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President Bush Releases the FY 2009 Budget – President Bush released a \$3.1 trillion budget to Congress Monday. The following legislative update provides a preliminary overview of the President’s budget as it affects tribes in setting the nation’s fiscal course for the year. The entire budget is available on-line at www.whitehouse.gov/omb/budget/fy2009. If you have any questions, contact Amber Ebarb at aebarb@ncai.org or call 202-466-7767.

OVERVIEW OF FEDERAL FUNDING CHANGES IN INDIAN COUNTRY

If the President’s proposed FY09 budget is enacted, tribes would lose the gains made in the FY08 Omnibus bill, which moved funding in the direction of honoring the trust responsibilities in the federal budget to Indian Country. The FY08 Omnibus included significant increases for law enforcement, education, and tribal priorities. However, under the President’s proposal, BIA funding would fall 4.4% and Tribal Priority Allocations would decline 8.3%. Below are the major changes in the budget by priorities of the tribes:

Health: IHS spending would remain level, with a complete elimination again of the Urban Indian Health program.

Public Safety and Justice: Overall public safety funding would remain level, with a slight decrease at BIA if the Administration’s budget is enacted. The proposed amounts would not move toward closing the gap in Indian Country law enforcement funding and actually includes reduced funds for tribal courts and fire protection.

Education: Government-wide, education funding would also decline: Johnson O’Malley and numerous Indian-specific education programs at the Department of Education would be eliminated, all programs that target Indian students. Impact Aid, which helps public schools on tribal and federal land that receive less tax revenue, would remain level.

Economic Development: No funding was included for the Native CDFI program. However, a \$2 million increase is proposed for the Indian Guaranteed Loan program at BIA.

Other Critical Programs: Indian land consolidation would be terminated. Resources for infrastructure would be reduced: Roads maintenance at BIA would be cut in half. The Housing Improvement Program at BIA would be eliminated. Funding at the Department of Energy for tribes would fall from \$6 million to \$1 million.

GENERAL BUDGET OVERVIEW

The President laid out a plan that would cut non-defense discretionary funding, the category that affects tribes most significantly, in favor of military spending in FY 2009. Discretionary spending, which Congress controls, would increase 4.9 percent up to \$987.6 billion; however, non-defense and non-security spending would be limited to 0.3 percent growth. Once again, the Administration plans to eliminate or significantly reduce 151 programs, which includes a number of tribal programs. Congress will next begin hearings to question agencies on their budget blueprints.

Below is a snapshot of proposed budget authority levels by agency for FY 2009, followed by analysis of the proposals for specific programs relevant to tribal governments and American Indians and Alaska Natives. First is Interior and Health and Human Services, followed by the rest of the departments alphabetically.

Agency (dollars in billions)	2001 Actual	2008 Enacted	2009 Request	Change 2008–2009	
				Dollar	Percent
Agriculture	19.2	21.8	20.8	-1.1	-4.8%
Commerce	5.1	6.9	8.2	1.3	18.4%
Defense	302.5	479.5	515.4	36	7.5%
Education	40.1	57.2	59.2	2	3.5%
Energy	20	23.9	25	1.1	4.7%
Health and Human Services	54	71.9	70.4	-1.5	-2.1%
Homeland Security	14	34.9	37.6	2.7	7.7%
HUD	28.4	37.4	38.5	1.1	2.9%
Interior	10.3	11	10.6	-0.4	-3.7%
Justice	18.4	22.7	20.3	-2.4	-10.7%
Labor	11.9	11.4	10.5	-0.9	-7.8%
State Other Int'l Programs	21.7	32.9	38.3	5.4	16.5%
Transportation	14.6	15.5	11.5	-4.0	-25.7%
Treasury	10.3	12	12.5	0.5	3.9%
Veterans Affairs	22.4	39.4	44.8	5.3	13.5%
Corps of Engineers	4.7	5.6	4.7	-0.8	-15.1%
EPA	7.8	7.5	7.1	-0.3	-4.4%
Small Business Administration	0.9	0.6	0.7	0.1	15.5%
Total, Discretionary Funding	643.8	941.4	987.6	46.2	4.90%

Supplemental and emergency funding not included.

