

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES
APPROPRIATION BILL, 1988

SEPTEMBER 22, 1987.—Ordered to be printed

Mr. Byrd, from the Committee on Appropriations,
submitted the following

REPORT

[To accompany H.R. 2712]

The Committee on Appropriations, to which was referred the bill (H.R. 2712) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the changes recommended:

AMOUNTS IN NEW BUDGET (OBLIGATIONAL) AUTHORITY, FISCAL YEAR 1988	
Amount of bill passed by House	\$9,441,834,000
Amount of increase by Senate.....	560,569,000
Total of bill as reported to Senate.....	
Estimates considered by House	10,002,403,000
Estimates considered by Senate.....	7,895,340,000
Over the budget estimate, 1988.....	8,632,818,000
Over appropriations, 1987.....	1,369,585,000
	1,565,905,000

ABANDONED MINE RECLAMATION FUND

(Definite, Trust Fund)

1987 appropriation.....	\$203,720,000
1988 budget estimate.....	186,799,000
House allowance.....	194,899,000
Committee recommendation.....	205,439,000

The Committee recommends an appropriation of \$205,439,000, an increase of \$18,640,000 above the budget estimate and an increase of \$10,540,000 above the House allowance. The Committee recommendation is compared to the budget estimate as follows:

	Budget estimate	Committee recommendation	Change
State reclamation program grants.....	\$150,660,000	\$165,000,000	+\$14,340,000
Federal reclamation programs:			
Fee compliance.....	5,622,000	4,422,000	-1,200,000
Reclamation program operations.....	23,727,000	14,727,000	-9,000,000
Rural Lands Reclamation Program.....	500,000	15,000,000	+14,500,000
Subtotal, Federal reclamation programs.....	29,849,000	34,149,000	+4,300,000
General administration:			
Executive direction.....	886,000	886,000	
Administrative direction.....	3,125,000	3,125,000	
General services.....	2,279,000	2,279,000	
Subtotal.....	6,290,000	6,290,000	
Total, Abandoned Mine Reclamation Fund.....	186,799,000	205,439,000	+18,640,000

State reclamation program grants.—The Committee recommends an increase of \$14,340,000 for State grants to reclaim abandoned mine sites. Improvements in the States' ability to obligate these funds justifies a more rapid distribution from the Abandoned Mine Land and Reclamation Fund than has occurred in the past. In view of the fact that receipts in this fund are derived through taxes on coal production in the States, are dedicated for reclamation efforts in those States, earn no interest for the States while residing in the fund, and are not recorded as an outlay from the U.S. Treasury until specific planning or reclamation work is actually accomplished by a given State, it is unfair to withhold from a State the authority to obligate its fair share of the fund.

Federal reclamation programs.—For fee compliance, a decrease of \$1,200,000 is recommended, leaving an increase of \$940,000, or 27 percent over the fiscal year 1987 level. While the Committee supports a strong fee compliance program, the program should be developed at a more measured pace than that proposed in the budget.

The decrease of \$9,000,000 in reclamation program operations is to be taken from emergency programs where the Department previously identified a \$9,000,000 surplus which has accumulated over several years from savings on project cost estimates and liquidation. Also, the Committee recommends an increase of \$14,500,000 for the Rural Aban-

andoned Mine Program. This allowance is for continued planning, design, and construction of reclamation projects by the Soil Conservation Service. The increase of \$5,100,000 above the fiscal year 1987 level reflects only a small portion of the large inventory of projects which the Service is prepared to complete.

Any funds obligated for project G-5167212, subaccount No. 21200 which have not been committed by contract or obligation document as of the date of this act may be used for an amendment to the aforementioned project located in Butler County, KY.

INDIAN AFFAIRS

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

1987 appropriation.....	\$938,600,000
1988 budget estimate.....	910,181,000
House allowance.....	966,452,000
Committee recommendation.....	979,471,000

The Committee recommends an appropriation of \$979,471,000, an increase of \$69,270,000 above the budget estimate and an increase of \$13,019,000 over the House allowance. The Committee recommendations compared with the budget estimate are displayed in the following table:

	Budget estimate	Committee recommendation	Change
Education:			
School operations.....	\$187,411,000	\$187,808,000	+\$397,000
Johnson-O'Malley educational assistance.....	20,351,000	22,787,000	+2,436,000
Continuing education.....	25,869,000	27,029,000	+1,160,000
Substance abuse/alcohol programs.....	2,400,000	2,400,000	
Subtotal, education.....	236,031,000	240,024,000	+3,993,000
Indian services:			
Tribal government services.....	5,692,000	9,192,000	+3,500,000
Social services.....	90,516,000	93,216,000	+2,700,000
Law enforcement.....	3,177,000	4,542,000	+1,365,000
Self-determination services.....	50,682,000	53,482,000	+2,800,000
Employment development.....	2,436,000	3,170,000	+734,000
Tribe/agency operations.....	146,901,000	158,460,000	+11,559,000
Subtotal, Indian services.....	299,404,000	322,062,000	+22,658,000
Navajo-Hopi Settlement Program.....	1,971,000	1,971,000	
Economic development and employment programs:			
Business enterprise development.....	13,146,000	11,771,000	-1,375,000
Road maintenance.....	767,000	767,000	
Tribe/agency operations.....	25,797,000	27,797,000	+2,000,000
Subtotal, economic development and employment programs.....	39,710,000	40,335,000	+625,000

O'Malley program has provided funding to public schools on and near Indian reservations to make services available to Indian children.

The Committee recommends an increase of \$1,160,000 over the President's budget for continuing education. The Committee supports the House amount of \$400,000 for transition costs for the Institute of American Indian Arts, as well as an increase of \$160,000 to reinstitute the Summer Law Program at the University of New Mexico. The Committee recommends an additional \$500,000 for title II (Navajo Community College). The Committee also recommends \$100,000 to plan a learning resource center at Oglala Lakota College. This is the second largest tribal college in the Nation and the center would serve as a resource for both the tribe and the community in which no other reference or reading library is located.

The Committee has modified House bill language to ensure the continued operation of the Institute for American Indian Arts until such time as a Board of Regents and President of the Institute have been named and had an opportunity to organize. Bill language has also been included prohibiting closure of the Phoenix Indian Boarding School without the consent of Congress.

Indian services.—The Committee recommends a net increase of \$22,658,000 for Indian services. Included in this is an increase of \$3,500,000 for tribal government services, \$2,700,000 for social services, \$1,365,000 for law enforcement, \$2,800,000 for self-determination, \$234,000 for employment development, and \$11,559,000 for tribe/agency operations.

The Committee recommends an increase of \$500,000 over the President's request in tribal government services in order to continue judicial training, pursuant to the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (Public Law 99-570). The Committee believes that the Federal Government's commitment to address serious problems of drug and alcohol abuse among Indian youth should not be limited to a one-time effort. Within the budgeted amount for special tribal courts, \$150,000 shall be provided to the Winnebago Tribe.

The Committee recommendation includes \$3,000,000 for newly recognized tribes including the Klamath Tribe, the Wampanoag Tribe of Gay Head, MA, the Alabama-Coushatta Tribe, and the Tigua Tribe. Of the total, \$1,500,000 is to be made available to the Klamath Tribe.

In social services, an increase of \$2,700,000 is recommended to restore the Indian Child Welfare Act grants to the fiscal year 1987 level.

The Committee is concerned about the unemployment problems on reservations and believes that the workforce initiative proposal needs further clarification and refinement. In order to better define this program, the Committee agrees that a demonstration project approach, based upon consultation with the tribes, is appropriate and support such projects within available funds.

