

**STATEMENT OF CARRIE L. BILLY, PRESIDENT AND CEO OF
THE AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM
SUBMITTED TO THE U.S. HOUSE OF REPRESENTATIVES - COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
DEPARTMENT OF THE INTERIOR - BUREAU OF INDIAN EDUCATION**

March 17, 2016

I. REQUEST SUMMARY

On behalf of the nation's Tribal Colleges and Universities (TCUs), which collectively are the American Indian Higher Education Consortium (AIHEC), thank you for this opportunity to present our Fiscal Year 2017 (FY 2017) appropriations recommendations for the 28 colleges funded under Titles I and II of the Tribally Controlled Colleges and Universities Assistance Act (Tribal College Act); the two tribally chartered career and technical postsecondary institutions (Title V of the TCU Act); the two Bureau of Indian Education postsecondary institutions; and the Institute of American Indian Arts (IAIA). The Bureau of Indian Education administers each of these programs, with the exception of IAIA, which is congressionally chartered and funded in its own account.

In FY 2017, TCUs seek:

- \$89.220 million to fund institutional operations and technical assistance under Titles I and II of the *Tribally Controlled Colleges and Universities Assistance Act of 1978* or Tribal College Act, of which \$88.5 million is for Titles I & II operating grants (which would fund 28 TCUs at the authorized level for the first time in 35 years) and \$701,000 is to address increasingly needed technical assistance and a modest increase of \$100,000 (this would be the first increase in technical assistance funding in 11 years);
- \$11,000,000 for Title V of the Tribal College Act, which provides partial institutional operations funding for the two tribally controlled postsecondary career and technical institutions;
- \$11,835,000, as included in the President's budget, for the Institute of American Indian Arts (this includes \$2 million towards forward funding of IAIA);
- Minimum of \$23,000,000, as included in the President's FY 2017 budget, for Haskell Indian Nations University and Southwestern Indian Polytechnic Institute, the Bureau of Indian Education's two postsecondary institutions;
- \$17.9 million *one-time* appropriation (in addition to the \$2 million for IAIA included in the President's budget) to transition institutional operating funding for the three federally chartered TCUs from the federal fiscal year to an academic year.

IAIA, Haskell Indian Nation's University, and Southwestern Indian Polytechnic Institute are the only schools funded through the Department of the Interior that still receive their institutional funding on the federal fiscal year (October 1) or more likely, much later in the year when the annual Interior appropriation bill is passed, rather than the first week of July in preparation for the upcoming school year. Once forward-funded these TCUs -- like other institutions of higher education -- will be able to plan multiyear budgets and start (and end) each school year with dependable funding. Forward funding does not increase the federal budget in the long-term. It simply allows vital education programs to receive basic operating funds before each school year begins, which is critically important when the federal government is funded under continuing resolutions.

TCUs are founded and chartered by their respective American Indian tribes, which hold a special legal relationship with the federal government, actualized by more than 400 treaties, several Supreme Court decisions, prior Congressional action, and the ceding of more than one billion acres of land to the federal government. Despite the trust responsibility and treaty obligations, the TCUs' primary source of basic operating funds has never been adequately funded. Further, our member institutions – already operating on shoestring budgets – have suffered the ramifications of sequestration and other across-the-board cuts.

II. TCUs: “DOING SO MUCH WITH SO LITTLE”

Tribal Colleges and Universities are an essential component of American Indian/Alaska Native (AI/AN) education. Currently, 37 TCUs operate more than 75 campuses and sites in 16 states, within whose geographic boundaries 80 percent of all American Indian reservations and federal Indian trust land lie. They serve students from well over 250 federally recognized tribes, more than 80 percent of whom receive federal financial aid – primarily Pell grants. In total, the TCUs annually serve 160,000 AIs/ANs and other community members through a wide variety of academic and community-based programs. TCUs are public institutions accredited by independent, regional accreditation agencies and like all U.S. institutions of higher education must regularly undergo stringent performance reviews to retain their accreditation status. Each TCU is committed to improving the lives of its students through higher education and to moving AI/ANs toward self-sufficiency. To do this, TCUs serve many roles in their reservation communities, functioning as community centers, libraries, tribal archives, career and business centers, computer labs, summer camps, community farms, economic development centers, GED training and testing centers, child and elder care centers, and more.

The federal government, despite its direct trust responsibility and binding treaty obligations, has never fully funded TCU institutional operations as authorized under the Tribally Controlled Colleges and Universities Assistance Act of 1978. Yet despite funding challenges, TCUs are leading the nation in preparing AI/AN nurses and more recently, in preparing teachers for our Native schools. For example, in 2014, half of all AI/AN special education teachers in Montana graduated from Salish Kootenai College. TCUs train other professionals in high-demand fields, including agriculture and natural resources management, human services, IT technicians, and build tradesmen. By teaching the job skills most in demand on our reservations, TCUs are laying a solid foundation for tribal economic growth, with benefits for surrounding communities, and the nation as a whole. But that is not enough. TCU leadership understand that we must do more – we must move beyond simple workforce training. Today, TCUs are tackling the tougher – but much more significant -- issue of job creation because we know that to break the cycle of generational poverty and end the culture of dependency that grips so much of Indian Country, simply filling jobs that would be filled anyway is not enough. We must create new industries, new businesses, and a culture of self-sufficiency and innovation. Our job creation initiative is focusing initially on advanced manufacturing, through a partnership with the U.S. Department of Energy, National Laboratories, TCUs, and industry.