DEPARTMENT OF INTERIOR

Bureau of Indian Affairs (BIA)

Overall, funding for the BIA in FY 2009 would decrease by 4.4 percent to \$2.2 billion from the FY08 enacted level and the Operation of Indian Programs would fall by 2.9 percent. Also, the President proposes an 8.3 percent and \$64.3 million reduction to Tribal Priority Allocations (TPA) from the FY08 enacted amount.

(\$ in millions)	FY 2005 Enacted	FY 2007 CR	FY08 Pres Budget Request	FY08 House Level	FY08 Senate Level	FY08 Omnibus	FY09 Budget Request	% Δ from FY08
TPA	766	754	734	866	839	849	784	-8.3%

TPA: The decreases to TPA include proposed terminations of the Housing Improvement Program (HIP) (-\$13.6 million) and Johnson O’Malley grants (-\$21.4 million). Significant reductions in TPA are proposed for Welfare Assistance (-\$22.0 million) and Roads Maintenance (-\$12.5 million). Reductions to Scholarships and Adult Education (-\$5.9 million), Tribal Courts (-\$2.3 million), and the Indian Child Welfare Act (-\$989,000) are the result of eliminating Congressional increases. Increases to TPA include \$1.4 million for social services management, \$1.1 million for trust services, \$3.8 million for probate, and \$1 million for job placement and employment programs.

BIA Activities (\$ in thousands)	FY07 Enacted	FY08 Request	FY08 Omnibus	FY09 Request	% Δ from FY08
Tribal Government	392,261	397,698	399,862	389,703	-2.5%
Human Services	144,824	120,703	139,339	112,426	-19.3%
Trust — Natural Resources Mgmt	145,238	141,684	147,157	141,822	-3.6%
Trust — Real Estate Services	144,073	150,722	148,371	150,087	+1.2%
Education	657,912	660,540	689,611	663,980	-3.7%
Public Safety and Justice	217,611	233,818	243,657	242,774	-0.4%
Community and Economic Dev	42,234	39,061	39,436	27,171	-31.1%
Exec Dir & Admin Servs	244,070	244,185	240,376	260,327	+8.3%
Operation of Indian Programs	1,988,223	1,990,918	2,047,809	1,988,290	-2.9%

Major changes to the Operation of Indian Programs are laid out below by activity.

Human Services: A net reduction of \$26.9 million is proposed. An increase of \$1.5 million would fund additional social workers. Decreases are proposed for Welfare Assistance (-\$14.4 million), ICWA (-\$984,000), and HIP.

Trust, Natural Resources Management: An increase of \$900,000 is proposed for the Integrated Resource Information program. Decreases are proposed for irrigation, Rights Protection Implementation (-\$3.485 million), the Tribal Management Development program (-\$2.23 million), and the Endangered Species program (-\$984,000).

Trust, Real Estate Services: A net increase of \$1.7 million is proposed. Increases include \$935,000 for probate cases, \$1.1 million for Trust Services, and \$300,000 for Environmental Quality Projects. A decrease is proposed for Attorneys Fees (-\$1 million).

Public Safety and Justice: A net reduction of \$882,000 is proposed. The Safe Indian Communities initiative consists of an increase of \$500,000 for Tribal Law Enforcement and Special Initiatives. Decreases are proposed for law enforcement program management (-\$797,000), the Indian Police Academy (-\$47,000), Tribal Courts (-\$2.5 million), and Fire Protection (-\$37,000).

Community and Economic Development: A net reduction of \$12.3 million is proposed for this activity. An increase is proposed for Job Placement and Training. Decreases are proposed for Road Maintenance (-\$13 million), and Economic Development (-\$984,000).

Executive Direction and Administrative Services: A net increase of \$19.9 million is proposed, which includes increases of \$6.4 million for Information Technology to support internet reconnect, \$1.8 million for personnel Services, \$1 million for Facilities Maintenance, and \$2.1 million for rent costs.