Based on the fiscal year 1987 experience, the Committee has not provided an increase for general assistance payments. To ensure that sufficient funds are available, however, the Committee directs the Bureau to

	Budget estimate	Committee recommendation	Change
Natural resources development:			
Natural resources, general.....	\$1,888,000	\$1,888,000	
Agriculture.....	3,506,000	6,171,000	+\$1,665,000
Forestry.....	6,631,000	9,181,000	+2,550,000
Water resources.....	487,000	9,487,000	+9,000,000
Wildlife and parks.....	10,301,000	14,224,000	+3,923,000
Fire suppression.....		25,000,000	+25,000,000
Minerals and mining.....	6,836,000	7,119,000	+283,000
Irrigation and power.....	7,618,000	7,618,000	
Tribe/agency operations.....	57,062,000	63,002,000	+5,940,000
Subtotal, natural resources development.....	94,309,000	142,670,000	+48,361,000
Trust responsibilities:			
Rights protection.....	18,849,000	13,499,000	-5,350,000
Real estate and financial trust services.....	19,513,000	19,213,000	-300,000
Tribe/agency operations.....	24,978,000	24,978,000	
Subtotal, trust responsibilities.....	63,340,000	57,690,000	-5,650,000
Facilities management:			
General administration.....	80,907,000	80,907,000	
Management and administration.....	38,194,000	38,177,000	-17,000
ADP services.....	17,731,000	16,931,000	-800,000
Program management.....	6,127,000	6,047,000	-80,000
Employee compensation payments.....	12,131,000	12,131,000	
Consolidated Training Program.....	840,000	840,000	
Tribe/agency operations.....	19,486,000	19,686,000	+200,000
Subtotal, general administration.....	94,509,000	93,812,000	-697,000
Total, operation of Indian programs.....	910,181,000	979,471,000	+69,290,000

Tribal/agency operations.—The Committee agrees with the revised activity structure proposed by the Bureau and concurs in the House recommendation allowing administrative approval of tribally initiated reprogramming requests of up to 25 percent of the affected line item under tribe/agency operations, provided that such reprogrammings shall be reported quarterly. The Committee joins the House in advising the Bureau to carefully monitor this increased flexibility to assure that the detailed procedures included in the House report are met.

Education.—The Committee recommends an increase of \$3,993,000 consisting of \$397,000 for school operations, \$2,436,000 for the Johnson-O'Malley program, and \$1,160,000 for continuing education.

The increase for school operations is to offset the loss of impact aid funds for the three Maine schools to ensure that these schools meet State-mandated academic standards.

Along with an increase of \$2,436,000 for the Johnson-O'Malley program, the Committee has included bill language maintaining a weighting formula for payments (which considers State per student educational expenditures). Any changes in the JOM formula are to be first reviewed and approved by the Congress. Over the years, the Johnson-

submit a report by May 15, 1988, detailing expenditures for general assistance for the first two quarters of fiscal year 1988. The Committee will consider a supplemental budget request, if needed.

Within the funds provided, the Committee will expect the BIA to continue to fund the Navajo Vital Statistics Office at the fiscal year 1985 level and fully comply with the U.S. District Court decision in this regard.

For law enforcement, the Committee recommends \$1,365,000 over the President's request for the purpose of continuing law enforcement substance abuse and alcohol training, pursuant to the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (Public Law 99-570). The increase of \$1,500,000 has been partially offset by a reduction of \$135,000 to special law enforcement which is transferred to tribe/agency operations to meet a portion of the law enforcement costs of the Colville and Winnebago Tribes. Of the amounts provided in fiscal year 1987, \$100,000 was for nonrecurring costs associated with the development of the model juvenile code and \$500,000 remains unobligated for the drug interdiction efforts of the Papago Tribe, and which are available for such operations in fiscal year 1988.

For self-determination services, in order to further encourage tribal capacity to contract for the operation of BIA programs, the Committee recommends an additional \$2,000,000 over the President's request for contract support funds. An increase of \$3,800,000 is also provided to continue the Small Tribe Core Management Program. This is offset by a reduction of \$3,000,000 to the request to fund a small tribes/specialized technical assistance initiative.

While the Committee appreciates the Bureau's concern over the inequity and inadequacies of the current method of funding contract support in accordance with the guidelines provided in OMB Circular A-87, the proposed flat administrative rate is not supported. The Bureau is encouraged to further study other possible ways of funding the administrative support costs of tribal Public Law 93-638 self-determination contracts in order to avoid the financial losses incurred by tribes in the cost recovery determinations, including a lump sum approach. A report to the Committee on such alternative methods which may be considered should be made prior to implementing changes.

The Committee supports the transfer of the employment development subactivity to the Indian services activity. Coordination of this program with others in the Indian services budget activity through a demonstration project approach to address the unemployment problems on reservations is supported. Therefore, \$220,000 for travel for implementation of the workforce initiative is denied, as this demonstration project approach based on consultation with the tribes should be undertaken first. Within available funds, \$100,000 is to be provided for the direct employment program operated by the United Sioux Tribes. An increase of \$912,000 is included for the Adult Vocational Training Program operated by the United Tribes Education Technical Center. An increase of \$1,100,000 is recommended for the Crownpoint Institute of Technology within the total for Indian services.

In tribe/agency operations, the Committee has included a total increase of \$11,559,000, which includes the transfer of \$135,000 from law enforcement. An increase of \$386,000 is provided over the budget request and House allowance for the Chitamacha Tribe residing in southwestern Louisiana. The Chitamacha Tribe has been federally recognized since the 1930's, but has not received equitable recurring funding for tribal operations compared to other southern tribes. In fiscal year 1987, the BIA provided a total of \$136,437 in support of Indian services for the Chitamacha Tribe. The Committee was encouraged by this recognition of the tribe's needs. Unfortunately, the fiscal year 1988 budget request includes only \$13,300 for the Chitamacha Tribe. The Committee is seriously concerned about this proposed cutback. The funding level proposed by the Committee will build and expand upon the support provided in fiscal year 1987 in the areas of adult education, law enforcement, social services, child welfare, and job training, and other programs designed to reduce unemployment and assist tribal members to become self-sufficient.

The Committee recommends an increase of \$275,000 over the President's request for the tribal court operation of the Tohono O'Odham Nation.

The Committee recommends an increase of \$1,000,000 over the President's request for social services for the purpose of restoring tribal Public Law 93-638 social services programs to a level commensurate with the need for family and child welfare casework services. The Committee recommends that a portion of the increase be used to provide staff for emergency shelters constructed pursuant to the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (Public Law 99-570), should such shelters become operational in fiscal year 1988.

The Committee recommends an increase of \$4,455,000 above the President's request for law enforcement, of which \$2,000,000 is a general increase for the purpose of providing adequate staffing for tribal Public Law 93-638 programs. The Committee notes that during the past 10 years, only 18 Public Law 93-638 contracts have been retroceded to the BIA. All 18 retrocessions have occurred since 1982. Of the 18, 12 have been law enforcement contracts that have been retroceded because of funding problems. The Committee recognizes that tribes face increased costs of providing law enforcement services because of increasing liability insurance and vehicle maintenance costs. A portion of this increase should be used to provide staff for juvenile detention centers constructed pursuant to the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (Public Law 99-570).

Additionally, the following specific increases are provided for law enforcement and detention programs:

Colville Tribe.....	\$550,000
Winnemago Tribe.....	270,000
Lummi Tribe.....	100,000
Quinault Tribe.....	175,000
Miccosukee Tribe.....	50,000
Western Nevada Agency.....	125,000
Rosebud Tribe.....	285,000
Standing Rock Sioux Tribe (law enforcement and detention center contract).....	200,000
Gila River Reservation (juvenile rehabilitation center).....	700,000
Total.....	2,455,000

The Committee will expect that the \$700,000 provided for operation of the Gila River Juvenile Rehabilitation Center will be included in the Pima Agency base budget. The Committee also expects the Bureau of Indian Affairs to continue the \$50,000 increase provided for the Miccosukee Tribe in future budgets.

The Committee recommends that the Indian Self-Determination Grant Program be restored to a level of \$4,250,000. Of this amount, \$250,000 shall be made available to the Havasupai Tribe to enable the tribe to install a microwave communications system.

Economic development and employment programs.—The Committee recommends a net increase of \$625,000 for economic development and employment. Included in this is a decrease of \$1,375,000 for business enterprise development.

A decrease of \$2,550,000 is recommended for technical assistance. A portion of these funds has been restored to the tribe/agency portion of the budget (\$2,000,000). An increase of \$250,000 is provided as a grant to the White Earth Chippewa Tribe for economic development activities.

In addition to the \$425,000 in the House allowance for the American Indian Business Development Consortium, the Committee has included an additional \$500,000 to assist the consortium in establishing a business industrial development corporation [BIDCO] in cooperation with the State of Michigan and the private sector. These funds will be matched by \$500,000 from the private sector and \$1,000,000 from the State of Michigan, for a total cooperative effort of \$2,000,000. The Committee is impressed by the fact that the consortium has secured the cooperation of the State of Michigan and the private sector, and that this appropriation will sustain and create upward of 1,000 jobs. The Committee believes that it is crucial that these funds be provided to the consortium at this time so as to take advantage of the 1-year matching funds available from the State of Michigan.