Tribal Colleges continually seek to instill a sense of hope and identity within Native youth, who one day will lead our tribal nations. Unfortunately, the high school drop-out rate for Native students remains around 50 percent. To help address this alarming reality, TCUs are partnering with the Department of the Interior's Bureau of Indian Education to help create a lasting “college going culture” in Indian middle and high schools. TCUs are reaching back to create a bridge for Indian students as early as the elementary school, encouraging them to abandon any notion of dropping out of high school and instead, to think that the natural course is to finish high school and go on to the local TCU. In addition, TCUs offer Dual Credit courses for high school students, provide math teachers for local high schools as a strategy for improving

course delivery, host Saturday academies, after school programs and summer camps for middle and high school students, and at the other end of the spectrum, they offer GED training and testing.

As noted earlier, the TCUs' operations funding is insufficient, and their budgets are further disadvantaged because, on per student basis, the colleges receive funding for only about 85 percent of their academic enrollments. Approximately 15 percent of the TCUs' collective enrollments are non-Indian students living in the local community, but TCUs receive federal funding based only on Indian students, defined as members of a federally recognized tribe or the biological children of enrolled tribal members. While many TCUs do seek funding from their respective state legislatures for their non-Indian, state-resident students (often referred to as "non-beneficiary" students) successes have been, at best, inconsistent. Given their locations, often hundreds of miles from another postsecondary institution, TCUs are open to all students, Indian and non-Indian, believing that education in general, and postsecondary education in particular, is a catalyst to a better economic future for their areas.

A recent independent, economic impact study proves this, illustrating that TCUs create lasting value from multiple perspectives: students, society, and taxpayers. TCUs elevate their students' lifetime incomes, and this in turn benefits society as a whole by increasing the region's economy and generating a wide array of savings through improved lifestyles. The increased employment benefits taxpayers through increased tax receipts and a reduction in the need for welfare and unemployment benefits. In fact, for every dollar spent the lifetime income of students more than quadruples; society gains over five times the investment in added income and social savings; and the taxpayers get back almost two and a half times the investment. In short, the TCUs are a very sound investment of federal funds.

III. FURTHER JUSTIFICATIONS & FACTS

- **Breaking the cycle of generational poverty:** Tribal Colleges and Universities provide access to higher education for American Indians and others living in some of the nation's most rural and economically depressed areas. In fact, seven of the nation's 10 poorest counties are home to a TCU.
- **Growing number of TCUs:** Compounding existing funding disparities is the fact that although the numbers of TCUs and students enrolled in TCUs have dramatically increased since they were first funded in 1981, appropriations have increased at a disproportionately low rate. Since 1981, the number of tribal colleges has more than quadrupled and continues to grow; the number of Indian students enrolled has risen over 300 percent. In the past 10 years, six additional TCUs have become accredited and eligible for funding under Title I of the Tribal College Act, and two more colleges are expected to be eligible for Tribal College Act funding as soon as FY 2018. While AIHEC celebrates the growing number of tribally chartered colleges and universities and the increasing numbers of Native students served, these successes have forced TCUs to function with smaller slices of an already inadequate annual funding pie.
- **Local Tax and Revenue Bases:** TCUs cannot rely on a local tax base for revenue. Although tribes have the sovereign authority to tax, high reservation poverty rates, the trust status of reservation lands, and the lack of strong reservation economies hinder the creation of a reservation tax base. As noted earlier, on Indian reservations that are home to TCUs, the unemployment rate can well exceed 70 percent. By contrast, the national unemployment rate is currently 4.9 percent.

- Gaming and the TCUs: Although several of the reservations served by TCUs have gaming operations, the vast majority are not mega-casinos located in urban areas and featured in the broad-based media. Only a handful of TCUs receive regular income from the chartering tribe's gaming revenue, and the amounts received can vary greatly from year to year. Most reservation casinos are small businesses that use their gaming revenue to improve the local standard of living and potentially diversify into other, more sustainable areas of economic development. In the interim, where relevant, local TCUs offer courses in casino management and hospitality services to formally train tribal members to work in their local tribally run casinos.

Some form of gaming is legalized in 48 states, but the federal government has not used the revenues generated from state gaming as a justification to decrease federal funding to other public colleges or universities. Some have suggested that those tribes that operate the few extremely successful and widely publicized casinos located in or near urban areas, should be financing higher education for all American Indians. And yet, no state is expected to share its gaming revenue with a less successful or non-gaming state.

V. APPROPRIATIONS REQUEST FOR FY 2017

As noted earlier, it has been over 35 years since the Tribal College Act was first funded, and the TCUs have yet to receive the Congressionally authorized per Indian student funding level. Full funding for the TCUs' institutional operating grants (\$8,000 per Indian student) for FY 2017 would require an increase of approximately \$19.4 million over the FY 2016 appropriated level. Additionally, to transition the three federally chartered TCUs to receive their operations funding on an academic schedule, rather than the federal fiscal year, requires a \$19.9 million ONE-TIME appropriations (IAIA- \$5.1 million; Haskell Indian Nations University and Southwestern Indian Polytechnic Institute - \$14.8 million).

VI. CONCLUSION

AIHEC Member institutions/Tribal Colleges and Universities provide quality higher education to thousands of American Indians and other reservation residents, as well as essential community programs and services to those who might otherwise not have access to such opportunities. The modest federal investment that has been made in TCUs has paid great dividends in terms of employment, education, and economic development. Continuation of this investment makes sound moral and fiscal sense.

We greatly appreciate your past and continued support of the nation's Tribal Colleges and Universities and your thoughtful consideration of our FY 2017 appropriations requests.