Education: A net reduction of \$25.6 million is proposed. The Improving Indian Education initiative consists of increases of \$448,000 for Haskell and SIPI, \$1.5 million for education program management, and \$1.3 million for the Native American Student Information System. Decreases are proposed for Johnson O'Malley grants (-\$13.8 million), post-secondary scholarships (-\$5.9 million), Tribal Technical Colleges (-\$5.9 million), Student Transportation (-\$984,000), Education Program Enhancements (-\$6.9 million), and Early Childhood Development (-\$2.9 million).

President’s Justification for Major Cuts in BIA

JOM: The administration eliminated all funding for JOM (\$21.4 million which includes Self-Governance compacts and Consolidated Tribal Government Program contracts) because “JOM grants are duplicative of grants available to Tribes from the Department of Education” (FY 2009, The Interior Budget in Brief, BH – 83).

Welfare Assistance would be reduced by \$22 million. The justification for the cut is that the remaining funding is to meet “the basic needs of children, the elderly, and adult heads of household who either have no access to or do not meet the eligibility criteria for welfare benefits from any other county, State, of Federal welfare program” (FY 2009, The Interior Budget in Brief, BH – 83).

The Roads Maintenance Program would be reduced by 50 percent to \$13 million “because there is money available from the Department of Transportation that is granted to Tribes, which may choose to use up to 25 percent of the funds for maintenance of Indian Reservation Roads including those owned by BIA” (FY 2009, The Interior Budget in Brief, BH – 83).

BIA Construction

(Dollars in Thousands)	FY 2007 Actual	FY 2008 Enacted	FY 2009 Request	Δ from 2008
Education	204,956	142,935	115,,376	-27,559
Public Safety and Justice	11,605	14,393	11,433	-2,960
Resources Management	45,125	38,309	37,306	-1,003
General Administration	10,137	8,117	9,146	+1,029
TOTAL APPROPRIATION	271,823	203,754	173,261	-30,493

Indian Land Consolidation

The Indian Land Consolidation program was eliminated. According to the DOI Budget in Brief, “The program was no longer cost effective to operate, and only had a minimal benefit to Indian Country at the 2008 level. The Department remains committed to focusing on the critical issue of fractionation, and is currently exploring other options for Indian land consolidation. A workgroup has been created to explore viable options and develop an strategy that will be beneficial to both individual Indian land owners and Tribes.”

Indian Guaranteed Loan

The Indian Guaranteed Loan program enables banks to provide loans to Indian entrepreneurs, thereby enhancing reservation economies and employment opportunities. A net increase of \$2 million is proposed, which includes \$1.5 million for loan subsidies and \$500,000 for loan subsidies management.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Indian Health Service

The 2008 budget request for IHS is \$4.3 billion, maintaining 2008 levels. The Administration’s budget proposes \$21 million reduction in construction costs due to the completion of project stages funded in FY 2008. It also cuts all funding to Urban Indian Health Programs.

Indian Health Services (\$ in millions)	FY 2007 Enacted	FY 2008 Enacted	FY 2009 Budget Request	Δ from 2008
Services:				
Clinical Services	3,056	3,213	3,256	+42
<i>Contract Health Services (non add)</i>	543	579	588	+9
Preventive Health	123	128	131	+4
Contract Support Costs	270	267	272	+4
Tribal Management/Self-Governance	8	8	8	+1
Urban Health	34	35	0	-35
Indian Health Professions	31	36	22	-14
Direct Operations	64	64	63	-1
Diabetes Grants	150	150	-150	0
Subtotal, Services Program Level	3,736	3,901	3,901	0
Facilities:				
Health Care Facilities Construction	26	37	16	-21
Sanitation Facilities Construction	94	94	94	0
Facilities & Environmental Health Support	165	170	169	-1
Maintenance & Improvement	61	59	59	0
Medical Equipment	22	21	21	0
Subtotal, Facilities Program Level	368	381	360	-21
Total, Program Level	4,103	4,284	4,261	-21

Totals may not add due to rounding.

Substance Abuse and Mental Health Services Administration

Treatment Courts: Treatment courts use incentives, sanctions, and close supervision to ensure that offenders experiencing mental health or substance abuse disorders continue with their treatment plans and break the cycle of abuse and incarceration. The FY 2009 Budget includes a total of \$40 million for behavioral health services associated with treatment courts, an increase of \$30 million over FY 2008.

