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FY 2011 Budget Provisions Impact the Navajo Nation *House Adopts FY 2012 Budget Plan*

Window Rock, AZ— Last week, the House and Senate cleared the fiscal 2011 spending compromise. On April 15th President Obama signed the spending bill H.R. 1473 into law. The measure provides for \$1.05 trillion in discretionary funding, \$39.9 billion less than fiscal year 2010—the largest annual reduction in U.S. history.

Navajo Nation President Ben Shelly will testify before the House Committee on Appropriations, Subcommittee on Interior, Environment, and Related Agencies on May 3, 2011. He will continue to urge House and Senate leaders and White House officials to exclude tribes from potential budget cuts for FY 2012.

“We are requesting the federal government to honor the numerous treaties and statutes with tribal governments that seek to protect our basic tribal interests,” stated President Shelly. “We will continue to advocate that Congress ‘hold tribes harmless’ from potential budget cuts for FY 2012.”

Several provisions within the H.R. 1473 bill will impact the Navajo Nation:

- Navajo Technical College was not specifically defunded. The bill leaves it to the discretion of the Obama Administration to fund it within the U.S. Department of Education’s fiscal 2011 budget. President Shelly has lobbied Congress and the Obama Administration to fund Navajo Technical College and strongly supports the Administration to continue funding within the Department of Education budget.
- The budget for U.S. Department of Housing and Urban Development, Public and Indian Housing was reduced from \$700 million to \$650 million. The Navajo Housing Authority is likely to receive less money through formula funding for the Native American Housing Block grant.
- Facilities for the Department of Health and Human Services and the Indian Health Service’s budget line item has a slight \$10 million increase from 2010, but is \$53 million below President Obama’s 2012 budget request of \$457 million. The Navajo Nation has

over a billion-dollar hospital facility backlog that comes from this funding source. Any reduction will delay the fulfillment of this facility backlog.

- The Federal Women, Infants and Children (WIC) budget was reduced by \$500 million dollars. These budget cuts will impact Navajo families who qualify to participate in the program.
- The Low Income Home Energy Assistance Program will receive \$400 million dollars less than 2010, impacting states and tribes.
- The 2010 budget for the construction section under the Bureau of Indian Affairs (BIA) provided \$624 million, the 2011 budget cuts reduced it by \$414 million to \$210 million for construction. Building projects under BIA funding such as housing and schools will be impacted.
- The U.S. Department of the Interior, Bureau of Indian Affairs, Land & Water Claim Settlement had a slight reduction of \$2 million.
- The U.S. Environmental Protection Agency's 2010 budget has been cut by 16% and reduced to \$1.6 billion. Almost \$1 billion of cuts will apply to the clean water state and drinking water revolving loan funds. States and tribe's are eligible for funding for local water infrastructure improvements.

The House passed a Republican budget proposal for fiscal 2012 on Friday. The measure will cut \$6.2 trillion over 10 years, reducing deficits by \$4.4 trillion compared to President Obama's fiscal 2012 budget proposal.

The Senate will introduce their own budget proposal when they reconvene on May 2, 2011 after a two-week recess. The House adopted budget plan sets up a clash with the Senate and the White House.

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