Within the total funds included in this bill, the Committee expects funding for the business opportunity centers to continue. The Committee will be reviewing the effectiveness of these centers during fiscal year 1988 and expects to receive a BIA report reviewing the operation of these centers and their impact on economic development by April 1988.

The Committee recommends that \$50,000 of the funds appropriated under the business enterprise development subactivity be earmarked for

the Suquamish Museum. Funds should come from the amount provided for the Indian Arts and Crafts Board.

Within the total funds available for road maintenance, \$100,000 is to be used to repair and improve 3.1 miles of roads throughout the UTEC.

The Committee has increased tribe/agency operations by \$2,000,000 to restore the Credit and Finance Program.

Natural resources development.—The Committee recommends an increase of \$48,361,000. Of this amount, \$25,000,000 is to be transferred to repay fiscal year 1987 firefighting costs borrowed from unobligated construction funds. For agriculture and range, increases include \$900,000 to develop a range rehabilitation plan for the Havasupai Tribe; \$650,000 for crop establishment for Gila Farms; and \$115,000 for the Soil Fertility Program of the Nez Perce Tribe. Within the budget request for eradication of noxious weeds, \$13,000 shall be spent on trust lands in Idaho. The Committee will expect the BIA to provide the Maricopa Indian Cooperative Association [MICA] with the necessary assistance for the reclassification of MICA farmlands and development of an agricultural enterprise plan.

An increase of \$2,550,000 is recommended over the President's budget for the Forest Development Program. This program includes all reforestation and timber stand improvement activities conducted by the BIA and tribes, including reforestation activities. Within this amount, the Bureau is to make \$50,000 available for the Tulalip Indian Reservation, WA.

The Committee has restored \$9,000,000 for water resources and directs that \$545,000 be used to complete the 5-year soil survey at the Yakima Indian Reservation in Washington. Within available funds, \$390,000 is provided for a water management study on the Miccosukee Reservation; \$284,000 is provided for a similar study on the Seminole Reservation; and \$250,000 is provided for the Standing Rock Sioux Tribe and \$315,000 for the Navajo Water Monitoring and Inventory Program. The Committee strongly opposes the proposal to transfer the Water Resource Development Program from natural resource development to trust responsibilities and objects to the prohibition against tribal contracting for water resource development.

The Committee recommends an increase of \$3,923,000 for wildlife and parks. This amount includes an additional \$380,000 for the Columbia River Intertribal Fish Committee and the Northwest Indian Fish Commission to implement the United States-Canada Pacific Salmon Treaty and \$2,000,000 for the Washington fishing tribes to enable them to participate with the State of Washington, the private timber industry, and environmental organizations in an agreement covering the future management of watersheds and fish and wildlife habitat in the State of Washington. The agreement will allow tribes to participate in the on-site evaluation of forest practices which, in the past, have had serious adverse impacts on fish and wildlife resources. The State of Washington is seeking biennial funding of \$6,500,000 to implement the so-called

timber/fish/wildlife agreement, and the timber industry and environmental organizations are making substantial contributions to fulfill their respective responsibilities under the agreement.

For a salmon tagging program on the Metlakatla Reservation, AK, \$63,000 is provided. An increase of \$1,270,000 will allow the Great Lakes Indian Fish and Wildlife Commission to expand its conservation, law enforcement, and judicial services programs. The Committee also recommends an increase of \$210,000 to study the endangered sucker species in the Klamath Reservation.

The Committee has transferred to the Fish and Wildlife Service responsibility for operations of the Williams Creek/Alchesay and Mesquero National Fish Hatcheries as well as the following fisheries assistance offices: Parker, AZ; Pinetop, AZ; Sander, WY; Vernal, UT; and Gallup, NM. The savings realized by the BIA from these transfers shall be used to initiate a cyclical maintenance program for the remaining Bureau and tribal hatcheries.

Within the total funds available, the Bureau is to make \$496,000 available for operating costs for the Upper Columbia United Tribes Fisheries Research Center.

The Committee has added \$283,000 to increase funding for the Penobscot/Passamaquoddy Mineral Assessment Program. The Committee recommends that funding for phase II studies and phase III studies be continued. The Committee recommends that the Bureau continue to fund the Council of Energy Resource Tribes at the 1987 level.

For tribe/agency operations, the Committee recommends increases of \$4,538,000 for timber sales administration; \$100,000 for sawmill operations for the Red Lake Band of Chippewa Indians; and \$150,000 for the Bad River Tribe to develop a logging operation. Increases are also provided for Lac du Flambeau fisheries enhancement (\$288,000); Leech Lake hatchery operations (\$200,000); and for hatchery operations of the Red Cliff Band of Lake Superior Chippewa Indians (\$664,000).

The BIA, under its Snyder Act, authority is directed to provide \$100,000 of operation of Indian program funds to the Red Lake Band of Chippewa Indians by grant for purposes of reactivating the Red Lake sawmill. This grant shall be handled separately and apart from the BIA's Indian Financing Act grant program and shall be without requirement for further contribution by the tribe.

Trust responsibilities.—The Committee recommends a net decrease of \$5,350,000 for trust responsibilities.

The Committee recommends that funding be provided in the amount of \$13,499,000 for Indian rights protection. This represents an increase of \$2,150,000 over the budget request, offset by a decrease of \$7,500,000 which the administration had proposed to transfer from water resources. Of the total amount, \$500,000 is to be made available to the Puyallup Tribe, WA, to enable the tribe to continue negotiations over its land claims with affected parties. Within the total amount provided for trust responsibilities, \$240,000 is to be used for the Micosukee Tribe's water rights negotiations. In order to partially restore

funding to fiscal year 1987 funding levels, the Committee recommends that \$200,000 be added for funding for the historical and cemetery site investigations required under ANCSA; that \$300,000 be added for litigation support; and that \$150,000 be added for payment of attorney fees in the event of conflict of interests with the United States or where the Attorney General otherwise declines to represent tribal interests. The Committee has also included \$1,000,000 above the budget request to pay outstanding legal fees of the Navajo and Hopi Tribes including \$580,000 for Navajo legal fees. Included in the total amount is \$200,000 for a study of Alaska Eskimos' reliance on bowhead whales to meet cultural and nutritional subsistence needs.

The administration has requested \$700,000 under real estate and financial services to conduct a resource allocation/effectiveness study. The Committee agrees with the House that the current base funding allocation is arbitrary and needs revision. The Secretary should develop the study methodology and any resource allocation criteria in close consultation with both the appropriate legislative and Appropriations Committees of the Senate and House of Representatives. No reallocation of resources should be made to tribes based on the new methodology until Congress has had sufficient time to review and approve of the methodology.

General administration.—The Committee recommends a net decrease of \$697,000. For management and administration, the Committee agrees with the House increase of \$100,000 for EEO complaint investigations. The Committee agrees with the decrease of \$117,000 for departmental billings. The Committee does not agree with the House recommendation of a \$23,000 reduction in the area of financial management data systems. The Committee has not agreed with decreases proposed by the House of \$374,000 for new contracts/grants personnel and \$200,000 for new personnel positions as the anticipated lapse rates in new hiring was built into the budget estimates.

A decrease of \$800,000 is recommended for ADP services, consisting of \$200,000 for software development, \$100,000 for hardware requirements, and \$500,000 for systems improvement initiatives. The Committee is concerned over the continuing expenditures for automatic data processing technologies by the Bureau's Office of Data Systems. The overall direction of the program remains a question, especially in light of recent computer acquisitions. The Committee will closely review the reports which ODS is required to submit.

An additional \$120,000 is provided in education program management funding within the "General administration" account for a grant to the CloseUp Foundation to provide fellowship assistance to increase the participation of Native Americans from Alaska and their teachers and of Native Americans and their teachers in BIA and contract tribal high schools in the CloseUp Program and for developmental and staff costs associated with this effort. It is anticipated that up to 10 teachers and 40 students from Alaska and up to 20 teachers and 80 students from BIA and contract tribal high schools will be able to participate in the program with these funds.

