education together for a common purpose. It would also allow an individual to pursue whatever education he or she needs or desires on a strictly individualized basis, relative to subject matter, content and time.

Adult education services in Fiscal year 1977 are expected to accomplish the results shown in the table following:

Expected Adult Education Enrollments and Achievements
Fiscal Year 1977

Enrollment

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

Achievements

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

Learning centers in operation.....	24
Locations in which some form of adult education was implemented.....	55

Adult education enrollments are expected to increase by 700 to 19,000 in Fiscal Year 1978.

Cost Factors.

	<u>FY 1977</u>	<u>FY 1978</u>
Adults served.....	18,300	19,000
Average cost of adult services per adult.....	\$161	\$163
(3) Common program services (3599)	- \$383,000; total \$1,703,000.	

Proposal. Provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

2. Indian Services
Analysis of Subactivities

Activity/Subactivity	1976 Amount Available	1977 Amount Available	Perm. Pos.	1978 Estimate	Perm. Pos.	Increase or Decrease (-) 1978 compared with 1977 Dollars	Pos.
2. Indian Services:							
A. Aid to Tribal Government....	\$16,250,000	\$11,442,000	163	\$19,498,000	223	\$ +8,056,000	+60
B. Social Services.....	65,999,000	71,935,000	370	79,953,000	370	+8,018,000	-
C. Law Enforcement.....	24,283,000	26,136,000	388	23,521,000	328	-2,615,000	-60
D. Housing.....	14,359,000	15,335,000	105	16,827,000	105	+1,492,000	-
E. Self-Determination Services.	16,725,000	31,937,000	48	34,136,000	48	+2,199,000	-
Total.....	<u>137,616,000</u>	<u>156,785,000</u>	<u>1,074</u>	<u>173,935,000</u>	<u>1,074</u>	<u>+17,150,000</u>	<u>-</u>

2. INDIAN SERVICES

2. Indian Services: Fiscal year 1977, \$156,785,000; fiscal year 1978, \$173,935,000; increase of \$17,150,000. The increase consists of:

<u>Increase (+) or Decrease (-)</u> <u>Amount</u>	<u>Positions</u>	<u>Total</u> <u>Program</u>	<u>Total</u> <u>Positions</u>	<u>Explanation</u>
(A)+\$8,056,000	+60	\$19,498,000	223	<u>Tribal Government Services</u> assume responsibility for Judicial Services which is being transferred from Law Enforcement. Increased tribal operations work relating to claims, enrollment and governmental document review and preparation. Provision of reservation maps to the U.S. Census Bureau; increase in range treatment and stock reduction at Navajo-Hopi.
(B)+ 8,018,000	-	79,953,000	370	<u>Social Services</u> - provide for increased unit costs in general assistance and child welfare and for increased operating costs associated with eligibility determination or financial and non-financial social services.
(C)- 2,615,000	-60	23,521,000	328	<u>Law Enforcement</u> - transfer Judicial Services to Tribal Government and provide for increased tribal law enforcement capability.
(D)+ 1,492,000	-	16,827,000	105	<u>Housing</u> - continue technical assistance for Indian housing authorities and provide for new home construction and renovation of existing houses.
(E)+ 2,199,000	-	34,136,000	48	<u>Self-Determination Services</u> - increase in grant program to cover tribal population as revised from the 1970 census and establish tribal ability to evaluate the capability and effectiveness of Bureau programs in their communities.
<u>+17,150,000</u>	<u>-</u>	<u>173,935,000</u>	<u>1,074</u>	

Program Synopsis

Of the total \$173,935,000 request, \$33,297,600 is the banded amount. One of the principal missions of the Bureau is to assist tribal governments in developing their capabilities to fully exercise their rights of self-government and self-determination and to effectively deliver or direct the delivery of services needed by Indian communities and the individuals and families residing therein. Indian Services activity provides programs which serve as a focal point for much of the

Bureau's effort in carrying out this mission. Individual Indians receive law enforcement, housing and social services while tribes are assisted in developing local government services as well as improving their capabilities for self-government and contracting Federal programs.

Indian Services Subactivities

	<u>FY 1977 Amt. Available</u>	<u>FY 1978 Estimate</u>	<u>Proposed Change</u>
Tribal Government Services	\$11,442,000	\$19,498,000	+\$8,056,000
Social Services	71,935,000	79,953,000	+ 8,018,000
Law Enforcement	26,136,000	23,521,000	- 2,615,000
Housing	15,335,000	16,827,000	+ 1,492,000
Self-Determination Services	<u>31,937,000</u>	<u>34,136,000</u>	<u>+ 2,199,000</u>
	<u>156,785,000</u>	<u>173,935,000</u>	<u>+17,150,000</u>

Under Tribal Government Services the proposed resources will enable the Bureau to assist over 480 tribal governments by providing technical assistance related to governmental functions, judgment claims, enrollment activity and judicial services. This latter activity represents the major change in the Tribal Government Services subactivity. Judicial Services had previously been provided through the law enforcement subactivity. The transfer of this function will ensure that both judicial services and enforcement service will be rendered impartially and will both adhere to the principle of separation of powers within government. The other change in this subactivity is the inclusion of the Navajo-Hopi Settlement Program which previously had been a separate activity.

The Social Services program will continue to meet the needs of Indians who may require general assistance, child welfare assistance, as well as counseling or institutional and nursing home care. The resources proposed for fiscal year 1978 do not represent any major change in the composition or thrust of the social services program but are required in order to meet increased unit costs for case-loads which are estimated to generally remain at the fiscal year 1977 levels.

The provision of Law Enforcement services will continue to be a top priority of the Bureau during fiscal year 1978. The reduction in proposed funding reflects the transfer of all court activities to the Tribal Government Services subactivity. This transfer will maintain the principle of separation of powers and will enable the tribes and the Bureau to perform both judicial and enforcement activities without endangering the integrity of either program. Enforcement and detention services will be improved according to plans developed by the tribes themselves.

Through the Housing program the Bureau will provide funding which will enable Indian housing authorities and the Bureau to meet the housing needs of families directly by renovating houses and building new houses. The proposed level of funding also will permit Bureau participation along with HUD and PHS in the joint agreement which annually produces approximately 6,000 HUD financed houses for Indians.

The Self-Determination Services (SDS) program will enter its second full year of operation with over 400 tribes participating in the grant program to improve tribal government capability. Training and technical assistance will also be provided as requested by these tribes through both contracts and Bureau personnel. An estimated \$140 million in contracts for the operation of Bureau programs will be in effect and the SDS program will provide funding to cover auditable overhead costs associated with these contracts. The proposed increase for fiscal year 1978

will enable the Bureau to maintain the current formula for determining tribal shares for those tribes whose populations have been adjusted from the 1970 census figures without reducing the availability of incentive funding for small tribes wishing to participate in the self-determination grant programs.

The diverse programs which are operated under the Indian Services budget activity are an integral part of life in Indian communities. In fiscal year 1978 it is estimated that over 125,000 individual Indians will require financial assistance through the Social Services program; over 8,800 families will receive improved or new housing through direct Bureau programs or through HUD programs. An estimated 650,000 service calls will be made by law enforcement personnel and of these 75 percent will be for non-enforcement public service type functions. Self-Determination grant funds will be made available to tribes based upon a total population of over 450,000 tribal members. The 48 tribal governments which represent this Indian population will also be able to avail themselves of training and technical assistance relating to governmental operations both through outside contractors and expert Bureau staff in an effort to continue to effectively make available the opportunities and options provided by Public Law 93-638.

A. Tribal Government Services

Fiscal year 1977, \$11,442,000; fiscal year 1978, \$19,498,000; increase of \$8,056,000.

Major Program Changes

- (1) Increased Tribal Operations relating to claims, enrollment and governmental document review and preparation +\$1,242,400; total \$7,062,400

Proposal. The Bureau proposes increased funding to cover increased workload in areas such as assistance in the preparation of tribal membership and payment rolls, processing enrollment appeals, preparing judgment fund legislation or plans, and holding hearings of record, advising on processing constitution, by-laws actions, corporate charters as well as overall increase in assistance to tribes in governmental matters.

In fiscal year 1978, it is estimated that 56 awards totaling approximately \$125 million will be made by the Indian Claims Commission and the U.S. Court of Claims in settlement of claims against the United States.

The Indian Judgment Fund Act requires that the Bureau conduct public hearings of record in assisting tribe beneficiaries of awards made by the Indian Claims Commission or the Court of Claims in determining judgment use plans. In fiscal year 1978, the Bureau will be involved in research, preparation of plans and hearings of record in 50 of these judgment cases.

In fiscal year 1978, roll work will commence on 89 new judgment payment rolls; work will continue on about 79 which will carry over from fiscal year 1977, making a total of 168 rolls in progress (118 membership rolls and 50 descendancy rolls).

The Bureau also proposes to transfer operational and funding responsibility for all tribal and CFR courts from Law Enforcement to Tribal Government Services.

In fiscal year 1978, it is estimated that these courts will handle approximately 100,000 cases.

The proposed fiscal year 1978 budget for comprehensive planning includes the cost of providing to the Bureau of the Census up-to-date accurate maps which accurately represent the boundaries for reservations laid out by treaty; statute, executive order or court order.

In fiscal year 1978, the Agriculture Extension program will be continued in its present level of effort.

Increased funds are proposed in fiscal year 1978 for the Navajo-Hopi Settlement program. These funds will be used to accomplish monumenting, fencing and stock reduction, as required, now that partition of the 1882 Executive Order Reservation is a reality.

Justification. The Bureau must be prepared to meet its responsibilities to tribes with respect to tribal government operations, roll preparation and judgment claim work. The Indian Judgment Fund Disposition Act requires the Bureau to conduct public hearings of record on Indian reservations where beneficiaries are situated for the development of judgment use plans which are then to be submitted to the Congressional committees for approval. The number of such hearings of record will increase in fiscal year 1978 by 10 from the number to be conducted during fiscal year 1977. The number of actual awards by the Indian Claims Commission or the Court of Claims is expected to total 56 which is 2 more than expected in fiscal year 1977.

Each claim requires preparation of a roll(s) in order that it may be properly distributed. During fiscal year 1978 the Bureau will conduct research on preparation of 89 payment rolls. Persons found not eligible will be accorded their rights of appeal and tribal operations staff is responsible for processing these appeals. Certain judgment funds cannot be distributed until appeals are completed and the entitlement of appellants to share in the fund is settled. Each new roll being prepared for use in distributing judgment funds results in appeals varying in volume and complexity.

As tribes continue to avail themselves of the provisions of P.L. 93-638, "The Indian Self-Determination and Education Assistance Act," they will require advice and assistance relating to their governmental operations and the adequacy of their governing documents. Therefore, it is expected that there will be, in fiscal year 1978, a continuation of the increased workload of reviewing and approving proposed tribal constitution and charter actions as well as conducting special elections and referendums associated with new programs or methods of operation under P.L. 93-638. This workload is also heavily impacted by recent court decisions extending and expanding the jurisdiction of tribal governments.

(2) Transfer of Judicial Operations from	+\$3,042,600; total \$3,042,600
Law Enforcement Services	+60 total positions

Proposal. The Bureau proposes to transfer operational and funding responsibility for all tribal and CFR courts from Law Enforcement to the Tribal Government Services subactivity and to operate these courts under a funding level of \$3,042,600 in fiscal year 1978. In fiscal year 1978, it is estimated that these courts will handle approximately 100,000 cases.

Justification. The Indian Criminal Justice Survey (ICJS) which has become the basis for the planning of the Indian criminal justice system in the previous and current fiscal years, found that a severe problem

existed because of the involvement of police activity in the operation of Indian courts.

Police often call upon a judge for legal advice about how to respond to a specific law enforcement problem. The same judge may later be called upon to rule on the propriety of the advice previously given.

The police and the courts often share the same budget and use the same personnel, records, facilities and equipment. Frequently, the judges are directly subject to the same tribal organization that runs the police department. This type of situation clearly violates the commonly accepted principle of separation of powers between executive, judicial and legislative branches of government. Without this separation of powers many actions of the courts may represent a violation of due process rights.

This proposed transfer of judicial operations will remove the judiciary component of the Indian criminal justice system from any actual or apparent control by the law enforcement component of the Bureau and will permit the courts to operate independent of any undue influence from components of the Indian criminal justice system which should not influence court decisions. This separation of powers is vital to a better quality of justice for all who appear before Indian courts, and to insure compliance with the Indian Civil Rights Act of 1968 (82 Stat. 77).

The current Bureau share of operating the Indian court system is \$3,000,000. Tribes have proposed within their band analysis priorities that court operation be increased to a level of \$3,042,600. It is our position that these funds will be available for (1) the establishment and/or improvement of tribal judicial systems in compliance with the Indian Civil Rights Act of 1968; (2) operation of Courts of Indian Offenses; and (3) development, operation and improvement of judicial services under contract pursuant to Public Law 93-638. Such funds are not to be expended for the purpose of initiating or promoting the expansion of tribal jurisdiction.

- (3) Provision of accurate maps to Bureau of Census for use in special 1980 Indian census +\$460,000; total \$1,235,000

Proposal. The Bureau of the Census is planning to conduct a special Indian census in conjunction with the regular 1980 census.

Justification. The Indian census will be very valuable to Indian tribes because many Federal programs dealing with Indians base their programs on statistics and population figures supplied by the Bureau of the Census. In past census, tribes have felt that their populations were grossly under-reported which resulted in reduced eligibility for Federal programs relying on census data. The Bureau has been requested by the Bureau of Census to supply maps of all Indian reservations showing accurate boundary lines. These maps will in turn be provided to the respective tribes for certification. The estimated additional cost for this program within the Bureau Tribal Comprehensive Planning effort is \$460,000.

- (4) Increase range restoration and stock reduction in the Navajo-Hopi Joint Use Area (JUA) +\$2,810,000; total \$4,807,000

Proposal. The request provides funds to accelerate stock reduction and range treatment.

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

In fiscal year 1978, the proposed program of \$4,807,000 will provide for the purchase of 45,000 sheep units under the livestock reduction effort as well as range restoration including 130 miles of fencing, treatment of 15,000 acres of pasture and construction of 5 water developments. Of the \$4,807,000 required, \$3,464,000 is for the stock reduction program and \$1,343,000 is for range restoration.

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

	<u>FY 1977</u>	<u>FY 1978</u>
Range restoration...	\$ 428,000	\$1,343,000
Stock reduction.....	1,319,000	3,464,000
Attorney fees.....	250,000	---
Total.....	<u>1,997,000</u>	<u>4,807,000</u>

(5) Common Program Services (3599) +\$501,000; total \$851,000

Proposal. The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

Funding and workload data for these components are:

	<u>Funding</u>	
	<u>FY 1977</u>	<u>FY 1978</u>
Tribal Operations.....	\$5,820,000	\$7,062,400
Tribal Planning.....	775,000	1,235,000
Agricultural Extension...	2,500,000	2,500,000
Court Operations.....	(3,000,000)	3,042,600
Navajo-Hopi.....	<u>1,997,000</u>	<u>4,807,000</u>
Total.....	<u>11,092,000</u>	<u>18,647,000</u>

	<u>Workload</u>	
	<u>FY 1977</u>	<u>FY 1978</u>
Judgment cases in progress..	54	56
Judgment rolls in progress..	140	168
Governmental documents/ actions processed.....	95	115
Appeals.....	4,100	5,700
Court cases.....	95,000	100,000

<u>Navajo-Hopi</u>		
Stock reduction		
(sheep units).....	31,000	45,000
Fencing (miles).....	110	130
Range treated (acres)....	1,600	15,000
Water developments.....	3	5

B. Social Services

Fiscal year 1977, \$71,935,000; fiscal year 1978, \$79,953,000; increase of \$8,018,000.

Major Program Changes

- (1) Increased unit costs in general assistance and child welfare and for increased operating costs associated with eligibility determination or financial and non-financial social services and a small increase in the number of burials. +\$7,178,000; total \$76,494,000
370 total positions

Proposal. It is estimated that the caseload for various types of assistance required of the Bureau in fiscal year 1978 will be:

General assistance (average number of persons per month).....	68,000
Child welfare assistance (average children per month).....	3,300
Burials (per annum).....	1,275
Social services; non-financial services (average number of cases per month).....	15,775

The Bureau's fiscal year 1978 budget proposes to meet this need at a cost of \$76,494,000 which is an increase of \$7,178,000 over fiscal year 1977. General, child welfare, and burial assistance will continue to be provided directly by the Bureau or by Bureau contract with tribes as in past years. This proposed program does not include a new program structure nor any major new initiatives. The major change required is in the level of funding and is directly related to increased unit costs across the board together with a small projected increase in the burial assistance caseload and the social services non-financial caseload.

Justification. During fiscal year 1978 the social services program will be required to provide Indian people and communities with financial assistance and social services which will enable them to effectively cope with individual and community social problems. In carrying out this responsibility, the Bureau must administer a program to provide necessary financial assistance and social services for Indians on or near the reservations and in the jurisdictions in Alaska and Oklahoma only when such assistance and services are not available through State or local public welfare agencies. The operational elements of the social services program are general assistance, child welfare assistance, miscellaneous assistance and social services.

The caseload and funding data relating to meeting these needs for fiscal year 1976, 1977, and 1978 are:

	<u>FY 1976</u>	<u>FY 1977</u>	<u>FY 1978</u>	<u>Change</u>
General Assistance (caseload)	\$48,928,000 (68,000)	\$49,198,000 (68,000)	\$54,160,000 (68,000)	+\$4,962,000
Other Welfare Assistance:				
Child Welfare (caseload)	7,809,000 (3,200)	9,351,000 (3,300)	11,218,000 (3,300)	+ 1,867,000
Miscellaneous Assistance (burials)	490,000 (300)	971,000 (1,200)	1,072,000 (1,275)	+ 101,000 (+75)
Social Services Social Services only caseload	8,766,500 <u>(15,700)</u>	9,796,000 <u>(15,750)</u>	10,044,000 <u>(15,775)</u>	+ 248,000 <u>(+25)</u>
Total	<u>65,993,700</u>	<u>69,316,000</u>	<u>76,494,000</u>	<u>+ 7,178,000</u>

Cost Factors. The general assistance caseload will be an average of 68,000 persons per month in fiscal year 1978. The average cost of providing general assistance to each of these persons is estimated at \$63.53 per person per month for a fiscal year cost of \$51,838,000. This cost reflects an expected unit cost increase of \$6.08 per person per month in fiscal year 1978 over 1977. In addition, the Bureau's general assistance program will provide, through tribal contracts, work experience for an estimated 4,300 employable general assistance recipients under the tribal work experience program (TWEPE). Approximately \$2,322,000, reflecting a work cost payment of \$45 per TWEPE participant per month, will be required to fund the TWEPE at that level of participation. The combined total cost for general assistance, therefore, is \$54,160,000; an overall increase of \$4,961,800 in fiscal year 1978 over 1977.

An approximate average of 3,300 children per month will require child welfare assistance funding in fiscal year 1978. Funding in the amount of \$11,218,000 is required for the Bureau to meet its responsibility of providing necessary protection and care, including foster and appropriate institutional care, for dependent, neglected, and handicapped children. This funding reflects an estimated \$283.28 unit cost per month per child, a unit cost increase of \$47.14 in fiscal year 1978 over 1977.

In fiscal year 1978, the Bureau must be prepared to meet the burial expenses of an estimated 1,275 indigent Indian persons. This reflects an increased burial assistance caseload of 75 in fiscal year 1978 over 1977. The average cost of each burial is estimated at \$550, a unit cost increase of \$50 in fiscal year 1978 over 1977. The total burial cost is estimated at \$701,250, an increase of \$101,000 in fiscal year 1978 over 1977. The Bureau must also be prepared to assist tribes to meet costs associated with food programs. These costs are estimated to be \$370,750, no increase in fiscal year 1978 over 1977. The combined burial and food program miscellaneous costs for fiscal year 1978 are estimated to be \$1,072,000, an overall miscellaneous cost increase of \$101,000 in fiscal year 1978 over 1977.

In fiscal year 1978, the Bureau will provide counseling and other non-financial assistance to an estimated 15,775 persons per month. These activities together with other costs associated with administration of the overall social services program (general assistance, child welfare

assistance, miscellaneous assistance) will require estimated funding totaling \$10,044,000, an increase of \$248,000 in fiscal year 1978 over 1977.

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

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

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

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

Selected outputs and workloads for social services functions are:

	<u>FY 1977</u>	<u>FY 1978</u>
General assistance (average person per month).....	68,000	68,000
Child welfare (average children per month).....	3,300	3,300
Burials per year.....	1,200	1,275
Non-financial services per month...	15,700	15,775
TWEF participants.....	4,300	4,300

(2) Common program services (3599) +\$840,000; total \$3,459,000

Proposal. The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

C. Law Enforcement

Fiscal year 1977, \$26,136,000; fiscal year 1978, \$23,521,000; decrease of \$2,615,000.

Major Program Changes

(1) Transfer of judiciary program to Tribal Government Services - \$3,000,000; total 0

Proposal. The Bureau proposes to transfer the operational and funding responsibility for judicial operations from law enforcement services to the Tribal Government Services subactivity. This transfer will involve funding of \$3,000,000 associated with operation of 70 tribal courts and 39 CFR courts.

Justification. A detailed justification for the transfer of Indian courts is contained under subactivity A., Tribal Government Services above. Briefly summarized, the main reason that this transfer should take place relates to separation of powers with the Indian criminal justice system. As long as the Indian court system is funded and operated under the law enforcement activity there will be unwarranted influence placed upon the courts by enforcement officials who are responsible for budgetary matters as well as operations. Persons subject to the Indian courts have a right to due process. Undue influence over the courts by enforcement officials may violate this right.

Cost Factor. Funding for the judicial component of the law enforcement subactivity amounts to \$3,000,000 in fiscal year 1978. This amount is proposed for transfer to Tribal Government Services.

(2) Improve tribal law enforcement capabilities +\$404,000; total \$22,491,000
-60 positions; total positions 328

Proposal. Fiscal year 1978 will be the second full year of tribal and Bureau law enforcement operation since implementation of the ICJS program proposals began. A funding level of \$22,491,000 for enforcement, detention, training, inspection and support services will permit operations at a level comparable to a minimum adequate level with initial improvements towards an exemplary level as described in the ICJS.

Justification. The Bureau's law enforcement program operates in 19 States where it provides enforcement, judicial and detention services to Indian communities with a total population in excess of 380,000 persons. The total Indian criminal justice system was the subject of an extensive study completed in 1975. That study recommended a phased upgrading of the operating elements of the criminal justice system to a point where Indian communities can expect to receive exemplary service.

As a result of the study, the fiscal year 1976 and fiscal year 1977 appropriations provided significantly increased resources as the first increment in a program of improvement of the Indian criminal justice system. These funds will be used to develop and operate criminal justice programs designed to improve a situation which finds that the rate of major crimes on reservations is about 2,100 per 100,000 population compared to a rate of 2,000 per 100,000 in rural areas as a whole. The incidence of violent crimes in Indian country is over 1,000 per 100,000 compared to a rate of less than 200 per 100,000 in rural areas generally. Aggravated assaults are eight times more common on Indian reservations than in rural America generally. Murders are seven times as common and rape (including attempted rape) is more than four times as common on Indian reservations.

With this level of funding, in fiscal year 1978, coupled with the improved funding in both fiscal year 1976 and fiscal year 1977, crime on Indian reservations should be contained at manageable levels by the end of fiscal year 1978.

Cost Factors. The fiscal year 1978 costs associated with proposed operating program described above compare with fiscal year 1977 as follows:

	(\$ in thousands)	
	Current Year	Budget Year
	FY 1977	FY 1978
Enforcement	\$16,114	\$16,303
Detention	3,360	3,400
Judiciary	3,000	---
Training	500	500
Inspection	100	200
Tribal Planning	1,200	1,200
Administration and Supervision	813	888
	<u>25,087</u>	<u>22,491</u>

The Law Enforcement subactivity will have a net reduction of \$2,615,000 by the transfer of judicial services to Aid to Tribal Government. Increased operating costs of current operations for enforcement, detention, and other support services will amount to \$404,000.

Program Description. As stated previously the Indian criminal justice system operated in 19 States and serves a population of over 380,000 persons. Unfortunately, crime rates in Indian country generally exceed those of crime rates for rural communities in general.

The Bureau and Indian tribes provide enforcement services in locations where tribal governments have the power to adopt and enforce a tribal civil and criminal code. Generally speaking, tribal governments exercise some criminal jurisdiction in Indian country unless that power has been ended pursuant to Federal legislation. Conversely, State criminal and civil laws generally do not apply to Indians on reservations except where the State has assumed such jurisdiction pursuant to Congressional authority.

During fiscal year 1977 the police and detention programs on Indian reservations will operate at a minimum adequate level. This level of operation can be expected to contain the crime problem at manageable levels. The police will continue to engage in crime prevention efforts at each reservation in cooperation with other local agencies and community resources. By fiscal year 1978 with utilization of the proposed resources to implement tribally developed plans for enforcement and detention services, the increasing Indian crime rate should show the first signs of diminishing. This program of reservation criminal justice planning is currently underway in each community. The planning effort requires community leaders and local law enforcement officials to give careful consideration to local problems and priorities concerning law enforcement and provide the Bureau with a plan of action based on their deliberations. In addition, the Bureau is now requiring adherence to a code of professional conduct comparable to that of other Federal law enforcement agencies. Detailed program standards are being developed for police and detention programs. During fiscal year 1977 the Inspection and Evaluation Unit began regular visits to each reservation to assure compliance with the code of conduct and the program standards.

During fiscal year 1978 the following workload is expected as compared to fiscal year 1977:

	<u>FY 1977</u>	<u>FY 1978</u>
Complaints investigated	152,000	172,000
Non-enforcement responses	435,000	480,000
Prisoners detained per day	500	520

(3) Common program services (3599) - \$19,000; total \$1,030,000

Proposal. Provides necessary funding for common program services based upon a formula described on IA 72 to IA 78.

D. Housing Services

Fiscal year 1977, \$15,335,000; fiscal year 1978, \$16,827,000; increase of \$1,492,000.

Major Program Changes

(1) Continue technical assistance for Indian housing authorities and provide for new home construction and renovation of existing homes +\$1,147,000; total \$16,096,000 total positions 105

Proposal. The long-range mission of the Bureau's housing program is to carry out programs leading to the elimination of substandard housing on Indian reservations. To accomplish this goal will require the construction of 58,300 new homes and the repair of 28,200 existing houses. As part of the overall goal the Bureau's housing proposal for fiscal year 1978 is to provide, through the Housing Improvement Program (HIP), 490 new homes and 2,630 renovations and/or enlargements.

The Bureau must also be prepared to provide staff and technical assistance to approximately 134 local Indian housing authorities and numerous tribal housing committees. This assistance was formalized in the Indian Housing Regulations published March 9, 1976. This assistance will enable tribes to successfully acquire and manage 20,000 units of HUD sponsored housing that are now in various stages of development and construction.

Justification. The estimate of housing need has been determined from the fiscal year 1976 Housing Survey which shows:

Service population (families).....	141,100
Less:	
Existing dwellings in standard condition...	54,600
Families in need of housing assistance.....	86,500
Houses suitable for renovation to standard...	28,200
New homes required.....	58,300

The overall housing program will continue to be managed as follows:

Housing Improvement Program (HIP). This facet of the Bureau's housing program is designed to (1) deal with the estimated 28,200 houses which can be renovated to standard, and (2) provide new housing for certain segments of the Indian population that were thought to be eligible for other Federal housing programs but simply cannot be served.

The renovation effort has been and continues to be an important element in producing standard Indian housing. Indian families

receive the direct benefit of improved housing which is decent, safe and sanitary and results in reduced health and social costs which might be created by an unsafe and unsanitary environment.

It has been found most important that the renovation effort be of a quality and sufficiency that the recipient can take pride in the finished product. Renovations must include not only the basic necessities of water and utilities but must provide for the modern conveniences including living space and storage space that are so necessary for family living. Repair work will also include minor repairs to homes that do not warrant repairs to standard but must be repaired to the extent that the resident families are protected from the elements and enjoy basic sanitary facilities until such time as standard housing can be provided.

Housing Development. The Housing and Community Development Act of 1974 contained the first statutory set aside (in terms of units) for Indian housing construction financed by HUD. This legislation was interpreted by HUD as a commitment for fiscal year 1975 and fiscal year 1976 of 12,500 units. In addition, the Housing Authorization Act of 1976 also provided that at least \$17,000,000 of contract authority be made available by HUD for Indian housing in fiscal year 1977. HUD interprets this authority to support 6,000 more units in fiscal year 1977.

As HUD continues to reorder its priorities and change its programs and accompanying administrative structure, Indian housing authorities, Indian tribes, Indian organizations and others involved in HUD activities and Indian housing production are increasing their reliance on Bureau technical staff. This reliance requires the direct support of the Bureau Housing Development program which provides technical and administrative assistance to Indian housing authorities in developing housing project applications and proposals for financial assistance under the Federal housing programs.

This technical and administrative assistance is now solidified in the new Interdepartmental Agreement published as part of the new Indian housing regulations of March 9, 1976. In accordance with these regulations and the Interdepartmental Agreement on Indian housing, coordination meetings involving Indian housing authorities, HUD, BIA, IHS and other agencies involved in producing Indian housing will be held to work out action plans and time schedules. These action plans include, but are not limited to: site review, selection and development as they relate to the provision of water, sewer, house placement, access roads and streets; HUD approved BIA Homebuyers Training Program; execution of ACCS; execution of construction contract; construction schedule; and inspection during construction and upon completion. Under the Indian Housing regulations, these items require increased bureau participation. Application and interpretation of statistical data, evaluation of program efforts and daily contact with Indian housing authorities also enable the Bureau to advise Indian housing authorities and HUD on housing and related community development programs and their progress.

The first large scale efforts by the Bureau in developing and promoting a resident training/counseling program have proved very successful. The overall goal of this training/counseling program is to enable Indian families to enjoy better living conditions through increasing their understanding of the benefits, advantages, requirements, responsibilities and the consequences of owning or living in a new home. In addition, this program also strives to acquaint homeowners and tenants with home repair skills and also equip housing

authority personnel with a better understanding of the problems and anticipated needs of housing occupants especially as these needs relate to successful housing management.

Because of this program's success the Bureau's Resident Training/Counseling Program has been recognized by HUD as an approved home-buyer training program for Indian housing authority implementation under the counseling provisions of the new HUD Indian Housing Regulations. Under these regulations, the Bureau has been designated the executing agency for the training/counseling program of HUD-financed mutual-help housing projects. The Bureau housing staff is deeply involved in this effort and has a very vital role in extending to the housing authorities all the technical assistance necessary to implement this training program. Another major Bureau responsibility is to monitor and evaluate this training program and report to HUD the progress of each housing authority's effort. Although HUD will make funding available for its new Indian home-ownership training for its new units, there still exists an overwhelming need for this kind of effort associated with existing or Bureau produced housing. The Bureau is expanding its program to assist those Indian housing authorities which do not have the prospect of receiving a substantial number of units from HUD and therefore will not have sufficient funding to carry out a meaningful program. Where appropriate, Bureau funds will supplement HUD effort and thus enable those housing authorities with very limited training funds to develop and implement a meaningful and positive training/counseling program. Also, within the availability of funds, the Bureau program will be extended to occupants of existing housing units (ownership, rental, HIP, etc.) since HUD funds can be used only for occupants of new units.