Children’s Mental Health Services: The FY 2009 Budget includes \$114 million, an increase of \$12 million over FY 2008, for grants to support the development of comprehensive community-based systems of care for children and adolescents with serious emotional disorders.

Administration for Children and Families

Head Start: The FY 2009 Budget includes \$7 billion for Head Start, an increase of \$149 million over FY 2008, which will maintain FY 2008 enrollment levels.

Administration for Native Americans

Esther Martinez Native American Language Preservation Act: The Budget includes \$2 million for the second year of funding for the preservation of Native American languages.

Health and Human Services (\$ in millions)	FY 2008 Budget Request	FY 2008 Enacted Amount	FY 2009 Budget Request	Δ from FY2008
Administration on Aging				
Native American Nutrition & Support Services	0	27	27	0
Native American Caregiver Support Services	0	6	6	0
Administration for Children & Families				
Head Start	6,878	6,878	7,027	+149
Promoting Safe and Stable Families	89	63	63	0
Child Care & Development Block Grant	2,062	2,062	2,062	0
Administration for Native Americans	44	46	46	0
Native American Language Preservation Act			2	
SAMHSA	3,046	3,234	3,025	-209

DEPARTMENT OF AGRICULTURE

The US Department of Agriculture’s budget authority totals \$97 billion for FY 2009, including \$20.7 billion in discretionary funding, a decrease of \$1 billion from 2008 levels.

Food, Nutrition Programs -The Food Distribution Program on Indian Reservations (FDPIR) is set to receive \$55,220,400 or an average of \$51.13 per person/month. This is an increase from \$52,941,600 and \$49.02 pp/month estimated in FY08. The Food and Nutrition Service overall funding was down slightly to \$6,392 million from \$6,413 million.

Extension Services, Credit - Indian Land Acquisition Loans remain at \$4 million, Federally-Recognized Tribes Extension Program remains at \$3 million as does the budget for Extension Services at 1994 Institutions, the Native American Endowment Fund (tribal college fund) increases \$1 million to \$16 million in FY 09, and the 2501 Program (Outreach for Socially Disadvantaged Farmers) is also increased \$1 million to \$16 million in FY 09. The Office of Civil Rights is increased \$2 million to \$22 million compared to FY 08.

Natural Resources and the Environment- the Forest Service FY 09 proposed budget is \$4,111 million, down from \$5,039 million in FY 08, and the Natural Resources Conservation Service also is cut to \$490 million from \$937 million, nearly half.

Department of Agriculture- Rural Development (\$ in millions)	FY 2008 Request	FY 2009 Request
Rural Utility Service	9,717	6,707
Distance Learning and Telemedicine grants	35	20
Broadband (direct loans/grants)	298/13	298/13
Water and Waste Disposal (direct loans/grants)	1,022/\$469	1,304/220

DEPARTMENT OF COMMERCE

The Office of Native American Business Development (ONABD) currently operates within the Minority Business Development Agency in the Department of Commerce. The Minority Business Development Agency is projected to receive \$29 million in funding for FY 2009 a decrease from \$30 million in FY 2008.

The ONABD is already under funded and under staffed within the Minority Business Development Agency. Congress has already authorized funding for the ONABD with the full intent of having the office directly under

the Secretary of Commerce. Congress should consider funding the ONABD as it was originally intended under 25 USC 4303 as a separate office with direct funding within the Department of Commerce. The initial funding should be \$3 million to establish the office with significant increases to follow to allow for program development as defined. **There is currently no funding proposed for this office.**

DEPARTMENT OF EDUCATION

One of the President's major focuses of the 2009 Education budget was closing the achievement gap. NCAI takes a comprehensive approach in reviewing the Presidents Budget request, however, and the budget contains an overall \$25 million decrease in education programs through the Bureau of Indian Education.

The administration justification for eliminating tribal education programs is that they are duplicative, claiming that our students are eligible for funding through both the Department of Education and the Bureau of Indian Education. However, these offices provide different, and essential services .

For the past three years, only 30% of the BIE’s schools have made adequate yearly progress. However, funding for the enhancement of education programs for lower performing schools will see a decrease of \$6,891. Essential programs were also eliminated such as Johnson O’Malley and Tribal Technical colleges.

