

**CENTER FOR NATIVE
AMERICAN YOUTH**

AT THE ASPEN INSTITUTE

Sequestration: The Impact on the Most At-Risk Population – Native Youth

Executive Summary

Native American youth are the most at-risk population in the United States and the impact of sequestration is going to put these 2.1 million Native American young people¹ at even greater risk. Native American youth, who too often grow up in communities that face high rates of poverty and unemployment, health problems, alcohol and substance abuse, domestic violence, child abuse, and crime, will experience a new host of challenges due to the cuts in funding for critical federal programs that they rely on.

The gravity of the needs facing Native American youth are reflected by:

- Suicide rates 2.5 times the national average and the highest rate of type II diabetes,
- High school graduation rates of 50% nationwide,² and
- Fifteen percent of Native American involved in gang activity, compared to 8% of Latino youth and 6% of African American youth.³

The \$85 billion in federal cuts that took effect on March 1, 2013 as a result of sequestration⁴ will dramatically impact Indian Country and especially this vulnerable population. The vast majority of programs serving Native American youth survive in large part on federal funding. Programs within the Departments of Interior, Education, Health and Human Services, Housing and Urban Development, Justice, and other agencies, will suffer serious automatic cuts as a result of sequestration. And because the roughly 5% cuts take effect mid-year, tribal communities are now experiencing what feels more like a 10% cut since budgets are well into fiscal year 2013.⁵

Sequestration cuts to education, mental health services, public safety, and juvenile justice – just to name a few areas – will have a devastating impact on Native American youth. For example, schools serving Native American students have already been forced to lay off teachers, understaffed health care clinics are losing providers, and child welfare departments are seeing cuts when caseloads are already at 80 to 100 per worker. Below are examples of programmatic funding being cut and the amount of decreased funding due to sequestration for the remainder of fiscal year 2013:

Health

- Indian Health Service ~ \$220 million
- Substance Abuse and Mental Health Services Administration ~ \$168 million

Administration for Children and Families

- Child Care and Development Block Grants (Tribes) ~ \$2.4 million

Education

- Impact Aid (public schools serving tribal communities) ~ \$60 million
- Office of Indian Student Education ~\$7 million
- Bureau of Indian Education ~ \$42.2 million
- Indian Head Start ~ \$11.9 million

Housing

- Native American & Native Hawaiian Housing Block Grants ~ \$34 million

Child Welfare

- Bureau of Indian Affairs Human Services ~ \$7.2 million

For too long, the issues facing Native Americans have been overlooked in the national dialogue. Though the sequester has garnered much attention, very little discussion has centered on how it will affect the well-being of the country's most vulnerable group of people – the youngest First Americans and future of Indian Country. An examination of the holistic impact of sequestration on Native American youth provides a greater understanding of the magnitude of that devastation.

Background

The federal government has statutory, treaty and trust obligations to provide members of federally-recognized tribes and certain individual Indians with healthcare, education, law enforcement and other basic necessities.⁶ The programs and agencies associated with those obligations have been historically underfunded, leaving Native Americans with a host of unmet needs. Tribal self-governance, effective advocacy, and increased prioritization in the last decade has led to important increases in the standard of living for Native Americans, but Native Americans still continue to rank at or near the bottom of almost every social, health, and economic indicator. For example, 28% of Native Americans live in poverty, with that number jumping to 38% on reservations.⁷

As tribal governments and Native American organizations strive to make gains, the vast majority of programs serving this population within the Departments of Interior, Education, Health and Human Services, Housing and Urban Development, Justice, and other agencies will suffer automatic cuts as a result of sequestration. The \$85 billion in mandatory cuts that took effect as a result of sequestration on March 1st, 2013, will dramatically impact Indian Country. The cuts are especially severe as they take effect mid-year, meaning the roughly 5% cut will feel more like 10% since programs are well into their budgets for fiscal year (FY) 2013.

Though sequestration has garnered much attention, very little discussion has centered on how it will affect the well-being of the country's most vulnerable population - Native American youth. The isolation of many tribal communities, combined with chronically underfunded programs intended to serve them, has left young Native Americans to face enormous challenges in their daily lives. With cuts to education, mental health services, public safety and juvenile justice – just to name a few areas – the negative effects of sequestration will have a devastating impact on our young First Americans.