Cost Factors. As indicated above, there are approximately 86,500 families in need of housing services. During fiscal year 1978 it is estimated that the proposed HIP budget of \$13,200,000 will provide direct assistance to families as follows:

New homes	
HIP	490
Renovations	
HIP	2,630

The average cost of a new HIP home is estimated to be \$11,000. A HIP renovation averages \$3,000 per house. Total HIP cost for fiscal year 1978 is \$5,300,000 for new homes and \$7,900,000 for renovations, a total of \$13,200,000.

The provision of technical and administrative housing development assistance to Indian tribes and Indian housing authorities and the Resident Training/Counseling Program amount to \$2,895,700 for fiscal year 1978. This technical assistance will assure that the 6,000 units of HUD housing programmed for fiscal year 1978 will actually be delivered.

Program Description. The Bureau's housing program will continue to furnish funds and assistance to provide and improve housing for Indians in Indian areas. It also provides technical assistance to tribes and tribal housing authorities and liaison with HUD and the Indian Health Service to achieve the greatest possible housing benefit to Indians and their communities.

Bureau efforts to establish credit institutions such as Indian owned and managed Savings and Loan Associations as well as increased opportunity for HUD and Farmers Home Administration to provide mortgage money in Indian areas have proven successful. The first such Savings and Loan institution was established on the Navajo Reservation with financial and technical assistance continuing to be provided by the BIA.

The housing programs, wherever possible, will be coordinated with the Department of Labor training programs, tribal work experience programs, and tribal credit programs to provide construction training, home improvement and increased financial input.

During fiscal year 1978 the housing program accomplishments are expected to be:

	<u>Estimate</u> <u>FY 1977</u>	<u>Estimate</u> <u>FY 1978</u>
New house starts (HIP)	385	490
Renovations (HIP)	2,200	2,630
HUD assisted new homes	6,000	6,000

(2) Common program services (3599) +\$345,000; total \$731,000

Proposal. The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

E. Self-Determination Services

Fiscal year 1977, \$31,937,000; fiscal year 1978, \$34,136,000; increase of \$2,199,000.

Major Program Changes.

(1) Increase grant program to cover tribal population as revised from the 1970 census base +\$2,000,000; total \$32,663,000 total positions 48

Proposal. During fiscal year 1978 the Bureau will continue to offer tribes financial and staff assistance to accomplish the objectives of P.L. 93-638, the Indian Self-Determination and Education Assistance Act. The proposed level of funding will accomplish the following:

Provide tribes with the resources to develop soundly conceived and well prepared plans to assume the operation of Bureau programs and services under contract; provide funds for overhead costs of Indian tribes or organizations associated with contracting with the Bureau of Indian Affairs and for costs related to the displacement of Federal employees as a result of these contracts; provide the resources required to train tribal officials and personnel in the knowledge and skills necessary to conduct and administer new programs and otherwise improve the effectiveness of tribal government; increase tribal ability to operate Federal programs under contract and enhance the overall quality and effectiveness of tribal government by establishing programs to improve managerial capacity as well as other facets of tribal administration and program operations; and provide tribes with the support necessary for them to plan, direct, administer, monitor, evaluate, and otherwise control the gamut of Federal services provided for the benefit of Indian people.

The fiscal year 1978 level of funding for the grant portion of the self-determination program will have to be increased to compensate for increases in eligible tribal population. The increased population resulted in some tribes being entitled to increased funding shares and a consequent reduction in the funding for small tribe incentives. These population increases resulted from both tribal appeals and further research into tribal population which was originally derived from revenue sharing figures. Without an increase in total grant funds it will be necessary to restrict the amount of grant funds available for small tribe incentives. Based upon testimony heard during the fiscal year 1977 Congressional budget sessions the House Subcommittee on Appropriations exhibited concern over the problems faced by small tribes attempting to participate in the self-determination grant program and expressed hope that consideration be given to the problems of small tribes. If the grant program is increased \$1,000,000 to a level of \$17,500,000 in fiscal year 1978, it will be possible to provide full formula shares to all tribes regardless of size and also assure that each small tribe will have the opportunity to receive incentive funding for self-determination projects of special merit or those initiated in coalition with other small tribes.

Justification. When the self-determination grants program was initially established in fiscal year 1976, it was based on 1970 census figures. These figures amounted to a total population of 428,100 persons who were members of 421 eligible tribes. Extensive consultations were held with tribes throughout the country during the P.L. 93-638 implementation. Tribes were encouraged to submit appeals in cases where they could prove that the population being used was inaccurate. At the same time the on-going Bureau research into tribal population and eligible tribes continued.

As a result of this effort the current population figures for self-determination grant purposes stand at 465,700 Indians who are members of 481 eligible tribes. Applying the same factors for population and per capita costs as were used in fiscal year 1976 and fiscal year 1977, the requirement for formula grant shares is \$15,200,000. Without a \$1,000,000 increase in the funding availability for grants, the amount set aside for incentives to small tribes will have to be cut from \$2,300,000 to \$1,300,000. A cut of this magnitude might severely limit the participation of many small tribes and also result in reduced funding for those who do participate. Because of the basic intent of P.L. 93-638 and the expressed concern of Congress, it is vital that the grant program continue to offer small tribes every opportunity to fully participate in the grant program.

Cost Factors. The fiscal year 1977 grant estimate was based on a tribal population of 428,100 persons who were members of 421 recognized tribes. In the course of first year program operation appeals by tribes and research on the part of the Bureau have determined that the actual eligible population is 465,700 members of 481 tribes.

In determining grant funding for fiscal year 1978, these revised population figures have been used in a formula which while based on tribal population also takes into account economies of scale and the practical realities of population variation among tribes.

The rationale supporting the formula is:

- a. Tribes may be grouped to their population for purposes of determining funding requirements.

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

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

The actual cost factors used were:

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

When these factors are applied against the tribal population of 465,700, the total formula grant share requirement of \$15,200,000 results.

In fiscal year 1978, with the formula share fully funded, it will be possible to provide incentive funding to small tribes at the rates originally determined for the fiscal year 1977 budget but which could not actually be met due to increases in population and resulting increases in the formula share. This incentive funding level of \$2,300,000 will enable all qualified tribes to participate in the grants program to a degree which will assure that their projects will not fail because of underfunding.

In order for tribes to make decisions regarding the preferred method of operating BIA programs, tribes must have available to them acceptable and effective techniques for evaluating the effectiveness of the service programs. Without such techniques being available many tribes would be prevented from taking full advantage of the Self-Determination Act. The development, testing and implementation efforts will be accomplished largely through contracts and is estimated to require \$1,000,000 in fiscal year 1978.

Program Description. The Self-Determination Program will engage in three basic activities in fiscal year 1978--they are:

- (1) Funding self-determination grants to tribes to be utilized for facilitating contracting and improving the capacities of tribal governments.
- (2) Provision of funding for training and technical assistance for both participating tribes and Bureau staff to prepare them for effective new roles operating under P.L. 93-638.

- (3) Provision of contract support funds to (a) offset overhead costs which tribes will experience in association with contracting, and (b) additional costs associated with the displacement of Federal employees whose functions are contracted with tribes.

The 481 tribes considered eligible to benefit from the self-determination provisions of P.L. 93-638 will be offered grants to assist them in projects leading to improvement in the capacity of their tribal governments. The self-determination staff will administer grants under the program and also oversee the training and technical assistance efforts for those tribes whose applications for contracting are approved. There will be adequate resources available to meet overhead costs associated with contracting. It is expected that as time progresses this program will become the foundation for a new operating relationship between the Bureau and the tribes it serves.

Current funding plans indicate that operations under the self-determination program will be as follows:

	<u>FY 1977</u>	<u>FY 1978</u>
Self-Determination Grants	\$16,500,000	\$17,500,000
Training and Technical Assistance	4,463,000	5,463,000
Contract Support	<u>9,700,000</u>	<u>9,700,000</u>
Total	<u>30,663,000</u>	<u>32,663,000</u>

(2) Common program services (3599) +\$199,000; total \$1,473,000

Proposal. The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

3. Economic Development and Employment Programs
Analysis of Subactivities

	1976 Amount Available	1977 Amount Available	Auth. Perm. Pos.	1978 Estimate	Auth. Perm. Pos.	Increase (+) or Decrease (-) 1978 Compared with 1977 Dollars	Pos.
A. Employment Development.....	\$47,337,000	\$51,050,200	384	\$45,887,000	384	\$-5,163,200	--
B. Business Enterprise Development...	15,746,000	12,342,000	181	9,113,000	226	-3,229,000	+45
C. Road Maintenance.....	<u>9,445,000</u>	<u>10,874,000</u>	236	<u>12,520,000</u>	236	<u>+1,646,000</u>	<u>--</u>
Total.....	<u>72,528,000</u>	<u>74,266,200</u>	801	<u>67,520,000</u>	846	<u>-6,746,000</u>	<u>+45</u>

3. Economic Development and Employment Programs: Fiscal year 1977, \$74,266,200; Fiscal year 1978, \$67,520,000; decrease of \$6,746,200. The decrease consists of:

<u>Increase (+) or Decrease (-)</u>		<u>Total</u>	<u>Total</u>	<u>Explanation</u>
<u>Amount</u>	<u>Positions</u>	<u>Program</u>	<u>Positions</u>	
(A) \$-5,163,200	--	\$45,887,000	384	<u>Employment Development</u> --reduction in Indian Action Team program accompanied by modest changes in the program component mix.
(B) -3,229,000	+45	9,113,000	226	<u>Business Enterprise Development</u> --eliminate funding for business grants under the Indian Business Development Program. Also, fund Credit and Financing Services entirely from this account, rather than from two appropriation accounts, as formerly.
(C) +1,646,000	--	12,520,000	236	<u>Road Maintenance</u> --increased funding to provide for improved levels of road maintenance services in accordance with tribal priorities.
<hr/>				
<u>-6,746,200</u>	<u>+45</u>	<u>67,520,000</u>	<u>846</u>	

Program Synopsis

This program is designed to stimulate reservation economies and to help Indian people participate fully in the economic life of the community and the Nation.

Business enterprise development is encouraged and assisted through programs of technical and financial aid, with strong emphasis on enterprises owned and operated by Indian individuals and organizations. Indian tribal organizations and individuals are assisted with securing and managing loans for resource and business enterprise development, housing, public utility facilities, education, and other purposes. Individual Indians are assisted in qualifying for, finding, and occupying jobs, both on and off the reservation consistent with their needs, capabilities, and desires. Roads are maintained to provide for the movement of people and goods as needed for the well-being of the community.

The major program changes for fiscal year 1978 are as follows:

- A significant reduction in the Indian Action Team Program.
- An intensified road maintenance program to improve maintenance service levels.
- Elimination of funding for business grants under the Indian Business Development Program authorized by the Indian Financing Act of 1974.
- A significant reduction and change in the mix of employment development programs with more emphasis on On-the-job-Training and training in Vocational Training Institutions, and less emphasis on the Indian Action Team Program.

-- Funding and staffing the total Credit and Financing Services program in this account, rather than splitting the funding and staffing between this account and the appropriation for the Loan Guarantee and Insurance Fund, as was formerly done.

Of the \$67,520,000, total request, \$47,062,300 is a part of the total amount for banded programs.

(A) Employment Development:

Fiscal year 1977, \$51,050,200; fiscal year 1978, \$45,887,000; decrease of \$5,163,200.

Major Program Changes:

- (1) Adult Vocational Training - \$+805,700; total \$18,061,900
Institutional No change; total 144 positions

Proposal: The increase will be used to assist, and provide opportunity for an additional 363 Indians to acquire vocational skills.

Justification: There is a heavy demand amount young Indian adults on reservations for vocational skills needed to obtain reasonable and satisfying employment. The requested increase reflects tribal priorities as expressed through the band analysis process.

Cost Factors: Adult Vocational Training services to 363 additional trainees at \$2,200/trainee served.

- (2) On-the-job-Training - \$+320,000; total \$1,000,000;
No positions

Proposal: Provide funding for 19 additional OJT contracts with business firms on or near reservations providing for increasing the number of trainees by 114.

Justification: The present OJT funding requests amount to approximately \$3.5 million and this figure is constantly increasing. This program provides an inducement to Indian and non-Indian businesses to locate on Indian reservations. The OJT contracts result in a strengthening of the local economy and reduced employment rate which in turn carries the additional benefits of providing skills to unemployed Indians, reduce welfare rolls and increase revenues to provide needed community services.

Cost Factors: The increase will provide OJT services to 114 Indian participants at \$2,800 per participant.

- (3) Indian Action Program - \$-6,000,000; total \$13,537,000
No change; total 30 positions

Proposal: The decrease will be accomplished by reducing the funding of approximately 60 Indian Action Team contracts by an average of approximately \$100,000 per contract; from \$300,000 in FY 1977 to \$200,000 in FY 1978. The reduced funding will result in reducing the number of program participants by one-third.

- (4) Direct Employment Assistance - \$-79,300; total \$11,295,700
No change; total 210 positions

Proposal: The decrease reflects a modest shift in the program mix in accordance with tribal priorities as expressed in the band analysis process, and shifting funding for Navajo-Hopi socioeconomic impact programs to other accounts (\$-32,000)

(5) Common program services (3599) - \$-209,600; total \$1,992,400

Proposal: The decrease will result in necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

Program Description - The programs included in the Employment Development sub-activity provide a unified, comprehensive approach of direct action to assist Indians to prepare themselves for more rewarding employment, and to assist them in job placement. (Note: The program does not include scholarship assistance to colleges and universities included in the "Education" account, above.) Program elements include Adult Vocational Training in vocational training facilities, including residential training centers; on-the-job-training under contracts with commercial enterprises and others; classroom and on-the-job-training under the Indian Action Program approach; and placement services, training, and financial assistance under the direct employment assistance approach. Further, the Indian Action Program is designed to stimulate the economies of Indian communities and to strengthen the capability of tribes to contract for the operation of Federal programs for the benefit of Indians. Each of the major program elements is discussed in more detail in the following.

Adult Vocational Training

Adult Vocational Training assists Indian individuals in obtaining vocational and personal skills needed to compete for jobs on an equal basis with all others. The services, authorized under Public Law 84-959, as amended, and provided under this program include vocational guidance and counseling and institutional training in recognized trades and vocations for a maximum of two years, except that three years of training is available to those interested in pursuing registered nurse training. Financial assistance grants are provided for transportation to place of training, subsistence enroute, maintenance during training period, tuition and related costs, health assistance, and maintenance for one month after training while being placed in employment.

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

In FY 1978 we anticipate that over 8,000 trainees will be assisted at an average cost of \$2,200. Nationally, based on rates and ratios for FY 1976, more than one-third of these will successfully complete their training program, less than one-third will discontinue training, and the balance will successfully remain in a training program into a new fiscal year.

Selected Accomplishment Data:

<u>Item</u>	<u>U/M</u>	FY 1975	FY 1976	1977	1978
		<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
In training at start of year	No.	2,171	3,134	3,204	2,700
New entries during year	No.	4,361	6,174	4,496	5,346
Total number in training	No.	6,532	9,308	7,700	8,046
Completions	No.	NA	3,235	2,700	2,816

		FY 1975	FY 1976	FY 1977	FY 1978
	<u>U/M</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>
Discontinuances	No.	NA	2,969	2,300	2,413
Carryovers - end of year	No.	3,134	3,204	2,700	2,817
Placements <u>1/</u>	No.	NA	2,750	2,300	2,400
Average cost/participants (1976)	\$	3,102	2,161		
Average cost/completion (1976)	\$	NA	6,214		
Success ration (1976)	%		69.2		

1/Estimate based on sampling of Areas.

On-the-Job-Training

On-the-Job-Training is designed to assist industry to train Indian employees in needed skills, and to locate on or near Indian reservations. The employer (and training contractor) is paid one-half of the established entry wage for specified training periods for each Indian participant. In addition to training received, the Indian participant and his/her family are provided individual or family counseling service on such matters as the basic demands of steady employment; wise use of wages to meet the practical needs of the family; pride in achieving and keeping their economic independence; and other elements of stability and reliability which are essential to social and economic growth. In addition, the trainee is assisted in the purchase of tools, medical care, transportation, etc. It is estimated that in FY 1978 the program amount of \$1,000,000 will provide on-the-job-training to approximately 357 applicants and involve about 59 contracts.

Indian Action Program

The Indian Action Program is designed to develop capabilities of tribes and Indian individuals to construct, operate, maintain, and manage reservation facilities - - a factor which facilitates the Bureau's policy of turning over operations and management of programs to local Indian people based on tribal initiatives. The program is an important mechanism in providing necessary tribal job skills and management capabilities to allow participating tribes to make sound decisions about taking on through contracting, programs operated on the reservation. Since its inception in 1972 as a pilot program to enhance tribal self-determination goals, the Indian Action Program has widened its scope with emphasis on six major objectives:

1. Preparation of tribal members for employment through skills training conducted on the reservation or Indian community.
2. Development of tribal administrative and business management capability.
3. Support in the development of feasible tribal businesses and enterprises.
4. Enhancement of tribal opportunities to attract funding for reservation programs from other Governmental agencies and sources.
5. Providing, through on-the-job training and tribal enterprises operation, useful improvements to the reservation or Indian community.
6. Stimulation of the reservation economy through turn-over of program funds on the reservation or Indian community.

The program amount of \$13,537,000 will provide for approximately 60 IAP contracts at an average cost of \$200,000, and involve some 150 tribes. It will also allow full time training for approximately 1600 IAP trainees; employment of about 400 program personnel by tribes; development of 40 tribal business enterprises; and capital improvement to tribal and individual Indian facilities of about \$5,000,000.

Selected Accomplishment Data:

	<u>FY1974</u>	<u>FY1975</u>	<u>FY1976</u>	<u>Estimate FY1977</u>	<u>Estimate FY1978</u>
Entered Training	1,200	1,238	6,680	2,320	1,600
Completed Training	607	834	1,130	1,560	1,075
Job Placements	250	700	950	1,270	875
Contracts	24	31	61	62	60

Direct Employment Assistance

Creating job opportunities is one approach to the Indian unemployment and underemployment problem. Assistance designed to train individuals and help them get established where the jobs are is another essential ingredient. The program for Fiscal Year 1978 will include the following direct employment services:

1. Job Placement Services. These services are provided to Indians who have employable skills, to find, become established in, and retain suitable employment in urban areas as well as on or near reservations. The applicant benefits by receiving transportation to job and living site, maintenance, medical care, personal appearance, employment and family counseling, tools for employment, emergency assistance, home purchase programs, solo-parent child care assistance and large family assistance.
2. Program Staff Services. Bureau Employment Assistance staffs are located at 55 Indian agencies, seven Field Offices (Chicago, Illinois; Cleveland, Ohio; Dallas, Texas; Denver, Colorado; Los Angeles, California; Oakland, California; and Washington, D.C.); eleven Area Offices; and the Central Office in Washington, D. C. Program specialists in these offices work with local, State and Federal agencies to help the Indian acquire gainful and rewarding employment and to become a satisfied and self-sufficient member of the citizenry.

Indian applicants who are underemployed because of lack of training are assisted by being referred to training opportunities that are available elsewhere, or are placed in on-the-job training positions. The amount of \$11,295,700 will provide training and job placement services to 5,867 participants at an average cost of \$1,900.

Selected Accomplishment Data

<u>Item</u>	<u>FY 1975</u>	<u>Estimate FY 1976</u>	<u>Estimate FY 1977</u>	<u>Estimate FY 1978</u>
Placement Services - No. of Participants	7,018	6,400	5,911	5,870

(B) Business Enterprise Development:

Fiscal year 1977, \$12,342,000; Fiscal year 1978, \$9,113,000; decrease of \$3,229,000.

Major Program Changes:

- (1) Commercial Enterprise Development \$+173,700; total \$2,943,700
No change; total 42 positions

Proposal: The increase will provide additional technical assistance in development of businesses on reservations in accordance with tribal priorities as reflected in the band analysis process.

- (2) Indian Business Development \$-5,500,000; total -0-
No positions

Proposal: The decrease will terminate the program of grants to individual Indians, tribes, and Indian organizations to establish or expand Indian-owned business enterprises. The decrease reflects the fact that funding authorization for the program, authorized for 3 years by the Indian Financing Act of 1974, expires with the 1977 year.

- (3) Credit and Financing Services \$+2,018,700; total \$5,026,700
+45 positions; total 164 pos.

Proposal: The increase in this account represents a shifting of funding and positions from the Loan Guarantee and Insurance Fund account under which \$2,350,000 for these purposes was provided in fiscal year 1977. Thus, the increase in this account is offset by a decrease of \$2,350,000 for these purposes in the Loan Guarantee and Insurance Fund account. The net decrease of \$331,300 reflects the decreased workload resulting from no request for funding for new grants under the Indian Business Development Program. The increase will be used to administer the Loan Guarantee and Insurance Program and to provide competent management and technical assistance to borrowers through contracts with private sources or on a reimbursable basis with other Federal agencies. It will also be used to provide continuing technical assistance to Indian business enterprises that have received grants under the Indian Business Development Program.

Justification: The Indian Financing Act authorized an additional \$50,000,000 for the Revolving Loan Fund, and established two new programs, the Loan Guaranty and Insurance Program and the Indian Business Development Program, for which appropriations were authorized for fiscal years 1975, 1976, and 1977. The Act also authorized the payments of interest subsidies on loans guaranteed or insured, and the providing of management and technical assistance by outside sources to business enterprises funded under the Act. To handle the increased activity and workload generated by the Act, funding was provided under the appropriation for the Loan Guaranty and Insurance Fund. Although authority to appropriate funds for the Loan Guaranty and Insurance Fund will expire at the end of fiscal year 1977, it will be necessary to continue to administer the program, to provide assistance on loans and grants made through the close of the 1977 fiscal year, and to service new loans made possible by collections and unobligated balances of prior appropriations.

- Provide technical assistance to tribes which are interested in participating in resource inventories, feasibility studies and market analyses, including the design of economic development planning models, which will indicate to industrial and commercial firms the advantage of establishing plants on Indian reservations. Approximately 400 feasibility studies are made yearly on behalf of Indian tribes. It is anticipated that approximately 30 new firms will locate on reservations during FY 1978.
- Continue to cooperate with and fund the American Indian Travel Commission (AITC). This Commission is an independent, non-profit corporation providing national leadership for Indian tourism and outdoor recreation programs. Through its executive staff, the AITC provides tribes with technical assistance such as economic and marketing evaluations to help determine their economic capability to develop an outdoor recreation and tourism program; and also provides tribes with an evaluation of present financial and managerial operations and training practices and needs, including recommendations for improvement. FY 1978 AITC plans include Spring Seminars for middle and upper management of Indian owned and operated motels and resorts; a WATS reservation service; a national outdoor recreation effort, an individual property directional sign program, and the filming and distribution of a major 28 minute movie featuring highlights of American Indian tourism facilities and efforts.
- Cooperate and coordinate with other Federal agencies involved with Indian economic development, such as the Economic Development Administration (EDA), the Office of Native American Programs (ONAP), the United States Travel Service (USTS), the Small Business Administration (SBA), etc.

Selected Accomplishment data:

	<u>FY 76</u> <u>Actual</u>	<u>FY 77</u> <u>Estimate</u>	<u>FY 78</u> <u>Estimate</u>
Enterprise plans & Studies			
Assisted	500	634	723
Individuals Assisted	2,117	2,576	3,007
Commercial and Industrial			
Enterprises Assisted	659	921	1,102

Indian Business Development Program

The Indian Business Development Program was authorized under the Indian Financing Act of 1974. The Program provides up to \$50,000 business grants as a form of equity capital to Indian individuals, tribes and organizations to establish and/or expand Indian-owned enterprises which will benefit Indian reservations and communities. The program has been a basic ingredient in Indians establishing entrepreneurship on reservations and increasing their levels of employment and income in their home communities.

Selected accomplishment data for the program are as follows:

		<u>FY 1975</u>	<u>Estimate</u> <u>FY 1976*</u>	<u>Estimate</u> <u>1977</u>
Applications Rec'd	No.	982	1,515	1,000
Applications Rec'd	\$	17,934,000	28,736,000	19,000,000
Applications App'd	No.	591	765	420

(cond.)		<u>FY 1975</u>	<u>Estimate FY 1976*</u>	<u>Estimate 1977</u>
Applications App'd	\$	10,000,000	10,000,000	5,500,000
Additional Capital Generated	\$	31,690,100	21,000,000	11,500,000
Jobs Created or Sustained	No.	3,184	2,750	1,500
Estimated Annual Payroll Generated	\$	16,740,100	12,200,000	6,700,000
Average IBDP Grant	\$	16,260	13,100	13,100

*Includes grants made during the transition quarter.

Credit and Financing Services

The objectives of the program are to assist federally recognized Indian tribes and other organizations and individual Indians to obtain financing needed to develop and utilize their own resources to improve economic conditions on Indian reservations; and to administer the programs under the Indian Financing Act which includes the Revolving Loan Fund, Loan Guaranty and Insurance Fund and the Indian Business Development Program. The authorization of appropriations for the latter two expire at the end of FY 1977.

In FY 1978 the program of work will include the following activities:

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

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

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

Administer the Loan Guaranty and Insurance Fund.

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

Selected accomplishment data:

	<u>Unit of Measure</u>	<u>FY 1975 Actual</u>	<u>FY 1976 Tentative</u>	<u>FY 1977 Estimate</u>	<u>FY 1978 Estimate</u>
BIA supervised direct loans - new <u>1/</u>	No.	3,791	5,287	6,787	7,465
BIA supervised direct loans - new <u>1/</u>	Mil.\$	17.7	25.0	32.0	35.0
BIA supervised direct loans - outstanding (EOY) <u>1/</u>	No.	8,795	11,475	12,475	13,510

(cond.)	Unit of Measure	FY 1975 Actual	FY 1976 Tentative	FY 1977 Estimate	FY 1978 Estimate
BIA supervised direct loans - outstanding (EOY) 1/	Mil.\$	86.6	109.4	116.7	128.3
BIA assisted Commercial loans - new	No.	5,030	2,680	5,500	5,500
BIA assisted Commercial loans - new	Mil.\$	17.9	23.1	30.5	30.5
Assisted other Federal loans - new	No.	1,030	954	1,050	1,400
Assisted other Federal loans - new	Mil.\$	24.3	24.8	27.3	29.9
Guaranteed and Insured loans	No.	--	55	185	10
Guaranteed and Insured loans	Mil.\$	--	34.4	91.8	3.8
IBDP Grants	No.	591	710	420	--
IBDP Grants	Mil.\$	10.0	10.0	5.5	--

1/ Includes direct loans from the resources of the Indian Revolving Loan Fund and direct loans under tribal relending programs financed from tribal trust fund.

Indian Arts and Crafts Board

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

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

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

(C) Road Maintenance:

Fiscal year 1977, \$10,874,000; Fiscal year 1978, \$12,520,000; increase of \$1,646,000.

Major Program Changes

- (1) Improved Road Maintenance \$+1,431,400; total \$11,955,400
No change; total 236 positions

Proposal: The increase will provide improved road maintenance service levels, primarily on paved roads in accordance with tribal priorities as expressed in the band analysis process. The improved service levels will increase the usability and safety of roads, and will better protect the roads from excessive damage and deterioration.

Justification: The proposed funding will provide an average of \$377 per mile for maintenance of nearly 25,000 miles of roads, plus \$2 million for snow removal. The \$377 represents about 40 percent of what states and counties are spending on similar types of roads for maintenance. Improved maintenance levels are needed to assure the availability of essential transportation facilities for school children, health care, and for the movement of all of the other people and products within the Indian community. Maintenance services are also needed to protect the investment in the road facilities.

Cost Factors: Improved maintenance of 24,642 miles of road at an average increase of \$58 per mile.....\$1,431,400.

- (2) Common Program Services (3599) \$+214,600; total \$564,600

Proposal: The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

Program Description: The Road Maintenance program provides for the maintenance and repair of all roads and airstrips on reservations that are open to the public. The Bureau is responsible for the maintenance of 24,641.7 miles of roads on 179 Indian reservations. This network of roads provides the principal, and often the only form of transportation on reservations. The objective of the road maintenance program is to provide safe roads open for traffic as needed, and to protect those roads from excessive damage or deterioration. Approximately 73% of all roads that directly serve Indian families are earth surface. Only 20% of these roads are being maintained on a scheduled basis. The remainder are maintained on an emergency or "on-call" basis. Included in this program are preventative maintenance and snow removal, and emergency repair work amounting to approximately 15% of the total program. At the proposed rate of funding, the average expenditure for maintenance on all surface types of reservation roads is \$377 per mile. This excludes \$2 million which is used for snow removal and does not represent actual improvements of roads. The \$377 per mile represents approximately 40% of what states and counties are spending on similar type roads for maintenance.

The program includes operating and maintaining the ferry on the Coville reservation that joins the road system across Lake Roosevelt. The ferry is operated as a substitute for a bridge.

Program of Work FY 1978: The level of funds for 1978 amounts to \$11,955,400. It is programmed as follows:

<u>Road by Surface type</u>	<u>Miles</u>	
Paved	4,777	\$ 4,730,000
Gravel	3,225	2,470,000
Earth	17,546	3,985,400
Bridge	49,959 <u>1/</u>	590,000

(cond.)	<u>Road by Surface type</u>	<u>Miles</u>	<u> </u>
	Coville Reservation Ferry Operation	\$	<u>180,000</u>
			11,955,400

1/ Linear Feet

Selected Accomplishment Data:

<u>Roads by surface type</u>	<u>1976 actual</u>	Miles	<u>1977 est.</u>
Paved	3,540		4,285
Gravel	2,814		3,115
Earth	17,100		17,361
Bridge	49,397 <u>1/</u>		48,999

1/ Linear Feet

4. Natural Resources Development
Analysis By Subactivities

	1976 Amount Available	1977 Amount Available	Auth. Perm. Pos.	1978 Estimate	Auth. Perm. Pos.	Increase (+) or Decrease (-) 1978 compared with 1977	
						Dollars	Pos.
A. Forestry and Agriculture.....	\$31,807,000	\$35,263,000	843	\$37,824,000	843	\$+ 2,561,000	--
B. Minerals, Mining, Irrigation and Power.....	4,205,000	4,392,000	9	11,964,000	9	+ 7,572,000	--
Total.....	36,012,000	39,655,000	852	49,788,000	852	+10,133,000	--

4. Natural Resources Development: Fiscal year 1977, \$39,655,000; Fiscal year 1978, \$49,788,000; increase of \$10,133,000. The increase consists of:

<u>Increase (+) or Decrease (-)</u> <u>Amount</u>	<u>Positions</u>	<u>Total</u> <u>Program</u>	<u>Total</u> <u>Positions</u>	<u>Explanation</u>
(A) \$+2,561,000	--	\$37,824,000	843	<u>Forestry and</u> <u>Agriculture-</u> program increases to reflect tribal priorities as expressed in the band analysis process, with particular emphasis on forest and water resources.
(B) +7,572,000	--	11,964,000	9	<u>Minerals, Mining,</u> <u>Irrigation and</u> <u>Power--</u> sharply expand mineral inventory and planning activity, and provide for increased costs of irrigation system operation and maintenance.
+10,133,000	--	49,788,000	852	

Program Synopsis

This program is designed to provide for the conservation, development and utilization of Indian land, water, and related resources. Resources are surveyed and inventoried, conditions are monitored, and development and management plans are prepared. Assistance is provided for the installation, operation and maintenance of works of improvement and conservation use systems. Assistance is provided on range utilization and timber harvesting. Protection of resources from insects, diseases, fire and other destructive forces is encouraged and assisted.