Funding levels for Indian education under the Office of Indian Education remained stagnate at FY08 levels. Of major concern is the elimination of discretionary funding for Strengthening Tribally Controlled Colleges and Universities and Strengthening Alaska Native and Native Hawaiian Serving Institutions. One of the primary arguments for their elimination was the substantial increase in mandatory funding from 2007. However, this increase is a result of funds made available from the College Cost Reduction and Access Act and were meant to supplement not supplant TCU funding. This decision was not made in consultation with the Tribes.

Education (\$ in millions)	FY 2008 Request	FY 2008 Enacted	FY 2009 Request	Δ from FY 2008
Impact Aid	1,228	1,240.7	1,240.7	0
Indian Education Act, Title VII	118.7	119.6	119.6	0
Education for Native Hawaiians	0	33.3	0	-33.3
Alaska Native Education Equity Assistance Program	0	33.3	0	-33.3
Strengthening AN, Native HA-Serving Institutions	0	11.58	0	-11.58
Strengthening Tribal Colleges	18.6	23.16	0	-23.16
Even Start	0	111.6	0	-111.6
Tribally Controlled Postsecondary Institutions	7	7.4	0	-7.4
Strengthening Native American-serving nontribal institutions (mandatory)		5	5	+5

New mandatory program enacted through the College Cost Reduction Access Act:

Strengthening Native American-serving nontribal institutions - \$5 million proposed. Authorizes competitive grants to eligible institutions of higher education that have an enrollment of undergraduate students that is not less than 10 percent Native American students and are not a Tribal College or University to plan, develop, undertake, and carry out activities to improve and expand the institutions’ capacity to serve Native Americans.

The President proposed the elimination of the following programs:

The Alaska Native Education Equity Program - \$33.3 million was eliminated. This funded supplemental educational programs and services to Alaska Native children. The rationale for this elimination is that these programs can use funds from other programs, such as Title I grants, Special Education grants and Indian Education grants.

Education for Native Hawaiians - \$33.3 million eliminated. This funded competitive grants for supplemental education services and activities for Native Hawaiians. The rationale for this elimination is that funds can be found under other grants, such as Title I grants, Special Ed grants and TRIO program (TRIO is a college prep and student support program).

Even Start - \$111.6 million eliminated. Even Start is a family literacy program to improve educational opportunities for low-income areas. The program integrated early childhood education, adult education and parent education. Even Start is the only comprehensive educational technique that involved the family as well. Even Start also helped to address literacy rates in the older population by providing adult and parent education. The rationale for eliminating this program was that Reading First and Early Reading First are better structured to address literacy rates.

Strengthening AN/NH-Serving Institutions - \$11.58 million eliminated. This funding helped Alaska Native/Native Hawaiian institutions improve their capacity to serve AN/NH students. The rationale for eliminating this program is that the activities can be carried out under the Higher Education Act Title III Strengthening Institutions program.

Strengthening Tribal Colleges- \$23.16 million eliminated. The rationale for eliminating this program is that the activities can be carried out under the Higher Education Act Title III Strengthening Institutions program.

Tribally Controlled Postsecondary Institutions - \$7.4 million eliminated. The rationale for eliminating this program is that the activities can be carried out under the Higher Education Act Title III Strengthening Institutions program.

DEPARTMENT OF ENERGY

The President proposed a significant decrease in funding for Indian programs in the Department of Energy. The Administration proposes the elimination of the Weatherization Assistance Programs that provides weatherization assistance grants to Indian tribes for low-income and rural homes. The training and technical assistance would also be eliminated.

The President requested a substantial decrease for the Tribal Energy Activities for FY 2009, which would be funded at \$1 million instead of \$5.9 million enacted in the FY 2008 budget. The Tribal Energy Activities also would not fund the Office of Indian Energy Policy and Programs, which was authorized under the Energy Policy Act of 2005 but never funded. Energy Policy Act of 2005 authorized this office to implement tribal energy initiatives and funding opportunities for Indian energy development. The Administration's explanation for reducing Tribal Energy Activities to \$1 million is to create a streamlined financial mechanism that would increase access to private developers to tribes for energy projects.