The Committee proposes a reduction of \$200,000 for program management in connection with the Bureau's requested increase for construction management. This increase is no longer needed since the control and direction of the facilities program will remain with the Office of Construction Management rather than returning to the Bureau. The Committee does not, however, agree to the House recommendation of adding yet another bureaucratic layer by moving OCM to the National Park Service.

Under tribal/agency operations, the Committee has included \$200,000 to pay the relocation costs to move the Northern Pueblos Agency.

The Committee agrees with the House language in the bill relating to certain initiatives proposed by the BIA. This language is the same as, or similar to, language contained in the fiscal year 1987 supplemental appropriations bill.

Administrative provisions.—Bill language identical to the House language, has been added that modifies the provisions carried in the Fiscal Year 1986 Supplemental Appropriation Act (Public Law 99-349) regarding the Chippewa-Ottawa Fisheries Treaty Management Program.

CONSTRUCTION

1987 appropriation.....	\$88,601,000
1988 budget estimate.....	57,894,000
House allowance.....	73,967,000
Committee recommendation.....	65,780,000

The Committee recommends an appropriation of \$65,780,000, an increase of \$7,886,000 above the budget estimate, a decrease of \$8,187,000 below the House allowance, and \$22,821,000 below the fiscal year 1987 level.

The following table provides a comparison of the budget estimate with the Committee recommendation:

	Budget estimate	Committee recommendation	Change
Buildings and utilities.....	\$32,360,000	\$38,996,000	+\$6,636,000
Fish hatcheries.....			
Irrigation systems.....	8,194,000	13,534,000	+5,340,000
Housing.....	17,340,000	10,000,000	-7,340,000
Land acquisition.....		3,250,000	+3,250,000
Total.....	67,894,000	65,780,000	+7,896,000

Buildings and utilities.—The Committee recommends an increase for buildings and utilities of \$6,636,000 over the budget estimate which is \$5,112,000 over the House allowance and \$9,114,000 below the fiscal year 1987 level. The Committee has included \$20,000,000 for facilities improvement and repair projects including the following:

Navajo Academy dining hall, New Mexico.....	\$100,000
Continental Divide school, New Mexico.....	2,100,000
Trosipa Zina tribal school, South Dakota.....	1,200,000
Browning public school, Montana.....	1,000,000
Pierre Indian Learning Center, South Dakota.....	1,200,000
Total.....	5,600,000

The Committee has deleted the \$1,250,000 increase included in the House allowance for the Haskell Indian Junior College since the full \$1,250,000 is included in the fiscal year 1988 BIA base budget and the Senate amount.

The Committee supports funding for planning, design, and acceleration of the following new schools: the St. Francis School and the design of the quarters at Rosebud, SD (\$556,000), the Papago cottage dormitory project in Arizona (\$200,000), and will expect that these projects and those listed below will be included in the fiscal year 1989 President's budget. The Committee also recommends \$200,000 for planning and design of the Laguna Middle School, New Mexico, \$120,000 for the planning and design of the long proposed Cherokee Tribal Detention Center in North Carolina, and \$420,000 for planning of a new high school for the Oglala Sioux Tribe at Pine Ridge, SD. Recent studies indicate that new construction of a smaller energy-efficient building for the school's current needs is a more economical and wiser approach than multimillion-dollar renovation of existing 55-year-old buildings which have long exceeded their useful life. The Committee will expect the BIA to submit a budget request for construction in fiscal year 1989. Within the amount provided for planning and design is \$100,000 to assist the Northern Cheyenne Tribe in preparing a petition for construction of a public school. Within the total amount recommended, \$11,000,000 is for the replacement construction of the Turtle Mountain School, an increase of \$2,600,000 over the budget request and the House allowance. With regard to the proposed Coeur d'Alene school, the Committee directs the Bureau of Indian Affairs to conduct a feasibility study on alternatives to building the facility. Among possible alternatives, the study should address the possibility of adding a wing onto an existing school to serve the Coeur d'Alene Tribe and should include discussions with local school district officials.

The Committee recommends and supports in the strongest possible terms an increase of \$6,400,000 for the educational facility needs of the Choctaw Central School in Mississippi. A careful assessment of structural and mechanical systems damage, due to the March 20, 1987 fire, the need to correct safety shortfalls, and concrete evidence of a growing student population compel the recommendation of an amount of \$6,400,000 to remedy the deficiencies.

A tribal-sponsored study by Johnny Wynne & Associates, architects and planners, of Jackson, MS, analyzed and determined the condition of the fire devastated building and the costs of reconstruction.

In the process it was discovered that the damage was considerably more extensive than that reported by the A&E Group (which wrote the report for the Bureau of Indian Affairs) and about 60 to 70 percent of

the building had been lost. In reviewing the current configuration of the school facilities, it was found they had been poorly designed, causing considerable functional problems. The facility had served not only elementary pupils, but had the library for grades K through 12, special purpose rooms for special education and Upward Bound (a high school program), and the high school's administrative offices. Thus, the facility was functionally uncoordinated and certainly not conducive to elementary learning, which could have contributed to the low achievement of the students. The Committee believes that there is an opportunity to correct this situation and replan the physical plant on the school campus.

The Committee is convinced that appropriate action is the following: constructing a separate elementary building, with classrooms, cafeteria, small elementary library, administrative office, and conference room, which would separate the elementary students from the high school students. Tribal surveys shows that elementary enrollment will be increasing by 64 percent between now and 1991, so the facility planning should take into consideration this population growth.

The Committee also proposed that the foundation and plumbing from the burned building be utilized for a high school/middle school library, media center, and fine arts center. Adequate land is available adjacent to the burned elementary school on the campus for the new elementary classrooms.

Fish hatcheries.—The Committee recommends no funds for fish hatchery rehabilitation work, compared to \$2,800,000 recommended by the House. The BIA may use savings realized from transferral of certain BIA fish hatcheries to the Fish and Wildlife Service to initiate a cyclical maintenance program for Bureau and tribal hatcheries.

Irrigation systems.—The Committee recommends a total of \$13,534,000, which is a net increase of \$5,340,000 over the budget request, compared to \$6,235,000 over the budget as recommended by the House. This increase will allow for the following irrigation projects in addition to those receiving funding under the President's recommendation: Fallon Paiute, Nevada (\$890,000); Fort Belknap, Milk River project, Montana (\$500,000); Gila River/Sacaton Farms, Arizona (\$950,000); the Eagle unit irrigation project at Standing Rock Reservation, in North and South Dakota (\$1,500,000); Lower Brule Sioux irrigation project (\$950,000); Crow Creek, SD, irrigation project (\$200,000); and Cheyenne River Sioux, South Dakota (\$350,000). The Committee does not agree with the reductions below the budget request in the area of dam safety recommended by the House.

The Committee is seriously concerned about the Department's changing plans to deal with dam safety. This has led to confusion among the States and tribes who were funded in fiscal year 1987, only to be told that these funds were to be withdrawn and redirected to higher priority projects. The Committee will expect a comprehensive workable plan to be presented to the House and Senate Appropriations Committees so that the funding provided by the Congress will be used to fund the

highest priority and most life-threatening projects. Such a plan should be presented for consideration by the Committee of Conference.

Housing.—In the housing program, the Committee recommends \$10,000,000, a decrease of \$7,340,000 below the budget request and \$12,854,000 below the House allowance.

Land acquisition.—The Committee recommendation includes \$1,000,000 for the purchase of land to be added to the Quinault Indian Reservation and \$2,250,000 to implement the provisions of Public Law 100-95, which settled the claims of the Wampanoug Tribe of Gay Head, MA.

ROAD CONSTRUCTION

1987 appropriation.....	
1988 budget estimate.....	
House allowance.....	\$1,000,000
Committee recommendation.....	

The Committee recommends no funds for road construction, the same as the budget estimate and \$1,000,000 below the House allowance.

MISCELLANEOUS PAYMENTS TO INDIANS

1987 appropriation.....	\$13,628,000
1988 budget estimate.....	13,340,000
House allowance.....	14,334,000
Committee recommendation.....	

The Committee recommends an appropriation of \$14,334,000, an increase of \$706,000 above the budget estimate and \$994,000 above the House allowance. The Committee agrees with the House that the expenses of the Solicitor's Office and the Office of Hearings and Appeals related to the White Earth Settlement Act should be funded under those offices.