The major program changes for fiscal year 1978 are as follows:

- Sharply expanded programs to inventory mineral resources, and to assist with mineral development planning, with special emphasis on energy resources.
- Further intensification of the forestry element in accordance with tribal priorities as expressed in the band analysis.
- Additional emphasis on water resource activities in accordance with tribal priorities as expressed in the band analysis.

-- Very modest increases in activities to conserve and develop agricultural and wildlife and park resources.

-- Sharply increased funding to meet costs of irrigation system operation and maintenance, as required by law.

Of the \$49,788,000 total request, \$28,600,300 is a part of the total amount for banded programs.

(A) Forestry and Agriculture:

Fiscal year 1977, \$35,263,000; Fiscal year 1978, \$37,824,000, increase of \$2,561,000.

Major Program Changes:

(1) Forestry

+ \$593,100; total \$15,469,800
no change; total 358 positions

Proposal: The \$593,100 will be used to increase timber harvesting activity and for continued direction and coordination for the recently initiated ten-year forest development program. Timber harvesting workload includes increased activities of preparing and supervising timber sales, contract administration and the issuance of forest product permits. Administration of the ten-year program to eliminate the backlog of reforestation and timber stand improvement work involves expanded tasks of project planning, development, and contract supervision. Accomplishment of this work will bring harvest levels closer to the full annual allowable cut and insure maximum return from forest development investments.

Justification: Expansion of the timber sales program will result in increased annual harvest of 16 million board feet providing additional annual stumpage income of \$1.12 million to tribes and individual Indians. Harvesting and processing of this timber will generate 112 additional forest industry job opportunities with employment income of \$1.1 million. Forest development investments involving reforestation, thinning and other cultural work enhance the productivity of the forest land base, improve the quality of timber stands and provide potential for greater future harvests. Projects to accomplish this work are highly labor intensive, providing jobs and employment income to Indian communities. The expanded forest development program requires intensive planning, technical guidance and analysis by forestry personnel. This will insure that the investments made and work accomplishment methods employed will yield the greatest net return.

Cost Factors: Additional costs will be incurred to accomplish routine tasks necessary to harvest more timber and to fulfill the growing requirement to tailor each sale unit to better meet socio-economic objectives of the Indian owners, safeguard the environment, and provide consideration of future forest use and other values. This intensified management of timber harvesting activity is resulting in a reduction in individual sale size. Consequently, more timber sale units are required per volume harvested, with proportionate increases in preparatory and administrative workloads. The development and use of economic analysis procedures, sound technical standards, and reporting/accounting systems required to properly administer reforestation and timber stand improvement projects are added cost items associated with expansion of this forest investment activity.

(2) Agriculture

\$+741,800; total \$18,753,300

No change; total 484 positions

Proposal: The requested increase of \$741,800 will be used for

improvements in range, and soil and water conservation and development work at the reservation level, and to accommodate new area and agency organizational structures which are designed to improve the delivery of natural resources programs assistance.

Justification: The increase for the natural resources, rangelands, and soil and water conservation work is derived from tribal priorities expressed in the budget formulation process. The work is needed to achieve improved levels of resource conservation and development. As trustee for Indian property, the Federal government is required to provide protection, management, and conservation services for these trust lands. The proposed funding is made possible by tribal constraints on funding of other local programs. This element reflects assistance and direction to range, soil and moisture conservation, erosion control and other natural resources programs.

Cost Factors: Additional surveys, investigations, plans, and measures for soil, water and range conservation.

(3) Water Resources \$+464,000; total \$1,232,700

No positions

Proposal: The requested funds will establish new base amounts in three Area jurisdictions and continue, with some expansion, efforts in five other Area jurisdictions, to inventory and develop water resources, particularly range water for livestock consumption.

Justification: The proposed increase is in direct response to priorities established by the various tribes during the band analysis phase of our budget process. As a responsible trustee, we must recognize and make every effort to protect Indian water rights and, if possible, make available a reasonable means for their use.

Cost Factors: Work to be accomplished includes: Range water developments such as wells, storage tanks, pipelines, deep pit charcos, ponds, etc.; potential irrigable land studies; water rights legal research pertaining to special uses. These items of work have been funded through other program elements. Because of their high priority, funding is being consolidated to insure a more coordinated effort. The work will be accomplished under contract with the particular tribe involved.

(4) Wildlife and Parks \$+192,500; total \$737,600

No change; total 1 position

Proposal: The increase will permit some modest improvements in existing campgrounds, recreational areas, picnic areas, and in technical assistance to the wildlife and parks program.

Justification: There are many needs to be met in the development of Indian recreation areas, which could be of benefit to the resource itself, to game management, and of considerable benefit to the general public as well. Emphasis on these programs would provide employment and income for Indian people, and meet the ever-growing demands for picnic areas, campgrounds, and recreation areas across the country.

Cost Factors: This increase is directed primarily toward improvement of resources related to recreation activities, to improvements in management of those resources, some additional planning for development or management of wildlife and outdoor recreation resources, and assistance in the overall direction of the program.

(5) Common Program Services (3599) \$+569,600; total \$1,630,600

Proposal: The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to 78.

Program Description: Programs in this subactivity are designed to assist Indian owners to inventory, prepare plans for, and conserve, develop and effectively use their forest, agricultural, and related renewable natural resources. Major components include soil surveys, range surveys, forest inventories, wildlife inventories, farm and ranch conservation planning assistance, forest management planning, wildlife and park planning assistance, the installation of soil and water conservation measures and systems, reforestation and timber stand improvements, monitoring range utilization, preparing for and administering timber sales, forest fire suppression and emergency rehabilitation, and various supporting activities. Because of the scope of activities, program detail is presented by major resource type.

Forestry

Overall objectives of the Indian forestry program are to protect, manage, and improve the forest land base and to realize from the forest resources the highest economic and social services for the Indian people, on a sustained basis. In carrying out these objectives, forestry program activities include timber sale administration, forest development, forest protection, inventories and management planning and assistance to individual Indian entrepreneurs and Tribal enterprises.

The forestry program, through the harvesting and processing of Indian timber and accomplishment of forest development work, provides valuable income and employment to Indian owners. Employment is also generated by labor intensive forestry operations such as forest inventory and survey work and forest protection. Besides the direct income and employment benefits, revenues generated from the Indian forest resource benefit all Indian people by providing funds to Tribal governments to manage, develop and improve Tribal operations and programs.

Forestry is responsible for fire protection on Indian lands and provides funds to pay the cost of suppressing wildfires and for necessary rehabilitation of lands burned over by wildfires. In order to carry out this function, forest protection programs must be continually upgraded to keep current in employing modern, more effective techniques to suppress wildfires. Comprehensive fire management programs also include activities of wildfire prevention, controlled use of fire for fuels management and habitat improvement, and training of personnel to meet interagency fire qualification standards. There is also an increasing need for active participation in cooperative fire management activities with other governmental and private fire protection agencies. An amount of \$800,000 is received each year as an initial appropriation for fire suppression and emergency rehabilitation. Uncontrollable factors in estimating fire control needs make it necessary to submit a supplemental request to cover the actual costs of fire suppression.

Highlights of Forestry Program Workload/Accomplishments/Goals

	Fiscal Year 1976	Fiscal Year 1977*	Fiscal Year 1978
Volume of timber harvested (MBM) (est)	900,000	925,000	941,000
Value of timber harvested (est)	\$70,000,000	\$ 72,000,000	\$73,120,000
Reforestation completed (acres)	6,603	18,827	19,523
Timber stand improvement completed (acres)	25,703	77,781	80,743
Total employment generated (MY)	7,733	10,764	11,307
Total employment income generated	\$108,262,000	\$150,696,000	\$158,298,000
Timber sales volume offered (MBM)	800,000	---	---
Timber sales contracts supervised (No.)	251	---	---
Forest products permits issued (No.)	8,807	---	---
Forest inventories completed/maintained (No.)	222	---	---
Forest and range area protected (acres)	59,098,516	---	---
Number of fires suppressed (CY 1975)	1,740	---	---
Acres burned - Forest	7,311	---	---
- Non-forest	29,911	---	---

* The large increases in projected reforestation and timber stand improvement accomplishments, plus employment and income generated results from FY 1977 initiation of a ten-year plan to eliminate backlog of forest development work.

Agriculture

The program area includes:

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

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

Working with the Indian owners and with leasees and permittees of trust lands, conservation measures are designed to increase the return to Indians from their resources, and make a maximum contribution to an improved environment. The program provides for continuing assistance for on-farm development work on the Navajo Indian Irrigation Project.

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

	Unit	Accomplished FY 1976	Estimate FY 1977	Goal FY 1978
Farm & Ranch Mgmt. Contacts	No.	76,665	83,887	85,571
Farmers and Ranchers Serviced	No.	22,312	23,441	24,619
Range Inventories	M.Ac.	4,092.4	5,325.3	7,042.7
Soil Inventories	M.Ac.	2,916.1	2,826	4,847.9
Farm & Ranch Plans	No.	6,676	7,314	7,958
Conservation Measures Agricultural Land	\$M	22,144.9	24,650	26,291.9
Conservation Measures Rangelands	\$M	5,085.4	5,438.6	4,383.5
Farm Lease Supportive Actions	No.	10,408	11,075	11,490
Range Permits/Modification Actions	No.	1,433	2,765	1,878
Compliance Actions	No.	20,608	20,329	20,773
On Farm Development Navajo Indian Irrigation Project	Ac.	9,600	10,100	10,000

Water Resources

The water resources program area includes assistance to Indians to inventory, conserve, develop and use their water resources, with particular reference to water resource problems and uses of a special nature. The program area has only recently been identified as a separate function, and was first funded in FY 1976 for \$31,000. The major increase in FY 1977 was for the Navajo Tribal Water Works Program. With the increased demands made on national water resources, the Indian people, in order to protect their resources, have placed water rights as one of their highest program priorities. The Water Resources program is designed to provide, primarily through tribal contracts, assistance in inventorying, conserving, developing and using their water resources.

Wildlife and Parks

This program provides for the conservation, development and utilization of Indian wildlife and park resources; for inventories and plans for wildlife resources on trust lands, and recreation and related resources for tourism development purposes, including game unit plans as well as reservation-wide plans. Financial assistance and technical services are provided to tribes for habitat improvement, fish and wildlife management and park development. The following table describes accomplishments for Fiscal Year 1976, and anticipated goals for Fiscal Years 1977 and 1978.

(2) Irrigation O&M

+ \$873,000; total \$3,815,000
no change; total 9 positions

Proposal: Funds requested for payment of assessments under this category will be used when necessary to pay into the collection account, appropriated funds for operation and maintenance of Indian irrigation systems operated by this Bureau at no cost to the Indian water users, as required by law. Of the total request, \$780,000 is for operation and maintenance of the Navajo Indian Irrigation Project, an increase of \$577,000 over Fiscal year 1977.

Justification: The Irrigation & Power O&M program provides funds to pay the operation and maintenance assessment for those Indians who are financially unable to pay their assessments. Paying assessments for those Indians who are financially unable to pay will provide those water users, both Indian and non-Indian who have paid their assessments, adequate and proper operation and maintenance services for which they were required to pay in advance. Adequate funds are essential to properly maintain the delivery system and avoid unnecessary and costly crop failures and major rehabilitation costs.

Cost Factors: Funding increases are needed to meet the rising costs of O&M services, and to provide services on an additional 10,000 acre block of the Navajo Indian Irrigation Project.

(3) Common program services (3599) +\$343,600; total \$515,600

Proposal. The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

Program Description: Programs in this subactivity are designed to assist Indian owners to inventory and prepare for the effective development and utilization of mineral resources; and to provide funding for the operation and maintenance of Indian irrigation systems as provided by law. Detailed program descriptions are furnished for each of the major program elements.

Minerals and Mining

The Mineral Resource Inventory Program consists of four segments, or phases, each of which is to accomplish the following:

- Phase I Gather and evaluate available data concerning mineral resources on a given reservation.
- Phase II Gather data through on-the-ground investigations at specific locations using limited exploration techniques to confirm findings and recommendations resulting from the Phase I study.
- Phase III A quantitative, qualitative economic analysis of the resource deposit and preliminary development planning.
- Phase IV Participation in the exploration and development of mineral resources.

While Phase IV activities are described here to give a complete description of the total program, it is anticipated that the primary emphasis for financing development cost under Phase IV in FY 1978 will be from private or Indian investment.

At the end of FY 1976, a total of 38 reservations had Phase I studies completed. It is planned to complete Phase I studies for all reservations. Phase II studies were started on three reservations in FY 1976 and one was completed. The other two will take longer. Phase II, III and IV studies are undertaken only on reservations where Phase I studies indicate that mineral producing capabilities exist. While normal progression would be through each of the four phases, in some instances Phase III or IV studies could proceed without the intermediate Phase II inventory. Currently, there is a backlog of work identified by completed Phase I studies. Each correspondingly higher numbered Phase is more detailed and consequently more costly.

The Federal/Tribal relationship in the mining and minerals development is one that stems from the Federal trust obligation. In order to provide the tribes with the knowledge of their mineral potential, we must conduct an inventory program. With the inventory information the tribes can exercise their self-determination prerogatives in concert with the trust responsibilities of the Federal Government. The importance of this program has been recognized and is supported by the Assistant Secretary, Energy and Minerals.

Irrigation Operation and Maintenance

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

Indian irrigation systems and projects fall into the following categories:

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

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

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

which such assessment is not paid.

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

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

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

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

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

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

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

5. Trust Responsibilities
Analysis By Subactivities

	1976 Amount Available	1977 Amount Available	Auth. Perm. Pos.	1978 Estimate	Auth. Perm. Pos.	Increase (+) or Decrease (-) 1978 compared with 1977	
						Dollars	Pos.
A. Indian Rights Protection.....	\$ 6,887,000	\$ 7,955,000	33	\$11,666,000	33	\$+3,711,000	--
B. Real Estate and Financial Trust Services.....	16,505,000	18,206,000	629	19,093,000	647	+ 887,000	+18
Total.....	23,392,000	26,161,000	662	30,759,000	680	+4,598,000	+18

5. Trust Responsibilities: Fiscal year 1977, \$26,161,000; fiscal year 1978, \$30,759,000 increase of \$4,598,000. The increase consists of:

Increase (+) or Decrease (-) <u>Amount</u>	<u>Positions</u>	<u>Total Program</u>	<u>Total Positions</u>	<u>Explanation</u>
(A) \$+3,711,000	---	\$11,666,000	33	<u>Indian Rights Protection -</u> Fishing rights in State of Washington in relation to Boldt decision/ environmental assessments and impact statements/ Water and other Indian Rights assertion and protection.
(B) +887,000	+18	19,093,000	647	<u>Real Estate and Financial Trust Services-</u> Financial accounting assistance and services on individual Indian Monies Acct. and for Tribes and Tribal organizations.
<hr/>				
+4,598,000	+18	30,759,000	680	

Program Synopsis

This program is designed to carry out the Bureau's Trust and legal responsibilities to protect the rights of Indians in their trust property and those rights affecting trust property that are afforded by tribal autonomy; to carry out the authorities vested in the Secretary of the Interior by various laws concerning Indian trust property and to provide Indians the services they need to make decisions required of them in the application of these various laws; and to carry out programs to facilitate the trust.

The major program changes for fiscal year 1978 are as follows:

- Improved levels of assistance to tribes in the State of Washington in carrying out their responsibilities for managing and regulating the fisheries resource under the terms of the Boldt decision.
- Intensified program to meet BIA responsibilities in the area of environmental quality, with specific reference to preparing environmental assessments and reviewing draft E.I.S.'s.
- Expanded program of water inventories and development planning to quantify and establish Indian water rights.
- Modest improvement in accounting services on individual Indian money accounts, suspense deposits, tribal contract advances, etc. (Note: of the total funding and staffing changes for this item, \$530,000 and 15 positions are due to moving the funds for tribal accounting services-

formerly audit services-from the "General Management and Facilities Operation" account to this account.)

Of the \$30,759,000 total request \$20,955,300 is a part of the total amount for banded programs.

(A) Indian Rights Protection

Fiscal year 1977, \$7,955,000; Fiscal year 1978, \$11,666,000; increase of \$3,711,000.

Major Program Changes

- (1) Environmental Quality Services \$+575,100; total \$1,446,800
no change; total 10 positions

Proposal. This increase will be used to conduct activities and prepare documents necessary to comply with NEPA.

Justification. Previous funding, utilized for review of statements prepared by other Federal agencies, and those prepared by this Bureau, has been inadequate to conduct studies needed to determine what steps are required to protect the environment. For example, where major impacts such as the possibility of strip mining, for monitoring of current environmental baseline data, or for proper and complete services in making environmental assessments. The increase is necessary to enable this Bureau to comply with the requirements of NEPA.

Cost Factors. The funds will be used for program staff reviews of environmental needs; contracts for studies and for consultant services in connection with environmental assessments; review of statements of other Federal agencies which may impact on Indian lands, rights, etc. Funding for preparation of major EIS's is not included here; supplementals are submitted as necessary.

- (2) Off-Reservation fishing rights protection
(Boldt decision) \$+867,000; total \$3,160,000
no positions

Proposal. Funds will be utilized to build upon the base previously established to enable the tribes who have treaty off-reservation fishing rights, in the area affected by the court decision in U.S. vs. Washington, to meet the court stipulations in order to become self-regulating. Action will be initiated by the tribes aimed at wise resource utilization, through enhancement practices to develop and upgrade the quality or quantity of the fishery for the benefit of all of the fishermen, Indian and non-Indian alike.

Justification. The Federal government has a trust responsibility to protect the rights guaranteed by treaty. Self-regulation in the exercise of their treaty-guaranteed fishing rights is in line with the Federal policy of Indian self-determination.

Cost Factors. Development/refinement of data collection system; preparation and enforcement of ordinances and regulations; conduct a program of fisheries management, technology and biological studies; maintain records and files; coordination with other tribes, federal and state agencies; monitoring of environmental influences; training; and rehabilitation and enhancement of habitat and the fisheries resource.

(3) Water inventories and litigation support

\$+1,901,500; total \$6,533,800
no change; 23 positions

Proposal. These funds will be used to pursue a vigorous program of contracting for additional water rights inventories and plans, and for the activities necessary to protect Indian rights that are guaranteed by treaty, statute, proclamation or otherwise.

Justification. It is incumbent upon the Federal government, by virtue of its fiduciary responsibility to see to it that Indian rights are not abrogated, lost, or infringed upon. The majority of the tribes are not financially able to undertake the programs necessary to protect their rights and resources. Water inventories are necessary to support litigation. As pressures mount on scarce resources, especially water, program efforts must be expanded to assure that Indian rights are effectively protected.

Cost Factors. Review of probable violations, litigation preparation, training, and biological, hydrological and other data assembly and interpretation. Water rights inventories include Phase I, II, and III-described as follows:

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

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

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

It is anticipated that 100 additional water inventories will be completed; that 44 additional water plans will be in process or completed; that 70 additional unresolved Indian rights issues will be resolved in fiscal year 1978. In June of 1976, it was determined that 125 tribes and 17 pueblos were in need of some phase of water investigation; and of those, there were 45 where the tribe was in litigation, or where litigation was imminent. There are pending 350 unresolved Indian rights issues.

(4) Common Program Services (3599)

\$+367,400; total \$505,400

Proposal. The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

Program Description. The Bureau is charged by the National Environmental Policy Act of 1969, and various regulations, with the preparation and submission of environmental impact statements when a proposed action or activity is determined to be a major federal action having significant effect on the quality of the human environment. In response to that direction, the Bureau conducts the following activities:

Proposed actions are examined to identify those potentially within the purview of NEPA.

Upon investigation, an environmental assessment is prepared and a determination is made as to each action's environmental significance. When actions are determined to be significant, an environmental impact statement is prepared and processed.

Statements of other Federal agencies are reviewed, tribal consultation obtained as necessary, and comments provided.

As trust agent for Indian rights and interests, the Bureau coordinates with tribal organizations involved and with interrelated agencies, all actions affecting Indian interests.

The following workload factors are indicated in the environmental program:

	<u>1976</u>	<u>TQ</u>	<u>1977</u>	<u>1978</u>
Environmental examination	38,472	12,000	50,000	48,000
Environmental assessments	845	175	700	720
Environmental impact statements	1	1	6	8
Environmental Consultations	1,308	400	1,500	1,500
Environmental Reviews	458	110	450	450

The Rights Protection program area includes the function of directing every aspect of the Interior Department's effort to assert and protect the rights of Indians in their trust property, i.e., to: (1) identify all Indian water rights problems on every federally-recognized land base (277 reservations); (2) develop technical information and comprehensive lists of potential land and water uses for Indian reservations and communities needed to develop economically, including nature of and location of such use; (3) coordinate initiating action both initial or corrective, needed to establish or defend Indian water rights, and other rights of Indians in their natural resources, including drafting regulations and reporting on proposed legislation; (4) coordinate the preparation of water adjudication suits for submission through the Interior Department Solicitor to the Department of Justice; (5) monitor and plan strategy in State water rights cases having impact on Indian water rights; and (6) coordinate, guide and supervise the Department's agencies, Bureau field staffs, and tribes, and advise and inform tribal attorneys, in all Indian rights efforts.

The program includes funds for implementing the February 12, 1974, decision of Judge Boldt in a long and vigorously contested suit brought by the United States on behalf of Indian tribes in the State of Washington (U.S. v. Washington). The Court specifically ruled that treaty fishing of northwest Indian tribes is a reserved right, not a mere privilege. The tribes in Washington are entitled by treaty right to up to 50% of the harvestable fish catch each year. In order to secure to them the enjoyment of this right, it is necessary to provide them, all in accordance with the court order, with the scientific, biological, management, regulatory, and other technical assistance necessary for prudent conservation and governmental practices. In addition to the \$3,160,000 proposed for work associated with the Boldt decision in this account, \$962,000 is included in the "Indian Services" account, bringing to \$4,122,000 the total requested for this work.

(B) Real Estate and Financial Trust Services

Fiscal year 1977, \$18,206,000; Fiscal year 1978, \$19,093,000; increase of

\$887,000.

Major Program Changes

(1) Real Estate Services

\$-59,000; total \$14,570,600
no change; total 488 positions

Proposal. The proposed decrease results from a decrease of \$500,000 for the one-time amount provided in fiscal year 1977 for upgrading the land records improvement program; an increase of \$44,100 in accordance with tribal priorities as expressed in the band analysis process; and an increase of \$396,000 to carry out archeological surveys and to strengthen technical support for the program.

(2) Financial Trust Services

+\$619,700; total \$3,048,700
+18 positions; total 141 positions

Proposal. An increase of \$530,000 is for transfer of funding for the Tribal Accounting Services function to this account, from "General Administration" for which there is an offsetting reduction. The remaining increase of \$89,700 will be used for automated services in investments, strengthening of investments and other financial trust services.

Justification: The funding transfer is being made to conform to Bureau organizational alignments.

(3) Trust Services General

+\$199,300; total \$629,800
no change; total 18 positions

Proposal. The increase will strengthen services essential to effective management of expanding programs in trust services, and will provide specialized assistance in meeting our trust responsibilities.

Justification. Funds in this element cover those activities that direct and supervise staff responsibilities of the Commissioner in the areas of: protection of Indian rights; services necessary for management of Indian trust property; and administration of programs to facilitate the trust, such as environmental quality services. Significant program increases in the trust functions over recent years require additional funding to support and enhance these services to the Indian people.

Cost Factors. Provision of consultant, specialist, research, and other services that are acquired by contractual methods to serve needs in any and all aspects of trust responsibilities.

(4) Common Program Services (3599)

+\$127,900; total \$843,900 .

Proposal. The increase provides necessary funding for common program services based upon a formula described on pages IA 72 to IA 78.

Program Description. The program includes direction and supervision of staff and programs that carry out the overall trust responsibilities of the Bureau; support for the development of Indian natural resources; emphasis on Indian energy resources development; support of Indian rights in trust properties, in those rights affecting trust property that are afforded by tribal autonomy, and rights afforded by treaty, statute, and other instruments; and direction to the field in all of these areas.

The Real Estate Services program provides counseling, management and appraisal services pursuant to the special trust relationship which exists between the United States and Indian individuals or tribes owning interests in trust lands or resources. Two basic responsibilities are performed; (1) provision of planning, consultation, evaluation and management services to Indians and tribal organizations involved in the decision-making process affecting the utilization, development, and protection of their trust lands; (2) provision of those technical services, facilities, reviews, and recommendations necessary in the above-mentioned process, in compliance with existing statutes. The program consists of: real property management to accomplish surface and sub-surface leases; archeological clearances; rights-of-way; acquisitions, disposals, partitions and exchanges of interests in land; maintenance of systematic land titles and ownership records, basic family history data and estate inventories for probate purposes; and contractual performance and compliance services. It also includes: appraisal or valuation services that include preparation of professional appraisals; valuation counseling; land use planning, and developing feasibility analyses. In addition to the primary responsibility of services for Indians and tribes, there are other programs concerned and dependent upon real estate services for implementation of their activities toward use and development of Indian lands. The program is designed to facilitate services to other programs such as: Indian rights protection; road construction, housing construction and rehabilitation; irrigation project construction and operation; industrial, commercial and tourism development; social and welfare services; and the Office of Hearing and Appeals.

The following table provides accomplishments for FY 1976 and anticipated goals for FY 1977 and FY 1978:

	Unit	FY 1976	FY 1977 Estimate	FY 1978 Estimate
Boundary Surveys completed	miles	3037	3205	5659
Land Acquisitions/Disposals Completed.....	No.	8634	10597	11298
Surface Lease Modification Actions.....	No.	18168	21468	22934
Sub-surface Lease Modification Actions...	No.	6699	7379	7554
Lease Enforcement Actions.	No.	4830	5275	5437
Realty Management Counseling Contacts.....	No.	214941	257429	265778
Land Title Changes Processed.....	No.	18755	21877	23225
Land Records Provided....	No.	42197	46417	48323
Appraisals.....	No.	12660	15244	15836
Land Use Plans in Preparation.....	No.	1202	1932	2242

(cond.)	Unit	FY 1976	FY1977 Estimate	FY 1978 Estimate
Land Use Plans Completed..	No.	1431	2042	2123
Archeological Clearances..	No.	1200	1500	2000

The primary objective of the Accounting Services staff is to provide accounting services to the tribes; and audit service for student activity funds and banks, Bureau ISSDA accounts, cashier accounts at Employment Assistance offices, and other administrative accounting services as requested. To the extent possible the staff furnishes accounting service to the Tribal Housing Authorities. The accomplishment of these objectives includes a review of the tribes' diversified financial affairs and a testing of the controls established to prevent dissipation of the tribes' property and other assets.

An automated accounting system prepares reports monthly for all tribal trust funds under jurisdiction of the Bureau. The reports are distributed to the applicable tribes. Each Area Office of the Bureau is furnished a weekly report that shows the average interest rates realized, comparative rates quoted by the Wall Street Journal, and rates being paid on U.S. Treasury Bills. Individual Indian money accounts are maintained primarily as a repository for trust funds of individual Indian minors and adults, as well as for Indian tribes. There are 39 disbursing stations throughout the United States where accounts are maintained on an individual basis. Accountability is the responsibility of the Indian Service Special Disbursing Agent in Albuquerque, with a Deputy Disbursing Agent at each of the stations. Investments are centralized, and earnings are distributed each six months to 171,370 account holders.

Listed below are indicators of the activity:

	<u>as of 6/30/75</u>	<u>as of 6/30/76</u>
Total Invested.....	\$542.3 million	\$615.8 million
Per annum earnings....	\$ 47.1 million	\$ 39.2 million
Tribes serviced.....	195	216
IIM accounts.....	145,000	171,370

With regard to per annum earnings, it should be noted that the average total invested during the year was \$573.1 million. The decrease in earnings is a result of the decrease in interest rates. The additional IIM accounts result from increase in minors' accounts; with the total expected to continue increasing to over 200,000 in FY 1978.

The Accounting Services staff performed 183 tribal audits in FY 1976, and about 30 audits related to student activities.

6. General Management and Facilities Operation

ANALYSIS OF SUBACTIVITIES

<u>Subactivity</u>	1976 Amount <u>Available</u>	1977 Amount <u>Available</u>	Auth. Perm. <u>Pos.</u>	1978 <u>Estimate</u>	Auth. Perm. <u>Pos.</u>	Inc.(+) or Dec.(-) 1978 compared w/1977 <u>Dollar</u>	<u>Pos.</u>
a. Management and Administration...	\$10,441,000	\$11,270,000	258	\$12,036,000	240	+ \$766,000	-18
b. Program Support Services.....	2,167,000	2,251,000	34	3,430,000	34	+1,179,000	--
c. Facilities Management.....	55,867,000	64,915,000	1,476	66,187,000	1,484	+1,272,000	+ 8
d. GSA Space Costs*.....	4,592,000	4,760,000	--	5,618,000	--	+ 858,000	--
Total.....	\$73,067,000	\$83,196,000	1,768	\$87,271,000	1,758	\$4,075,000	-10

* GSA space costs are part of the Facilities Management subactivity but for clarity are displayed separately here and in the justifications which follow.

6. General Management and Facilities Operation: Fiscal Year 1977, \$83,196,000; Fiscal Year 1978, \$87,271,000; increase of \$4,075,000. The increase consists of:

<u>Increase (+) or Decrease (-)</u> <u>Amount</u>	<u>Positions</u>	<u>Total</u> <u>Program</u>	<u>Total</u> <u>Positions</u>	<u>Explanation</u>
(a) +\$766,000	-18	\$12,036,000	240	<u>Management and Administration</u> - Transfer of funding of tribal and administrative accounting services staff to Trust Responsibilities; initiation of a program evaluation effort; and increased cost of Bureau assessments.
(b) + 1,179,000		3,430,000	34	<u>Program Support Services</u> - improved safety management and increase in employee compensation costs.
(c) + 1,272,000	8	66,187,000	1,484	<u>Facilities Management</u> - Provides funding for operation and/or maintenance of new facilities; increase in base program; also increase in direct rental of space.
(d) + 858,000		5,618,000		<u>GSA space costs</u> - Additional space to be acquired as well as increase in rate.
<hr/>				
+ \$4,075,000	-10	\$87,271,000	1,758	
<hr/>				

Program Synopsis

Of the total \$87,271,000 requested, \$65,450,500 is the banded amount for priorities established at the tribal, agency or area level.