Another program proposed for termination in the FY 2009 President's budget is the Renewable Energy Production Incentive (REPI), which provides financial incentive payments to publicly owned utilities, not-for-profit electric cooperatives, and Tribal governments and Native corporations that own and operate qualifying facilities generating renewable energy. The justification for the elimination of REPI by the Administration is the importance of this program has diminished over time due to reduced cost and competitiveness of renewable energy technology.

When the Energy Policy Act of 2005 (P.L.109-058) was enacted in July 2005, it included Title V- Indian Tribal Energy Development and Self-Determination Act of 2005, which authorized a competitive grant in the amount of \$20 million from FY 2006 to 2016 to assist Indian tribes in energy education, research and development, planning and management needs; and to provide a loan guarantee program to any Indian tribes for energy development. These initiatives have yet to be appropriated and again are not included in the President’s request budget for the Department of Energy’s FY 2009.

Department of Energy (\$ in thousands)	FY 2007 Enacted	FY 2008 Enacted	FY 2009 Request
Weatherization and Intergov Activities			
Weatherization Assistance Program	204,550	227,222	0
Tribal Energy Activities	3,957	5,946	1,000
Renewable Energy Production Incentive	4,946	4,955	0

ENVIRONMENTAL PROTECTION AGENCY

The EPA requested funding of \$7.1 billion in discretionary funding marks another decline, down from \$7.5 billion in FY 2008. EPA documents state there is \$80.2 million directed to tribal programs. Though the agency overall showed cuts against the FY 08 enacted budgets, many tribal programs would receive slight increases in program levels.

State and Tribal Assistance Grants (STAG) funding is cut from \$2.94 billion enacted in FY 08 to \$2.62 in FY 09. Grant programs affected include: Alaska Native Village Infrastructure Assistance -cut by \$9.1 million, Clean Water State Revolving Fund (1.5 percent tribal set-aside) – cut by \$134 million (\$8.3 million tribal set-aside). However, Tribal General Assistance Program funding increased by \$1.9 million, air quality funding increased by \$2.5 million, and funding toward the Environmental Exchange Network increased \$1.2 million.

Environmental Protection Agency (\$ in millions)	FY 2008 Request	FY 2008 Enacted	FY 2009 Request
EPA -TOTAL	7,204	7,477	7,153
State & Tribal Assistance Grants	2,744	2,937	2,621
Clean Water State Revolving Fund (Tribal Set-Aside 1.5%)	687.6 (10.3)	689.1 (10.3)	555.0 (8.3)
Alaska Native Village State Revolving Fund	15.5	24.6	15.5
Tribal General Assistance (GAP)	56.9	56	57.9
Tribal Air Quality	10.9	10.8	13.3
Environmental Information	12.85	9.8	11.0

DEPARTMENT OF HOMELAND SECURITY

In general, the President’s budget request for the Department of Homeland Security (DHS) would place more emphasis on risk-factors, rather than formulas, for DHS grant programs. In addition, the budget has a substantial new emphasis on border security, including an increase of 2,200 new border patrol agents, and a reaffirmed commitment to building a border fence from California to Texas. While the increased emphasis on border security is good for the border Tribes and those experiencing meth trafficking issues, clearly the border fence continues to be a concern for many tribes whose traditional lands are bisected by the border.

DHS Tribal Liaison: The DHS Intergovernmental Affairs Office asked for a staffing increase to 17 personnel (Full Time Equivalents, FTEs). At the DHS budget briefing, NCAI asked if any of these new personnel would be assigned to be the Tribal liaison or work on Tribal issues, DHS responded “two FTEs if we get all 17, and one FTE if we do not get all 17.”

WHTI/REAL ID—Tribal IDs: In the President’s budget, DHS requested over \$100 million for implementation of the Western Hemisphere Travel Initiative (WHTI), however, these funds appear to be dedicated to solely to DHS itself and are not grants to State and tribal governments. NCAI will work to clarify what, if any, grant resources may be available through DHS for Tribal ID security improvement. At the budget briefing, DHS estimated that it would cost an average of \$8 per ID for IDs that meet the new REAL ID requirements, which may be a close approximation for Tribal ID cards as well.

