



**STATEMENT
OF THE
AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM
MR. RON MCNEIL, PRESIDENT
SITTING BULL COLLEGE -- FORT YATES, NORTH DAKOTA**

**HEARING ON THE PRESIDENT'S FISCAL YEAR 2004 BUDGET REQUEST
SENATE COMMITTEE ON INDIAN AFFAIRS
485 RUSSELL SENATE OFFICE BUILDING
FEBRUARY 26, 2003**

Chairman Campbell, Vice Chairman Inouye, and distinguished members of the Committee, on behalf of this nation's 34 Tribal Colleges and Universities (TCUs), which comprise the American Indian Higher Education Consortium (AIHEC), I thank you for extending us the opportunity to testify today on the President's fiscal year 2004 budget request. I am honored to be here.

My name is Ron McNeil. I am Hunkpapa Lakota from the land known as the Standing Rock Reservation – two million acres of farming and ranch country straddling the borders of North and South Dakota. For nine of the past 11 years, I have served as president of my tribe's college – my alma mater -- Sitting Bull College.

Sitting Bull College is one of the first and oldest tribal institutions of higher education. My tribal leaders founded the college in 1973 for a simple reason: the near complete failure of the higher education system in the United States to meet the needs -- or even include -- American Indians.

Over the past 30 years, the idea of tribal institutions of higher education has spread throughout Indian Country like thistles growing in harsh soil. Today, despite decades of severe funding inequities and Federal budget cuts, 34 tribal colleges and universities in 12 states are educating upwards of 30,000 students from 250 federally recognized Indian tribes.

This morning, I would like to first talk a little about the tribal college movement and our current funding situation. Then, I will make specific comments on the President's FY 2004 budget requests for tribal college programs.

I. THE TRIBAL COLLEGE MOVEMENT:

Tribal colleges are young, geographically isolated, and poor.

None of our institutions is more than 35 years old. Our cooperative organization, AIHEC, is celebrating its 30th anniversary this year. Most tribal colleges are located in areas of Indian Country that the Federal

government defines as “frontier,” or extremely remote. In these places, we are often called beacons of hope for our people. We serve our communities in ways far beyond college level programming. We provide much needed high school completion (GED), basic remediation, job training, college preparatory courses, and adult education programs. We function as community centers, libraries, tribal archives, career and business centers, economic development centers, public-meeting places, and child care centers. In fact, an underlying goal of all tribal colleges is to improve the lives of students through higher education and to move American Indians toward self-sufficiency.

This goal is important to us because of the extreme poverty in which most American Indians live. In fact, three of the five poorest counties in America are home to tribal colleges, where unemployment rates range from 50 to 75 percent.

Perhaps not surprisingly, we are the most poorly funded institutions of higher education in the country. And apart from military academies and Howard and Gallaudet Universities, we are the only institutions of higher education whose basic operating funding comes –by legislative mandate – from the Federal government.

Because most of our institutions are located on Federal trust land, states have no obligation to fund tribal colleges. Most states do not even provide funding for the non-Indian state-resident students who account for approximately 20 percent of our enrollments. Yet, if these same students attended any other public institution in the state, the state would provide that institution with basic operating funds. Ironically, tribal colleges are accredited by the same regional accrediting agencies that accredit state institutions.

Despite their strong support, our tribal governments are able to provide us with only modest support. Our tribes are not the handful of small and wealthy gaming tribes located near major urban areas; rather, they are some of the poorest governments in the nation.

Mr. Chairman, I want to make clear: gaming is not a stable or viable funding source for tribal colleges, nor should it be a factor when considering the funding of tribal colleges. Only six tribal colleges currently receive revenue from tribal gaming. And as you know, it is a very few casinos, located in or near major urban areas, that are realizing the vast majority of profits from Indian gaming.

According to a recent study by Native Americans in Philanthropy, the financial needs of American Indians living on reservations are so great that even if the total annual revenue generated by Indian gaming were divided equally among all the American Indians in the United States, the amount distributed would be only about \$3,000 per person. This would not even be enough to increase our per capita income (currently \$4,500) to even half the national average income.

Revenues from state-run gaming operations far exceed revenues from Indian gaming. Although some form of gaming is legalized in 48 states, the Federal government has not used the revenues generated from gaming as a justification to decrease Federal funding to state-run colleges or universities. The standards that apply to states and state institutions should apply to tribes and tribal colleges. Unfortunately, it appears that they do not.

c. Federal Funding: Despite trust responsibilities and treaty obligations resulting from the exchange of millions and millions of acres of land, the Federal government has, over the years, not considered funding of American Indian higher education a priority.

For the past 21 years – since initial funding of the Tribal College Act -- our institutions have been chronically under-funded. (I respectfully request that a funding chart and fact sheets explaining this point be included in the record following my prepared remarks.) Our current estimated funding level for Title I of the Tribal College Act, about \$3,900 per Indian student, is still less than two-thirds the authorized level of \$6,000. This is not simply a matter of appropriations falling short of an authorization. Rather, it effectively impedes our institutions from having the necessary resources to provide the educational services afforded students at mainstream institution.