The major objectives of this activity are to provide for the general management functions which includes executive direction and other general management and administrative services; operation of the facilities management and safety management programs; also included are the employee compensation payments made to the Department of Labor, rental of GSA space for Bureau operation and funds for space leased directly by the Bureau under leasing authority granted by GSA.

a. Management and Administration

Fiscal year 1977, \$11,270,000; Fiscal year 1978, \$12,036,000; increase of \$766,000.

Major Program Changes

- | | |
|-----------------------------|---|
| (1) Executive Direction | + \$187,000; total \$4,658,000
+ 0 positions; total 38 positions |
| (2) Administrative Services | + \$579,000; total \$7,378,000
- 18 positions; total 202 positions |

Proposal. An increase of \$766,000 is projected for 1978. This reflects decreases because of a transfer of \$485,000 to Activity 5, Trust Responsibilities for the tribal and administrative accounting services function and the transfer of \$120,000 to the ADP program to place all computer operation funding in one account; an increase of \$67,300 for field priorities; \$210,200 for increased cost of FTS; \$93,500 for other operational increases; and an increase of \$1,000,000 for program evaluations of Bureau programs.

Justification. Increased operational costs are projected for this activity to maintain the present level of operation. As an example, the general billing for FTS for FY 1975 was \$1,190,000; for FY 1976 (excluding the transition quarter) it was \$1,502,000. Therefore, the requested increase of \$210,200 is minimal based on past experience. The \$1,000,000 for program evaluations is required to initiate a more formalized effort for program evaluations of Bureau programs. Evaluation of performance is an essential step in good program management and administration. Such evaluations will include reviews of the efficiency and effectiveness of Bureau programs in providing services directly to Indian people.

Program Description. Management and administration functions include executive direction and other general management and administrative services; such as policy formulation, development of systems and procedures, program planning and analysis, budget, program evaluation, contract supervision and monitoring, involved in many Bureau programs; and the management of personnel, property and records.

Implementation of Public Law 93-638, the Indian Self-Determination and Education Assistance Act, is moving forward in accordance with approved regulations. Many tribes are converting existing contracts through re-contracting procedures and several tribes have begun new contracts under Public Law 93-638. The Congress approved language in the 1977 Appropriation to allow the funds for such contracts to be available for obligation over a two-year period. A Public Law 93-638 policy staff has been established at the Commissioner level to provide overall policy coordination and assistance to all areas and agencies in responding to tribal initiatives under the Act. The contracting staff has been expanded to include grants administration to handle the procedural aspects of the new Self-Determination Grants program.

Programming and budgeting workshops developed for the FY 1978 cycle were held at many agencies and reservations. An audio-visual presentation to aid tribes in preparing their budget proposals was developed and distributed to each area. Tribal participation in the preparation of budgets has increased significantly, as indicated by the numbers of tribal resolutions accompanying the data sheets. The audio-visual presentation and the workshop materials are being expanded and updated for the FY 1979 cycle.

b. Program Support Services

Fiscal Year 1977, \$2,251,000; Fiscal Year 1978; \$3,430,000; increase of \$1,179,000.

Major Program Changes

- (1) Safety Management +\$77,000; total \$1,174,000
+ 0 positions; total 34 positions

Proposal. Field priority increases totaling \$75,000 are proposed for the budget year for improved safety management on various reservations throughout the country. The balance of the increase covers minimal pay cost changes for centralized safety management staff.

Justification. The Safety Management Program assists tribal councils, Indian-owned enterprises and all Bureau facilities to meet safety standards. Emphasis will be placed on safety inspections and safety training required under Title 5, U.S.C., Section 7902, under P.L. 91-596, "The Occupational Safety and Health Act of 1970"; P.L. 91-54, "Construction Safety Act of 1969"; and Executive Order 11612.

The Bureau of Indian Affairs also contracts with the National American Indian Safety Council, Inc. to provide safety training. This Council provides Reservation and Industrial Inspections, Safety Training (Multi-Media First Aid, Standard First Aid, Community and Home Safety, Occupational Safety) and also surveys needs relative to safety and accident prevention programming.

- (2) Employment Compensation
Payments +\$ 1,102,000; total \$2,256,000
No positions

Proposal. Reimbursement to the Department of Labor for costs of compensation and medical benefits paid during Fiscal Year 1976 for injuries or deaths sustained.

Justification. Costs of compensation and medical benefits have increased over prior years, due, in part, to higher salary levels which form the basis for compensation, mandatory cost of living increases, and the increased cost of medical care.

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

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

c. Facility Management

Fiscal Year 1977, \$64,915,000; Fiscal Year 1978, \$66,187,000; increase of \$1,272,000.

Major Program Changes

- (1) Operation, repair and maintenance of facilities +\$869,800; total \$62,815,800
+ 8 positions; total 1,484 positions

Proposal. An increase of \$448,000 is requested for repair, maintenance and operation of newly constructed buildings and utilities, and an increase of \$421,800 in operation, repair and maintenance.

Justification. Approximately 198,900 square feet of newly constructed buildings and related utility systems will be placed into operation during FY 1978.

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

Cost Factors. A \$2.25 cost factor was applied to the 198,900 square feet of newly constructed facilities.

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

<u>Element</u>	<u>% increase 8/28/75 to 8/28/76</u>
Construction Cost	8.5
Building Cost	10.1
Common Labor	6.5
Skilled Labor	7.8
Materials	13.5

- (2) New direct rentals +\$174,000; total \$174,000
No positions

Proposal. These funds will provide for leasing of new space from various Indian tribes who have constructed such facilities on their land. It is anticipated that the Shawnee, Pawnee and Anadarko Agencies will be contracting directly with the tribes for their agency offices. The estimated cost of these leases is \$163,600. The additional amount is required for rate increases on other direct-leased facilities.

Justification. The GSA has granted authority for the Bureau to lease space from other than their agency. These facilities are used for area and agency offices, warehouse space, etc. The leasing of these facilities is primarily by contract with Indian tribes.

- (3) Common Program Services (3599) +\$228,200; total \$3,197,200

Proposal. The increase provides necessary funding for common program services based upon a formula as described on page IA 72 to IA 78.

Program Description. Repair and Maintenance. The repair and maintenance of buildings and utilities is a continuing program. The \$33,292,000 requested for this portion of the program will provide a very minimum level of repair and maintenance of Bureau plant facilities located throughout the United States including Alaska. The Bureau operates and maintains approximately 8,828 individual buildings containing 28,179,000 square feet of floor area together with related utility systems to support facilities at 400 separate locations. The average age of these facilities is in excess of 40 years. Utilities maintained at most agencies, which are frequently in remote locations, are equivalent to those of an average community and many are much more extensive due to central plants which provide electric power, hot water, steam, etc. In addition to normal operating requirements, these systems must be maintained on an uninterrupted 24-hour basis to insure the health and safety of Indian school children and Bureau personnel.

Plant Operations. The \$29,523,800 requested for the facilities operations portion of the program will provide for the operation of utility systems to furnish necessary utilities and for operational services. This program includes the cost of personal services, materials, supplies, vehicle operation, equipment replacement, upkeep of all tools and equipment used in furnishing utilities, and operational services purchased from commercial or non-Bureau sources. Most of the Bureau's installations are in isolated locations, lacking the normal utilities and services usually available. This requires that the Bureau provide such essential utilities and services as electricity, water, sewage, janitorial, grounds care, heat, garbage and refuse disposal, etc. Funds requested will provide for a very minimum level of operation.

d. GSA Space.

Fiscal Year 1977, \$4,760,000; Fiscal Year 1978, \$5,618,000; increase of \$858,000.

Major Program Changes.

(1) GSA Space	+\$858,000; total \$5,618,000 No positions
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Proposal. An amount of \$540,000 is requested for proposed space needs for 1978, and \$318,000 for increased cost of space.

Justification. The Bureau's space requirements for fiscal year 1978 include rental of an additional 108,000 square feet in GSA controlled and/or leased facilities.

Program Description. Public Law 91-313, "Public Building Amendments Act of 1972", requires that all agencies be charged for space and related services provided by GSA at approximate commercial charges for comparable space and services that may prevail as of July 1, 1976. Cost rates are based on "standard level user charges" for various types of building space, e.g., office, storage, parking and special categories on a square-foot unit cost. The Bureau of Indian Affairs currently occupies 1,049,100 square feet of space in GSA controlled and/or leased facilities.

The activities in this program are necessary to perform the responsibility and obligation of the Federal Government to the American Indians. However, the Bureau will continue to review and study their costs in line with the President's memorandum of July 27, 1976, subject, Presidential Management Initiatives.

Common Program Services (3599); Fiscal Year 1977, \$28,121,000; Fiscal Year 1978, \$32,885,300; increase of \$4,764,300. This program is a non-add item for which funds are added to the appropriations requested for the other operating programs of the Bureau.

I. Description of Program

A. Program Element Table (Funding):

<u>Element</u>	<u>FY 1977 Amount Available</u>	<u>FY 1978 Estimate</u>	<u>(+) or (-) change FY 77 to FY 78</u>
1. Executive Direction.....	\$ 6,241,000	\$ 6,333,300	+\$ 92,300
2. Administrative Services.	17,949,100	19,885,100	+ 1,936,000
3. ADP Services.....	<u>3,930,900</u>	<u>6,666,900</u>	<u>+ 2,736,000</u>
Total.....	<u>28,121,000</u>	<u>32,885,300</u>	<u>+ 4,764,300</u>

B. Program Element Table (Staffing):

<u>Element</u>	<u>FY 1977 Positions</u>	<u>FY 1978 Positions</u>	<u>(-) or (-) change FY 77 to FY 78</u>
1. Executive Direction.....	240	240	--
2. Administrative Services.	728	717	-11
3. ADP Services.....	<u>99</u>	<u>110</u>	<u>+11</u>
Total.....	<u>1,067</u>	<u>1,067</u>	<u>--</u>

C. Program Synopsis (by Element):

1. Executive Direction - Provides for the overall line management or executive direction at the Area Office and Agency Office levels; the clerical or secretarial staff which directly support line management; and certain Bureau-wide assessed services such as postage which are billed from other Executive levels of the government.

a. Major Program Changes

(1) Area and Agency Operations +\$585,800; total \$5,833,300
+0 positions; total 240

(a) Proposal - To meet field priorities established by the Band Analysis process to cover increased costs of

operations at over 100 field locations (such as pay raises, travel, training) and to fully fund increased responsibilities such as the recent establishment of new agency offices (e.g., Michigan Agency, Eastern Nevada Agency).

- (b) Justification - Executive staff are essential in the effective operation of the field installations. They provide the line supervision over all other Bureau program operations at Area and Agency levels. They manage and are responsible for all Federal funds allotted or allocated to the installation and carry out the Trust Officer role in relation to the Bureau's trust responsibility.

(2) Assessed Services -\$493,500; total \$500,000
 +0 positions; total 0 positions

- (a) Proposal - The decrease is due to expected savings in assessments for postal services.

- (b) Justification - Projections of current charges assessed for postal services against this account permit a reduction to the \$500,000 level for FY 1978.

- b. Program Description. The Executive Direction program objectives are: (1) to continue to provide line management at the Area and Agency Office levels to ensure that Bureau policies are properly carried out; (2) to properly manage Federal funds and Trust property in a manner which meets standards of accountability and fiduciary responsibility; and (3) to consult with and assist Indian tribes in relation to service programs provided by the Bureau for the benefit of Indian people. Area Director, Deputy Area Directors, Agency Superintendents and their immediate clerical or secretarial staffs will be provided at over 100 field locations of the Bureau. Supporting funds will also be provided for travel, supplies and materials, etc.

2. Administrative Services - Provides general administrative support services for all Bureau programs at Area and Agency Office levels and at the centralized Central Office facility in Albuquerque, New Mexico. Includes costs of administrative services that cannot be readily assigned directly with a program area or function and are commonly funded on a clearing account basis, e.g., fiscal examining and accounting, contracting, property and supply, personnel management, records and communications, management improvement, employee data and payrolling, and equal employment opportunity.

a. Major Program Changes

(1) Area and Agency Operations +\$1,805,800; total \$17,517,300
+0 positions; total 605 positions

(a) Proposal - To meet field priorities established by the Band Analysis process to cover increased cost of operations at over 100 field locations (such as pay raises, travel, training) and to fully fund increased responsibilities such as the recent establishment of new agency offices (e.g., Michigan Agency, Eastern Nevada Agency).

(b) Justification - Administrative functions at the Area and Agency levels are required to provide for orderly processing of financial transactions, contracts with tribal organizations under P.L. 93-638 authority, ordinary procurement actions, personnel actions to staff other program positions, and to provide for the proper management and accounting of Federal funds, equipment and property.

(2) Centralized administrative +\$130,200; total \$2,367,800
functions -11 positions; total 112 positions

(a) Proposal - To meet the increased costs of improved program review capability and for assistance to field offices in the financial management area especially in relation to P.L. 93-638 contracting, Self-Determination grants, tribal program planning and design, and tribal priority setting using the Band Analysis system. Positions are reduced in conjunction with a transfer of centralized voucher examination to selected area offices.

(b) Justification - Program review is a function which has become extremely important as P.L. 93-638 is implemented. The regulations for P.L. 93-638 require the evaluation of programs performed under tribal contract. It therefore is only reasonable to require an equal level of accountability on the part of the remaining Bureau operations.

As tribes exercise their opportunities available under the authority of P.L. 93-638, there will be an increased need for financial management advice and assistance at the field level to ensure that proper procedures and policies are adhered to so that Federal funds are properly accounted for.

b. Program Description. The objectives of the Administrative Services program are: (1) to continue to provide administrative functions at the Area and Agency Office levels to ensure that the other operating programs of the Bureau are provided support in relation to financial transactions, personnel actions, procurement actions and the management and accountability of Federal funds, equipment and property; (2) to provide for financial management services, payrolling and other administrative functions which are more economically and effectively operated at a centralized location to serve all Bureau installations. Agency Offices are provided with Administrative Managers, Property Management Specialists and other administrative personnel. Area Offices have Assistant Area Directors for Administration, Personnel Management staff, Budget and Finance staff, Property Management staff, Contracting and Procurement staff, Records and Communications staff, and other administrative staff in relation to the needs of the field installations being provided with administrative services. The centralized administrative services functions located in Albuquerque, New Mexico include fiscal examining and accounting services and employee data and payrolling services which provide support to all Bureau programs on a Bureau-wide basis.

3. ADP Services - Provides for the development, installation, operation and maintenance of automatic data processing systems that serve many Bureau program functions and that are organized and managed in such a way that costs cannot be readily assigned directly to the program being served at the time the work is performed.

a. Major Program Changes

(1) Area level operations +\$120,000; total \$120,000
 +0 position; total 0 positions

(a) Proposal - To accomplish a shift in financing for the Billings Area Office computer project. This program was previously financed as a part of the General Management and Facilities Operations activity.

(2) Centralized ADP operations +\$2,616,000; total \$6,546,900
 +11 positions; total 110 positions

(a) Proposal - To implement the Bureau's ADP Management Plan. The increase will permit modernization of the centralized ADP facilities located in Albuquerque, New Mexico. The modernization efforts include the following:

1. Conversion of all major systems software from serial-batch mode to Data Base Management System schemes.
2. Technical personnel training in the new system.

3. Purchase or lease of new software systems from industry sources.
4. Replacement by lease arrangement of current ADP equipment with a large-scale modern computer with capability of supporting a variety of interactive teleprocessing.
5. Physical site preparation for new computer hardware.
6. Installation of eighteen (18) smart terminals at each of twelve (12) area offices with eighty (80) CRT terminals at agency/field offices, all of which will be linked through area offices to the central computer facility.
7. Training of field personnel and technical support for the terminals at field locations.
8. Telecommunication network costs.

(b) Justification - The current serial-batch processing system is outmoded and current equipment is unreliable which causes severe constraints on the ability of the ADP facility to provide users with the ADP services they require in a timely manner. The installation of the modern system will enable the central ADP facility to serve in a responsive manner the short-range needs of the eight (8) major systems currently served and will permit room for expansion to serve other system needs which will undoubtedly arise in the long-range. The major systems currently served are:

1. Tribal Enrollment System
2. Inventory System
3. Natural Resources Information System
4. Education Information System
5. Land Records Improvement Program System
6. Investment System
7. Financial Management System
8. Community Services Information System.

- (c) Cost Factors - The following table provides detailed information on the categories of costs involved and indicates FY 1977 and FY 1978 estimated obligations:

<u>Category of Cost</u>	(\$000)	(\$000)
	<u>1977</u>	<u>1978</u>
Personnel Compensation, and benefits and travel	\$1,823	\$2,183
Pay cost	78	94
Equipment Rental	942	1,562
Space Modification	...	250
Supplies, etc.	284	142
Commercial Services:		
ADPE Time	325	800
Systems Analysis and Programming	91	75
ADPE Maintenance	95	111
ADP Studies, etc.	17	172
Inter-Agency Services (net)	3	3
Inter-Agency Services (net)	16	11 ^{1/}
Telecommunications:		
Equipment Leases	257	720
Commercial Services - Other	...	25
Inter-Agency Services (net)	...	399
Total	<u>3,931</u>	<u>6,547</u>

^{1/} An additional \$120,000 of this item is justified in 1978 under "Area level operations".

- b. Program Description. The ADP Services program objectives are: (1) to provide an in-house capability for modern data processing and management information systems; (2) to provide financing for a centralized ADP facility to achieve economy of scale and effective program coordination which will adequately serve the needs of ADP users within the Bureau; and (3) to test alternative system approaches such as the Billings Area computer project on a pilot basis. The FY 1978 program will accomplish the modernization of the central ADP facility and provides adequate telecommunications linking this facility with satellite equipment at the field level. The modern system will provide immediate relief to the currently unmet needs reflected in the short-range plans in the ADP Management Plan in a manner consistent with the long-range plans.

II. Distribution of Additions to Appropriated Accounts

Common Program Services is developed as a separate operating program of the Bureau and is justified on its own merits. The program involves functions or services which are in support of the other programs of the Bureau, but for which costs cannot readily be identified directly to the program benefiting from the services. However, since the program directly supports the other Bureau programs, its costs are financed by distributing a portion of the

total program as an addition to the amounts requested for those programs benefiting. The distribution is made to only three of the Bureau's appropriation accounts for Federal funds: (1) Operation of Indian Programs; (2) Construction; and (3) Road Construction. The rationale for distribution makes the following assumptions: (1) Johnson-O'Malley Educational Assistance addition is held constant with FY 1977; (2) omit Navajo Indian Irrigation Project (funds transferred to Bureau of Reclamation; (3) omit emergency or disaster work (Fire Suppression); (4) omit the Management and Administration and Program Support Services subactivities; (5) omit Public School Construction, and (6) omit Navajo-Hopi Settlement Program. After considering these assumptions, the additions are distributed to the remaining subactivities and programs on a pro-rata percentage based upon the amount of program funds requested. The program justifications therefore include regular program funds and the additions for Common Program Services.

The following table summarizes the additions made by subactivity for FY 1978:

OPERATION OF INDIAN PROGRAMS:

EDUCATION:

School Operations	\$ 7,739,000
Johnson-O'Malley Educational Assistance	950,000
Continuing Education	1,703,000

INDIAN SERVICES:

Aid to Tribal Government	851,000
Social Services	3,459,000
Law Enforcement	1,030,000
Housing	731,000
Self-Determination Services	1,473,000

ECONOMIC DEVELOPMENT AND EMPLOYMENT PROGRAMS

Employment Development	1,992,000
Business Enterprise Development	402,000
Road Maintenance	565,000

NATURAL RESOURCES DEVELOPMENT

Forestry and Agriculture	1,630,000
Minerals, Mining, Irrigation and Power	516,000

TRUST RESPONSIBILITIES

Indian Rights Protection	505,000
Real Estate and Financial Trust Services	844,000

GENERAL MANAGEMENT AND FACILITIES OPERATION

Facilities Management	3,197,000
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CONSTRUCTION:

<u>IRRIGATION CONSTRUCTION</u>	847,000
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<u>CONSTRUCTION, BUILDINGS AND UTILITIES</u>	1,370,000
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<u>ROAD CONSTRUCTION</u>	<u>3,081,000</u>
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GRAND TOTAL	\$32,885,000
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APPROPRIATION LANGUAGE

OPERATION OF INDIAN PROGRAMS

For expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment (in advance or from date of admission), of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order, and payment of rewards for information or evidence concerning violations of law on Indian reservation lands, or treaty fishing rights tribal use areas; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; and for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, [\$602,713,000] \$654,740,000, of which not to exceed [\$31,452,000] \$31,541,800 for assistance to public schools under the Act of April 16, 1934 shall remain available for obligation until September 30, [1978] 1979, and that the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450) shall remain available until September 30, [1978] 1979: Provided, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs; and includes expenses necessary to carry out the provisions of sections 8 and 19(a) of Public Law 93-531, [\$2,040,000] \$5,025,000 to remain available until expended [of which not more than \$250,000 shall be available for payments pursuant to section 8 (e) of said Act: Provided, That the Secretary of the Interior is directed, upon the request of any tribe, to enter into a contract or contracts with any tribal organization of any such tribe for the provision of law enforcement, if such contract proposal meets the criteria established by Public Law 93-638]. (7 U.S.C. 1651-1656; 16 U.S.C. 583, 590a-590f, 594, 25 U.S.C. 13,305-309, 309a, ~~318a~~, 381, 385, 631-640, 1481-1498; 48 U.S.C. 169,250-250f; 29 Stat. 321; 33 Stat. 189,595, 1048; 34 Stat. 1015; 34 Stat. 70, 558; 36 Stat. 269,855; 38 Stat. 582; 45 Stat. 1562, 1639; 48 Stat. 362; 49 Stat. 887; 52 Stat. 80; 54 Stat. 707; 88 Stat. 2203; Department of the Interior and Related Agencies Appropriation Act 1977.)

Program and Financing (in thousands of dollars)

Identification code 14-2100-0-1-999	1976 act.	TQ act.	1977 est.	1978 est.
Program by activities:				
Direct program:				
1. Education:				
(a) School operations.....	149,454	35,715	166,269	174,171
(b) Johnson-O'Malley educational assistance.	17,267	4,852	34,530	31,542
(c) Continuing education.....	34,160	11,003	38,962	39,754
2. Indian services:				
(a) Aid to tribal government.	12,353	3,351	9,362	14,473
(b) Social services.....	64,184	20,618	71,935	79,953
(c) Law enforcement.....	17,506	7,370	26,136	23,521
(d) Housing.....	13,781	5,003	15,335	16,827
(e) Self-determination services.....	8,963	5,063	31,937	34,136
(f) Navajo-Hopi settlement program.....	1,614	998	2,080	5,025
3. Economic development and employment programs:				
(a) Employment development...	42,899	14,237	51,050	45,887
(b) Business enterprise development.....	14,369	3,953	12,342	9,113
(c) Road maintenance.....	9,261	2,500	10,874	12,520
4. Natural resources development:				
(a) Forestry and agriculture.	30,807	5,313	35,263	37,824
(b) Minerals, mining, irriga- tion, and power.....	3,959	1,034	4,392	11,964
5. Trust responsibilities:				
(a) Indian rights protection.	4,265	1,704	7,955	11,666
(b) Real estate and financial trust services.....	14,485	5,108	18,206	19,093
6. General management and facilities operation:				
(a) Management and adminis- tration.....	10,599	2,205	11,270	12,036
(b) Program support services.	2,176	494	2,251	3,430
(c) Facilities management....	<u>57,380</u>	<u>13,003</u>	<u>69,675</u>	<u>71,805</u>
Total direct program.....	<u>509,482</u>	<u>143,524</u>	<u>619,824</u>	<u>654,740</u>
Reimbursable program:				
1. Education.....	973	343	1,500	1,500
2. Indian services.....	931	697	450	600
3. Economic development and employment programs.....	-----	21	1,685	50
4. Natural resources development	218	283	265	450
5. Trust responsibilities.....	40	22	100	100
6. General management and facilities operation.....	<u>1,411</u>	<u>408</u>	<u>2,300</u>	<u>2,300</u>
Total reimbursable program....	<u>3,573</u>	<u>1,774</u>	<u>6,300</u>	<u>5,000</u>
Total program costs, funded 1/	513,055	145,298	626,124	659,740
Change in selected resources (undelivered orders).....	<u>27,836</u>	<u>59,410</u>	-----	-----
10.00 Total obligations.....	540,891	204,708	626,124	659,740

Program and Financing (in thousands of dollars)

Identification code 14-2100-0-1-999	1976 act.	TQ act.	1977 est.	1978 est.
Financing:				
11.00 Offsetting collections from:				
Federal funds.....	-3,573	-1,774	-6,300	-5,000
17.00 Recovery of prior period obligations.....	-414	-----	-----	-----
21.00 Unobligated balance available, start of period.....	-305	-29,519	-3,078	-----
24.00 Unobligated balance available, end of period.....	29,519	3,078	-----	-----
25.00 Unobligated balance lapsing..	-----	<u>714</u>	-----	-----
Budget authority.....	566,118	177,207	616,746	654,740
Budget authority:				
40.00 Appropriation.....	566,118	177,207	602,713	654,740
44.10 Supplemental now requested for wage-board pay raises..	-----	-----	5,428	-----
44.20 Supplemental now requested for civilian pay raises....	-----	-----	8,605	-----
Relation of obligations to outlays:				
71.00 Obligations incurred, net....	536,904	202,934	619,824	654,740
72.00 Obligated balance, start of period.....	77,950	84,947	147,059	149,698
74.00 Obligated balance, end of period.....	-84,947	-147,059	-149,698	-167,240
77.00 Adjustments in expired accounts.....	<u>-2,785</u>	<u>-933</u>	-----	-----
90.00 Outlays, excluding pay raise supplemental.....	527,122	139,889	603,713	636,637
91.10 Outlays from wage-board pay raise supplemental...	-----	-----	5,211	217
91.20 Outlays from civilian pay raise supplemental.....	-----	-----	8,261	344
Distribution of outlays by account:				
1. Education and welfare services	881	590	-----	-----
2. Resources management.....	1,957	163	-----	-----
3. General administrative expenses.....	17	-----	-----	-----
4. Operation of Indian programs..	524,267	139,136	617,185	637,198

1/ Includes capital outlay as follows: 1976, \$8,326 thousand; TQ, \$6,428 thousand; 1977, \$8,500 thousand; 1978, \$8,500 thousand.

ITEMIZATION OF ESTIMATE

Department of the Interior		Bureau of Indian Affairs				
Appropriation Title: Operation of Indian Programs		Actual	Actual	Estimate	Estimate	Increase (+)
		1976	TQ	1977	1978	Decrease (-)
<u>Program and</u>						
<u>Financing:</u>						
Total obligations.	537,318,262	202,934,060	619,823,830 ^{1/}	654,740,000	+34,916,170	
Unobligated balance available....	-719,186	+3,077,830	-3,077,830	---	+3,077,830	
Unobligated balance carried forward.....	+29,518,924	-29,518,924	---	---	---	
Unobligated balance lapsing.....	---	+714,034	---	---	---	
Appropriation.....	566,118,000	177,207,000	616,746,000 ^{1/}	654,740,000	+37,994,000	
<u>Obligations by</u>						
<u>Objects:</u>						
11 Personnel compensation..	196,038,423	51,208,586	214,503,000	217,530,000	+3,027,000	
12 Personnel benefits.....	21,586,109	5,646,891	22,627,000	23,057,000	+430,000	
21 Travel & transportation of persons.....	10,289,861	2,525,116	10,150,000	10,200,000	+50,000	
22 Transportation of things.....	4,854,718	3,402,419	5,000,000	5,000,000	---	
23.1 Standard level user charges..	4,592,000	991,000	4,760,000	5,618,000	+858,000	
23.2 Other rent, communications & utilities...	13,221,327	2,762,579	14,000,000	15,000,000	+1,000,000	
24 Printing and reproduction..	564,995	276,471	600,000	650,000	+50,000	
25 Other services.	175,268,720	73,155,222	157,000,000	172,000,000	+15,000,000	
26 Supplies and materials.....	39,313,070	18,627,103	41,000,000	41,000,000	---	
31 Equipment.....	8,326,283	6,428,024	8,500,000	8,500,000	---	
32 Lands & structures.....	1,357,042	1,920,774	1,500,000	1,500,000	---	
33 Investments & loans.....	---	49,610	---	---	---	
41 Grants, subsidies, and contributions.	65,551,807	36,839,202	143,883,830	158,385,000	+14,501,170	
42 Insurance claims & indemnities.	45,183	---	---	---	---	
Subtotal....	541,009,538	203,832,997	623,523,830	658,440,000	+34,916,170	
Deduct quarters & subsistence charges.....	-3,691,276	-898,937	-3,700,000	-3,700,000	---	
Total Obligations...	537,318,262	202,934,060	619,823,830	654,740,000	+34,916,170	

^{1/} Includes \$14,033,000 proposed pay cost supplemental.

PERSONNEL SUMMARY

Operation of Indian Programs

	FY 1976 <u>Actual</u>	FY-1977 <u>Estimate</u>	FY-1978 <u>Estimate</u>
Total number of permanent positions..	13,018	12,807	12,919
Full-time equivalent of other positions.....	2,793	3,189	3,600
Average paid employment.....	\$14,933	\$15,256	\$15,708
Average GS grade.....	7.90	7.98	8.01
Average GS salary.....	\$14,332	\$14,620	\$14,766
Average salary of ungraded positions.	\$13,684	\$15,052	\$16,708

CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Construction

Appropriation, 1977.....	\$ 77,101,000
Unobligated balance from prior year.....	<u>52,000,909</u>
Total available for obligation.....	129,101,909

Decreases:

Buildings and utilities.....	\$91,211,215	
Irrigation systems.....	34,890,061	
Land acquisition.....	<u>3,000,633</u>	<u>129,101,909</u>
Subtotal.....		<u> --</u>

Increases:

Buildings and utilities.....	42,870,000
Irrigation systems.....	<u>44,377,000</u>

Budget Estimate, 1978.....	<u>87,247,000</u>
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BUREAU OF INDIAN AFFAIRS

CONSTRUCTION

Analysis by Activities

Activity	Appropriation 1976	Appropriation 1977	No. of Perm. Pos.	1978 Budget Estimate	No. of Perm. Pos.	Budget Estimate 1978 Compared with Appropriation 1977	No. of Perm. Pos.	Page Ref.
1. Buildings and utilities								
Appropriation.....	\$46,022,000	\$47,091,000	96	\$42,870,000	96	\$- 4,221,000	--	IA-86
Unobligated balance br't fwd....	38,851,123	44,120,215		--		-44,120,215		
Obligation program.....	30,539,555	91,211,215		42,870,000		-48,341,215		
Unobligated balance carried fwd.	54,333,568	--		--		--		
2. Irrigation systems								
Appropriation.....	31,650,000	30,010,000	87	44,377,000	87	+14,367,000	--	IA-108
Unobligated balance br't fwd....	5,336,466	4,880,061		--		- 4,880,061		
Obligation program.....	31,285,336	34,890,061		44,377,000		+ 9,486,939		
Unobligated balance carried fwd.	5,701,130	--		--		--		
3. Land acquisition								
Appropriation.....	3,000,000	--		--		--		
Unobligated balance br't fwd....	633	3,000,633		--		- 3,000,633	--	
Obligation program.....	--	3,000,633		--		- 3,000,633		
Unobligated balance carried fwd.	3,000,633	--		--		--		
Total Appropriation.....	80,672,000	77,101,000	183	87,247,000	183	+10,146,000	--	
Total Unobligated br't fwd.....	44,188,222	52,000,909		--		-52,000,909		
Total Obligation program.....	61,824,891	129,101,909		87,247,000		-41,854,909		
Total Unobligated carried forward...	63,035,331	--		--		--		

1. Buildings and Utilities

\$42,870,000

Construction of Facilities

This program provides construction funds for additional kindergarten classrooms and quarters; construction of educational facilities; waste water treatment and disposal projects; rehabilitation facility construction; Agency Office construction; planning and design; for water exploration and development, for technical assistance services and administration, for the purchase of equipment for projects previously funded for construction, and funds for public school construction. Requests for Construction Funds for those other projects presently in the planning and/or design phase scheduled for completion by the end of FY 1978 will be included in future year requests on the basis of construction priorities developed in those years. The construction appropriation is not a banded item.