This paper discusses a sample of key agencies and programs providing services to Native American youth, the impact of sequestration on those services, and shares stories of impact from a Native youth perspective. The Center for Native American Youth believes in elevating the voice of Native American youth and works to shine a national spotlight on their needs, successes, and perspectives on priorities for Indian Country.

Key Youth Priority Areas Impacted by Sequestration

Below is a list of federal agencies and programs whose work impacts key areas that Native American youth have identified as priority issues or important services. Although the chart is not comprehensive, it lists a number of programs that affect Native American youth directly and indirectly. The chart also summarizes the extent of funding cuts in these areas for fiscal year 2013. The figures used in this report come from the Office of Management and Budget's report to Congress on the sequestration for fiscal year (FY) 2013.⁸

Center for Native American Youth
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 May 29, 2013

| Impact on Youth Well-Being | Department/Program/Office | Sequestrable Amount (in millions) | Budget Cut (in millions) |
|----------------------------|--|---|---|
| Health | Indian Health Service, Department of Health and Human Services Health Services: Health Care Facilities: Substance Abuse and Mental Health Services Administration, Department of Health and Human Services | \$3,890 million \$443.5 million \$3,368 million | ~ \$198 million ~ \$22 million ~\$168 million |
| Education | Office of Elementary and Secondary Education, Department of Education Impact Aid: Indian Student Education: Bureau of Indian Education Indian Head Start: | \$1,299 million \$132 million \$796 million \$225 million | ~\$60 million \$7 million ~\$42.2 million \$11.9 million |
| Governance and Justice | Bureau of Indian Affairs Operation of Indian Programs: Public Safety and Justice: Department of Justice Community Oriented Policing (COPS): Tribal Juvenile Justice Programs: Violence Against Women Programs Implementation: | \$2,382 million \$354 million \$20 million \$10 million \$400 | \$119 million \$18.3 million \$2 million \$0.5 million \$20 million |
| Housing | Department of Housing and Urban Development Indian Housing Block Grant and Native Hawaiian Housing Block Grant: | \$667 million | ~\$34 million |

| | | | |
|--------------------------------------|---|-----------------|--|
| | Indian Housing Loan Guarantees: | \$6 million | ~\$500,000 |
| Income Assistance and Family Support | Administration for Children and Families Temporary Assistance for Needy Families (TANF): | \$26 million | \$1 million (child welfare and TANF coordination grants) |
| | Low Income Energy Assistance: Child Care and Development Block Grants: | \$3,493 million | \$175 million |
| | Native American Programs: | \$44.8 million | \$2.4 million |
| | Department of Labor YouthBuild: | \$48.6 million | \$2.6 million |
| | Native American Job Training: | \$79.7 million | \$4.2 million |
| | | | \$52.6 million |
| Child Welfare | Bureau of Indian Affairs Human Services: | \$135.2 million | \$7.2 million |

Health Programs and Services

Native Americans face more health challenges than any other population in the nation. Almost 34.2% of Native Americans lack health insurance and nearly 14% of the population self-reports as having either “fair” or “poor” health (compared to 9.9% for whites).⁹ Mortality rates of many major diseases are disproportionately higher for this population, including alcoholism mortality rates at 514% higher than the general population and rates of tuberculosis hovering around 500% higher than the general population.¹⁰ Native Americans also have the highest rate of Type II diabetes in the country – 177% higher than the general population¹¹ – and a 2009 CDC report revealed that 31.2% of Native American four year-olds are currently obese, which is higher than any other racial group.¹²

In addition to physical health disparities, Native Americans suffer from a high rate of mental health issues. Native American youth experience rates of suicide nearly 2.5 times the national rate – with suicide being the second leading cause of death among youth aged 15 to 24 years-old. In some tribal communities the rate has reached ten times the national average.¹³

Indian Health Service

Indian Health Service (IHS), housed within the Department of Health and Human Services (HHS), is charged with providing medical and environmental health services to approximately 2 million Native Americans. Healthcare is delivered through programs and facilities operated by IHS, as well as by tribes and tribal organizations through contracts and compacts with the federal government. IHS estimates annual Congressional appropriations have only met approximately 50% of the actual need of Native American health care recipients.¹⁴

As a result of sequestration, IHS stands to lose \$204.9 million for health services and \$23.3 million for facilities during FY 2013 alone. According to HHS Secretary Kathleen Sebelius, these forced cuts will decrease inpatient admissions by 3,000 and outpatient visits by as many as 804,000¹⁵ – almost half the total number of tribal members served by IHS. Moreover, five healthcare facilities built by tribes with their own resources – a total investment of \$200 million – will likely have significant staffing and operations shortfalls due to the sequestration of IHS. At a time when many tribal communities already struggle to address the health care needs of their tribal citizens, especially mental health care services, these cuts will have a significant and tragic impact on access to care in Indian Country.

On the Pine Ridge Indian Reservation in South Dakota, there have been over 110 suicide attempts in a little over 100 days in 2012-13 – with two of those attempts coming from children as young as five and six years-old. As a result of sequestration, two vital behavioral health service provider positions will be cut.

Sequestration is already taking its toll on health services for Native Americans. For example, the Alaska Native Tribal Health Consortium recently announced that it would close the Bill Brady Healing Center, which provides important alcohol and drug treatment to Native Americans.¹⁶ Additionally, according to Cathy Abramson, Chairperson of the National Indian Health Board, sequestration will result in 6,000 fewer tribal members receiving treatment for life-threatening health problems normally covered through Contract Health Services.

Substance Abuse and Mental Health Services Administration, Administration for Children and Families, and Other Programs

The Substance Abuse and Mental Health Services Administration (SAMHSA), which works to improve substance abuse and mental health treatment services through grants and research, is set to lose \$168 million in FY 2013 as a result of sequestration. How the cuts will play out with regard to Native-specific programs, such as System of Care and Circle of Care, has yet to be determined; however, according to the White House, approximately 373,000 adults and children throughout the United States will lack access to substance abuse and mental health services as a result of sequestration.¹⁷

The Administration for Children and Families (ACF), also within HHS, will see a \$7.3 million budget cut to tribal programs and \$2.4 million from Child Care and Development Block grants, which provides childcare assistance to low-income families. These cuts will especially impact Native American youth who come from impoverished communities and rely on programs targeting low-income families.

Education Programs

Native American youth have the lowest level of education attainment of any racial or ethnic group in the United States, with a high school graduation rate of roughly 50%, compared to over 75% for white students.¹⁸ Native American youth attend public schools on or near reservations and Bureau of Indian Education schools, both of which are facing significant sequester cuts.

Native Americans in Public Schools

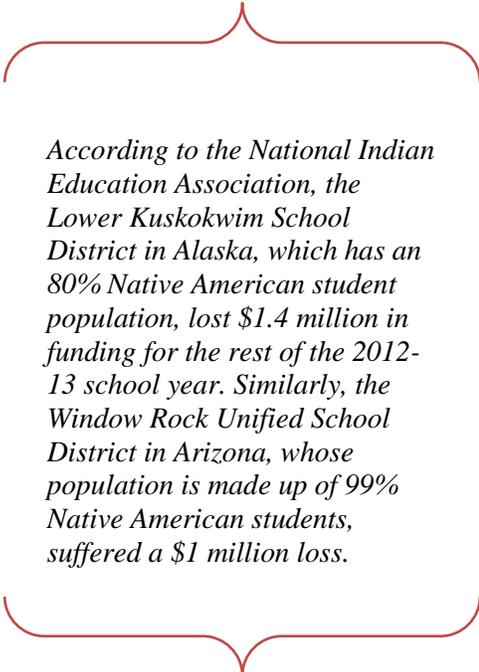
A majority of Native American students attend public schools – roughly 93%.¹⁹ School districts found on or near reservations lack a substantial state tax base to create funding to operate their schools and therefore rely heavily on federal money – sometimes upwards of 60% of their total budget.

It has been estimated that the Department of Education's Impact Aid program – which has not been fully funded since 1960 – will lose approximately \$68.4 million dollars due to sequestration, affecting the education of nearly 115,000 Native American youth at 710 schools.²⁰ The cuts may result in staff terminations, unfilled positions, canceled programs, shortened school years, and new school construction and improvements to existing schools will be put on hold.

The Indian Student Education program, also within the Department of Education, is part of the Elementary and Secondary Education Act (ESEA). The program, which is funded at \$130.8 million for FY 2013, helps local education agencies address the needs of American Indian children in rural and urban schools, allows for new and continuation awards to initiatives like the American Indian Teacher Corps, and supports new research to assess the needs and status of American Indian students. As a result of sequestration, the program will lose nearly \$7 million in funding for the remainder of fiscal year 2013.

Bureau of Indian Education Schools

Another major education provider – the Bureau of Indian Education (BIE) school system – will feel the impact of sequestration. BIE will have to cut approximately \$42.2 million dollars from its budget for the remainder of FY 2013. This budget cut will be especially devastating for the 183 BIE schools that are completely dependent on federal support. Funding for BIE has been estimated at meeting only 60% of administration costs and less than 50% of the amount needed for schools facilities' operations costs.²¹ Funding for other programs, like education programs and transportation are also underfunded.²² On average, BIE education facilities are 60 years old, compared to 40 years for public schools.²³



According to the National Indian Education Association, the Lower Kuskokwim School District in Alaska, which has an 80% Native American student population, lost \$1.4 million in funding for the rest of the 2012-13 school year. Similarly, the Window Rock Unified School District in Arizona, whose population is made up of 99% Native American students, suffered a \$1 million loss.

Indian Head Start and Other Programs

The Indian Head Start program, which provides education, nutrition, health and parental involvement services, will see cuts of nearly \$12 million for the remainder of the 2013 fiscal year. Twenty-five thousand Native American children from 26 states who participate in the program will experience losses in these much-needed services, which could negatively affect long-term child development.

In addition to the programs mentioned, Tribal Education Departments and higher education grants for tribal colleges and universities will see cuts to their funding. For example, the Department of Education's College- & Career-Ready Students (Title I, LEA Grants) Indian Set-Aside will lose \$5.2 million this year.

On the Ramah Navajo Reservation, higher education scholarship funding has been cut from \$189,000 to just \$71,000 because of sequestration. As the estimated 24 tribal members graduate this year, those who wish to go onto college will have to compete with each other, as well as those already in college, for the diminished funds.

Housing Programs

Many tribes throughout Indian Country face housing shortages, which put youth at risk for a number of health and developmental issues. The housing on reservations is often outdated and in various states of disrepair, leading to safety and wellness concerns. In fact, 40% of on-reservation housing is considered inadequate, compared with 6% nationwide. Approximately 15% of homes in tribal communities are without safe drinking water and proper waste removal. Estimates show that between 90,000 and 200,000 units were needed to house Native Americans living in substandard conditions over the last decade. Further, the chronic shortage of housing negatively impacts tribal communities' abilities to recruit and to retain health care providers, teachers and other needed service providers.

Indian Housing Block Grant and Indian Community Development Block Grant

Sequestration will reduce the FY 2013 budget for the Indian Housing Block Grant by \$34.5 million, bringing the total amount of funding to less than the FY 2011 level. This program is the principal source of federal support for Indian housing. Further, the Indian Community Development Block Grant Program, which can be used for homeownership assistance, will lose \$3.2 million in FY 2013, bringing the post-sequestration total to almost \$10 million less than the FY 2010 level of funding.

"There are not enough police officers in our community...sometimes we do not feel safe." –Native American middle school student, Fort Totten, North Dakota; prior to sequestration's impact

Juvenile Justice Programs

Native American youth make up the majority of youth in the federal justice system. Nearly 70% of the youth committed to the Federal Bureau of Prisons (BOP) as delinquents are Native American. Native youth generally spend more time in

detention and face tougher and longer sentences than other populations. Moreover, Native youth are 1.5 times more likely to receive out-of-home placement than their white counterparts. Compared to white youth, Native youth are also 1.5 times more likely to be waived to the adult criminal system.²⁴

Department of Justice Tribal Youth Program

Federal programs, such as the Department of Justice's Tribal Youth Program, award grants to tribes to develop and to implement programs in the areas of juvenile delinquency, interventions for court-involved youth, improvements to the juvenile justice system, mental health programs, and alcohol and substance abuse prevention programs. Funding for those grants was reduced from \$25 million in FY 2011 to just \$10 million for FY 2013. The mandatory sequestration cuts further reduced that figure to \$9.5 million.

Indian Child Welfare & Social Services

The Division of Human Services, housed within the Bureau of Indian Affairs (BIA), maintains direct funding and activities related to social services, welfare assistance, Indian child welfare, and program oversight. Among other things, the BIA Social Services program is charged with protecting Native American children from neglect and abuse. Tribal social workers serve as contact points for the tribal social service agencies and are responsible for a range of child welfare services including: child protection, foster care placement and in-home services to families. Native American youth are removed from their homes at three times the rate of other children in the welfare system.²⁵ These funds also help tribes intervene in state child welfare cases involving their member children and provide much needed case management, placements and culturally appropriate services. Due to sequestration, Human Services is set to lose \$7.2 million, placing further strain on already overloaded tribal social workers and state agencies.



Quinault Tribe reported that its Family Services department, which provides services in areas of foster care, child protective services, and juvenile justice, will experience cuts and ultimately affect compliance. – Quinault Indian Nation Briefing Document, April 22, 2013.

In addition, Tribal Priority Allocations, which fund basic tribal functions like child welfare services, among other things, will see a \$47.2 million decrease in funding for FY2013 as a result of sequestration. As tribal child welfare case worker loads reportedly reach 80 to 100 children, compared with average caseloads in the general population of 24 to 31 children, these cuts become even more severe. These cuts are more dramatic because the initial funding levels for social services programs at the BIA were already critically low. For comparison purposes, the BIA has a \$25 million budget for social services for all of Indian Country (567 tribes), whereas the Gates Foundation, a private, philanthropic organization, has a \$25 million budget for Native American programs in Oregon and Washington alone. Thus, the federal agency primarily responsible for providing urgently needed social service programs to tribal communities must do so with the same budget that a private foundation has for its efforts in two states.



Overall, the BIA will suffer an estimated \$119 million cut in funding for FY2013 as a result of the sequestration, which will mean significant cuts to social services, education, law enforcement, and other vital programs that benefit Native youth. An example of this immediate impact is the number of low-income Native Americans who will no longer receive general assistance help from the BIA. The general assistance program provides financial assistance for food, clothing, shelter, and utilities, with the ultimate goal of increasing self-sufficiency through a detailed plan. At the beginning of sequestration, then Secretary Kenneth Salazar reported that "payments would stop to approximately 2,400 needy Indians for each month the general assistance program is shut down."²⁶ Thus, the poorest of the poor will no longer receive benefits from the general assistance program at the BIA. For these individual Indians, and their children, the benefits from this program are critical to their survival.

Conclusion

Because essential Native American programs across the board will be affected, the holistic impact of sequestration on Native American youth will be devastating. Sequestration of these programs represents a failure on the part of the federal government to uphold its trust, treaty and moral obligations to tribes, individual Indians and especially Native American youth. Ultimately, sequestration stifles the development of Indian Country and disrupts the federal government's policies of tribal self-determination and encouraging self-sufficiency.

¹ The American Indian and Alaska Native Population: 2010 [PDF]. (2012, January). Retrieved from <http://www.census.gov/prod/cen2010/briefs/c2010br-10.pdf>

² NIEA Legislative Summit Briefing Papers [PDF]. (2011, February). Retrieved from <http://www.niea.org/data/files/policy/2011sbriefingpapers.pdf>

³ American Indian Children and Families. (2012) Retrieved from http://www.nicwa.org/children_families/

⁴ Office of Management and Budget Report to the Congress on the Joint Committee Sequestration for Fiscal Year (FY) 2013. Retrieved from <http://files.www.cmhnetwork.org/news/fy13ombjsequestrationreport.pdf>

⁵ For an analysis on the impact of sequestration on Indian Country see the National Congress of American Indians' policy paper titled "Analysis of Sequester: Betraying the Trust Responsibility and Slowing Progress: http://www.ncai.org/attachments/PolicyPaper_NHgercNsKsuisvDgsQGeUdtPomuOziIBTINMTZvCzsPnvCiaLZZ_NCAI%20Sequester%20Impact%20Paper%20Final.pdf

⁶ U.S. Commission on Civil Rights, "Broken Promises: Evaluating the Native American Health Care System," September, 2004, p. 37.