(\$ in millions)	FY 2008 Request	FY 2008 Enacted	FY 2009 Request
State Homeland Security Grant program ¹ (SHSGP)	\$250	\$820	\$200
Urban Area Security Initiative ² (UASI)	\$800	\$950	\$825
<i>Tribal minimum for direct funds from the SHSGP account (Formula=0.1% of UASI+SHSGP)</i>	<i>n/a</i>	<i>\$1.77</i>	<i>\$1.025</i>
Assistance to Firefighters (AFG)	<i>Not avail at time of print</i>	\$750	\$300
Border Security Fencing, Infrastructure, and Technology	<i>Not avail at time of print</i>	\$172	\$775
EMPG	<i>Not avail at time of print</i>	\$300	\$200
National Security and Terrorism Prevention Grants (REAL ID/BSP) <i>(New grant program)</i>	<i>n/a</i>	<i>n/a</i>	\$110
REAL ID (grants for States)	\$0	\$50	<i>Unclear-Within state/local grants</i>
WHTI (for DHS)	\$252	\$225	\$140

HOUSING AND URBAN DEVELOPMENT

The President proposed increased funding for the Indian homeownership program; however he proposed decreases in other Indian programs in the Department of Housing and Urban Development. The President’s request for FY 2009 proposes the amount of \$627 million for Indian Housing Block Grant, an amount similar to his request for FY 2008. In addition, the President’s Budget FY 2009 request \$57 million for Indian Community Development Block Grant, a decrease of \$5 million from enacted FY 2008 amount. However, the Indian Housing Loan Guarantee Program, the President proposes \$420 million for FY 2009, an increase of over \$53 million over the enacted FY 2008 amount. This increase is to promote homeownership and to address the lack of mortgage capital on tribal lands.

¹ All Tribes are eligible through their State for this grant program, and now all “Directly Eligible” tribes can apply directly to DHS.

² Only a few tribes near urban centers benefit from this grant, but it is part of the calculation for the tribal minimum in the SHSGP grant program.

(\$ in millions)	FY08 Request	FY08 Enacted	FY09 Request
Indian Housing Block Grant	627	630	627
Title VI Loans Program Account	2	2	2
Loan Guarantee Limitation	18	17	17
Indian Housing Loan Guarantee Fund	251	367	420
Indian Community Development Block Grant	59	62	57

DEPARTMENT OF JUSTICE

The President's budget request for the Department of Justice (DOJ) for FY 2009 is \$22.7 billion, a 2% decrease overall from the enacted amount in FY 2008. DOJ grant programs in the President's budget would be cut by approximately \$1 billion overall. The DOJ announced four primary budget priority areas for FY 2009.

State and Local Law Enforcement Assistance: This category includes the tribal set-asides for COPS, tribal courts, and detention centers. The President has proposed consolidating the more than seventy DOJ grant programs into four new funding streams:

- \$200 million for the Violent Crime Reduction Partnership. This proposed discretionary grant program would provide funding and technical assistance for the development of multi-jurisdictional partnerships between federal, state, local, and tribal law enforcement agencies.
- \$200 million for the Byrne Public Safety and Protection Program. This discretionary grant program would be available to tribal, state, and local governments and non-governmental entities to address high priority criminal justice concerns.
- \$185 million for the Child Safety and Juvenile Justice Program. This discretionary grant program would be available to tribes, states, and local governments to address child safety and juvenile justice needs.
- \$280 million for the Violence Against Women Grant Program. This discretionary grant program would consolidate Violence Against Women grants. This represents a \$120 million cut overall in funding for grants administered by the Office on Violence Against Women in FY 2008.

The DOJ has stated that tribal governments would be directly eligible for all four of the newly created funding streams. However, the President's proposal would eliminate all of the tribal set-asides that currently exist in any of the DOJ grant programs and would effectively zero out a number of programs critical to tribal governments including: COPS, Byrne Grants, Grants to Tribal Governments under the Violence Against Women Act, incarceration on tribal lands, and tribal courts funding. A similar proposal was included in the President's budget request for FY 2008 but rejected by Congress in the appropriations process.