A summary of projects and justification for each follows:

Buildings and Utilities Construction Program, FY 1978

<u>Summary of Projects</u>	<u>Estimated Cost</u>
<u>New Construction:</u>	
Sherman Indian Boarding High School, California	\$ 1,500,000
Standing Rock Boarding School, North Dakota	4,000,000
Jemez School, New Mexico	800,000
Haskell Indian Junior College (gym), Kansas	3,500,000
Lower Brule School, South Dakota	3,500,000
Napaklak School, Alaska	1,700,000
Pine Ridge Rehabilitation Center, South Dakota	1,200,000
Fort Hall Agency (Admin. Bldg.), Idaho	600,000
<u>Various:</u>	
Water Treatment and Disposal	1,120,000
Kindergartens and Quarters	1,300,000
Planning and Design	360,000
Deferred Equipment	1,500,000
Technical Assistance, Services & Administration	<u>4,170,000</u>
Total, New Construction	25,250,000
Facilities Improvement	5,000,000
Public Schools	11,250,000
Common Program Services	<u>1,370,000</u>
Total, Construction, Buildings & Utilities	<u>\$42,870,000</u>

Sherman Indian Boarding School, California

\$1,500,000

Location: Riverside, California, about 50 miles east of Los Angeles.

Existing Facilities: After operating as a boarding school for over 70 years, many of the old buildings on the Sherman campus were declared unsafe in 1967. The condemned buildings, which were abandoned, included the academic classroom building, gymnasium, and auditorium. The eight dormitory buildings and the kitchen-dining hall are all new structures, having been built within the last eight years. In 1969, a temporary steel structure was erected for student activities and physical education.

With the loss of all academic classrooms, it was necessary to decrease the enrollment from 1,000 to 800 pupils so that dormitory rooms could be converted into classrooms. As facilities are completed, the enrollment will again be set at 1,000. Students enrolled at Sherman come from California, Arizona, and, in some cases, Nevada.

Proposed Facilities: It was planned that the building program would be complete with the appropriation of \$4,500,000 in FY 1976. However, due to increased construction costs, additional funding is required to complete the auditorium, fine arts complex, home-living unit, swimming pool, athletic fields, plant management shop, and site improvements.

Project Cost Estimate

Buildings and Utilities	\$1,365,000
Contingencies	75,000
On-site Supervision	<u>60,000</u>
Total	<u>\$1,500,000</u>

Standing Rock Boarding School, Fort Yates, North Dakota \$4,000,000

Location: Fort Yates, North Dakota, 60 miles south of Bismarck.

Existing Conditions: The Bureau of Indian Affairs operates an educational program at Fort Yates from kindergarten through 12 grade. One hundred twenty (120) boarding students are housed in three dormitories and represent all grade levels. Two elementary schools, to the south, Bullhead and Little Eagle, serve the reservation communities in South Dakota. All of the schools are old, overcrowded and in poor condition. The school planning, done by the tribe on a contract basis, is complete. Design drawings are now complete so the facility can be constructed.

Proposed Facilities: The high school facilities, as designed, will accommodate 600 pupils in grades 7-12. The plant will be built upon a new site already selected and approved. It will include an administrative area, academic area with general teaching space and special-use labs for science, art, typing, home economics, and physical education. Support facilities include a learning resource center, kitchen-dining room and auditorium. The \$5,200,000 appropriated in FY 1976 did not allow for construction of the above-outlined facilities. An additional \$4,000,00 is required to construct the above. Future requirements include vocational shops, music complex, swimming pool, plant management shop, reservation administrative offices, outdoor recreation facilities, 45 houses, and additional site improvements.

Project Cost Estimate

Buildings & Utilities	\$8,360,000
Contingencies	540,000
On-site Supervision	300,000
Equipment	(Future Request)
	9,200,000
Available	<u>-5,200,000</u>
Total	<u>\$4,000,000</u>

Jemez School, New Mexico

\$800,000

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

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

Proposed Facilities: The new K-6 facility that is planned for 220 pupils includes general instructional space, learning resource center, art room, music room, gymnasium, cafeteria, administrative unit, and plant management shop. The additional funding is to complete the above-outlined facilities, for which the Bureau requested \$2,420,000 in FY 1977.

Project Cost Estimate

Buildings & Utilities	\$2,970,000
Contingencies	180,000
On-site Supervision	70,000
Equipment	(Future Request)
	3,220,000
Available	<u>-2,420,000</u>
Total	<u>\$ 800,000</u>

Haskell Indian Junior College (gym), Kansas

\$3,500,000

Location: Haskell Indian Junior College, Lawrence, Kansas.

Existing Conditions: The present gymnasiums on the Haskell campus are old and very inadequate. A boys' gym also doubles as an auditorium and provides little space for activities other than basketball. The girls use an old facility that is even more lacking in space. A new and modern field house will make it possible to plan and carry on a college-level athletic program.

Proposed Facilities: The gymnasium that is planned for Haskell includes spectator capacity of 3,000, basketball court divisible into two practice courts, physical education labs, swimming pool, classrooms, locker/shower/toilet facilities for men and women, lobby area, concession area, and office space for coaches and instructors.

Project Cost Estimate

Buildings & Utilities	\$3,150,000
Contingencies	200,000
On-site Supervision	<u>150,000</u>
Total	<u>\$3,500,000</u>

Lower Brule School, South Dakota

\$3,500,000

Location: On the Lower Brule Reservation, about 90 miles south of Pierre and 35 miles from Chamberlain, South Dakota.

Existing Conditions: Population on the Lower Brule Reservation has increased 7 percent per year during the past five years due to an increase in available jobs and housing. Present facilities are crowded and inadequate. Temporary buildings are not adequate and the campus is muddy and unimproved. Facilities for industrial arts, library and media center, storage and physical education are lacking, making it difficult to carry on even a minimum program. Present temporary buildings are urgently needed for a day-care center, adult education, and other community programs.

Proposed Facilities: In FY 1977, \$2,000,000 was appropriated for construction of a high school academic facility; \$3,500,000 additional is required to construct a gymnasium and athletic fields for the high school; remodel the kitchen and other alterations in the elementary school; construct two student cottage dormitories, 24 staff houses and required utility and site improvements.

Project Cost Estimate

Buildings & Utilities	\$3,185,000
Contingencies	175,000
On-site Supervision	140,000
	<hr/>
Total	<u>\$3,500,000</u>

Napakiak School, Alaska

\$1,700,000

Location: Down the Kuskakwin River a few miles below Bethel, Alaska.

Existing Conditions: A new gymnasium, with kitchen, showers, toilets and storage, was recently completed. The students are temporarily using the gymnasium for classroom space.

Proposed Facilities: It is proposed to construct four classrooms, clinic, administrative space, and a guest room. Two kindergarten classrooms will be converted to quarters, utilities upgraded (electricity/water) as required, and necessary site improvements.

Project Cost Estimate

Buildings & Utilities	\$1,536,000
Contingencies	84,000
On-site Supervision	<u>80,000</u>
Total	<u>\$1,700,000</u>

Pine Ridge Rehabilitation Center, South Dakota

\$1,200,000

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

Existing Facilities: The present facility was constructed in 1933 with a limited addition in 1966. The capacity of the facility is 33 persons. Based on the police call reports and arrest and release records the facility requires a capacity of 84. The existing facility does not meet the present criteria of health and safety requirements for occupancy.

Proposed Facility: It is proposed to construct a facility at Pine Ridge Agency, Kyle, Wanblee, Porcupine and Oglala. The sub-stations are necessary to get full police coverage on the Pine Ridge Reservation. The Pine Ridge and Kyle facilities will house Courts, Police Department, Jail and Rehabilitation Center for adults and juveniles. The Wanblee, Porcupine and Oglala Sub-stations will house Police Department and 24-hour holding facility for adults and juveniles. The request of \$1,000,000 for FY 1977 will construct a portion of the proposed project. This request for additional funding of \$1,200,000 will allow completion of the project.

Project Cost Estimate

Buildings and Utilities	\$1,980,000
Contingencies	150,000
On-site Supervision	70,000
Equipment	<u>(Future Request)</u>
	2,200,000
Available	<u>1,000,000</u>
Total	<u>\$1,200,000</u>

Fort Hall Agency Office (Design-Construct)

\$600,000

Location: Fort Hall, Idaho, approximately 8 miles north of Pocatello.

Existing Facilities: The Fort Hall Agency administrative functions are presently located in seven different buildings scattered throughout the Agency. The main office was constructed in 1895, and the staff of approximately 100 personnel have overflowed from it into a converted garage, warehouse and hospital, and into three old quarters buildings. All buildings are heated by inefficient oil-fired boilers and furnaces that need replacing. All buildings do not meet current life safety codes, and should be condemned. The scattered building locations inhibit good management practice and cause confusion to the people who are served by the Agency.

Proposed Facilities: It is proposed to design and construct a new administrative office facility to house the functions and staff of the Agency office, which will include spaces for Administration, Adult Education, Law and Order, Credit, Welfare, Employment Assistance, Plant Management, Realty, Land Services, and Roads and Irrigation. A central facility will permit efficient management and will provide easy access to the Indian community.

Project Cost Estimate

Buildings & Utilities	\$530,000
Contingencies	24,000
On-site Supervision	<u>16,000</u>
Sub-total	\$570,000
Design Costs	<u>30,000</u>
Total	<u>\$600,000</u>

Location: Several installations operated by the Bureau of Indian Affairs require major construction to enable them to comply with pollution control laws and regulations. Those most urgently in need of wastewater improvements are at the school facilities of Flandreau, South Dakota; Chevak and Kwethluk, Alaska; and the Agency facility at Crow Agency, Montana. Flandreau is located in southwestern South Dakota, 45 miles north of Sioux Falls. Chevak and Kwethluk are in western Alaska, 110 miles northwest and 15 miles east, respectively, of Bethel. Crow Agency is located about 58 miles southeast of Billings, Montana. These proposals, which include both design and construction cost estimates, have been combined into a single project to achieve administrative efficiencies.

Existing Conditions: Flandreau: The existing treatment system consists of an imhoff tank, trickling filter, secondary settling tank, single-cell stabilization pond, and sludge drying beds. Effluent from the pond is discharged directly to the Big Sioux River. The wastewater treatment plant produced effluent acceptable at the time of construction. It is not capable of meeting the present, more stringent EPA permit requirements.

Chevak: The existing makeshift sewage lagoon has partially filled with silt, the dikes have eroded, and it now overflows. The effluent does not meet EPA permit requirements.

Kwethluk: The sewage goes into three separate septic tank systems. Two of these three tanks empty into seepage pits which overflow into the river, polluting it, and creating a health hazard for the village along its banks.

Crow Agency: The Agency is served by a sewage treatment lagoon which overflows into the Little Big Horn River. The effluent does not meet EPA permit requirements.

Proposed Remedy: Flandreau: The City of Flandreau is also being required to upgrade its sewage treatment plant. The City has retained an engineering firm to design a new plant which will meet EPA requirements and have informally agreed to design it large enough to accept the wastewater from the school. The school is close to the City and does not have land available on which to expand its own plant. The consulting engineer's estimate for the school's share of a combined treatment plant, and a sewage pumping station with force main needed to transfer the sewage to the City's facility, is included in this request.

Chevak: It is proposed to completely redesign and rebuild the existing sewage lagoon to eliminate both silting and overflow to the river.

Kwethluk: It is proposed to reroute the sewer lines to discharge at a single point and there construct a batch-type extended aeration treatment plant designed to meet EPA permit requirements.

Crow Agency: The effluent from the present sewage lagoon will be upgraded by installing additional waste treatment after the last cell along with chlorination.

Cost Estimate

Flandreau, S.Dak.	\$ 485,000
Chevak, Alaska	200,000
Kwethluk, Alaska - Design	12,000
Construction	223,000
Crow Agency, Mont.-Design	11,000
Construction	<u>189,000</u>
Total	<u>\$1,120,000</u>

Kindergarten Classrooms and Quarters, Alaska

\$1,300,000

Location: The kindergarten units will be constructed at 3 locations throughout Alaska.

Existing Conditions: The majority of Indian children who enter Bureau schools speak little or no English before they start school. This is a severe handicap and points out the need for a kindergarten experience for all Indian children. The nature and quality of learning experienced by the child at this age greatly influences his learning attitude and his success in later school endeavors.

Proposed Facilities: Presently, the Bureau operates a day school at the locations given below. This will allow for the continued expansion of the kindergarten program. The following table shows the proposed locations of the new facilities.

<u>Location</u>	<u>No. Classroom</u>	<u>No. Quarters</u>
Quinhagak Sch., Alaska	1	1
Chefornak Sch., Alaska	1	1
Scammon Bay Sch., Alaska	<u>1</u>	<u>1</u>
Total	<u>3</u>	<u>3</u>

Planning and Design, Bureau-wide

\$360,000

The Congress has directed the Bureau to request funds in increments of planning, design and construction. To expedite project completion, it is proposed by this request to combine the increments of planning and design. It has been determined that planning and design of the projects listed below are of high priority and should be accomplished in FY 78.

Following are the projects to be designed in Fiscal Year 1978:

	<u>Preliminary Projects</u>	
	<u>Cost Estimate</u>	
	<u>Design</u>	<u>Construction</u>
	<u>Cost</u>	
Cherokee Agency (Admin. Bldg.), N.C.	\$ 30,000	\$ 355,000
Western Navajo Agency (Admin. Bldg.), Arizona	120,000	1,930,000
Ft. Peck Rehabilitation Center, Montana	50,000	622,200
Hopi Rehabilitation Center, Arizona	<u>160,000</u>	<u>2,377,000</u>
Total	\$360,000	\$5,284,200

Cherokee Agency (Administration Bldg.) (Design), N.C.

\$30,000

Location: Cherokee is situated on Highway 441 in Swain County, North Carolina.

Existing Conditions: Existing office complex for Cherokee Agency Headquarters Staff is inadequate for the number of personnel served. Over crowding has required use of old quarters and shop building for offices.

Proposed Facilities: It is proposed to design an addition of approximately 5,000 sq. ft. to the existing Agency Headquarters. The central facility will allow for greater efficiency and closer coordination between Area/Agency functions and provide more satisfactory service and accessibility to the Indian people.

Construction Cost Estimate

Buildings and Utilities	\$300,000
Contingencies	30,000
On-site Supervision	25,000
Equipment	(Future Request)
Total	\$355,000

Location: Tuba City, Arizona.

Existing Facilities: The Western Navajo Agency administrative functions are presently located in seven different locations in Tuba City. The main office building, built in the late 1930's, has become totally inadequate to house the more than 14 different administrative branches of the Agency and the present staff requirements in excess of 120 people. Structural problems, plumbing inadequacies, and the site arrangement of the existing building prohibits renovation or addition. Varied locations of the administrative functions lend to management inefficiencies and confusion to the people served by the Agency.

Proposed Facilities: It is proposed to design a new administrative office facility to house the functions and staff of the Agency office. A central facility will allow for greater efficiency and closer coordination between Agency functions and provide more satisfactory service and accessibility to the Indian community.

Construction Cost Estimate

Buildings and Utilities	\$1,800,000
Contingencies	70,000
On-site Supervision	60,000
Equipment	(<u>Future Request</u>)
Total	<u>\$1,930,000</u>

Ft. Peck Rehabilitation Center (Design), Montana

\$50,000

Location: On the Ft. Peck Reservation, Poplar, Montana.

Existing Facilities: The existing jail facility was constructed in 1965. There is one maximum security cell, eight minimum security cells, one drunk tank and small courtroom, a total bunk capacity of 41. The existing courtroom and its related offices are inadequate for proper court functions. The need for a separate facility for juveniles is very apparent, presently the juveniles are being incarcerated in the adults' jail facility, which is against the Juvenile Code of Law.

Proposed Facilities: It is proposed to construct a facility to house Court Complex with related office spaces and juvenile facility to accommodate juveniles for the entire Ft. Peck Reservation.

Construction Cost Estimate

Building and Utilities	\$544,200
Contingencies	52,000
On-site Supervision	26,000
Equipment	<u>(Future Request)</u>
Total	<u>\$622,200</u>

Hopi Rehabilitation Center (Design), Arizona

\$160,000

Location: On the Hopi Reservation between Polacca and Second Mesa on Highway 264.

Existing Conditions: The present jail activity at the Hopi Reservation is housed in Keams Canyon, Arizona. It was built in 1908 as a school to accommodate day school students from the nearby village. It was remodeled into a jail facility in 1962. The building has been condemned because it does not meet the present criteria of health and safety requirements for occupancy. The walls are cracking and the foundation is sinking in some areas.

Proposed Facility: It is proposed to construct a facility to house courts, police department and rehabilitation center to accommodate adults and juveniles for the entire Hopi Reservation. It is also proposed to construct a facility to house the Emergency Medical Services.

Construction Cost Estimate

Building and Utilities	\$2,100,000
Contingencies	182,000
On-site Supervision	95,000
Equipment	(Future Request)
Total	<u>\$2,377,000</u>

Deferred Equipment, Bureau-wide

\$1,500,000

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

Project Location

Alakanuk Sch., Alaska	\$ 120,000
Chitimacha Sch., Louisiana	150,000
Haskell Ind. Jr. College, Kansas (Gym)	161,000
Haskell Ind. Jr. College, Kansas (K-D/LRC) (Phase II)	324,000
Jemez Sch., New Mexico	400,000
Diomedes Sch., Alaska	25,000
San Simon Sch., Ariz.	160,000
Santa Rosa Boarding Sch., Ariz. (Dorms)	45,000
Kindergartens, Bureau-wide	<u>115,000</u>

\$1,500,000

Technical Assistance and Services - Bureau-wide

\$4,170,000

To provide architectural, engineering, and related technical services, including administration and project management, for the design and construction of new facilities and major rehabilitation and improvement of existing buildings and utilities. This request is to also provide planning, design, construction, and other architectural-engineering services to Indian tribes and Alaska native organizations, including exploratory drilling, testing and developing water wells at both proposed and existing Bureau facilities.

Facility Improvements, Bureau-wide

\$5,000,000

Existing Conditions: Each year the average age of Bureau facilities increases, with attendant demands for renovations as facilities become unsafe, unsanitary, and functionally obsolete. An additional burden to the program is the requirement for compliance with the Construction Safety Act of 1969, the Occupational Safety and Health Act of 1970, and various Environmental Protection Acts. Until new construction replaces the majority of existing facilities, the demands for facility improvement projects will increase. The current backlog of facility improvement projects is in excess of \$158 million.

Proposed Program: The estimate of \$5 million will provide a minimum program for the continued elimination of unsafe and unsanitary conditions existing in Bureau plant facilities (including water, solid waste, and air pollution control projects); for correction of functional deficiencies; and for the modernization of existing facilities, including the replacement of obsolete and deteriorated buildings and facilities which, because of their relatively small size, are not applicable for inclusion in the regular construction program. A high priority will be assigned to the correction of unsafe and unsanitary conditions, with primary emphasis given to conditions existing in school and dormitory facilities.

Public Schools

\$11,250,000

In accordance with P.L. 93-638, the Bureau now has the responsibility for requesting construction appropriations for public school children who reside on Indian or Trust lands and for Tribally operated previously private schools. These funds are distributed as authorized under P.L. 93-638.

Public school projects will be funded in accordance with the priority index submitted to the Bureau by the Secretary of HEW. Projects will be completed in descending priority order to the extent that funds are available.

Common Program Services \$1,370,000. See pages IA-72 to IA-78 for explanatory and justification material for this item.

2. Irrigation Systems

\$44,377,000

Fiscal year 1977, \$30,010,000; Fiscal year 1978, \$44,377,000; increase of \$14,367,000.

Major Program Changes

The budget estimate of \$44,377,000 will provide a program of \$25,000,000 for the Navajo Indian irrigation project being constructed by the Bureau of Reclamation; a program of \$18,530,000 for the Bureau of Indian Affairs for the improvement, rehabilitation, betterment, and extension of Indian irrigation projects and related power systems; and \$847,000 for Common Administrative and Program Support Services.

Proposal

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

Justification

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

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

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

The irrigation construction program for fiscal year 1978 provides for the acceleration of the construction, extension, rehabilitation, and betterment of irrigation and power facilities on certain listed irrigation projects and power systems. The program also provides for the continuation of the preparation of engineering and economic feasibility reports for existing and proposed projects for which such reports have not been completed.

Largest single irrigation construction program is the development of the Navajo Indian irrigation project, as authorized by Congress in 1962 and embracing 110,630 acres.

Cost Factors

	<u>Total</u> <u>Est. Cost</u>	<u>1978</u> <u>Estimate</u>	<u>Justification</u>
(a) Irrigation Construction and Rehabilitation			
<u>Arizona</u>			
Cocopah		\$150,000	See detailed justification.
Colorado River (Irrigation)	\$35,382,000	3,362,500	" "
(Power)		525,000	" "
Fort Apache		19,500	Rehabilitate diversion structure

Papago Agency			Rehabilitate 2 wells.
Chuichu.....		18,000	See detailed justifi-
San Xavier.....		246,000	cation
			" " "
Vaiva Vo.....	1,414,000	240,000	
Pima Agency			
Gila Crossing.....		200,000	See detailed justif.
Maricopa Colony.....		150,000	" " "
San Carlos Project....			
Indian works.....		950,000	See detailed justi-
			fication
Irrig. joint works..	31,000,000	890,000	" " "
Power.....		600,000	" " "
San Carlos Agency			
San Carlos Reservation		75,000	" " "
Salt River.....		300,000	" " "
Truxton Canon-Camp Verde		23,000	Rehabilitation
<u>California</u>			
Big Pine.....		50,000	Rehabilitate
			existing concrete
			lines
Bishop.....		50,000	" " "
Lone Pine.....		50,000	" " "
Hoopa Valley.....		100,000	See detail justif.
Pala.....	596,000	40,000	Rehabilitate
			distribution facil.
Rincon.....	504,000	40,000	" " "
Morongo.....		171,000	See detailed justif.
<u>Idaho</u>			
Michaud Project (Fort Hall)	10,087,000	100,000	See detailed justif.
<u>Montana</u>			
Blackfeet.....		110,000	" " "
Crow.....	2,618,800	350,000	" " "
Flathead Project.....			
Power.....		300,000	" " "
Irrigation.....		200,000	" " "
Fort Belknap.....		200,000	" " "
Fort Peck.....		350,000	" " "
Tongue River.....		90,000	" " "

<u>Nevada</u>	Total Est. Cost	Estimate	Justification		
Eastern Nevada Agency					
Duck Valley.....		300,000	"	"	See detailed justif.
Duckwater.....		683,000	"	"	"
Goshute.....		80,000	"	"	"
South Fork.....		300,000	"	"	"
Western Nevada Agency					
Fallon (Newlands)		400,000	"	"	"
Pyramid Lake (incl. Dodge Flats)		350,000	"	"	"
Walker River		350,000	"	"	"
 <u>New Mexico</u>					
Navajo-Hogback.....		890,000	"	"	"
Navajo Project.....	324,713,000	25,000,000	"	"	"
No. Pueblos.....	7,260,000	522,000	"	"	"
So. Pueblos.....		630,000	"	"	"
So. Ute.....		25,000			Farm development of
Jicarilla.....		50,000			Florida project.
					Rehabilitate Dulce
					Highline Canal
Zuni Pueblo.....		590,000			See detailed justif.
 <u>Utah</u>					
Uintah & Ouray.....		465,000	"	"	"
 <u>Wyoming</u>					
Wind River.....	5,424,000	200,000	"	"	"
(b) Surveys, Investigations and plans.....		1,351,000	"	"	"
(c) Engineering and supervision		1,394,000	"	"	"
(d) Common Support Services		847,000	"	"	"
Total Estimate		<u>44,377,000</u>			

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

Arizona

COCOPAH PROJECT, \$150,000. Project water is supplied through the project works of the Yuma Reclamation Project. The Cocopah Reservation lies in the Valley Division of the Yuma Project and is crossed by laterals of this division. Those constructed works deliver water to agricultural lands in the vicinity of the reservation.

The reservation has present perfected rights in waters of the Colorado River for 431 acres with diversion for 2,744 acre-feet. The Yuma Project canals, Bureau of Reclamation, are operated by the Yuma County Water Users Association to deliver the decreed water to this project. The Association, as fiscal agent for the Bureau of Reclamation, is paid the charges for this delivery.

All available reservation acres are being farmed and the only irrigation development remaining is on the so-called accretion lands that lie between the Yuma Valley (Reservation boundary) and the river. This area contains approximately 1100 acres of agricultural lands that are planned for irrigation development and agricultural use. The budget request will provide for the drilling and equipping of one well that will be part of a three-well reservation net that will constitute a central water source, by way of a common ditch, for the accreted land. The porous soils necessitate concrete lined ditches to reduce seepage losses. Phase one of the development will make 101 acres of land available for farming. The features of work and estimated costs under this item are:

Drilling and equipping one well	\$65,000
Construction of 1 1/2 mile of 42 inch ditch to connect three wells	<u>85,000</u>
Total	150,000

COLORADO RIVER PROJECT, \$3,887,500. The funds requested provide \$3,362,500 for irrigation construction and \$525,000 for construction and rehabilitation of the related power systems.

Irrigation Construction, \$3,362,500. The Colorado River irrigation project is one of the largest and potentially the most productive of the Indian irrigation projects. Adequate water for the project's potentially irrigable area of 105,000 acres was assured in the decree issued by the Supreme Court in the case of Arizona vs. California. Extension of the project lateral system is essential if the Colorado River Indian people are to realize the income potential of the reservation area for which they have decreed water. The Colorado River Tribe desperately needs this program to continue its progress toward economic self-sufficiency. The entire economy of the reservation, except for relatively minor recreational development, is based on the agricultural business complex growing from the direct use of the water-right resource. This growth, with accompanying cash income and job opportunities has been significant. Of the Indian people employed on the reservation, approximately 60 percent are working on jobs related to agriculture and its development.

This proposal includes capital improvements of the irrigation distribution system to minimize seepage losses. This will provide water for the remaining undeveloped lands within the irrigation project. Irrigation water diversions from Headgate Rock Dam increased along with the increase in irrigated lands in Parker Valley. In 1972 and 1973, diversions at Headgate Rock Dam exceeded the 662,402 acre feet Arizona decreed water right but seepage and deep percolation returns to the Colorado River through open drains were 59% and 55% of the diversions respectively. The 1974 and 1975 diversions at Headgate Rock Dam were less than the Arizona decreed water right. Open drain returns to the Colorado River are not available for 1974 and 1975, but are estimated to be between 55 and 59% of the diversion. Better measurement of the water deliveries to the water user and concrete lining projects since 1973 have allowed the irrigation project to reduce the amount of water diverted at Headgate Rock Dam even though there was a 5,405 acre increase in irrigated lands from 1973 to 1975.

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

1. Install one pumpback system in Section 13, T6N, R22W	\$35,000
2. Drill and equip one drain well	38,000

3. Earthwork for rehabilitating or relocating and concrete lining of main canals, to include 4 1/2 miles between Mohave Road and the east end of Wilson Road, install a concrete flood control structure on the main canal, and earthwork and concrete line 1.5 miles of Lateral 73.

3,289,500

Power System Construction and Rehabilitation, \$525,000.

The electrical power system of the Colorado River Indian Irrigation Project was started in 1940 when electric power was needed on the reservation for drainage wells and domestic uses. Since then the power system has expanded to serve customers within the reservation and in the twenty-mile long area between Parker and Parker Dam. The power system presently consists of one transmission substation, 31 miles of 69 KV transmission line, 64 miles of 34.5 KV transmission line, 17 distribution substations and 260 miles of single and three phase distribution lines. The total system load requirements for fiscal year 1976 were 18,012 kilowatts for 3,500 agricultural, residential, commercial and industrial customers. Projected load requirements for fiscal year 1978 are 24,500 kilowatts for 4,100 customers. Agriculture and related loads are expected to represent most of this load increase. This continuing load growth has reached or exceeded the capacity of some sections of the system and in the summer of 1973 it was necessary to divide the system into three segments and to purchase power from Arizona Public Service for one segment.

Presently work is progressing by contract on conversion of the distribution system from 2300/4160 volts to 12470 volts in the area east of Mohave Road and north of Indian School Road to Bluewater Substation. Scheduled completion of this contract is May 1977.

The contract for Booth Road Substation, 69 KV, 12.47 KV, and 69 KV tap line has been awarded. The earth work and fence for the substation have been built and the poles set for the tap line. Scheduled completion of this contract is March '77.

Work is progressing on the contract for stage 04 additions to Headgate Substation. Ninety-five percent of the concrete footings and pads is complete. The steel structures are being fabricated and erected. Completion of this contract is scheduled for December 1978.

An Agency customer rate change was resubmitted in May of this year. New Memorandum of Understandings were completed with Bureau of Reclamation for reduced amounts of power and energy caused by withdrawal of a block of Colorado River Storage Project Power. A new contract was prepared and signed to purchase power and energy from Arizona Public Service Company to make up the USBR loss. Current Agency power bills indicate the total Agency power and energy costs are going to be 50% to 75% more than they have been in the past because of the higher APS costs.

The Colorado River Irrigation Project Power System is a necessary feature of the total development of the Colorado River Indian Reservation. The irrigation lift, control, and drainage pumping load is now in excess of 4244 kilowatts. The immediate projected irrigation load increase is 3850 kilowatts. The above loads are necessary to provide power for the irrigation carriage system proper. It does not include any KW usage for support services or for sprinkler irrigation used by farmers preferring this type of irrigation.

The projects proposed for fiscal 1978 will improve the capacity of the power system, will provide a needed increase in system power incoming capacity, and move toward eliminating the 34.5 KV intertie at Parker Dam in compliance with the Bureau of Reclamation stipulation written into the latest Memorandum of Understanding for power and energy delivery from the Parker-Davis Project.