⁷ FCNL Indian Report. Retrieved from http://fcnl.org/assets/pubs/indian_report/IR_Spring_2012_d4.pdf

⁸ Statistics and figures taken from the OMB Report Pursuant to the Sequestration Transparency Act of 2012. (2013). Retrieved from http://www.whitehouse.gov/sites/default/files/omb/assets/legislative_reports/stareport.pdf

⁹ Health of American Indian or Alaska Native Population (2011). Retrieved from <http://www.cdc.gov/nchs/fastats/indfacts.htm>

¹⁰ Id.

¹¹ The Indian Health Service fact sheets. (2011, January). Retrieved from <http://www.ihs.gov/PublicAffairs/IHSBrochure/Profile2011.asp>

¹² Obesity Prevention/Strategies in Native Youth. (n.d.). Retrieved from http://www.nihb.org/public_health/obesity_prevention_youth.php

¹³ The Public Health Crisis of Native American Youth Suicide. (n.d.) Retrieved from <http://nas.sagepub.com/content/26/2/110.full>

¹⁴ 2005 IHS Expenditures Per Capita Compared to Other Federal Health Expenditure Benchmarks [PDF]. (2006, January). Retrieved from http://www.ihs.gov/publicinfo/publicaffairs/ihs_fact_sheets/files/files/percapitahlthexpendcomparisoncharts2-6-2006.pdf

¹⁵ Letter from Secretary Kathleen Sebelius to Senate Committee on Appropriations. (2013 February). Retrieved from <http://www.appropriations.senate.gov/ht-full.cfm?method=hearings.download&id=1bede552-5c7f-47ef-a6c3-62cf980dc073>.

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¹⁶ SEARC is Closing Bill Brady Healing Center Doors. (2013 March). Retrieved from <http://searhc.org/news-releases/searhc-is-closing-bill-brady-healing-center-doors>

¹⁷ White House Fact Sheet: Examples of How the Sequester Would Impact Middle Class Families, Jobs and Economic Security. (2013 February). Retrieved from <http://www.whitehouse.gov/the-press-office/2013/02/08/fact-sheet-examples-how-sequester-would-impact-middle-class-families-job>

¹⁸ NIEA Legislative Summit Briefing Papers [PDF]. (2011 February). Retrieved from <http://www.niea.org/data/files/policy/2011lsbriefingpapers.pdf>

¹⁹ Id.

²⁰ NIEA 2013 Policy Agenda. (2013). Retrieved from http://niea.org/data/files/policy/briefingbook2013_mobile.pdf

²¹ NIEA Legislative Summit Briefing Papers [PDF]. (2011 February)

<http://www.niea.org/data/files/policy/2011lsbriefingpapers.pdf>

²² Id.

²³ Testimony of Dr. Heather Shotton, President National Indian Education Association, April 24, 2013. Retrieved from <http://docs.house.gov/meetings/AP/AP06/20130424/100520/HHRG-113-AP06-Wstate-ShottonH-20130424.pdf>

²⁴ Disproportionate Minority Contact in the Juvenile Justice System. (2005) Retrieved from <http://www.cwla.org/programs/juvenilejustice/disproportionate.pdf>

²⁵ Hill, R. B. & Casey-CSSP Alliance for Racial Equity in Child Welfare, Race Matters Consortium Westat. (2008). Retrieved from <http://www.cssp.org/publications/child-welfare/alliance/an-analysis-of-racial-ethnic-disproportionality-and-disparity-at-the-national-state-and-county-levels.pdf>

²⁶ Letter from Secretary Ken Salazar to Senate Committee on Appropriations. (2013 February). Retrieved from <http://www.appropriations.senate.gov/ht-full.cfm?method=hearings.download&id=892113a6-1028-434e-ba00-f5408e837404>