The increase above the House allowance is to fulfill the requirements of Public Law 99-283 relating to the distribution of income from the Chilocco Indian Reserve.

TRIBAL TRUST FUNDS

1987 appropriation.....	\$1,000,000
1988 budget estimate.....	1,000,000
House allowance.....	1,000,000
Committee recommendation.....	1,000,000

The Committee recommends an appropriation of \$1,000,000 in trust funds, the same as the budget estimate and the House allowance. The Committee also agrees with the proposed bill language which will make permanent the provision of this \$1,000,000 as well as the balance of the tribal trust funds as requested by the tribes.

REVOLVING FUND FOR LOANS

1987 appropriation.....	
1988 budget estimate.....	\$2,912,000
House allowance.....	
Committee recommendation.....	

The Committee recommends that no funds be appropriated for direct loan subsidies, the same as the House allowance, pending congressional action on this legislative initiative. The Committee has agreed with the House action not to include the requested limitations of \$13,000,000 on loans to be provided from the fund, but to allow loans to be made up to the level of resources and authority available in fiscal year 1988.

INDIAN LOAN GUARANTEE AND INSURANCE FUND

1987 appropriation.....	\$2,452,000
1988 budget estimate.....	12,094,000
House allowance.....	3,085,000
Committee recommendation.....	3,085,000

The Committee recommends an appropriation of \$3,085,000, the same as the House level and a decrease of \$9,009,000 below the budget estimate. Included is a decrease of \$9,367,000 for Indian guaranteed loan subsidies, related to a legislative initiative which has not yet been enacted into law by the Congress. There is an increase of \$358,000 to the base program, including a decrease of \$200,000 to hold technical assistance to the fiscal year 1987 level; and an increase of \$558,000 to restore the funding for interest for the base program to the fiscal year 1987 level.

The Committee has also agreed with the House action not to include the administrative limitation of \$33,500,000.

The Committee has included bill language which authorizes the Secretary of the Interior to use any funds available to the Secretary to cover defaults under the Indian Financing Act. These loan guarantees are mandatory obligations of the Federal Government. Proceeds from the sale of property that secures a loan which has been repaid under this authority is to be credited as a reimbursement to the appropriation account from which the repayment is made. This language does not increase budget authority or outlays.

TERRITORIAL AFFAIRS

The Congress of the United States has placed in the Secretary of the Interior certain authority and responsibility concerning the territories of the United States—including Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands [CNMI]—as well as the Trust Territory of the Pacific Islands. While under the jurisdiction of the Secretary, *these island governments are not entities of the Department of the Interior, nor are they agencies or instrumentalities of the Federal Government.* The Committee notes that the United Nations Trusteeship Agreement was terminated with respect to the CNMI, the Republic of the Marshall Islands, and the Federated

States of Micronesia by Presidential proclamation on November 3, 1986. Thus, Palau remains as the only area of the former Trust Territory of the Pacific Islands to which the trusteeship agreement still applies.

The broad objectives of the Secretary of the Interior are to promote the economic, social, and political development of the people of each of the island governments, leading toward greater self-government, and to further international peace and security by conducting territorial affairs in close coordination with the defense and foreign policies of the United States.

ADMINISTRATION OF TERRITORIES

1987 appropriation.....	\$78,224,000
1988 budget estimate.....	61,933,000
House allowance.....	74,809,000
Committee recommendation.....	79,999,000

The Committee recommends an appropriation of \$79,999,000, an increase of \$18,066,000 above the budget estimate, \$5,190,000 over the House allowance, and \$1,775,000 over the fiscal year 1987 appropriation. The amounts recommended by the Committee compared to the budget estimates are shown in the following table:

	Budget estimate	Committee recommendation	Change
Guam: Construction grants.....	\$1,100,000	\$6,500,000	+\$5,400,000
Subtotal, Guam.....	1,100,000	6,500,000	+5,400,000
American Samoa:			
Operations grants.....	15,400,000	20,776,000	+5,376,000
Construction grants.....	1,950,000	3,200,000	+1,250,000
Subtotal, American Samoa.....	17,350,000	23,976,000	+6,626,000
Virgin Islands:			
Grants.....	2,400,000	2,500,000	+2,500,000
Construction grants.....	2,400,000	2,400,000	
Subtotal, Virgin Islands.....	2,400,000	4,900,000	+2,500,000
Northern Mariana Islands: Covenant grants.....	34,360,000	34,360,000	
Subtotal, Northern Mariana Islands.....	34,360,000	34,360,000	

The Committee has recommended the full amended budget request for the strategic petroleum reserve construction, including leeching at the Big Hill site, in order that the development programs for storage capacity and petroleum distribution may move ahead as quickly as practical. The total storage capacity projected to be developed through the end of fiscal year 1988 is 600 million barrels, and petroleum distribution enhancements should provide, by 1989, a capability of transporting approximately 3.6 million barrels of oil per day from the reserve in the event of a requirement to drawdown its inventory.

SPR PETROLEUM ACCOUNT

1987 appropriation.....	\$842,934,000
1988 budget estimate.....	603,744,000
House allowance.....	806,934,000
Committee recommendation.....	

For petroleum acquisition and transportation, the Committee recommends an appropriation of \$806,934,000, a reduction of \$36,000,000 from the budget estimate and an increase of \$203,190,000 above the House level.

The Committee strongly supports filling the reserve at the maximum possible rate which can be accommodated within technical and budgetary restraints. The Committee recommends an allowance of \$806,934,000 for oil acquisition for the strategic petroleum reserve. Unfortunately, this amount does not fully fund the President's amended budget request, which was submitted to the Congress only days before the Committee considered the fiscal year 1988 appropriation bill. However, as the budget resolution assumed only \$405,000,000 for oil acquisition, the Committee, in effect, redirected substantial resources from other priorities and assumptions in the resolution in order to fill the reserve more rapidly. Still, budgetary restraints have forced the Committee to permit oil acquisition at a rate of only 75,000 barrels per day through the first 4 months of fiscal year 1988. Thereafter, the acquisition rate will rise to 100,000 barrels of oil per day. The Committee has included language in the bill directing this fill schedule. This schedule will provide for a total inventory of 568 million barrels of crude oil in the Federal reserve by the end of fiscal year 1988.

ENERGY INFORMATION ADMINISTRATION

1987 appropriation.....	\$60,301,000
1988 budget estimate.....	61,599,000
House allowance.....	61,599,000
Committee recommendation.....	61,599,000

The Committee recommends an appropriation of \$61,599,000, the same as both the budget estimate and the House allowance.

The Committee reserves judgment on the Energy Information Administration's support for the State Heating Oil Program in fiscal year 1988 and will consider the matter further in conference with the House.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

INDIAN HEALTH SERVICES

1987 appropriation.....	\$869,695,000
1988 budget estimate.....	796,835,000
House allowance.....	943,388,000
Committee recommendation.....	947,235,000

The Committee recommends an appropriation of \$947,235,000, an increase of \$150,400,000 above the budget estimate, \$3,847,000 above the House allowance, and \$77,540,000 over the fiscal year 1987 appropriation. The amounts recommended will essentially maintain the programs of the Indian Health Service [IHS] at the fiscal year 1987 level, including funds to cover mandatory costs of such items as the fiscal year 1987 pay increases and the Federal Employees Retirement System costs, as well as reduce the backlog of the highest priority clinical care. Recommended allowances are displayed in the following comparative table:

	Budget estimate	Committee recommendation	Change
Hospital and health clinic programs.....	\$461,142,000	\$537,636,000	+\$76,494,000
Dental health.....	28,684,000	28,355,000	+1,671,000
Mental health.....	11,738,000	12,468,000	+731,000
Alcoholism.....	26,414,000	29,335,000	+2,921,000
Maintenance and repair.....	9,025,000	10,359,000	+1,334,000
Contract care.....	146,090,000	198,482,000	+52,392,000
Sanitation.....	23,307,000	23,863,000	+556,000
Public health nursing.....	13,659,000	14,129,000	+470,000
Health education.....	4,008,000	4,500,000	+492,000
Community health representatives.....	24,191,000	27,282,000	+3,091,000
Immunization.....	395,000	395,000	
Urban health programs.....	8,000,000	9,674,000	+1,674,000
Indian health manpower.....	4,646,000	7,646,000	+3,000,000
Tribal management.....	749,000	3,329,000	+2,580,000
Direct operations.....	34,337,000	39,781,000	+5,444,000
Indian health facilities.....	2,450,000		-2,450,000
Total, Indian Health Services.....	796,835,000	947,235,000	+150,400,000