The features of work and estimated costs in FY 1978 under this item are as follows:

Construct new Bluewater Substation, 5000/6280 KVA, 69 - 12.47 KV.	\$ 135,000
Extend 69 KV transmission line north from Headgate Substation to Parker Dam. Extend tap to new Blue- water Substation.	200,000
Convert Bluewater upriver distribution lines to 12.47 KV and feed from new Bluewater Substation.	190,000

SAN XAVIER IRRIGATION PROJECT, \$246,000

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

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

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

The proposed features of work will increase the capacity of the water supply and reduce seepage losses that will enable the Corporation to use an estimated 250 additional acres.

The funds for 1978 will be used to continue the rehabilitation and betterment of the irrigation facilities as follows:

Drill four (4) irrigation wells.....	\$ 176,000
Rehabilitate 10,000 feet of concrete lining.....	50,000
Construct 2 miles of power line to pumping plant.....	<u>20,000</u>
Total	246,000

VAIVA VO IRRIGATION PROJECT, \$240,000.

This project is a feature of the Santa Rosa Wash Multiple Purpose Project, Papago Reservation, Arizona, authorized by the Flood Control Act of October 27, 1965 (79 Stat. 1073).

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

Irrigation water will be supplied by wells strategically located below the dam. At present there are 9 wells, 6 of which have been equipped and the remainder in various stages of installation. Ultimately 12 irrigation wells, supplemented by flood water impounded in the St. Clair Reservoir, will provide the water source to irrigate approximately 1,550 acres. About 1,000 acres have been cleared and are in various stages of development with 260 acres being farmed.

The funds for FY 1978 will be used to continue the construction of irrigation facilities as follows:

Construct 3,000 ft. of gravity flow irrigation canal	\$ 36,000
Construct 16,800 ft. of farm ditches	84,000
Level 200 acres for farming	<u>120,000</u>
Total	240,000

GILA CROSSING AREA, \$200,000.

The Gila River Decree permits an annual diversion of 17,950 acre feet and a maximum diversion of 37.4 cubic feet per second for 2,992.5 acres. The flow in the Gila River ceased many years ago and this area now depends on pumping from wells.

The people are slowly consolidating the small, 2 and 3 acre subsistence farms and garden tracts into 40 to 80 acre agricultural blocks. Orderly and economic development of the area will necessitate complete subjugation of the area. The entire area must be laid out in an orderly manner for development with a proper delivery system. This will require drilling and equipping new wells to provide an adequate water supply, construction of adequate structures, rehabilitation of existing facilities, lining ditches and farm unit development.

The 1978 funds will be used for:

Photogrammetric surveys of 7,000 acres @ \$7.00	\$ 51,000
Land clearing 300 acres	22,000
Leveling 300 acres	93,000
Ditching 2.5 mi.	34,000
Total	<u>\$ 200 000</u>

MARICOPA COLONY, \$150,000.

This area is at the junction of the Salt and Gila Rivers. It was settled by Indians said to be Yumas, who joined the Pimas and were allowed to settle on this land. Prior to 1874, 580 acres had been irrigated and in 1901, 1,080 acres were irrigated by a canal from the Salt River. The Haggard decree of June 11, 1903 allowed 324 miners' inches of water for this area.

In 1914, 1,271 acres were irrigated and 219 acres showed previous cultivation. In later years, it was found difficult to secure delivery of the decreed amount due to manipulation of pumping plants above the reservation. Finally an agreement was reached in the spring of 1936 with the Salt River Valley Water Users' Association under which the Association will operate a pumping plant, to be installed by them, and a well drilled by the Indian Service to make up any deficiency in the river below 324 miners' inches.

The pump, started in June, 1936, produced 480 miners' inches and is the present source of water for the Maricopa Colony area. An additional well needs to be drilled and equipped to provide a better water supply. When the existing well is down for repairs, water is not available for the 1200 acres of agricultural land.

Continual land development and improvement is being accomplished in this area, and additional canal extensions will be required to properly reorganize the delivery systems to serve rehabilitated land.

The 1978 funds will be used to:

Drill and equip a well	\$ 50,000
Construct five miles of 32" to 36" ditch	<u>100,000</u>
Total	150,000

SAN CARLOS IRRIGATION PROJECT, \$1,490,000.

The San Carlos Irrigation Project was authorized by the Act of June 7, 1924, (43 Stat. 475-376) and Coolidge Dam was constructed to provide storage water for both Indian and non-Indian lands. The project is designed to irrigate 100,546 acres of land, 50,546 acres on the Gila River Indian Reservation and 50,000 acres of adjoining, off-reservation, private land within the San Carlos Irrigation and Drainage District.

Existing San Carlos Indian Irrigation Project works include both irrigation and power facilities. The facilities are divided into three operating units known locally as (1) the Joint works, (2) the Indian works, and (3) the District works.

The general administration of the entire project and the operation and maintenance of the Joint works are the responsibility of the Project Engineer of the Bureau of Indian Affairs. This responsibility includes but is not limited to the delivery of water to both the Indian works and the District works through operation, maintenance and extensions of major facilities, such as Coolidge and Ashurst-Hayden Dams, the Florence-Casa Grande Canal, the power system, and the well pumps. The distribution, measurement and record keeping on surface flow and pump water delivered to non-Indians and Indian unit canals and laterals are in accordance with the priorities established in the Gila River Decree and the apportionments made under authority of the Secretary of the Interior. Operation and maintenance costs for the Joint works irrigation facilities are shared equally by the Indian and non-Indian units. The Joint works Project Engineer is also responsible for the power system. Operation and maintenance costs of power facilities are paid from revenues collected from power sales. Any deficit in revenues over costs is made up by equal contribution by the Indian and non-Indian units.

Irrigation Construction and Rehabilitation, \$890,000.

The work proposed for this year is to meet the pressing needs associated with the water supply. The well and pump system was designed to provide irrigation water for 20,000 acres of the project land. To maintain production of these wells requires periodic rehabilitation. Those wells that cannot be rehabilitated must be replaced with new wells.

Joint works irrigation construction and rehabilitation proposed for FY 1978 is as follows:

Drilling and equipping 4 new wells	\$ 240,000
Rehabilitating 13 irrigation wells	<u>650,000</u>
Total	890,000

Power System Construction and Rehabilitation, \$600,000.

The power system operated by the Project was authorized by the Act of March 7, 1928. It was designed and constructed primarily for irrigation pumping but has been extended to include domestic, agriculture and commercial users. Distribution line extensions are continually being required to provide services to new customers as population continues to grow in the project area. Existing transmission lines must be periodically rebuilt and upgraded to carry larger loads.

The power construction work proposed for FY 1978 is as follows:

Rebuild Coolidge-Hayden 69 KV line	\$ 300,000
Construct new lines and facilities to serve new customers; purchase distribution transformers and metering equipment	<u>300,000</u>
Total	600,000

SAN CARLOS PROJECT-INDIAN WORKS, \$950,000.

The Indian works are operated by the Pima Agency. In addition to the frequent shortages of water, the Gila River Indian part of the Project has suffered from many problems which have prevented adequate use of available water and which have diminished the productivity of lands. The principal problem is that only 41,000 acres of the authorized 50,000 acres having a decreed Indian water right were developed. Of this amount, only 15,000 acres were adequately subjugated. A few thousand acres of the remaining 26,000 acres is sometimes farmed but the land is not properly leveled, ditch systems are inadequate, and units are too small. This poor condition wastes water and results in lower economic returns. Certain immediate work must be done on the project's Indian Works if water is to be conserved and farm productivity increased to take advantage of favorable farm market conditions.

Work is needed on water conservation measures such as canal lining and land leveling. At present, all canals are earthen and seepage is high. The canals are being continually filled with silt and choked with weeds. Maintenance is an extremely difficult and expensive task. Lining the canals will eliminate 80% of the water loss and reduce the cost of canal maintenance.

Indian works irrigation construction and rehabilitation proposed for FY 1978 is as follows:

Concrete ditch lining and appurtenant structures in San Tan, Blackwater, and Casa Blanca areas. Approximately 13 miles of canal with structures @ \$12.00 per foot. \$950,000

The District Works deliver water to the non-Indian lands of the Project. The San Carlos Irrigation and Drainage District is responsible for administration, operation, and maintenance of these works.

SAN CARLOS APACHE INDIAN RESERVATION IRRIGATION, \$75,000.

Farming by the San Carlos Apaches has taken on a new and positive direction. Within the last two years, the San Carlos Tribal Farm Enterprise, not non-Indian leases, have expanded their efforts to make the most of their water and land resources. To date, they are generating a profit in their farm enterprise, are purchasing new equipment, and are double cropping their fields to maximize their returns. The tribal council wants to expand their agricultural effort by an additional 3,000 acres within the next few years. This will require irrigation wells and distribution systems.

Funds requested will be utilized to drill and equip one 20 inch well capable of producing at least 1,000 gallons per minute on the San Carlos River below Highway 70. \$75,000;

SALT RIVER, \$300,000.

The Salt River reservation was established by Executive Order on June 14, 1879. The Reservation contains 49,294 acres of land. The Salt River Irrigation Project, with 9,300 assessable acres, is located in this Community.

In addition to the 9,300 acres of assessable land, water is delivered to some 2,350 acres of non-project land that may be served by project facilities. The irrigated lands in the Community need a minimum of 7.00 acre-feet of irrigation water to utilize the full agriculture potential of the land. At the present time, the project is able to deliver approximately 5.00 acre-feet of water to the developed lands that may be served by the project facilities.

The 1978 program is intended to increase the total productivity of the irrigation wells, reduce loss of water through seepage and provide adequate delivery service with a reduced time between orders and deliveries.

The 1978 Construction Program calls for drilling and equipping one deep irrigation well, rehabilitating two deep irrigation wells, and rehabilitating the irrigation pipeline systems.

Drill and equip one deep irrigation well	\$ 120,000
Rehabilitate two deep irrigation wells @ \$40,000 each	80,000
Rehabilitate irrigation pipeline systems	<u>100,000</u>
Total	<u>300,000</u>

California

HOOPA VALLEY, \$100,000. The project is located in Northern California approximately 75 miles east of Eureka. The water supply for this subsistence project is from diversions of small streams, tributaries of the Trinity River, which originate on the reservation. Prior and paramount water rights to the Trinity River date from 1864. The water supply is insufficient for full development of the irrigable lands. The system consists of diversion structures, canals and control structures serving 1,200 acres in seven fields with possible expansion to irrigate an additional 257 acres. There are 1,000 resident Indians, and approximately 65 families use the project lands for gardens and homesites.

The features of work for FY 1978 are:

Rehabilitate concrete pipelines and open ditches \$100,000

MORONGO, \$171,000. The Morongo Reservation is located about 15 miles northwest of Palm Springs, California. The water for this subsistence project is obtained primarily from wells supported by diversions on Potrero and Hathaway Canyons. The water source is adequate for the 870 acres, of which 797 are Indian-owned and now under constructed works, and for which the water rights have been adjudicated by the state. Annually, forty to fifty families use the area for gardens.

Much of the existing distribution system was installed in 1913 and urgently needs replacement. The features of work for FY 1978 are:

Rehabilitation of existing concrete pipe lines \$171,000

Idaho

MICHAUD UNIT, \$100,000. This project was authorized under the Act of August 31, 1954 (68 Stat. 1026). Construction was started in fiscal year 1957, and is near completion. This unit of the Fort Hall project will irrigate 21,000 acres of excellent land (20,195 acres of Indian owned and 805 acres non-Indian owned) lying between the cities of Pocatello and American Falls. The water supply for the unit is provided from stored water in American Falls and Palisades Reservoirs constructed by the Bureau of Reclamation. However, the water actually used on the project is pumped from the Portneuf River.

The proposed work for the fiscal year 1978 is to complete the unit. \$100,000

Montana

BLACKFEET PROJECT, \$110,000.

The Blackfeet Reservation is located east and southeast of Glacier National Park, in Glacier and Pondera Counties, Montana. The irrigation project lies largely in the eastern portion of the reservation, wholly within the Marias River drainage. All three of the active units lie west and south of the town of Cut Bank, and west and north of the town of Valier. The first general authorization for the development of the irrigation project, or system of projects, was contained in an agreement between the Blackfeet Tribe and the United States ratified in the Act of March 1, 1907 (34 Stat. 1035). Subsequent Acts provide for continued construction and development. Construction of facilities for the existing project commenced in 1908, under the direction of the United States Reclamation Service. By 1916 the

Two Medicine, Badger-Fisher, Birch Creek and Peigan Units were partially constructed and in operation.

The transfer of the Blackfeet Project to the Bureau of Indian Affairs was directed by the Secretary of the Interior in an order dated January 15, 1924. Operation by the Bureau of Indian Affairs was discontinued with the 1933 irrigation season, and was carried on by the water users until the Bureau resumed operations in 1939. Since that time additional acreages have been developed on a year by year basis.

The source of water for Two Medicine Unit is Two Medicine River and Lower Two Medicine Dam. The source of water for the Badger Fisher Unit is Badger Creek and Four Horns Reservoir; the source of water for Birch Creek Unit is Birch Creek. While the water supply is adequate for the Birch Creek Unit, additional storage is needed for both the Two Medicine and Badger Fisher units.

The acreage designated as irrigable in the three units to be served under the plan for completion is 53,499 acres. The system is at present serving 38,463 acres.

The present condition of the irrigation works is poor due to the flood damage in 1975, for which emergency funds were appropriated, and a severe soil erosion problem in the winter of 1975-76.

Although emergency repairs are in progress on existing flood damaged facilities there is a need for more water on the project. The features of work for FY 1978 are:

For diversion dam specifications and canal and lateral enlargement	\$ 110,000
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CROW, \$350,000. The first general authorization for the construction of the irrigation project on the Crow Reservation was contained in the agreement between the Crow Tribe and the United States, entered into on December 8, 1890, and ratified by Section 31 of the Indian Appropriation Act of March 3, 1901 (26 Stat. 989, I.Kappler 407, 4321). Subsequent Acts provide for continued construction and development. The project lands are located along the Big Horn and the Little Big Horn Rivers, Pryor Creek, and Lodge Grass Creek, all tributary to the Yellowstone River. The nine project operated units are scattered over an area 50 miles long and 60 miles wide, all within the Crow Reservation. Water is delivered by gravity from diversion of natural stream flow and from supplemental storage. There are 40,835 acres of land currently being assessed, and 9,777 additional acres that can be made assessable through completion of the project. The land is served by 103 miles of main canals and 287 miles of laterals. The system is generally in fair to good condition except for a few areas. There are presently 624 structures requiring some form of rehabilitation.

With construction of facilities to re-divert and distribute return flows 4,000 acres can be added to the present project. This is in addition to the 6,000 acres that will be added by providing a delivery and drainage system for project lands that are presently non-assessable.

The work proposed for the fiscal year 1978 is the continuation of rehabilitation work and extension of the distribution systems serving these units. This work is necessary prior to the takeover of the operation and maintenance programs of these units by the private districts or associations having working agreements with the project. The work includes

diversion dam specifications, canal construction, canal realignment and canal linings..... \$ 350,000

FLATHEAD IRRIGATION AND POWER PROJECT, \$500,000. The funds requested provide \$200,000 for irrigation construction and \$300,000 for construction and rehabilitation of the related power systems.

The Flathead Irrigation and Power Project is located entirely within the Flathead Indian Reservation in the extreme western portion of Montana. It includes parts of four counties; Flathead, Missoula, Lake and Sanders.

Flathead Project-Irrigation Division, \$200,000. The irrigation Division is composed of three physically separated geographical divisions, each with separate water sources and irrigation systems.

The southern-most irrigation unit of the Project, the Jocko Division, lies along the Jocko River and its major tributaries, Finley, Big Knife and Agency Creek. It extends from east of Arlee through Ravalli to Revais Creek about three miles west of Dixon.

The largest irrigation unit of the Project, the Mission Valley Division, lies in Lake County between the Mission Range on the east and the Flathead River on the west, and between Flathead Lake on the north and the National Bison Range on the south; an area of about 320 square miles. It lies across the Mission, Post, Crow, and Mud Creek drainages, and includes the towns of St. Ignatius (location of Project Headquarters), Ronan, Charlo, Pablo, and Polson.

The western irrigation unit of the Project, the Camas Division, lies west of the Flathead River along the Little Bitterroot River in Sanders County.

Water is supplied through a complex system of storage reservoirs, pumping plants and canals. Farm units are supplied by gravity flow. Project water rights arise from the Winters Doctrine, reduced however by "Secretarial water rights" reserved for pre-project Indian water users.

Indian lands and operators make up a very small part of the project.

Since 1940 the Project has been concerned with rehabilitation and betterment of its existing facilities. The irrigated area has increased from 75,000 to 110,510 acres. The ultimate irrigated area is 131,026 acres.

No new lands can be added to the project due to water supply limitations.

The Moise A Flume which supplies about 6,000 acres of lands with water requires replacement and repair. The flume is 2100 feet long.

The feature of Irrigation Construction work for FY 1978 is to replace the Moise A Flume \$200,000

Flathead Project - Power Division, \$300,000.

Construction of the Flathead Irrigation Project's power distribution system was begun in October 1930, and operation initiated in April 1931 using power obtained from the Montana Power Company.

On August 25, 1931, the United States purchased the system of Public Utility Consolidated Corporation, including a small hydro-electric generating

station containing two 160 kilowatt units located on Big Creek near Polson, and at that time the only source of power for the towns of Polson, Pablo, Ronan, Charlo, and St. Ignatius. This system was in poor physical condition, and was rebuilt, expanded, and consolidated with the rural distribution system which was being reconstructed by the Indian Service to supply power to farms and other customers on the Project and in its vicinity. The project now obtains its power from the Montana Power Company at Kerr Dam and from Bonneville Power Authority.

The project provides electric power transmission, distribution, and a minor amount of generation for all electric power users in those portions of Missoula, Sanders, Lake and Flathead Counties lying within the Flathead Reservation. It functions as a public utility.

The power system is self-supporting through revenues from subscribers. Increases in customer demands require modernization and enlargement of existing power systems, and extension of distribution systems to serve new customers.

Customers have no alternative public power source.

The features of work planned for FY 1978 are:

System mapping	\$ 100,000
Telemetry Communication and control equipment	150,000
Purchase new Distribution Transformers	<u>50,000</u>
Total	300,000

FORT BELKNAP, \$200,000. The first specific appropriation for the Fort Belknap Irrigation System appears in the Act of April 30, 1906 (35 Stat. 70). Appropriations for the completion, extension, operation and maintenance of the irrigation systems at Fort Belknap Reservation were made annually thereafter, with the exception of 1916.

Water is supplied by diversion from the Milk River, Three Mile Creek and White Bear Creek and a system of supplemental storage reservoirs. In addition to the natural flow rights, the project is entitled to 1/7 of the available storage in Fresno Reservoir.

The Milk River and Three Mile Units of the Project lie in the Milk River Valley, just south of the river, between the towns of Harlem and Dodson, Montana. There are five additional units within the boundaries of the Fort Belknap Indian Reservation, viz. Ereaux, Peoples Creek, Big Warm, Brown, and Duck Creek.

Indian subsistence operators presently use the 10,425 acres of irrigated land. With the construction of additional works, another 5,000 acres can be added to the project.

Many areas of the Project are in need of rehabilitation. Laterals, drains and old concrete structures are badly deteriorated.

The work proposed for fiscal year 1978 is for:

Diversion dam specifications and canal and lateral construction and rehabilitation	\$200,000
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FORT PECK IRRIGATION PROJECT, \$350,000. Development of irrigation on the Fort Peck Reservation began in June 1908, under the direction of the U.S. Bureau of Reclamation. By 1921, the Bureau had developed four irrigation units; Little Porcupine, Big Porcupine, Poplar River, and the Big Muddy. These units obtained their water supply from the tributaries to the Missouri River after which they were named (Act of May 30, 1908, 35 Stat. 558).

The project is in the southwest portion of the reservation and is comprised of 9,900 Indian acres and 8,600 non-Indian acres of irrigated land. Indians farm a substantial portion of the Indian lands of the project, 5750 acres, with operations ranging from subsistence to family size enterprises.

Many of the farm operators have grazing land and dry cropland which they use in combination with the irrigated lands, which support the livestock economy of the surrounding area. Irrigation fits well with area livestock production and has a stabilizing influence in an area where wide fluctuations in agricultural production are prevalent.

The natural flow of the streams is inadequate for irrigation needs and the original plans provided for the construction of two reservoirs, one on the Little Porcupine and another on the Big Porcupine. Diversions are used to serve the Poplar River Unit.

The work proposed for FY 1978 includes:

Pumping plants, pumphouses, pump replacement, power control, rehabilitation, and safety requirements and protection on the Frazier and Wiota Pumping plants	\$350,000
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TONGUE RIVER (N. CHEY.), \$90,000. The project is in a rangeland area where people are highly dependent upon a reliable feed base for adequately wintering livestock. The project is composed of small subsistence size units along the river. The 630+ acres are used by tribal members. Adequate ditches and control structures are needed to maximize irrigated acreage and production.

The work proposed for FY 1978 is:

Lining of canals and installation of sprinklers	\$ 90,000
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Nevada

DUCK VALLEY PROJECT - \$300,000.

The Duck Valley irrigation project is within the Duck Valley Indian Reservation, located on the Nevada-Idaho state line with portions of the reservation lying in both states. The region is concerned primarily with stock-raising where the irrigated base lands are used to produce forage crops for winter livestock feed. Since about 1874, these hay crops have been the most important crop produced. Present operations confirm that hay production will continue to play a major role in the reservation economy.

The project embraces 12,000 acres, of which 11,177 acres are irrigated and are totally used by tribal members. Of the irrigated land, 4,780 acres have been developed to modern high standards of land development. Much of the unimproved irrigated land is still irrigated by sloughs and meandering small ditches. The main and firm source of water is from the normal flow of the East Fork of the Owyhee River and from the storage reservoir at Wildhorse Dam. These two sources will provide an adequate supply of water

for the 12,000 acres when fully developed.

There are 151 Indian cash crop and livestock operations that depend on the project.

The features of work proposed for fiscal year 1978 are as follows:

Construct 5 miles of canals and laterals with necessary structures	\$ 75,000
Level 500 acres of land, which includes farm ditches and seed-bed preparation	<u>225,000</u>
Total	300,000

DUCKWATER INDIAN RESERVATION, \$683,000. The Duckwater Indian Reservation is located about 75 miles south of Ely, Nevada. It contains approximately 3,785 acres of which 1,900 acres were supposedly irrigated prior to its purchase by the United States Government under the Indian Reorganization Act of June 18, 1934.

Since being acquired by the Government, only about 930 acres have been irrigated. Two main reasons for this decrease in irrigated acres are; (1) change from low production meadows to higher production alfalfa which requires more water; and (2) the gradual deterioration of the irrigation distribution system.

The water rights for the land were acquired with the land purchase. The maximum amount of water allowed is 8.2 C.F.S. during the irrigation season, with prior rights over other users of 4.2 C.F.S. A study made in September of 1973, showed a loss of 2.5 C.F.S. in the 4 miles of the Indian ditch. Observations indicate a similar loss in the main ditch.

Rehabilitation of the Indian Ditch and the Main Ditch distribution systems will eliminate most of the water loss. The additional forage that can be produced will allow individuals to acquire a larger livestock base resulting in increased income. The system is presently used by 43 families for subsistence gardening and for hay production.

It is estimated that it will cost approximately \$683,000 to rehabilitate the entire irrigation system, with the bulk of funds, \$518,000 being required for construction and engineering services on the Indian Ditch system. The balance of funds, \$165,000, will be required to rehabilitate the Main Ditch, construct turn-outs for Munson addition, develop a distribution system for Little Warm Springs, and construct flood and erosion control measures along Duckwater Creek.

Features of work planned for 1978 are:

Indian Ditch System:

(a) Furnish and install approximately 24,500 feet of 18-inch diameter O-ring gasket type concrete pipe, with appurtenant structures	\$ 396,000
(b) Pipe extension for three turnouts	27,000
(c) Pipeline from mainline across Duckwater Creek	8,000

(d) Pipe lateral 6,000 feet long	\$ 87,000
Indian Ditch Subtotal	<u>\$518,000</u>

Main Ditch:

(a) Reconstruct 16,000 feet, including appurtenant structures	\$ 75,000
(b) Rebuild 12,000 feet of irrigation ditches served by the two reservation turnouts	\$ 20,000
Main Ditch Subtotal	<u>95,000</u>

Munson Addition:

(a) Replace turnout and check	\$ 9,000
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Little Warm Spring:

(a) Develop spring, pipe across swamp and rebuild distribution ditches	\$ 13,000
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Duckwater Creek:

(a) Flood and erosion control	\$ 48,000
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GOSHUTE, \$80,000. The Goshute Indian Reservation is located in White Pine County, Nevada, and Juab and Tooele Counties in Utah, approximately 70 miles south of Wendover, Utah and contains approximately 110,352 acres of which 2,500 acres are irrigable. The existing distribution system has deteriorated to the point where sufficient water can be delivered to irrigate approximately 440 acres of the 820 acre system originally constructed. Recent studies and observations indicate that water losses due to deterioration and inadequate distribution systems range from 30% to 75%.

Construction plans for fiscal year 1978 are as follows:

1. Rehabilitate Probert-Snively Distribution System.

a. 5 miles of laterals	\$ 14,000
b. 4 diversion structures	\$ 6,000
c. 4 miles channel clearing	\$ 16,000
d. 8 Crossings	\$ 11,000
	<u>\$ 47,000</u>

2. Rehabilitate Georgetta Distribution System.

a. Rehabilitate 4 miles of lateral	\$ 11,000
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b. Repair 2 diversions		\$ 3,000
c. Relocation of Lower Spring Creek		14,000
d. 4 Crossing		<u>5,000</u>
	Subtotal	33,000
	Total	<u>\$80,000</u>

SOUTH FORK INDIAN RESERVATION, \$300,000. The South Fork Indian Reservation is located on the South Fork of the Humboldt River, in the vicinity of Lee, Nevada, approximately 28 miles southeast of Elko, Nevada. It consists of approximately 13,049 acres of which water rights are available for 4,385 acres. At present 4,047 acres are being irrigated. Portions of this reservation have been irrigated for over 100 years, with very little improvement being made to the distribution system. At present the irrigation system comprises 12 ditch headings, and ditches having a combined length of more than 50 miles. Six of the present diversion points are located off the reservation.

Rehabilitation is needed to alleviate the water problems in this area, particularly during short water years when small flows are lost in the deteriorated system before it reaches the fields. Approximately 25 families depend on the area for livestock pasture and hay.

Construction plans for Fiscal Year 1978 are as follows:

1. Lee Creek Diversions:

Diversion structure, heading measuring flume, 4 check and turnouts, and 4,750 feet of ditch rehabilitation. 23,000

2. South Fork Diversion # 1

Dewar Ditch (22,800 feet) -Diversion structure, heading, measuring flume, 13 checks, 12 turnouts, 100 ft. concrete pipeline ditch repairs. 139,000

3. Pearl Creek Ditch Diversion:

a. Pearl creek Ditch # 1 (5,000 feet)
Diversion structure, heading, measuring flume, 4 checks, 3 tournouts. 30,000

b. Pearl Creek Ditch # 2 (6,500 feet)
Diversion structure, heading, measuring flume, 4 checks, 2 turnouts. 32,000

Subtotal, Pearl Creek Div. 62,000

4. South Fork Diversion # 6-Diversion Structure

76,000

Total \$300,000

FALLON PROJECT, \$400,000. The Fallon Project is encompassed by the Truckee-Carson Irrigation District, located in the vicinity of Fallon, Nevada. The 4,878 acre Indian project is supplied irrigation water through the Irrigation District's facilities which gets its water from the Truckee and Carson Rivers and storage in Lahontan Reservoir. There are approximately 1,680 acres developed. The formation of the Fallon Indian Reservation was based on the agreement that Indians holding 160-acre allotments in the Carson Sinks area without water rights would exchange their lands for 10-acre allotments with paid up water rights within the area set aside for the reservation. Since completion of the Newlands Irrigation Project and the take over of the project by the Truckee-Carson Irrigation District, little has been done to make irrigation water available to each 10-acre allotment on the Indian Reservation. A network of canals, laterals, and drains is now being constructed to serve these lands and to provide badly needed drainage facilities.

The features of work for 1978 are as follows:

Construct 10 miles of canals and laterals with necessary water control structures.	\$ 200,000
Construct 5 miles of drain canals with necessary water control structures.	95,000
Level 250 acres to combine fields for better water management.	<u>105,000</u>
Total	400,000

PYRAMID LAKE, \$350,000. The Pyramid Lake Irrigation Project has an ultimate acreage of 5,963 acres of which 1,074 acres are presently in production and assessed. Irrigation facilities serving these lands include Numana Diversion Dam, 15 miles of canals, 7 miles of laterals and 141 water control structures.

The irrigated lands are farmed by Indians. The lands are divided into assignments ranging in size from 2 to 23 acres with the average being about 16 acres. The overall development program provides for approximately 26 land units on the bottom lands. Each unit will provide for a 100-head cattle operation. Full utilization of the rangeland will be attained when the cattle count reaches 2,600 head.

Work proposed for Fiscal Year 1978 will provide additional sections of concrete lined canals and laterals to assure a more dependable supply of irrigation water and a drainage canal to drain approximately 100 acres of wet land. The features of work are as follows:

Concrete line 3 miles of canals and laterals and construct necessary water control structure	\$ 320,000
Excavate 1.5 miles of deep drain and construct necessary water control structures	<u>30,000</u>
Total	350,000

WALKER RIVER, \$350,000. The Walker River Irrigation Project is located along the Walker River and borders Walker Lake on the north. It has an ultimate irrigable area of 4,000 acres, of which 2,750 acres are presently being served. The acreage now being served include 200 acres of non-Indian owned land and 2,550 acres of Indian owned and operated land. The water supply is natural flow from the Walker River and storage in Weber Reservoir. The natural flow right is 26.25 cubic feet per second and the storage is 13,000 acre-feet. The distribution system serving the project was constructed in the

early 1900's and is badly in need of rehabilitation.

At the present time, 81 Indian families are engaged in agriculture, deriving all or part of their income from crop and livestock production.

The construction and rehabilitation program provides for the rehabilitation and improvement of the irrigation system now serving 2,750 acres and the extension of facilities to serve an additional 1,250 acres.

The work proposed for Fiscal Year 1978:

Concrete line 3.3 miles of canals and laterals and provide necessary water control structures	\$ 350,000
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New Mexico

HOGBACK PROJECT, \$890,000. The Hogback Unit has been under various stages of construction since 1908. The unit has been an important part of the economy of the Navajo Reservation for many years and has furnished alfalfa and produce crops to a large segment of the population. The unit obtains a dependable supply of water from the San Juan River.

The project embraces 9,614 acres on the Navajo reservation. When the project is fully developed, it will provide 250 farm units and support approximately 2,000 Navajo Indian people.

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

The funds requested for FY 1978 are for the rehabilitation of the existing main canal and to construct new facilities to serve additional acres not now served by constructed works.