Mr. Chairman, although we have never come close to the achieving our fully authorized funding level, through the tireless work and support of the members of this Committee, we have made steady progress in the past several years. For that, we are tremendously grateful. At the same time, we are tremendously worried. If the President's budget request for FY2004 becomes a reality, the gains in basic operational funding we have collectively achieved, will be eliminated.

II. PRESIDENT'S FY 2004 RECOMMENDATIONS FOR TRIBAL COLLEGE PROGRAMS:

a. DEPARTMENT OF THE INTERIOR:

Tribal College Act: If enacted, the President's FY 2004 budget request for basic operations at tribal colleges would result in a *\$4 million cut* from the FY2003 level recently approved by Congress. This marks the second year in a row that the administration has recommended a cut in our funding. Simply put, this is unconscionable and shortsighted. We respectfully urge the members of this Committee to lead the Senate in rejecting this number and appropriating a more reasonable level of funding.

Specifically, the President's budget recommends \$39.11 million in funding for the Tribal College Act (level with the FY2003 budget request), including \$38 million for institutional operations under Titles I and II; \$975,000 for endowments under Title III; and \$114,000 for technical assistance. Such an appropriation would have a devastating impact on our institutions for three reasons:

- (1) All of the tribal colleges are experiencing sizable enrollment increases – many are at all time highs;
- (2) In FY2004, two new tribal colleges – one in Michigan and another in Arizona -- could become eligible for Tribal College Act funding, putting severe stress on an already inadequate funding pool; and
- (3) Even with the FY2003 increase of \$2 million, we are barely able to keep pace with inflation and interest charges, which many tribal colleges must incur when Federal budgets are delayed.

For FY2004, we respectfully request \$49.2 million for Titles I and II of the Tribal College Act -- a \$7.1 million increase over the FY2003 level and \$11 million over the President's FY2004 budget request.

This increase would bring funding for basic operations at existing eligible tribal colleges to \$4,500 per Indian Student Count, which still represents just three-fourths of the authorized amount of \$6,000.

In addition, to address emerging technical assistance needs in data collection and reporting, AIHEC requests \$500,000 for technical assistance programs, an increase of \$386,000.

Funding for United Tribes Technical College and Crownpoint Institute of Technology: The President's budget again proposes to eliminate funding for our two tribally controlled postsecondary vocational institutions. Congress restored the funding for these institutions in the FY2003 Omnibus measure. These two tribally controlled vocational institutions rely heavily on this funding to supplement their modest operational funding under the Carl Perkins Vocation and Technical Education Act. We request that funding once again be restored for these two institutions.

b. DEPARTMENT OF EDUCATION:

- **Title III Part A section 316:** One month ago, the President announced that he was increasing funding by 5 percent for developing institutions programs under Higher Education Act Titles III and V for Historically Black Colleges and Universities, Hispanic Serving Institutions, and Tribal Colleges and Universities. This increase is based on the President's prior year recommendation and not on the recently passed FY2003 funding levels for these programs. The FY2003 Omnibus Appropriations conference agreement includes \$23 million for the tribal college Title III programs. Therefore, if enacted, the President's FY 2004 Budget recommendation of \$19 million does not propose an increase at all, but rather a *\$4 million decrease* in these vital programs. We request that funding for the tribal college Title III program be funded at \$27 million, an increase of \$4 million over FY2003 and \$8 million over the President's request.

- **Carl Perkins Vocational and Technical Education:** Two programs under the authority of the Perkins Act are of particular concern to the tribal colleges.
 - Section 117 of the Act funds the operations of our two tribally controlled postsecondary vocational institutions, United Tribes Technical College (UTTC) and Crownpoint Institute of Technology (CIT). Over the past several years the Department of Education's Office of Vocational and Adult Education (OVAE) has tried to expand this program to allow other tribal colleges to compete for these funds, which are intended as operating funds expressly for these institutions because they are not eligible for funding under the Tribal College Act. The President's FY2004 budget proposes moving this section out of OVAE and into the Office of Postsecondary Education (OPE), however, language clarifying that these funds are expressly for the operations of these two institutions is not included in the budget proposal. AIHEC does not have a position on the proposed moving of this program OPE. We will support our two postsecondary vocational institutions in whatever position they see

best addresses their institutional operating needs, and we urge the Committee to consult with and work closely with the presidents of UTTC and CIT on this matter.

- The President's FY2004 budget proposes eliminating the Native American Program under Perkins vocational education. Currently, 1.25 percent is set aside for Native American organizations, including tribal colleges, from the funds appropriated annually for the National Perkins program. Although there is a recommended increase for funding of the State Perkins programs, there appears to be no provision for a set aside for tribal organizations. States have a history of not including tribal colleges in their programs plans. With the vast majority of states budgets falling deeper and deeper into debt, one cannot imagine that states would now choose to reverse this trend and share block granted funding with tribal entities. Without a set aside similar to the one presently in place, tribal vocational programs will be decimated.