The Committee notes that the IHS intends to continue with its resource allocation methodology [RAM] in fiscal year 1988. The IHS has reported progress in reducing funding inequities. Following the fiscal year 1987 RAM application, all areas were funded within 12 percent of the IHS average in the Hospitals and Clinics and Contract Health Service's budget categories. Eight of 12 areas were funded within 6 percent of the average. The variation in funding levels of service units within some areas remains more significant, however. In accordance with these reports, the Committee suggests the IHS place more emphasis upon reducing variations within areas while continuing to gradually reduce the funding variations among areas. The Committee directs that IHS limit the possible reduction of any area's base funding to 5 percent, unless a proposal to exceed this amount is submitted in advance to the

Appropriations Committees and approved. The Committee also directs the IHS, as part of its continuing work on RAM, to construct a methodology to actually calculate the needs of multiservice unit medical centers and small service units.

The Indian Health Service is continuing to review proposed changes in eligibility regulations. Bill language has been included requiring IHS to submit the final proposed regulations to the Appropriations Committees for their review and approval before implementation. The Committee also repeats its request that along with the proposed regulations, IHS provide a summary of all the major issues raised during the comment period, and a report on how IHS has responded to them in the final proposed regulations.

The Committee is concerned about the potential problems IHS is facing with regard to acquisition of ADP equipment for headquarters and direct care field facilities as expressed by tribes and tribal organizations. The IHS shall prepare a report on the problems encountered in acquiring, on a timely basis, ADP equipment. In addition, the report shall detail the IHS suggestions for overcoming the problems enumerated.

The Committee concurs in the House action to include language in the bill which will extend Federal tort claim coverage to tribal contractors, in order to ameliorate the serious problem of the high cost of liability or malpractice insurance.

The Committee agrees with the language included in the bill by the House, which prohibits the imposition of any personnel ceiling on the Indian Health Service, or any other action which would have the effect of reducing the full-time equivalent employment level of the IHS, unless the Congress has reviewed and approved any such proposal. This includes any action taken under the 10-year plan of the administration to encourage tribes to take over IHS programs. The Committee will expect that the Department will provide the full FTE, provided for newly opened facilities, such as the Sacaton Hospital, without delay and on an expedited basis to facilitate recruiting. The earlier proposal to reduce by up to 83 percent the temporary employees funded under the Sanitation Facilities Program, did not meet with congressional approval and the Committee, therefore, directs the IHS and the Department not to take any action to implement it. Since no such reductions for any other programs have been proposed or submitted to the Congress, the Committee expects no action to implement any such reductions to any IHS program to be applied in fiscal year 1988.

Hospital and health clinics.—The Committee recommends an increase of \$76,494,000 for hospitals and health clinics. Included is \$56,136,000 to restore the proposed program decrease (less \$2,000,000 in nonrecurring training costs under the Anti-Drug Abuse Act). The balance of the funding for the Anti-Drug Abuse Act, \$14,200,000, is restored and made available to continue operating and staffing the regional centers, for rehabilitation and followup services to Indian youth, for community education and training, and for the Navajo program in Gallup, NM.

The Committee also provides an increase of \$3,000,000 over the budget request and the House allowance to staff and operate four new regional treatment centers designed to provide inpatient care to adolescents suffering from problems caused by alcohol or drug abuse.

The Committee has been advised that there were no funds made available for the area office staffing necessary to implement the provisions of the Anti-Drug Abuse Act in fiscal year 1987, and that the Indian Health Service will be significantly handicapped in its efforts to implement the act in fiscal year 1988 in the absence of funding to support the positions of a substance abuse coordinator (GS-13) and a substance abuse specialist (GS-11) in each of the 12 IHS area offices. The total amount necessary for this purpose has been included under hospital and health clinics. The Committee is further advised that interpretations given to provisions of the act by the Department's Office of General Counsel are inconsistent with the intent of the Congress. The Committee has been advised that it is the intent of the Congress that: (1) The expenditure of construction and renovations funds authorized by the act may be used for tribal facilities or non-Federal facilities leased by or from a tribe for purposes authorized under the act, in addition to the use of such funds to construct or renovate existing Federal facilities; and (2) with the agreement of affected tribes, regional treatment centers may be located either on an Indian reservation, or where there is more than one tribe proposing to operate a regional treatment center, that a treatment center may be located in an area that is reasonably accessible to all participating tribes, even if such area is not within the exterior boundaries of an Indian reservation.

The Congress appropriated \$1,800,000, including \$1,599,000 under hospitals and clinics, in the fiscal year 1986 supplemental for staffing and operating costs of a newly constructed hospital at Kanakanak, AK. These funds did not become available to IHS until the end of fiscal year 1986 and were, therefore, used to meet the operating costs during fiscal year 1987. Consequently, the fiscal year 1987 appropriation did not include the resources for this project nor did the administration's fiscal year 1988 base budget. The Committee recommendation does provide the necessary increase in the amount of \$1,684,000 to maintain the operation of the hospital at Kanakanak, AK.

The Committee agrees with the House and denies the budget proposal to fund \$8,000,000 of the Hospital and Clinic Program costs from additional collections of reimbursements from private insurers. The Committee believes that the authorizing committees should address this issue before any action is taken to change the appropriation language.

The Committee is concerned about financial problems faced by the Southeast Alaska Regional Health Corporation in its administration of the Mount Edgecumbe service unit. These problems have been caused by a recurring shortfall in the level of funding for personnel at the Mount Edgecumbe service unit. The Committee expects that IHS will use \$270,000 of the funds available for hospitals and clinics to correct shortfalls in the level of personnel funding and that the level of funding

available to the Mount Edgecumbe service unit on a recurring basis will be corrected to reflect this additional funding.

The Committee has been informed that budgetary restrictions have resulted in the closure of some IHS clinics and in the general reduction of health services being delivered by hospitals and clinics. The Committee has provided an additional \$1,730,000 to address this need, along with ever-increasing unmet health needs of Indian people, including needs related to health promotion and disease prevention.

The House recommended an increase of \$1,000,000 for expansion of the Model Diabetes Program. The IHS should include a description of this activity, including how the funds are being spent, in the fiscal year 1989 budget justification, along with the amount requested in the budget year, and the planned activities. The Committee urges the IHS to give careful consideration to the application from Ada, OK, sponsored by the Seminole Nation.

The Committee shares the concern of the House regarding potential staffing shortages in the future, as detailed in the recent Office of Technology Assessment report, "Clinical Staffing in the Indian Health Service." To help address this issue, language and an amount of \$2,000,000 has been included in the bill for a medical loan payback program. The payback program will involve the repayment of Federal, State, and commercial-type educational loans for physicians and other health professionals, in return for service in the IHS. For each year a physician serves in the IHS, for example, the IHS would repay up to \$25,000 of his or her loan indebtedness.

The Committee recommendation also concurs in the House increase of \$860,000 for the Physician Residency Program, which will enable IHS to obtain 20 percent of the family practice physicians needed on a yearly basis, plus hard-to-recruit specialists. Acceptance of this out-of-service training program incurs a payback of 2 months for each month of support. The physicians must be commissioned officers or eligible for commissioning in the USPHS Commissioned Corps. The Committee has also included bill language which authorizes the use of IHS funds to pay for spousal travel, when accompanying an applicant for an IHS position, to the site where the medical professional would be employed. The IHS shall report on the amount of funds used for this purpose at the end of fiscal year 1988, and shall include the amount needed for this purpose in future year budget requests.

An increase of \$4,314,000 is recommended, which will provide for staffing of new or recently completed facilities, as follows: Browning (\$422,000, 6 FTE's); Crownpoint (\$1,637,000, 38 FTE's); Kanakanak (\$408,000, 7 FTE's); Sacaton (\$1,216,000, 33 FTE's); and Fort Thompson (\$631,000, 17 FTE's).