DEPARTMENT OF LABOR

The Employment and Training Administration (ETA) provides tribes with grants to offer these valuable services to their members. The purpose of the Denali Commission is to provide critical utilities, infrastructure and economic support to distressed rural communities in Alaska. This funding stream is being terminated in the President's budget.

One of the ETA's priorities for the Native American Section 166 program in FY 2009 will be to integrate the program with the One-Stop Career Center system. The One-Stop Career Center System does not allow flexibility for cultural barriers and disability barriers to employment.

Department of Labor (\$ in millions)	FY 2008 Budget Request	FY 2008 Enacted Amount	FY 2009 Budget Request	Δ from FY2008
Employment and Training Admin:				
Denali Commission	0	6,755	0	-6,755
Native American Programs	19,565	52,758	45,000	-7,758

DEPARTMENT OF TRANSPORTATION

The President proposed essentially flat funding for Indian programs in the Department of Transportation. The President has proposed for the Federal-aid Highway Program of \$39.6 million a slight increase from \$39,585,000 for enacted FY 2008, within this program, Indian tribes receives funding under the Federal Lands Highway Program (FLHP), which improves the access to and within federal lands such as Indian reservations.

The Pipeline and Hazardous Materials Safety Administration provides funding to Indian tribes, States, and local governments are under their program, which focuses on reducing serious hazardous materials and pipeline transportation. This agency provides training and planning grants to Indian tribes to improve hazardous materials emergency preparedness. The funding request for FY 2009 is leveled for this program in the amount of \$28 million.

The National Highway Traffic Safety Administration which gives grant funding to Indian tribes, States, and territories under their Highway Traffic Safety Grant, includes; the supports for highway safety initiatives; to improve traffic records and other data systems for safety traffic information; and alcohol-impaired driving countermeasures incentives for addressing alcohol driving incidents. For FY 2009, the funding level for this program is elevated from the enacted FY 2008 in the amount of \$599 million.

Department of Transportation (\$ in millions)	FY 2007 Enacted	FY 2008 Enacted	FY 2009 Request
Federal Highway Administration			
Federal-aid Highway program	39,083	39,585	39.6
Pipeline and Hazardous Materials Safety Administration			
Emergency Preparedness Grant	28	28	28
National Highway Traffic Safety Administration-			
Highway Traffic Safety Grant	584	599	599

DEPARTMENT OF TREASURY

The President’s proposed budget for the Community Development Financial Institutions (CDFI) Fund for FY 2009 has been dramatically reduced from \$94 million to \$29 million, representing a 70% decrease in appropriations for the entire program with the **Native Initiative receiving no funding** for the coming year.

The CDFI Fund enables locally based organizations to further goals such as economic development; affordable housing; and community-based financial services in underserved areas. It serves a vital role in Native communities where access to capital and banking services can be severely limited. The CDFI Fund is currently operating under a \$94 million FY2008 budget which represented an increase of 59% over FY 2007 funding levels. The Native Initiatives program was increased to \$8 million for FY 2008 from just under \$4 million for FY 2007.

DEPARTMENT OF VETERANS AFFAIRS

The President's budget requests \$93.7 billion, with \$47.2 billion in discretionary funding and \$46.4 billion for mandatory entitlement programs. This reflects an increase of \$3.4 billion above the 2008 current estimate. Individual veterans generally access services through local VA offices. The Administration has zeroed out the Native American housing loan program.

Department of Veterans Affairs (\$ in millions)	FY 2008 Request	FY 2008 Enacted	FY 2009 Request	Δ from FY2008
Benefit Programs:				
Disability Compensation	36,911,486	37,126,268	38,886,293	+1,760,025
Burial Mandatory Benefits	178,910	212,428	192,598	-19,830
Pensions Mandatory Benefits	3,797,505	3,897,626	4,032,790	+135,164
Education Mandatory Benefits	2,628,541	135,164	2,427,353	-257,474
Native American Veteran Housing	0	5,233	0	5,233
Medical Programs:				
Medical Services	27,167,671	32,500,837	34,075,503	+1,574,666

If you have any questions, contact Amber Ebarb at NCAI at aebarb@ncai.org or 202-466-7767.