C. DEPARTMENT OF AGRICULTURE:

One hundred forty years ago, Congress enacted legislation establishing the nation's first land-grant institutions. Nine years ago, Congress established tribal colleges and universities as land-grant institutions – the "1994s". Today, we believe that our institutions, more so than any other group, truly exemplify the original spirit and intent of the first land-grant legislation. The first Morrill Act was enacted in 1862 specifically to "bring education to all the people and to serve their fundamental needs." Mr. Chairman, this is the definition and mission of tribal colleges and universities.

The Congress created four programs specifically for the 1994 land grant institutions:

- **Endowment Fund** –The President's FY2004 budget proposes a \$ 9 million payment (a \$1.9 million increase) to the 1994 Endowment Fund. We support this increase, but we respectfully request a \$12 million payment (a \$4.9 million increase) to help speed the growth of the corpus of this account, thereby increasing the annual interest yield. Just as other land grant institutions historically received large grants of land or endowment in lieu of land, this sum assists the 1994 Institutions in establishing and strengthening our academic programs in the areas of curricula development, faculty preparation, instruction delivery systems, equipment and instrumentation for teaching, experiential learning, student recruitment and retention in the food and agriculture sciences, and in additional to help address the critical need for facilities and infrastructure construction, improvement and maintenance.
- **Equity Payments** – Closely linked with the endowment fund, this program provides approximately \$50,000 per 1994 Institution to develop and implement courses and programs in natural resource management, environmental sciences, horticulture, forestry, buffalo production and management, and food science and nutrition, all of which address epidemic rates of diabetes and heart disease in Indian Country. The 2002 Farm Bill increased the authority level of this program to \$100,000 per 1994 Institution. The President's budget proposes an increase of \$550,000 to this program, or approximately \$18,000 per institution. Again, we appreciate that

the administration is moving in the right direction, but we request \$3.1 million, full funding of this very modest yet critically important program.

- **Extension Grants** - The President's FY2004 budget proposes funding this program at \$3,273,000, the FY02 level. This would result in a decrease of \$114,000 from the level funded in the FY2003 Omnibus Appropriations conference agreement. This program funds projects to bolster community and economic development; strengthen families and youth; manage natural resources; develop community-based agriculture capacity; and improve diet, health, and nutrition. All of these services are critical to Native communities, which suffer some of the highest unemployment, suicide, diabetes, and alcoholism rates in the country. We request that the 1994 competitive extension grants program be funded at \$5 million.
- **1994 Research Grants** – The President's FY2004 budget also proposes continuing this program at the FY 2002 funding level - \$998,000. This would result in a decrease of \$102,000 from the level approved in the FY2003 Omnibus Appropriations conference agreement. These research projects are conducted through partnerships with 1862 and 1890 land grants institutions. Our research program illustrates an ideal combination of Federal resources and tribal college-state institution expertise, with the overall impact being far greater than the sum of its parts. Yet, we are expected to continue to conduct applied research on somewhat less than a shoestring. Approximately \$1 million for a competitive research program for 31 land grant institutions is without question, grossly inadequate to achieve the goals of the program and to meet the needs of our communities. We request this very promising program be funded at a minimum of \$5 million.

d. TCU FACILITIES INITIATIVE

In fiscal year 2001, a bi-partisan group from the administration and Congress came together to launch a modest – but direly needed – facilities initiative for our colleges. With help from many members of this Committee, several small competitive grants programs were established throughout various Federal agencies to help address the infrastructure problems that plague our institutions. Programs include:

- **Department of Housing and Urban Development (HUD-TCUP):** a \$3 million program under the Community Development Block Grants Program. The President's FY2004 budget recommends level funding for this program;
- **Department of Defense:** a \$3.5 million program that allows the TCUs to compete for funds to equip their computer and science labs; and
- **Department of Agriculture:** a \$4 million program under the Rural Community Advancement Program (RCAP) for tribal college facilities.

These programs, together with the Department of Education's Title III program, have helped tribal colleges systematically address the critical need for new and enhanced facilities on our campuses. Unfortunately, however, annual appropriations for these programs has not grown over the past three years; and in its fiscal year 2004 budget request, the administration would *eliminate entirely* tribal

college facilities funding under the USDA–RCAP program. We urge the Committee to join with other members of the Senate to preserve the RCAP program and to strengthen the HUD-TCUP and DoD-TCU program, which have enabled our schools to build or enhance classrooms, computer and science laboratories, child care centers, social service offices, and even a veterinary clinic.

We respectfully request that funding for each of the three programs be appropriated at no less than \$5 million for fiscal year 2004, with annual increases over the next five years, to ensure that tribal colleges have reliable resources to expand and improve our facilities.

III. CONCLUSION

Tribal colleges are bringing education to thousands of American Indians. The modest Federal investment in the tribal colleges has paid great dividends in terms of employment, education, and economic development, and continuation of this investment makes sound moral and fiscal sense. We very much need help to sustain and grow our programs and achieve our missions. Our reality is that we remain a low priority for the Department of the Interior and the Appropriations subcommittees of Congress.

We appreciate the long-standing support of this Committee. Thank you for this opportunity to present our recommendations to help bring equality in education and economic opportunity to Indian Country through the nation's Tribal Colleges and Universities.