The Committee notes that the city of Plummer, ID, and the Coeur d'Alene Tribe of Idaho are working together to build a full service medical/dental clinic to be used by both the Indian and non-Indian communities. To facilitate this effort, the Committee directs the Indian Health Service to submit in its fiscal year 1989 budget the costs of personnel and equipment to operate this facility.

The Committee has also included \$3,000,000 for tribal contractor indirect costs shortfall. The Committee expects that \$500,000 of the funds provided for indirect costs of tribal contractors will be added to the base level of funding available to the Mount Edgecumbe service unit and \$190,000 for the Annette Island service unit. The Committee has also agreed to proposed bill language, to establish an Indian self-determination fund for the transitional costs of initial or expanded tribal contracts and has provided an increase of \$2,500,000 for this purpose.

Within the funds provided, the Committee intends for the Oklahoma urban programs to continue to be funded at the 1987 level, plus any mandatory cost increases.

Dental health.—An increase of \$1,671,000 is recommended, which includes \$297,000 for staffing at new facilities, as follows: Kanakanak (\$60,000, one FTE); Sacaton (\$118,000, three FTE's); and Fort Thompson (\$119,000, three FTE's). The balance of the increase will restore the proposed program decrease (\$1,214,000), and provide a small increase (\$160,000) to begin to close the gap in dental care available to the Indian people, including \$65,000 for a three-person dental team at the Eastern Band of Cherokee Indians in North Carolina.

Mental health.—An increase of \$731,000 is recommended, to restore the program to the 1987 level (\$436,000), and also provide \$295,000 for new staffing, as follows: Browning (\$98,000, two FTE's); Sacaton (\$98,000, two FTE's); and Fort Thompson (\$99,000, two FTE's).

Alcoholism.—The Committee recommends a funding level of \$2,921,000 over the budget request, which would: restore the program to the fiscal year 1987 level of effort; provide \$100,000 for capital costs associated with the acquisition of a permanent facility for the Thunderbird Alcoholism Treatment Center in Seattle, WA, to be used as a matching share for State and private contributions; and up to \$100,000 for operational costs of the Thunderbird Treatment Center, a 95-bed facility and the largest Indian alcoholism treatment center in the country. The Committee intends the demonstration program of the Warm Springs Tribe in Oregon to continue at no less than the current level in fiscal year 1988.

Maintenance and repair.—The Committee recommends a funding level of \$10,359,000, an amount sufficient to restore the proposed program decrease (\$334,000) and to allow the IHS to begin to address the growing backlog in maintenance and repair projects now approximating \$82,000,000.

Contract care.—The Committee recommends an increase of \$52,392,000, which includes \$47,392,000 to restore the program to the 1987 level, including \$10,000,000 to maintain the catastrophic health care fund at the fiscal year 1987 level. The Committee has been advised that the guidelines for use of the fund in fiscal year 1987 have been promulgated and the 1987 funds are being obligated. To provide for the maximum benefit of the catastrophic health care fund and to provide for the maximum utilization and management of contract care funds, the Committee has proposed bill language which will permit fiscal year 1988

funds in the contract care activity to remain available for obligation until expended, as is the case with the catastrophic health care fund.

The balance of the increase, \$5,000,000, which is the same as the House allowance, is provided to allow the IHS to begin to address the backlog of deferred services, currently estimated to total \$44,500,000.

The Committee wishes to address the severe funding problems in contract care. In certain areas, including Aberdeen, the shortfall has been particularly acute. For the past several years, the administration has limited the use of contract care funds to priority one (that is, emergency and urgent) cases only. This has produced a large backlog in all other cases appropriate for contract care. However, the Committee has been advised that even for priority one cases, there are insufficient funds to meet the need at some locations. Service units refer patients for needed care, but then cannot pay the bills due to shortfalls in their contract care budgets. Often, the private providers bill the patients, who generally cannot afford to pay the bills on their own.

The Committee is concerned that if this situation continues, Indian patients will no longer be accepted for care by the providers who are not being paid for their services. This would be disastrous for the patients involved, who include many high-risk obstetrical cases, trauma victims, and kidney dialysis patients.

The Committee recommends three courses of action. First, the Committee recommends an increase of \$52,392,000 over the amount requested by the administration for contract care. This is the same as the recommendation of the House. Second, the Committee directs the administration, as part of its budget request for fiscal year 1989, to report actual charges for priority one contract care cases in fiscal year 1988, the amount paid by IHS, and any shortfall. The report should also include a projection of any increase in these amounts for fiscal year 1989. Third, the Committee directs IHS to furnish, no later than May 1, 1988, an interim report concerning expenditures and shortfall for priority one contract care cases in fiscal year 1988. To enable the Committee to provide the necessary funding for contract care, the Committee instructs the IHS to include in the report: (1) Contract care charges incurred in fiscal year 1987, including any charges for services incurred in fiscal year 1987 but not paid with fiscal year 1987 funds because of a shortfall; (2) contract care charges incurred in the first half of fiscal year 1988; (3) an estimate of contract care charges for the second half of fiscal year 1988; (4) any projected contract care shortfall for fiscal year 1988 and the method by which this was determined. The report should be on an area-by-area basis, and shall include, as documentation, each area office's projection of contract care needs and shortfalls for fiscal year 1988. In the above regard, the Committee wishes to note its concern about the needs of the Eastern Band of Cherokee Indians of North Carolina. In addition, the Committee instructs IHS to inform the Committee immediately if it appears at any time that any area or service unit has insufficient funds to provide emergency contract care throughout the fiscal year.

The Committee shares the concern of the House about the possible impact of the imposition of new fee agreements in isolated areas, and expects the IHS to provide whatever flexibility is needed in order not to leave any particular area without contract services, where no other alternatives exist.

Within the total amount recommended, the Committee expects the IHS to continue the contract with the Mid-Dakota Hospital, SD, after adequate consultation with those Indian tribes served by the contract.

Preventive health.—An increase of \$4,609,000 is recommended, which includes \$550,000 for new staffing, the same as the House allowance, and \$3,847,000 to restore these programs to the fiscal year 1987 level. The Committee does not agree to the proposed phaseout of the Community Health Representatives Program, and the above increase includes \$3,091,000, an increase of \$809,000 over the House allowance, to allow the program to continue to be funded at the fiscal year 1987 level. The Committee recognizes the importance of the community health representative information system [CHRIS] to improved management of the CHR Program and directs that its use be continued and expanded to cover all CHR programs.

The Committee has recommended an increase of \$212,000 in health education for maintaining the operation at Kakanak, AK.

Urban health.—The Committee agrees with the House increase of \$1,424,000 to restore the Urban Health Program to the fiscal year 1987 level. The Committee provides an additional \$250,000 to be used to conduct an assessment of the health care needs of the urban Indian population in the State of Arizona. The IHS is directed to provide a report of its findings to the Committee as soon as the needs assessment is completed, but not later than April 30, 1988.

Health manpower.—The Committee agrees with the House increase of \$3,000,000 for new scholarships. Within the total funds provided, the Committee intends that \$250,000 be provided to the Masters in Public Health Program, and \$325,000 for the Indians into Medicine [INMED] Program. The IHS is directed to ensure that an amount not less than \$325,000 is made available for the INMED program.

Tribal management.—The Committee has provided an increase of \$2,080,000, which is \$80,000 over the House allowance, to fully restore the Tribal Management Program to the fiscal year 1987 level. The Committee has also included \$500,000 over the budget request and the House allowance for the Tohono O'Odham (\$275,000) and other tribes to develop and test alternative approaches in the delivery of health care through the Public Law 638 grant process. The Secretary, under the demonstration grants, may waive regulations as are necessary when doing so would further the demonstration project and would not endanger or significantly diminish the delivery of health care. The Committee emphasizes that these grants are only for tribally initiated projects involving tribal assumption of the IHS program and that the Secretary acting through the Service shall operate the demonstration program in a manner that is consistent with the principles of self determination.

Direct operations.—The Committee recommends an increase of \$5,444,000, an increase of \$444,000 above the House proposal, to fully restore the program to the fiscal year 1987 level. The Committee agrees with the House that no more than \$2,500,000 to be provided for resource program management system [RPMS] hardware in fiscal year 1988, unless a reprogramming request is submitted and approved. The IHS should include a breakdown of all the RPMS funding, and an indication of the source of the funds, in the fiscal year 1989 budget justification, along with a description of how the funds will be used.