Main Canal	\$ 20,000
Distribution System	<u>870,000</u>
Total	890,000

NORTHERN PUEBLOS, \$522,000. The Pueblo Indians were irrigating lands at the time of their first contact with the Spaniards in 1540. Irrigation canals were constructed at random, and the diversion dams were built of brush and rock which generally required rebuilding after each flood. The lands served by these canals were small subsistence type tracts which have generally remained unchanged. Farm lands are generally assigned to heads of families by the governing body of the Pueblo. Ditch bosses are elected and held responsible for the operation of the ditches and for the delivery of water. Repair work and ditch cleaning within the Pueblo capability is performed by the irrigators, who are subject to call at any time by the ditch bosses. Major repairs, project rehabilitation, concrete canal lining, and the cleaning of main canals are performed by the Bureau of Indian Affairs. Most of the basic operating and storage facilities of the existing irrigation project were constructed by the government prior to 1935, and the expenditures since then have been primarily for the rehabilitation and replacement of these features and for the concrete lining of canals.

The FY 1978 work proposed and the projects or pueblos involved are as follows:

Santa Clara, \$75,000. Irrigation water for the 2,500 acre Santa Clara Project is diverted from the Rio Grande, Rio Santa Cruz, Santa Clara Creek and from tributaries of the Rio Grande. Water rights have not been adjudicated, but the water supply is adequate. Subsistence type agriculture is practiced benefiting more than 60 Indian families.

The proposed work for FY 1978 involves canal lining as follows:

Acequia Madre Canal, 1 mi.	\$ 40,000
Lower Ditch, 1.5 mi.	<u>35,000</u>
	75,000

San Juan, \$200,000. The irrigation water supply is diverted from the Rio Grande and a major tributary, the Rio Chama. Water rights have not been adjudicated. Water availability is generally adequate for the subsistence-type garden tracts utilized by 260 Indian families. There are 4,500 acres of irrigable land in the project.

The proposed work for FY 1978 is:

Canal lining	
Acequia Madre Canal, 4 mi.	\$200,000

Taos, \$147,000. The irrigation water supply for approximately 6,000 acres is provided by surface diversions from the Rio Lucero and Rio Pueblo de Taos, tributaries of the Rio Grande. A State Court decree divides the waters of the Rio Lucero between Indian and non-Indian users. Although not adjudicated, Rio Pueblo de Taos arises on and flows through Taos Indian lands prior to reaching any non-Indian land. There are no storage facilities and water supplies are short during the driest summer months.

Taos irrigated agriculture is subsistence-type, providing benefits to 132 Indian families in 1975. The basic irrigation system was built by the Indians centuries ago with BIA assistance in upgrading the structures to prevent outages and concrete lining of ditches to conserve water.

The proposed work for FY 1978 includes canal lining as follows:

Cicaba Ditch, 1.5 mi.	\$ 75,000
Tenorio Ditch, 1.5 mi.	<u>72,000</u>
	147,000

Tesuque, \$100,000. The irrigation water for 800 irrigable acres is supplied by surface diversions from the Rio Tesuque, a minor tributary of the Rio Grande, supplemented by three (3) irrigation wells. Small garden sized irrigated tracts benefit 66 Indian families. Water from the Rio Tesuque is very short during all summer months, being utilized by upstream non-Indian diverters. Adjudication of water rights is currently in progress (U.S. vs Aamodt, et al.).

The proposed work for FY 1978 is:

Rehabilitate irrigation reservoirs and 2 miles of main canal	\$100,000
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SOUTHERN PUEBLOS, \$630,000. The work proposed and the projects or pueblos involved are as follows:

Acoma, \$30,000.

Water to irrigate 2,300 acres of Acoma irrigable land is diverted from the Rio San Jose. The project is subsistence-type, benefiting 180 families.

The proposed work for FY 1978 is:

Canal lining Acomita Ditch, 1 mi.	\$ 30,000
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Isleta, \$100,000.

The Isleta project obtains its water supply from the Rio Grande delivered through facilities of the Middle Rio Grande Conservancy District organized under laws of the State of New Mexico. The water supply is adequate for the 6,200 acres. The District operates and maintains the main supply drainage works with funds for the Indian lands provided under an agreement as authorized by Congress. The Isletas operate and maintain their canal and lateral distribution system. Isleta has been consolidating scattered tracts to provide opportunities for those wishing to farm to supplement other income. Many still have only small subsistence garden tracts. There were 230 Indian families that benefited from the project works in 1975.

The work proposed for FY 1978 is:

Land subjugation, 400 ac.	\$100,000
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Jemez, \$30,000.

Water for irrigation of Jemez Project land is diverted from the Rio Jemez. Stream flow is generally not adequate during summer months to irrigate and fully utilize all project lands. A program is underway to rehabilitate and line canals to increase the efficiency and conservation of the limited water. In 1975, 41 Indian families were engaged in subsistence-type agriculture.

The work proposed for FY 1978 is:

Canal lining Jemez East Lateral, 1 mi.	\$30,000
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Laguna, \$410,000.

Water for the irrigation of the 3200 irrigable acres at Laguna is diverted from the Rio San Jose and its tributaries. Even with the inclusion of the proposed Seama Irrigation Reservoir the water supply will still be short. The U.S. Geological Survey is conducting a groundwater study to determine the availability and quality of groundwater for irrigation and other uses.

In 1975, 186 Laguna families benefited from the irrigation of their subsistence-type agricultural operations.

Current construction is concerned with increased efficiency and conservation of the limited water supply.

The proposed work for FY 1978 is:

Canal lining

Acomita North Side Ditch and
New York Ditch, 10 mi. \$400,000

Overhead flood protection for
canal lining 10,000
410,000

Zia, \$60,000

Water for irrigating Zia lands is diverted from the Rio Jemez downstream from the Jemez Pueblo Project. The water supply is generally inadequate for the 750 acres of irrigable land. Each Year subsistence-type agriculture is practiced by approximately 50 Zia families.

The program of work for FY 1978 is:

Canal lining
Zia North Main Lateral, 1 mi. \$60,000

ZUNI, \$590,000. The Zuni irrigation system consists of five separate units ranging in size from 100 acres at Tekapo to 1,600 acres at the Zuni unit. Ultimate development of these units is limited to the available water supply. There are 2,600 acres of irrigable land under the present irrigation system. Preliminary hydrology studies indicate there is enough water available to irrigate 3,000 acres, provided adequate storage facilities and distribution systems are constructed. Normally, 1300 acres are used by 275 Indian families that practice subsistence-type agriculture.

A recent study by the U.S. Bureau of Reclamation indicates that under maximum probable flood conditions, the storage dams upstream of the Zuni Village are not safe. If a maximum probable flood occurred, it would cause disasters such as those that occurred in 1964 and 1974 on the Blackfeet Reservation lands. Future planning outlined in the Zuni Comprehensive Development Plan includes development of residential, industrial, and commercial investments in and around the Zuni Village, which would also be endangered.

The irrigation program for the fiscal year 1978 is:

Continuation of the program for the
correction of structural deficiencies
as disclosed by the recent Bureau of
Reclamation study \$400,000

Pescado spring development 80,000

Canal lining on Zuni Irrigation
Unit 110,000
Total 590,000

NAVAJO INDIAN IRRIGATION PROJECT, \$25,000,000

Work Proposed.

PROJECT DATA SHEET

PF-65 (2-76)
Bureau of Reclamation

REGION Southwest

Project and State NAVAJO INDIAN IRRIGATION PROJECT, NEW MEXICO - BIA	Completion Date 1988 <u>1/</u>	% Complete 32	Date 9-30-76
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AUTHORIZATION Public Law 87-483, June 13, 1962, Amended September 25, 1970 Public Law 91-416	B/C RATIO 1.56 <u>2/</u>	Date January 1976
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LAND CERTIFICATION None required	DEFINITE PLAN REPORT None required
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SUMMARIZED FINANCIAL DATA	
Total Federal Obligations (Reclamation) \$	Allotments to September 30, 1976 \$ 115,253,385
Total Federal Obligations (Other) <u>2/</u> 362,066,000	Allotments for F.Y. 1977 22,000,000
Net Property and Other Transfers 3,135,000	
Cash Advances--Non-Federal 220,000	Allotments to Date 137,253,385
Adjustment (Reimbursement) <u>3/</u> -1,325,000	Allotments Required for F.Y. 1978 25,000,000
Total to be Allocated \$ 364,096,000	Balance to Complete after F.Y. 1978 \$ 199,812,615

ALLOCATIONS <u>4/</u>	REPAYMENT	AMOUNTS PER ACRE	
Irrigation \$ 364,096,000	Amount Repaid by Irrigators \$	Irrig. Invest. per Acre \$	Payment Capacity
Power	Amount Repaid by Power	Repayment of Invest-	per Acre \$
M & I Water	Amount Repaid by M & I Water	ment per Acre:	Annual Charges:
Recreation		By Irrigators \$	O & M \$
F & WL		By Power Revenues	Construction
Flood Control		By M & I Water Users	
Other	Nonreimbursable		
Total \$ 364,096,000	Total \$ 364,096,000		Total \$

STATUS OF REPAYMENT CONTRACT A contract between the United States, represented by the Bureau of Indian Affairs and the Bureau of Reclamation, and the Navajo Tribe of Indians, which provides for deferring the collection of construction costs so long as the benefited lands are in Indian ownership, was executed April 10, 1976.

STATUS OF ENVIRONMENTAL IMPACT STATEMENTS: Project-wide -- final filed with Council on Environmental Quality October 12, 1976.

DESCRIPTION: This project is located in Rio Arriba and San Juan Counties in northwestern New Mexico. The project plan of development provides for placing a total of 110,630 acres under irrigation. The project plan will provide a livelihood for an estimated 6,550 Navajo families as farm operators, custom laborers and employees in related service activities, thus providing a higher standard of living for more than 33,000 Navajo Indians. The project will also provide a power supply of 23,000 kilowatts, primarily for operation of the project's pumping facilities. Included in the total cost is \$9,298 for 510 acres of land for right-of-way at an average cost of \$18 per acre. Approximately 73 percent has been acquired. Included in the total cost is \$404,000 for acquisition of 14,075 acres of privately-owned patented lands susceptible to

PROJECT DATA SHEET - 2

Navajo Indian Irrigation Project, New Mexico

irrigation lying adjacent to the Navajo Indian Reservation to increase the project area at an average cost of \$29 per acre, all of which has been acquired. Approximately 29 percent of the relocation work has been accomplished. The project lands are presently capable of providing only very poor grazing for livestock. When adapted to irrigation, they will be well suited for producing small grains, hay, forage crops, vegetables, and fruits.

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

Footnotes:

- 1/ Initial water available to 9,300 acres in April 1976.
- 2/ The ratio based on total benefits is 1.56. This compares with 1.78 as presented in the FY 1977 Budget Justifications. The decrease in the ratio is due to the increase in costs exceeding the increase in benefits.
- 3/ Represents construction of roads and bridges and modifications of Navajo Dam spillway funded from other appropriations.
- 4/ Change in allocations and repayment from FY 1977 Budget Justifications:

	<u>1977</u> <u>Estimate</u>	<u>1978</u> <u>Estimate</u>
Irrigation	\$323,947,000	\$364,096,000

The increase of \$40,149,000 is primarily for cost indexing.

- 5/ Appropriations authorized are \$362,286,000 (January 1976). This authorization is adequate to cover this project as currently proposed.

Pumping Plants, \$200,000. Provides for collection of field design data.

Canals, \$4,403,000. Construction of the Amarillo Canal will be completed, which completes all major canal construction contracts. Contract payments for maintenance of the natural gas engine-driven pumping units and power generators for Block 1 lands will be continued. Various contracts for relocation and modification of oil and natural gas pipelines and utility lines crossing right-of-way will also be executed.

Laterals, \$11,026,000. Construction of the closed pressure pipe distribution system for water delivery to Block 3 will be completed and will continue for Block 4. Various contracts for relocation and modification of oil and natural gas pipelines and appurtenant facilities crossing right-of-way will be executed. Collection of field design data will continue.

Drains, \$505,000. Relocation of various oil and natural gas pipelines and collection of field design data will continue.

Navajo Dam Powerplant, \$5,000,000. Construction of the powerplant will continue as well as progress payments on supply contracts for furnishing two turbines, the generators, governors, and the generator bus structure complete with station service transformers. The electrical completion contract for Navajo Dam Powerplant will be completed.

Power Transmission System, \$3,570,000. Construction will continue on the Navajo Dam Powerplant Switchyard, which will be constructed under the same specifications as the Navajo Dam Powerplant. Progress payments will be completed on the contract for furnishing two transformers to be installed in the switchyard. Construction of the 115-KV transmission line from Navajo Dam Powerplant to Gallegos Substation, and construction of Kutz and the first stage of Gallegos Substations will continue. Construction of the 230-KV transmission line and related facilities for intertie with Colorado River Storage Power will also continue. A contract will be awarded for construction of the 34.5-kV distribution line to Blocks 1 and 4.

Other Project Costs, \$296,000. Represents continued funding of the overall Liaison Office requirements and provides for archeological surveys.

Utah

UINTAH INDIAN IRRIGATION PROJECT, \$465,000.

The Uintah Indian Irrigation Project is located in northeastern Utah on the Uintah and Ouray Reservation. The Project was authorized by the Act of June 21, 1906 (34 Stat. 375). Construction was substantially completed by 1922. The facilities were constructed to serve approximately 1,900 individual tracts of land amounting to 73,290 acres. These include approximately 850 miles of canals and laterals and 6,250 hydraulic structures required for stream diversions and water deliveries to farm units. There is a need to continue the program of replacing wooden structures with modern, permanent-type structures, canal realignment and cleaning, and major work on river headings. The work is needed to provide more economical operation and maintenance of the irrigation system and to conserve water.

Work planned for FY 1978 is as follows:

Canal headings	\$ 267,000
Structure work on intake and spillway of Midview Reservoir	25,000
Canal realignment and cleaning, safety conversions, and small structure replacement	<u>173,000</u>
Total	465,000

Wyoming

WIND RIVER, \$200,000. The Wind River Reservation is located in Fremont County, in west-central Wyoming. The development of irrigation on the Wind River Reservation was authorized by the Act of March 3, 1905 (33 Stat. 1016). The project has received intermittent construction funds up to the present stage of development. About 40,000 acres are presently irrigated of the 55,000 acres which are planned for completion. The irrigation project is located in the Wind River Basin, in the southern part of the Reservation. The project is divided into two geographically separate areas. The LeClair-Riverton, Little Wind, Johnstown and Lefthand units lie along the Wind and Little Wind River bottoms in a triangular area apexed generally by the towns of Riverton, Lander, and Fort Washakie. The Upper Wind unit lies along the Wind River bottom and across the Dry, Meadow, and Willow Creek drainages. The major part of the project lands is between 5,000 and 6,000 feet above mean sea level. In general this is livestock country with some forest land. The principal crops grown on the project are alfalfa, tame grass hay, small grains, sugar beets and pasture. The area is generally too dry for dry-land wheat production, hence, rehabilitation of existing, and construction of new facilities is needed to adequately serve lands presently irrigated, and to bring additional lands into production.

The work planned for FY 1978 includes canal construction, canal linings and realignment \$200,000

SURVEYS, INVESTIGATIONS, AND PLANS, \$1,351,000. This item represents the amount required for continuation of surveys, investigations, studies, and plans for the preparation of Feasibility, Completion (Definite Plan), and Rehabilitation and Betterment Reports to be made of all existing Indian irrigation projects under the jurisdiction of the Bureau of Indian Affairs.

The work is necessary to establish a program for completing existing Indian irrigation projects presently authorized, developing additional Indian irrigation resources, and for the rehabilitation and betterment of existing irrigation works with a view to transferring the operation and maintenance of the completed projects from the Government to acceptable water user organizations. This item also provides funds for studies covering the safety of dams, studies of Pueblo lands included in the tributary units of the authorized San Juan-Chama Trans Mountain Diversion Project, studies relating to Ute Indian lands included within the Central Utah Project, and studies for improvement of project power systems.

Engineering Supervision, \$1,394,000. This item represents the amount required to pay salaries, office, rent, travel expenses, and miscellaneous expenses incidental to executing the irrigation construction program proposed for the fiscal year 1978. Staff employees engaged in irrigation activities are located in Phoenix, Arizona; Billings, Montana; Portland, Oregon; Sacramento, California; Albuquerque, New Mexico; Window Rock, Arizona and the Washington Central Office.

Common Program Services, \$847,000. See IA-72 to 78 for explanatory and justification material for the item.

APPROPRIATION LANGUAGE

Construction

For construction, major repair and improvement of irrigation and power systems, buildings, utilities, and other facilities; acquisition of lands and interests in lands; preparation of lands for farming; and architectural and engineering services by contract, [\$77,101,000] \$87,247,000, to remain available until expended: PROVIDED, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation. (25 U.S.C. 13, 450, 465, 631-640; DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION ACT, 1977.).

ITEMIZATION OF ESTIMATE

DEPARTMENT OF THE INTERIOR

APPROPRIATION TITLE: Construction

Bureau of Indian Affairs

	Actual 1976	Actual T.O.	Estimate 1977	Estimate 1978	Increase (+) Decrease (-)
<u>Program and Financing</u>					
Total obligations...	\$61,824,891	\$24,584,422	\$129,101,909	\$87,247,000	\$-41,854,909
Unobligated balance available, start of year.....	-44,188,222	-63,035,331	- 52,000,909	--	+52,000,909
Unobligated balance available, end of year.....	63,035,331	52,000,909	--	--	--
Appropriation...	80,672,000	13,550,000	77,101,000	87,247,000	+10,146,000

Obligations by Object

BUREAU OF INDIAN AFFAIRS

11.0 Personnel compensation....	5,714,000	1,674,000	7,079,909	7,639,000	+ 559,091
12.1 Personnel benefits..	398,000	105,000	493,000	543,000	+ 50,000
21.0 Travel and transportation of things....	412,000	126,000	650,000	700,000	+ 50,000
22.0 Transportation of things..	146,000	150,000	400,000	300,000	- 100,000
23.2 Other rent, communication and utilities	336,000	160,000	400,000	350,000	- 50,000
24.0 Printing and reproduction.....	79,000	28,000	100,000	75,000	- 25,000
25.0 Other services.....	8,831,000	7,242,000	30,761,000	18,000,000	-12,761,000
26.0 Supplies and materials.	2,536,000	1,744,000	5,000,000	3,500,000	- 1,500,000
31.0 Equipment..	1,653,000	447,000	5,600,000	3,000,000	- 2,600,000
32.0 Lands and structures	19,128,000	6,728,000	56,718,000	28,009,000	-28,709,000
Subtotal	39,233,000	18,404,000	107,201,909	62,116,000	-45,085,909
Quarters and subsistence charges	- 5,000	--	--	--	
Total, Bureau of Indian Affairs..	39,228,000	18,404,000	107,201,909	62,116,000	-45,085,909

	Actual 1976	Actual T.O.	Estimate 1977	Estimate 1978	Increase (+) Decrease (-)
ALLOCATION ACCOUNTS					
11.0 Personnel					
Compen- sation... \$ 2,272,891	\$ 629,422	\$ 2,441,000	\$ 2,646,000	\$+ 205,000	
12.1 Personnel benefits.	219,000	57,000	267,000	286,000	+ 19,000
21.0 Travel and transpor- tation of persons..	44,000	9,000	55,000	63,000	+ 8,000
22.0 Transpor- tation of things...	105,000	20,000	128,000	136,000	+ 8,000
23.1 Standard level user charges...	125,000	13,000	123,000	125,000	+ 2,000
23.2 Other rent, communica- tion and utilities.	30,000	4,000	50,000	60,000	+ 10,000
24.0 Printing and repro- duction...	17,000	12,000	18,000	19,000	+ 1,000
25.0 Other ser- vices.....	91,000	77,000	423,000	460,000	+ 37,000
26.0 Supplies and materials.	80,000	25,000	84,000	90,000	+ 6,000
31.0 Equipment..	56,000	7,000	53,000	56,000	+ 3,000
32.0 Land and struc- tures.....	19,557,000	5,327,000	18,258,000	21,190,000	+2,932,000
Allocation Accounts.....	22,596,891	6,180,422	21,900,000	25,131,000	+3,231,000
99.0 Total ob- ligations.	61,824,891	24,584,422	129,101,909	87,247,000	-41,854,909

Personnel Summary

Construction

	Actual 1976	Estimate 1977	Estimate 1978
BUREAU INDIAN AFFAIRS			
Total number of permanent positions....	139	183	183
Full-time equivalent of other positions	147	168	168
Average paid employment.....	274	336	336
Average GS grade.....	7.90	7.96	8.01
Average GS salary.....	\$14,332	\$14,620	\$14,766
Average salary of ungraded positions...	\$13,684	\$15,052	\$16,708
ALLOCATION ACCOUNTS			
Total number of permanent positions....	148	151	154
Full-time equivalent of other positions	3	8	8
Average paid employment.....	147	156	158
Average GS grade.....	8.68	8.68	8.68
Average GS salary.....	\$16,347	\$16,610	\$16,849

ROAD CONSTRUCTION

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Road Construction

Appropriation, 1977..... \$39,075,000

Decreases:

Indian road system..... -39,075,000

Subtotal --

Increases:

Indian road system 70,335,000

Budget estimate, 1978..... 70,335,000

BUREAU OF INDIAN AFFAIRS

ROAD CONSTRUCTION

Analysis by Activities

Activity	Appropriation 1976	Appropriation 1977	No. of Perm. Pos.	1978 Budget Estimate	No. of Perm. Pos.	Budget Estimate 1978 Compared with Appropriation 1977	No. of Perm. Pos.	Page Ref.
Indian Road System	--	\$39,075,000	405	\$70,335,000	405	+\$31,260,000	--	IA-143

Program Description

The Bureau is responsible for providing a transportation network which will be the skeletal support of reservation development, and upon which social, economic and educational achievement may advance. There is a total of 49,872 miles of roads on Indian reservations, and the Bureau is responsible for the improvement of 28,154 miles consisting of 20,679 miles of unimproved roads, 3,163 miles of gravel roads, and 4,312 miles of paved roads.

The present condition of roads on Indian reservations can be compared with the early 1930's in rural America, when the Federal Government's commitment was to get the farmers "out of the mud." A reflection of these conditions is the fact that 73% of all Bureau roads on reservations are unimproved. The construction of a usable and adequate road system is a prerequisite to the success of programs such as education, law enforcement, housing, commercial development, and others. To this end the Bureau's goal is to build a network of roads on Indian reservations at least equal to the surrounding communities so that the development of Native Americans can proceed at a rate and manner comparable with the rest of the people in the United States.

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

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

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

	<u>Unit of Measure</u>	<u>FY 76 Actual</u>	<u>FY 77 Est.</u>
Investigation and Planning	Miles	1344	509
Grading and Draining	Miles	367	374
Surfacing-Gravel	Miles	271	110
Paved	Miles	464	492
Bridge Construction	Lin. ft.	2891	960

The BIA currently employs a permanent road construction staff of 5.7 positions per million dollars of road construction projects. This is a very low staff-to-construction dollar ratio.

The Federal Highway Administration has called attention to increasing instances of sub-standard construction due primarily to lack of quality control and supervision at the project level. In order to correct this deficiency and counteract the unavailability of additional personnel under current and projected personnel ceilings, the road construction program has been procuring engineering services from the Federal Highway Administration.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

CONTRACT AUTHORITY AND LIQUIDATION PROGRAM

	<u>Contract authority available</u>	<u>ROAD CONSTRUCTION Obligations</u>	<u>Unliquidated obligations prior year</u>	<u>Obligations</u>	<u>Expenditures</u>	<u>Unliquidated obligations carried forward</u>	
<u>Fiscal Year 1976</u>							
Federal-Aid Highway Roads.....	<u>\$76,705,000</u>	<u>\$59,322,621</u>	<u>\$27,749,850</u>	<u>\$87,072,471</u>	<u>\$61,871,576</u>	<u>\$25,200,895</u>	<u>1/</u>
<u>Fiscal Year 70</u>							
Federal-Aid Highway Roads.....	<u>\$28,000,000</u>	<u>\$34,135,269</u>	<u>\$25,200,895</u>	<u>\$59,336,164</u>	<u>\$20,104,662</u>	<u>\$39,231,502</u>	<u>2/</u>
<u>Fiscal Year 1977</u>							
Federal-Aid Highway Roads.....	<u>\$42,586,000</u>	<u>\$42,586,000</u>	<u>\$39,231,502</u>	<u>\$81,817,502</u>	<u>\$58,905,948</u>	<u>\$22,911,554</u>	<u>3/</u>
<u>Fiscal Year 1978</u>							
Federal-Aid Highway Roads.....	<u>---</u>	<u>---</u>	<u>\$22,911,554</u>	<u>\$22,911,554</u>	<u>\$22,911,554</u>	<u>---</u>	

1/ Available cash for liquidation is \$14,215,610; balance of \$10,985,285 is unfunded.

2/ Available cash for liquidation is \$22,110,948; balance of \$17,120,554 is unfunded.

3/ Unfunded

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Road Construction (Liquidation of Contract Authority)

Status of Cash Appropriations for
Liquidation of Contract Authority

	<u>1976</u>	<u>TQ</u>	<u>1977</u>	<u>1978</u>
Appropriations.....	\$76,705,000	\$28,000,000	\$36,795,000	\$22,912,000
Accounts Receivable	-863,904	---	---	---
Unexpended balance brought forward..	<u>246,090</u>	<u>14,215,610</u>	<u>22,110,948</u>	<u>---</u>
Total available	76,087,186	42,215,610	58,905,948	22,912,000
Less: Outlays.....	<u>-61,871,576</u>	<u>-20,104,662</u>	<u>-58,905,948</u>	<u>-22,912,000</u>
<u>Unexpended balance</u>	<u>14,215,610</u>	<u>22,110,948</u>		

JUSTIFICATION

ROAD CONSTRUCTION (APPROPRIATION TO LIQUIDATE CONTRACT AUTHORITY) \$22,912,000

Liquidation Program (Cash)

Liquidation of Contract Authority (Cash Program) - 1976, \$61,871,576;
TQ, \$20,104,662; 1977, \$58,905,948; 1978, \$22,912,000

The proposed appropriation is to fund all remaining unliquidated prior year obligations incurred pursuant to authority contained in title 23 U.S.C., section 203 as amended by the Federal-Aid Highway Amendment of 1974.

Appropriations in the form of budget authority to carry out the road construction program are justified in the previous section beginning with page IA 144.

APPROPRIATION LANGUAGE

ROAD CONSTRUCTION [LIQUIDATION OF CONTRACT AUTHORITY]

For liquidation of obligations incurred pursuant to authority contained in title 23, United States Code, section 203, as amended by Federal-Aid Highway Amendments of 1974, [\$36,795,000] \$22,912,000, to remain available until [expended.] expended; and

[ROAD CONSTRUCTION]

[For] for construction of roads and bridges pursuant to [section] authority contained in section 203 of title 23, United States Code, and sections 13 and 318a of title 25, United States Code, [\$39,075,000] \$70,335,000, to remain available until expended. (Department of the Interior and Related Agencies Appropriation Act, 1977.)

Explanation

1. The phrase, "and bridges" is added for clarity.
2. The phrase, "authority contained in section 203 of title 23, United States Code, and section 13 and" is added to identify the appropriation with the authorities provided by the Federal-Aid Highway Act, as amended (23 U.S.C. 203) and the Snyder Act (25 U.S.C. 13). Identification with these authorities is desired to assure that the program can be carried out in accordance with them, as well as with those provided by 25 U.S.C. 318a, previously cited.
3. The activity title is changed from "Federal Aid Highway Roads" to "Indian Road System" to more clearly reflect the nature and scope of the program and the authorities included in the language.

Personnel Summary

Road Construction

	1976 Actual	1977 Estimate	1978 Estimate
BUREAU OF INDIAN AFFAIRS			
Total number of permanent positions....	410	405	405
Full time equivalent of other positions	600	685	700
Average paid employment.....	985	1,066	1,081
Average GS grade.....	7.90	7.98	8.01
Average GS salary.....	\$14,332	\$14,620	\$14,766
Average salary of ungraded positions.	\$13,684	\$15,052	\$16,708

	Actual 1976	Estimate TQ	Estimate 1977	Estimate 1978	Decrease (+) Increase (-)
26.0 Supplies and materials...	5,736,000	2,952,000	6,000,000	6,000,000	---
31.0 Equipment	3,172,000	1,982,000	3,000,000	3,000,000	---
32.0 Lands and structures	13,182,000	4,170,000	17,443,000	17,114,000	-329,000
41.0 Grants, sub-sidies and contributions	1,000	---	---	---	---
42.0 Insurance claims and indemnities	46,000	---	---	---	---
Subtotal....	58,299,621	33,992,000	80,573,000	68,835,000	-11,738,000
Quarters and subsistence charges.....	-87,000	---	---	---	---

Total, Bureau of Indian Affairs.. 58,212,621 33,992,000 80,573,000 68,835,000 -11,738,000

ALLOCATION
TO

FEDERAL HIGHWAY ADMINISTRATION
DEPARTMENT OF TRANSPORTATION

11.0 Personnel compensation	111,000	29,269	132,271	138,000	+5,729
12.1 Personnel benefits	2,000	2,000	13,000	13,000	---
21.0 Travel and transportation of persons.....	37,000	16,000	39,000	41,000	+2,000
22.0 Transportation of things	19,000	2,000	20,000	21,000	+1,000
23.2 Other rent, communications, and utilities.....	2,000	1,000	3,000	3,000	---
24.0 Printing and reproduction.....	8,000	2,000	9,000	10,000	+1,000
25.0 Other services..	73,000	18,000	77,000	82,000	+5,000
26.0 Supplies and materials.....	5,000	1,000	6,000	7,000	+1,000
32.0 Land and structures.....	853,000	72,000	789,000	1,185,000	+396,000

Total obligations, Federal Highway Administration 1,110,000 143,269 1,088,271 1,500,000 +411,729

Total Obligations... 59,322,621 34,135,269 81,661,271 70,335,000 -11,326,271

ADMINISTRATIVE
PROVISIONS

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans) shall be available for expenses of exhibits; purchase of not to exceed [one hundred thirty-eight] two hundred twenty-two motor vehicles of which [one hundred seven] one hundred twenty-seven shall be for replacement only, which may be used for the transportation of Indians; advance payments for service (including services which may extend beyond the current fiscal year) under contracts executed pursuant to the Act of June 4, 1936 (25 U.S.C. 452), the Act of August 3, 1956 (70 Stat. 986), and legislation terminating Federal supervision over certain Indian tribes; and expenses required by continuing or permanent treaty provisions. (*Department of the Interior and Related Agencies Appropriation Act, 1977.*)

Appropriation Operation of Indian Programs

Activity Indian Services

Subactivity Law Enforcement

Vehicles: Type 3 sedans fully equipped for police work, 100 replacements at \$3,500 and 85 new at \$4,500, total cost \$732,500. Needed to carry out Law Enforcement throughout the Bureau.

Activity Education

Vehicles: School busses various sizes, 10 new, cost \$200,000, 27 replacements, cost \$364,000, total cost \$564,000. Purchase necessary in the Aberdeen Area where GSA motor pool is not available.

	NEW	REPLACEMENT	TOTAL
Education (Bus)	10	27	37
Law Enforcement	85	100	185
Total	95	127	222

MISCELLANEOUS
APPROPRIATIONS

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Miscellaneous Appropriations
(Alaska Native Claims)

Appropriation, 1976.....	\$71,600,000
Appropriation, 1970.....	40,000,000
Appropriation, 1977.....	30,000,000
<u>Decreases:</u>	
Alaska Native Claims.....	...
<u>Increases:</u>	
Alaska Native Claims.....	...
Budget estimate 1978.....	<u>\$30,000,000</u>

Miscellaneous Appropriations
(Alaska Native Claims)

	Amount Available 1978	Amount Available 1977	FY 1978 Budget Estimate	Total Avail- able 1978 com- pared to total available 1977
Alaska Native Claims	\$40,000,000	\$30,000,000	\$30,000,000	...

The Alaska Native Claims will be used for the settlement of land claims of Alaska Natives. This settlement will be accomplished in conformity with the real economic and social needs of Natives, with maximum participation by Natives in decisions affecting their rights and property, without litigation, without establishing any permanent racially defined institutions, rights, privileges, or obligations, without creating a reservation system or lengthy wardship or trusteeship, and without adding to the categories of property and institutions enjoying special tax privileges, or to the legislation establishing special relationships between the United States Government and the State of Alaska, as provided by Public Law 92-203 (85 Stat. 688), approved December 18, 1971. However, pursuant to the Act of January 2, 1976 (Public Law 94-204) which amends the "Alaska Native Claims Settlement Act," funds which are appropriated herein are to be transferred to and held in trust status until distributed in accordance with the "Alaska Native Claims Settlement Act."

The proposed change in appropriations language will maintain the original payment schedule despite the change in fiscal year in conformance with the Fiscal Year Adjustment Act of April, 21, 1976 (Public Law 94-273), which amended Public Law 92-203 to authorize appropriations for transfer to the Alaska Native Fund in the fourth quarter of the fiscal year.

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Analysis by Activities

Miscellaneous Appropriations

	FY 1976 Actual	FY 1976 Actual	FY 1977 Estimate	FY 1978 Estimate
Alaska Native Fund	\$71,600,000	\$40,000,00	\$30,000,000	\$30,000,000

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
Miscellaneous Appropriations

Alaska Native Fund

For transfer to the Alaska Native Fund, in the fourth quarter of fiscal year 1978, to provide for settlement of certain land claims by Natives and Native groups of Alaska, and for other purposes, based on aboriginal land claims, as authorized by the Act of December 18, 1971 (Public Law 92-203), \$30,000,000.

(Department of the Interior and Related Agencies Appropriation Act, 1977.)

MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars)

Identification code 14-9925-0-2-999	1976 act.	TQ act.	1977 est.	1978 est.
Program by activities:				
1. Alaska Native fund.....	72,239	40,000	30,000	30,000
2. Claims and treaty obligations.....	772	121	200	200
3. Acquisition of lands and loans to Indians in Oklahoma, act of June 1936.....	...	...	100	...
4. Operation and maintenance, Indian irrigation systems.....	7,778	2,153	6,700	7,800
5. Power systems, Indian irrigation projects.....	6,870	2,220	6,100	6,900
6. Indian arts and crafts fund.....	1	...	...	...
Total program costs.....	87,660	44,494	43,100	44,900
Change in selected resources (undelivered orders).....	- 86	248	...	...
10.00 Total obligations.....	87,574	44,742	43,100	44,900
Financing:				
21.00 Unobligated balance available, start of period.....	-8,058	-7,782	-6,568	-6,334
24.00 Unobligated balance available, end of period.....	7,782	6,568	6,334	7,064
Budget authority.....	87,298	43,528	42,866	45,630
Budget authority:				
Current:				
40.00 Appropriation.....	71,600	40,000	30,000	30,000
Permanent:				
60.00 Appropriation (indefinite).....	15,698	3,528	12,866	15,630
Distribution of budget authority by account:				
1. Alaska Native fund.....	71,360	40,000	30,000	30,000
2. Claims and treaty obligations.....	795	98	200	200
3. Acquisition of lands and loans to Indians in Oklahoma, act of June 1936.....	4	5	...	...
4. Operation and maintenance, Indian irrigation systems.....	8,225	1,370	6,850	9,000
5. Power systems, Indian irrigation projects.....	6,912	2,041	5,816	6,430
6. Indian arts and crafts fund.....	2	15	...	...
Total.....	87,298	43,528	42,866	45,630
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	87,574	44,742	43,100	44,900
72.00 Obligated balance, start of period	1,764	1,609	1,840	1,940
74.00 Obligated balance, end of period..	-1,609	-1,840	-1,940	-2,040
90.00 Outlays.....	87,729	44,511	43,000	44,800

MISCELLANEOUS APPROPRIATIONS

Program and Financing (in thousands of dollars) (Continued)

Identification code 14-9925-0-2-999	1976 act.	TQ act.	1977 est.	1978 est.
Distribution of outlays by account:				
1. Alaska Native fund.....	72,239	40,000	30,000	30,000
2. Claims and treaty obligations.....	762	137	200	200
3. Acquisition of lands and loans to Indians in Oklahoma, act of June 1936.....	...	...	100	...
4. Operation and maintenance, Indian irrigation systems.....	7,917	2,136	6,700	7,700
5. Power systems, Indian irrigation projects.....	6,813	2,238	6,000	6,900
6. Indian arts and crafts fund.....	<u>2</u>	<u>...</u>	<u>...</u>	<u>...</u>
Total.....	87,729	44,511	43,000	44,800

Object Classification (in thousands of dollars)

Personnel compensation:				
11.1 Permanent positions.....	5,038	1,333	5,017	5,100
11.3 Positions other than permanent.....	1,311	347	1,517	1,607
11.5 Other personnel compensation.....	<u>358</u>	<u>95</u>	<u>400</u>	<u>400</u>
Total personnel compensation.....	6,707	1,775	6,934	7,107
12.1 Personnel benefits: Civilian.....	622	159	647	663
21.0 Travel and transportation of persons.....	61	22	63	65
22.0 Transportation of things.....	232	74	230	230
23.2 Other rent, communications, and utilities.....	2,519	1,197	2,530	2,560
24.0 Printing and reproduction.....	17	5	...	...
25.0 Other services.....	1,604	544	723	1,200
26.0 Supplies and materials.....	2,291	740	1,423	1,450
31.0 Equipm nt.....	585	119	400	1,475
32.0 Lands and structures.....	2	...	...	...
41.0 Grants, subsidies and contributions	72,969	40,118	30,200	30,200
42.0 Insurance claims and indemnities...	<u>9</u>	<u>...</u>	<u>...</u>	<u>...</u>
Subtotal.....	87,618	44,753	43,150	44,950
95.0 Quarters and subsistence charges...	<u>44</u>	<u>11</u>	<u>50</u>	<u>50</u>
99.0 Total obligations.....	87,574	44,742	43,100	44,900

Personnel summary

Total number of permanent positions.....	380	...	360	360
Full-time equivalent of other positions..	124	...	142	149
Average paid employment.....	481	...	494	501
Average GS grade.....	7.90	...	7.98	8.01
Average GS salary.....	\$14,332	...	\$14,620	\$14,766
Average salary of ungraded positions.....	\$13,684	...	\$15,052	\$16,708

MISCELLANEOUS
REVOLVING FUNDS

BUREAU OF INDIAN AFFAIRS

REVOLVING FUND FOR LOANS

Activity	Budget Authority			Change -- 1978 compared with 1977
	FY 1976 Available	FY 1977 Available	FY 1978 Estimate	
Revolving Fund for Loans	\$3,000,000	--	--	--

Revolving Fund for Loans: Fiscal year 1977, -- ; Fiscal year 1978, -- ; no change; no positions.

Program Synopsis

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

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

No new funding was provided in fiscal year 1977, and none is requested for fiscal year 1978. Of the \$77 million fund authorization, \$9 million would remain unfunded. The 1978 loan program of \$21,000,000 will be funded from unobligated balances available at the start of the 1978 fiscal year, and from collections into the fund during the year. The \$21,000,000 program for FY 1978 compares with a \$20,000,000 program for FY 1977.

Program Description:

The FY 1978 program will involve direct loans to Indian tribes and other organizations for economic development purposes on or near the reservation and for relending to tribal members through tribal relending programs. In addition, the program will include funding for loans for expert assistance. The revolving fund for this purpose is used to make loans to Indian tribes and bands and to other identifiable groups of American Indians residing within the territorial limits of the United States for use by them in obtaining expert assistance, other than the assistance of counsel, for the preparation and trial of claims pending before the Indian Claims Commission. Appropriations of \$2.7 million authorized for this fund have been made.

A summary of program and funding data for FY 1977 and FY 1978 follows:

Item	(\$ in million)	
	FY 1977 Estimates	FY 1978 Estimates
<u>Funds Available for Lending:</u>		
Cash balances, start of year.....	29.0	14.3
Anticipated appropriations.....	-0-	-0-
Anticipated collections.....	5.3	6.8
	<hr/>	<hr/>
Total Available.....	34.3	21.1
Loan Program-Total Loans.....	20.0	21.0
Cash balances, end of year.....	14.3	0.1

A summary of activities through June 30, 1976 is shown in the attached table.

SUMMARY OF ACTIVITY - REVOLVING FUND FOR LOANS

Bureau of Indian Affairs
Through Fiscal Year 1976

Fiscal Year Ended	Loaned	Collections		Loans		Closing Cash Balance		
		Principal	Interest	Cancelled	Out- standing	Total	General	Fund Exp. Asst.
Through 6/30/75	85,909,333	46,585,431	11,347,925	2,831,921	36,491,981	35,006,311	33,832,982	1,173,329
June 30, 1976	10,179,179	1,816,053	1,504,541	--	44,855,107	31,374,161	30,250,181	1,123,980
Totals 6/30/76	<u>96,088,512</u>	<u>48,401,484</u>	<u>12,852,466</u>	<u>2,831,921</u>	<u>44,855,107</u>	<u>31,374,161</u>	<u>30,250,181</u>	<u>1,123,980</u>

ITEMIZATION OF ESTIMATE

DEPARTMENT OF THE INTERIOR

APPROPRIATION TITLE: Revolving Fund for Loans

Bureau of Indian Affairs

	1976 Actual	TQ Actual	1977 Estimate	1978 Estimate	Increase or Decrease 1978 over 1977
<u>Program and Financing</u>					
Total obligation(object class 33.0).....	\$9,991,002	\$ 3,265,836	\$19,999,815	\$21,000,000	+\$1,000,185
Receipts and reimbursements from non-Federal Sources.....	-3,320,594	- 901,123	-5,327,000	-6,800,000	- 1,473,000
Unobligated balance available,start of year..	-35,004,936	-31,334,528	-28,969,815	-14,297,000	+14,672,815
Unobligated balance available,end of year...	31,334,528	28,969,815	14,297,000	97,000	-14,200,000
Appropriation.....	3,000,000	---	---	---	---

LOAN GURANTY

BUREAU OF INDIAN AFFAIRS

Indian Loan Guaranty and Insurance Fund

Appropriation, 1977.....	\$15,000,000
<u>Decrease</u>	<u>15,000,000</u>
Subtotal.....	-0-
<u>Increase</u>	---
Budget estimate, 1978.....	---

BUREAU OF INDIAN AFFAIRS

INDIAN LOAN GUARANTY AND INSURANCE FUND

Activity	Budget Authority			Change -- 1978 Compared with 1977
	FY 1976 Available	FY 1977 Available	FY 1978 Estimate	
Loan Guaranty and Insurance Program	\$10,000,000	\$15,000,000	--	-\$15,000,000

Loan Guaranty and
Insurance Program Fiscal Year 1977, \$15,000,000; Fiscal Year 1978,
-0- decrease of \$15,000,000. -45 positions; total 0 positions.

Program Synopsis

The fund was established pursuant to the Indian Financing Act of 1974. The purpose of the fund is to support a program for guaranteeing or insuring loans made by commercial lending institutions to Indians and to tribes and other Indian organizations for economic development purposes. An interest subsidy is paid from the fund on loans guaranteed or insured to reduce the Indian borrower's rate of interest to the rate charged on direct loans from the revolving fund for loans. The purpose of this program is to provide an incentive to the private lending sector to make loans to Indians which would not otherwise be made.

Major Program Changes

- (1) Loan Guaranty and Insurance Fund - \$15,000,000; total -0-.

Proposal. Under current legislation, appropriations to the fund are authorized through fiscal year 1977. For fiscal year 1978 it is proposed to provide funds for interest subsidies, reserves for losses, and for costs associated with defaulted loans from collections into the fund and from uncommitted balances at the close of the 1977 fiscal year. Collections during fiscal year 1978 are estimated at \$500,000. Balances at the close of the 1977 fiscal year are estimated at \$1,400,000, making an estimated \$1,900,000 available for interest subsidies, reserves for losses, and costs of defaulted loans. This will support a loan program of \$3.8 million. It is also proposed to provide funds and positions needed to service current and prospective borrowers, and to administer the fund, with appropriations to the "Operation of Indian Programs" account. Amounts for these purposes under that account are discussed on pages IA 41 to 44.

Program Description. The first loan guaranty under the program was approved in August, 1975. During the next 12 months, guarantees on 55 loans were approved totaling \$34.4 million. Eight of the loans were to Indian tribes, 17 to Indian owned corporations, and 30 to Indian individuals. Twelve of the 55 guarantees extend toward the American Indian National Bank, Washington, D.C. As of September 30, 1976, 83 lenders had been approved for participation in the program with at least one in each of the 12 administrative areas of the Bureau.

To date, while the Bureau has not been requested to honor the guaranty provisions, we have been informed that four loans with a total face value of \$243,000 are delinquent and in a default situation.

Interest subsidies on the 55 loans have varied from 1-1/8 to 3-7/8 percent. The interest subsidy percentage is the difference between the interest charged the borrower, and the current interest rate on direct loans made from the Indian Revolving Loan Fund. The total amount obligated for interest subsidies through September 30, 1976 is \$4.4 million, payable in periodic installments to the lender over the life of the loan.

With the program firmly established, it is expected that during fiscal year 1977, approvals will be given for loans valued at over \$90 million. On these loans, reserves of \$13 million will be needed for possible losses; and \$18.1 million will be obligated for interest subsidies.

Indian Loan Guaranty and Insurance Fund

Summary of Program and Funding Data
(\$ in Millions)

<u>Item</u>	<u>FY 1976</u>	<u>TQ</u>	<u>FY 1977</u> <u>Estimated</u>	<u>FY 1978</u> <u>Estimated</u>
<u>Funds Available for Reserves and Costs:</u>				
Balance, start of year	19.9	20.9	19.7	1.4
Appropriation	10.0	-0-	15.0	-0-
Collections	---	-0-	.4	0.5
Total Available	29.9	20.9	35.1	1.9
Less needs for reserves and Costs	9.0	1.2	33.7	1.4
Balance, end of year	20.9	19.7	1.4	0.5
<u>Guaranteed and Insured Loans:</u>				
Outstanding, start of year	-0-	28.8	34.2	115.7
New loans during year	28.9	5.6	91.8	3.8
Defaults during year	-0-	.1	2.3	3.5
Repayments during year	0.1	.1	8.0	11.7
Outstanding, end of year	28.8	34.2	115.7	104.3
<u>Reserves and Costs:</u>				
Reserves for Losses, Net	3.9	0.8	13.1	0.5
Reserves for interest subsidies	4.2	0.2	18.1	0.7
Mgt. & Tech. Assist. Costs	0.1	-0-	0.7	-0-
Defaulted loan costs	-0-	-0-	0.2	0.2
Administrative costs	0.9	0.2	1.6	-0-
Total for reserves & costs	9.0	1.2	33.7	1.4
<u>Status of Reserves:</u>				
<u>For Interest Subsidies:</u>				
Balance, start of year	-0-	4.2	4.3	20.0
Reserved during year	4.2	0.2	18.1	0.7
Payments from reserve	0.1	0.1	2.4	3.4
Balance, end of year	4.2	4.3	20.0	17.3
<u>For Defaults:</u>				
Balance, start of year	-0-	3.9	4.7	15.7
Reserved during year	3.9	0.8	13.1	0.5
Payments from reserve	-0-	-0-	2.1	3.1
Balance, end of year	3.9	4.7	15.7	13.1

APPROPRIATION LANGUAGE

INDIAN LOAN GUARANTY AND INSURANCE FUND

[For payment to the loan guaranty and insurance fund as authorized by the Indian Financing Act of 1974, Public Law 93-262, title III, section 302, to carry out the provisions of sections 217 and 301 of the above Act to (a) provide capital for a loan guaranty and insurance fund, (b) pay interest subsidy on guaranteed loans, and (c) pay administrative expenses, \$15,000,000, to remain available until expended: Provided, That for the purpose of entering into contracts pursuant to title V, section 502 of the above Act, the Secretary is authorized to use not to exceed 5 per centum of any funds appropriated for any fiscal year pursuant to title III, section 302 of the above Act.]

Explanation

All language is being deleted because no appropriation is requested for FY 1978.

PERSONNEL SUMMARY

Loan Guaranty and Insurance Fund

	1976 Actual	1977 Estimate	1978 Estimate
Total number of permanent positions.....	46	45	--
Full-time equivalent of other positions.....	5	5	--
Average paid employment.....	48	48	--
Average GS grade.....	7.90	7.96	--
Average GS salary.....	\$14,332	\$14,620	--
Average salary of ungraded positions.....	\$13,684	\$15,052	--

ITEMIZATION OF ESTIMATE

DEPARTMENT OF THE INTERIOR

APPROPRIATION TITLE: Indian Loan Guaranty and Insurance Fund

Bureau of Indian Affairs

	1976 Actual	TQ Actual	1977 Estimate	1978 Estimate	Bureau of Indian Affairs Increase or Decrease 1978 over 1977
Program and Financing					
Total obligations.....	5,043,627	419,369	22,700,212	4,000,000	-18,700,212
Receipts and reimbursements from non-Federal sources.....	-35,626	-8,518	- 400,000	-500,000	- 100,000
Unobligated balance available, start of year	-19,850,064	-24,842,063	-24,431,212	-17,131,000	+ 7,300,212
Unobligated balance available, end of year..	24,842,063	24,431,212	17,131,000	13,631,000	- 3,500,000
Appropriation.....	10,000,000	---	15,000,000	---	-15,000,000

ITEMIZATION OF ESTIMATE (cont.)

DEPARTMENT OF THE INTERIOR

APPROPRIATION TITLE: Loan Guaranty and Insurance Fund

Bureau of Indian Affairs

	1976 Actual	TQ Actual	1977 Estimate	1978 Estimate	Increase or Decrease 1978 over 1977
<u>Obligations by object</u>					
11.0 Personnel compensation	579,627	83,369	578,000	--	-578,000
12.0 Personnel benefits: Civilian	65,000	7,000	64,000	--	- 64,000
21.0 Travel and Transportation of persons	77,000	22,000	80,000	--	- 80,000
22.0 Transportation of Things	11,000	1,000	11,000	--	- 11,000
23.2 Other rent, communication and utilities	15,000	56,000	15,000	--	- 15,000
24.0 Printing and reproduction	2,000	--	2,000	--	- 2,000
25.0 Other services	100,000	76,000	1,536,000	--	-1,536,000
26.0 Supplies and materials	7,000	3,000	7,000	--	- 7,000
31.0 Equipment	7,000	1,000	7,000	--	- 7,000
33.0 Investments and loans	--	81,000	2,300,000	3,300,000	+1,000,000
41.0 Grants, subsidies and contributions	4,180,000	89,000	18,100,000	700,000	-17,400,000
99.0 Total obligations	5,043,627	419,369	22,700,000	4,000,000	-18,700,000

MISCELLANEOUS
TRUST FUNDS

TRUST FUNDS

Highlight Statement

A. Tribal Funds:

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

Tribal funds are available for various purposes, under various acts of Congress and are also subject to the provisions of tribal constitutions, bylaws, charters, and resolutions of the various tribes, bands or groups.

The Act of October 19, 1973 (87 Stat. 466) provides general authority for the distribution of funds appropriated in satisfaction of judgements of the Indian Claims Commission and the Court of Claims, subject to certain conditions, including the development of a plan for the use of the funds. Funds derived from the management of tribal trust properties are available for tribal use in accordance with approved budgets under permanent, annual or indefinite authorizations.

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

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

Funds programmed under annual definite are not otherwise available for expenditure without Congressional action and the \$3 million requested for fiscal year 1978 is to provide the Secretary of the Interior with expenditure authority for the implementation of programs, for those tribes which are not sufficiently organized to be represented by a recognized governing body, or to permit disbursements through a Regional Disbursing Office when no other legislative authority exists. Expenditures made under this authority are individually made through the Treasury Regional Disbursing Offices, subject to the same regulations and procedures as appropriations from the general fund of the Treasury.

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

B. Miscellaneous Trust Funds:

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

C. Alaska Native Fund:

This fund includes appropriations from the U.S. Treasury made in satisfaction of Sec. 6 (a) (1) of the "Alaska Native Claims Settlement Act" (P.L. 92-203, December 18, 1971) and income deposited pursuant to Sec. 6 (a) (3) and Sec. 9 of the same Act.

It is estimated that income deposited into the Fund will increase in FY 1978 due to increased revenues from oil, gas and mineral extractions for which royalties are paid into the Fund. The anticipated increase is primarily due to the projected start of North Slope oil being delivered through the Alaskan pipeline.

DEPARTMENT OF THE INTERIOR
 BUREAU OF INDIAN AFFAIRS
 TRUST FUNDS
 14-9973-0-7-999

Analysis of Changes in Requirements
 (in thousands of dollars)

	<u>Budget</u> <u>Authority</u>	<u>Outlay</u>
1976 Total.....	251,172	165,077
<u>Decreases</u>		
Program decreases:		
Miscellaneous Trust.....	- 828	- 152
Funds Contributed for the Advancement of the Indian Race.....	- 119	- 34
<u>Increases</u>		
Program increases:		
Direct Program.....	1,062	1,062
Advances to Indian Tribes.....	3,200	2,778
Miscellaneous Permanent (Tribal).	23,061	2,797
Alaska Native Fund.....	<u>21,541</u>	<u>31,772</u>
1977 Total.....	299,089	203,300
Transition Quarter.....	(99,485)	(104,862)
<u>Decreases</u>		
Program decreases:		
Advances to Indian Tribes.....	- 2,400	-2,200
<u>Increases</u>		
Program increases:		
Alaska Native Fund.....	92,000	86,683
Miscellaneous Permanent (Tribal)	<u>1,311</u>	<u>19,217</u>
1978 Total.....	<u>390,000</u>	<u>307,000</u>

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

TRUST FUNDS

	<u>1976</u>	<u>1977</u>	<u>1977</u>	<u>1978</u>
1. Annual Definite Authorization.....	\$ 1,937,541	\$ 291,875	\$ 3,000,000	\$ 3,000,000
2. Annual Indefinite Authorization.....	22,200,000	5,990,000	25,400,000	23,000,000
3. Permanent Authorization.....	216,575,972	52,371,477	238,689,000	117,089,000
4. Alaska Native Fund.....	<u>10,458,896</u>	<u>40,831,803</u>	<u>32,000,000</u>	<u>124,000,000</u>
Total.....	<u>\$251,172,409</u>	<u>\$99,485,155</u>	<u>\$299,089,000</u>	<u>\$267,089,000</u>

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

Statement Relating to 1976, 1977, 1978 & 1979 Programs

1976 Appropriation.....	\$3,000,000
1977 Appropriation.....	750,000
1978 Budget Estimate.....	3,000,000
Total Appropriation for 1978.....	3,000,000
Deductions: (None).....	-0-
Additions: (None).....	-0-
Total Estimate for 1979.....	<u>\$3,000,000</u>

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

ACTIVITY/SUBACTIVITY	APPROPRIATION 1976	APPROPRIATION 1977	1978 Budget Estimate	Increase (+) or Decrease (-) 1977 Compared w/1978
1. Education and Welfare Services	\$ 18,325	\$ 18,325	\$ 18,325	-0-
2. Resources Management	457,107	446,082	446,082	-0-
3. Construction & Land Acquisition	312,191	335,000	335,000	-0-
4. General Tribal Affairs	<u>1,149,918</u>	<u>2,200,593</u>	<u>2,200,593</u>	-0-
Total	<u>\$1,937,541</u>	<u>\$3,000,000</u>	<u>\$3,000,000</u>	

Tribal Funds--Annual Definite: Fiscal Year 1977, \$3,000,000: fiscal year 1978, \$3,000,000; no change.

STATUS OF PROGRAMS

Funds programmed under the annual definite authorization as shown on the following tabulation are to be used for various education and welfare programs, resources management, construction and land acquisition and general tribal affairs, including taxes and attorneys' fees. All amounts in the estimate have been requested properly by the Indians except the sum of \$1,035,610 for miscellaneous tribes. The amount under miscellaneous tribes is required to provide for additional tribal requests that can be anticipated during the fiscal year.

COMPARATIVE STATEMENT OF ANNUAL DEFINITE AUTHORIZATION BY TRIBE

STATE-AGENCY-TRIBE	1976	1977	1978	1979
Arizona	240,184	62,683	241,000	241,000
Fort McDermitt	10,876	-0-	11,000	11,000
Navajo	198,103	51,973	200,000	200,000
Salt River--Pima	21,205	8,960	20,000	20,000
San Carlos	10,000	1,750	10,000	10,000
California	273,466	1,013	275,390	275,390
Agua Caliente	118,773	-0-	119,000	119,000
Colusa	2,000	-0-	2,000	2,000
Hoopa Valley	108,037	-0-	110,000	110,000
Manchester Band of Pomo	2,500	-0-	2,500	2,500
Owens Valley	8,000	-0-	8,000	8,000
Resighini Rancheria	1,700	-0-	1,700	1,700
San Pasquel	2,050	-0-	2,100	2,100
Santa Rosa	590	1,013	590	590
Pala	18,335	-0-	18,000	18,000
Walker River	11,481	-0-	11,500	11,500
Idaho	21,694	8,300	22,000	22,000
Nez Perce	21,694	8,300	22,000	22,000
Minnesota	80,000	20,000	84,000	84,000
Red Lake	80,000	20,000	84,000	84,000
Montana	315,191	-0-	338,000	338,000
Blackfeet	3,000	-0-	3,000	3,000
Crow	312,191	-0-	335,000	335,000
Oklahoma	270,006	95,449	267,000	267,000
Cherokee	7,000	9,000	7,000	7,000
Choctaw	71,106	40,624	70,000	70,000
Creek	31,400	-0-	30,000	30,000
Osage	160,500	45,825	160,000	160,000
Oregon	20,000	15,430	20,000	20,000
Coeur d' Alene	20,000	15,430	20,000	20,000
Washington	717,000	77,770	717,000	717,000
Colville	132,600	36,300	133,000	133,000
Kalispel	-0-	1,500	-0-	-0-
Spokane	49,000	5,000	49,000	49,000
Yakima	535,400	34,970	535,000	535,000
Wyoming	-0-	11,230	-0-	-0-
Arapaho	-0-	5,615	-0-	-0-
Shoshone	-0-	5,615	-0-	-0-
Miscellaneous Tribes	-0-	-0-	1,035,610	1,035,610
Grand Total	\$1,937,541	\$291,875	\$3,000,000	\$3,000,000

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

TRIBAL TRUST FUNDS

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

(25 U.S.C. 123; Department of the Interior and Related Agencies Appropriation Act, 1977.)

TRUST FUNDS
Program and Financing (in thousands of dollars)

Identification code 14-9973-0-7-999	1976 act.	TQ act.	1977 est.	1978 est.
Program by activities:				
1. Direct program (limitation).....	1,938	292	3,000	3,000
2. Advances to Indian tribes (indefinite authorization).....	24,422	6,990	27,200	25,000
3. Miscellaneous permanent.....	129,181	54,491	137,100	149,800
4. Miscellaneous trust funds.....	4,669	- 10	4,500	4,500
5. Alaska Native fund.....	4,906	43,205	37,317	124,000
Total program costs ^{1/}	165,116	104,968	209,117	306,300
Change in selected resources (unpaid undelivered orders).....	437	361	...	...
10.00 Total obligations.....	165,553	105,329	209,117	306,300
Financing:				
21.00 Unobligated balance available, start of period:				
Treasury balance.....	-363,427	-447,500	-438,875	-528,847
U.S. securities (par).....	- 9,881	- 11,426	- 14,206	- 14,206
24.00 Unobligated balance available, end of period:				
Treasury balance.....	447,500	438,875	528,847	612,547
U.S. securities (par).....	11,426	14,206	14,206	14,206
Budget authority.....	251,172	99,485	299,089	390,000
Budget authority:				
Current:				
40.00 Appropriation.....	1,938	292	3,000	3,000
Appropriation (indefinite).....	22,200	5,990	25,400	23,000
Permanent:				
60.00 Appropriation (Alaska Native fund).....	8,745	40,000	30,000	30,000
Appropriation (Alaska Native fund--indefinite).....	1,714	832	2,000	94,000
Appropriation (indefinite).....	216,575	52,371	238,689	240,000
Relation of obligations to outlays:				
71.00 Obligations incurred, net.....	165,553	105,329	209,117	306,300
72.00 Obligated balance, start of period	1,375	1,851	2,318	8,136
74.00 Obligated balance, end of period..	-1,851	-2,319	-8,136	-7,436
90.00 Outlays.....	165,077	104,862	203,300	307,000

^{1/} Includes capital outlay as follows: 1976, \$838 thousand; TQ, \$105 thousand; 1977, \$860 thousand; 1978, \$860 thousand.

TRUST FUNDS

Object Classification (in thousands of dollars)

Identification code 14-9973-0-7-999	1976 act.	TQ act.	1977 est.	1978 est.
Personnel compensation:				
11.1 Permanent positions.....	1,652	216	1,640	1,656
11.3 Positions other than permanent.....	518	68	698	704
11.5 Other personnel compensation.....	301	39	300	300
11.8 Special personnel services payments.....	290	38	300	300
Total personnel compensation.....	2,761	361	2,938	2,960
12.1 Personnel benefits: Civilian.....	207	43	220	222
21.0 Travel and transportation of persons.....	274	52	288	294
22.0 Transportation of things.....	313	58	320	
23.2 Other rent, communications and utilities.....	304	74	320	330
24.0 Printing and reproduction.....	17	4	...	...
25.0 Other services.....	16,703	3,935	16,580	18,400
26.0 Supplies and materials.....	1,021	17	1,050	1,080
31.0 Equipment.....	426	90	400	400
32.0 Lands and structures.....	412	15	460	460
33.0 Investments and loans.....	138	- 87	...	...
41.0 Grants, subsidies and contributions	221	10	...	...
44.0 Refunds.....	142,766	100,759	186,551	281,834
Subtotal.....	165,563	105,331	209,127	306,310
95.0 Quarters and subsistence charges...	- 10	- 2	- 10	- 10
95.0 Total obligations.....	165,553	105,329	209,117	306,300

Personnel Summary

Total number of permanent positions.....	122	...	120	120
Full-time equivalent of other positions..	60	...	80	80
Average paid employment.....	175	...	193	193
Average GS grade.....	7.90	...	7.98	8.01
Average GS salary.....	\$14,332	...	\$14,620	\$14,766
Average salary of ungraded positions.....	\$13,684	...	\$15,052	\$16,708