Facilities.—The Committee agrees with the House that construction or renovation of facilities will be funded under the facilities appropriation.

INDIAN HEALTH FACILITIES

1987 appropriation.....	\$71,055,000
1988 budget estimate.....	67,592,000
House allowance.....	57,511,000
Committee recommendation.....	

The Committee recommends an appropriation of \$57,511,000, an increase of \$57,511,000 above the budget estimate, \$10,081,000 below the House allowance, and \$13,544,000 below the fiscal year 1987 appropriation. The following table summarizes the Committee's recommendations:

	Budget estimate	Committee recommendation	Change
Hospitals: New and replacement.....	\$8,064,000	\$8,064,000	+
Outpatient care facilities.....	10,416,000	+10,416,000	+
Personnel quarters.....	6,406,000	+6,406,000	+
Sanitation facilities.....	25,000,000	+25,000,000	+
Modernization and repair.....	7,625,000	+7,625,000	+
Total.....	57,511,000	+57,511,000	

Hospitals: New and replacement.—Funds are provided for the planning and design of Fort Defiance, AZ (\$2,204,000) and Crow, MT (\$860,000) hospitals. The Committee allowance also includes an increase of \$5,000,000 over the House allowance to permit site purchase and preliminary site work, and acquisition of design services for the Anchorage, AK hospital, in accordance with the IHS priority list. The Committee urges the IHS to give careful consideration to the need for the new and enlarged health care unit of the Lower Brule Reservation, SD, and the new hospital at Pine Ridge, SD, and Shiprock, NM, in future IHS priority lists and budget requests.

To clarify and refine language in the fiscal year 1987 Interior Appropriations Act allowing for an exchange of land in Anchorage and to better understand the merits of lease-purchase construction of the hospital facility, the Committee has included the following bill language:

The paragraph under the heading "Administrative Provisions, Indian Health Service" that is under the superior head-

ings "Health Resources and Services Administration" and "Department of Health and Human Services" in title II of the Department of the Interior and Related Agencies Appropriations Act, 1987, which is contained in section 101(h) of Public Law 99-500 (100 Stat. 1783-277) and in section 101(h) of Public Law 99-591 (100 Stat. 3341-277) is amended by striking out all after "any political subdivision of the State," in the seventh proviso and inserting in lieu thereof: "any corporation (including the University of Alaska), any partnership, any business organization, any nonprofit organization, or any person, and may receive or pay money to the extent that such receipt or payment is necessary to equalize the exchange: *Provided*, That available funds previously appropriated for this project may be used for this purpose and that any money received by the Secretary shall be credited to the appropriation for Indian Health Facilities and be used to offset the costs of constructing or lease-purchase of the hospital facilities in Alaska described in this section: *Provided further*, That the IHS prepare and submit a report prior to June 1988, which sets forth the legal authority necessary to enter into a lease-purchase contract, identifies the extent of tribal interest in the construction of health facilities for lease-purchase to the IHS, compares the advantages versus the disadvantages to the Government of lease-purchase to direct Federal construction of the Anchorage facility, including costs of construction, and discusses the efforts expended by the IHS in protecting the Federal investment to date.

Outpatient care facilities.—The Committee recommendation is reflected in the following table:

	Amount
Toppenish, WA—Complete construction.....	\$7,884,000
Parker, AZ—Planning and design.....	693,000
Fort Hall, ID—Planning and design.....	100,000
Sallisaw, OK—Planning and design.....	205,000
Belcourt, ND—Planning and design.....	1,142,000
Puyallup, WA—Planning and design.....	392,000
Total.....	10,416,000

The Committee has included an increase of \$100,000 over the House allowance for planning and design of the Fort Hall, ID, Indian Health Center in accordance with the IHS priority list.

Personnel quarters.—The Committee recommendation is reflected in the following table:

	Amount
Supai, AZ—Construction of two units.....	\$246,000
Kotzebue, AK—Planning and design.....	652,000
Pine Ridge, SD—Planning and design.....	571,000
Barrow, AK—Planning and design.....	750,000
Rosebud, SD—Construction of 25 units.....	2,500,000
Kyle, SD—Construction of seven units.....	700,000
Neah Bay, WA—Construction of four units.....	472,000
Dulce, NM—Construction of four units.....	515,000
Total.....	6,406,000

The Committee recommends an increase over the House allowance (\$750,000) for the planning and design of personnel quarters at Point Barrow, AK, in accordance with the IHS quarters priority listing. The amount recommended by the House for the Rosebud project has been reduced from \$3,540,000 to \$2,500,000 to reflect the latest IHS cost estimates. No funds are recommended for additional quarters at Kanakanak, AK, consistent with the IHS priority listing. The Committee has also included increases over the House allowance for construction of personnel quarters at Kyle, SD (\$700,000); Neah Bay, WA (\$472,000); and Dulce, NM (\$515,000) consistent with the IHS priority listing. The Committee has not included the \$53,000 recommended by the House for purchase of a staff housing trailer for Fort McDermitt, NV, inasmuch as an alternate housing unit has been identified by the IHS.

Sanitation.—The Committee allowance includes sanitation facilities construction funds (\$25,000,000) to serve 3,000 Indian homes which are being constructed or renovated by the Bureau of Indian Affairs, tribes, and others, and which will need water and sewer facilities in fiscal year 1988. The House allowance would have provided an additional \$15,000,000 toward the estimated \$500,000,000 backlog of existing homes requiring sanitation facilities. Within the funds provided, \$420,000 is for the Turtle Mountain Rural Water System.

Modernization and repair.—The Committee concurs in the House rejection of the proposal to fund Indian health facilities projects under the Indian Health Services appropriation. The Committee allowance includes the \$2,450,000 recommended in the budget request for modernization and repair and an increase of \$5,175,000 over the budget request, and \$175,000 over the House allowance for projects on the IHS priority list. The Committee recommends that at least \$400,000 of the allowance be made available to the IHS to plan and design future projects on the priority list. A table reflecting the latest miscellaneous modernization and repair priorities for which funding has been included follows. It is understood that the IHS may adjust this list as necessary to meet unanticipated emergency needs.

Modernization and repair	Amount
Navajo area hospitals and personnel quarters.....	\$1,768,000
Fort Belknap, MT—Hospital-personnel quarters.....	322,000
Engineering studies, planning, design and inspection fund.....	483,000
San Carlos, AZ—Hospital.....	845,000
Red Lake, MN—Hospital.....	375,000
Sisseton, SD—Hospital.....	253,000
Lawton, OK—Hospital.....	225,000
Owyhee, NV—Hospital.....	200,000
Fort Washakie, WY—Health center.....	616,000
Rapid City, SD—Hospital.....	784,000
Talghina, OK—Hospital.....	360,000
Winslow, AZ—Health center.....	360,000
Cass Lake, MN—Hospital and Kincheloe, MI—Health center.....	217,000
Fort Peck, MT—Health center and personnel quarters.....	262,000
Fort Yates, ND—Hospital and McLaughlin, SD—Health center.....	360,000
Mount Edgecumbe, AK—Repair building 212.....	175,000
Total, modernization and repair.....	7,625,000

Leased space.—The Committee is concerned about reports from tribes regarding the substandard space occupied by the staff of the Oklahoma area office. It appears that substantial annual savings in health care funds could be realized in the leasing of space for the Oklahoma office by authorization of a lease in a non-Federal building, with expanded, safer office facilities and increased ease of access by the Indian people provided services at the area office. A similar situation is reported to exist in the Bemidji area office in Minnesota, where a tribe has proposed to provide leased office space to the IHS to replace inadequate office space, thereby providing similar cost savings and improvements to the Indian Health Care Program in the Bemidji area. The Committee urges the Department and the General Services Administration to take appropriate actions to acquire the necessary upgraded space in these two locations.

DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

INDIAN EDUCATION

1987 appropriation.....	\$64,036,000
1988 budget estimate.....	64,234,000
House allowance.....	66,343,000
Committee recommendation.....	66,343,000

The Committee recommends an appropriation of \$66,343,000, an increase of \$2,109,000 above the budget estimate and the same as the House allowance, and \$2,307,000 over the fiscal year 1987 appropriation.

The following table illustrates the distribution of the funds: