

# **Tribal Interior Budget Council**

NCAI Budget Update

November 7, 2013

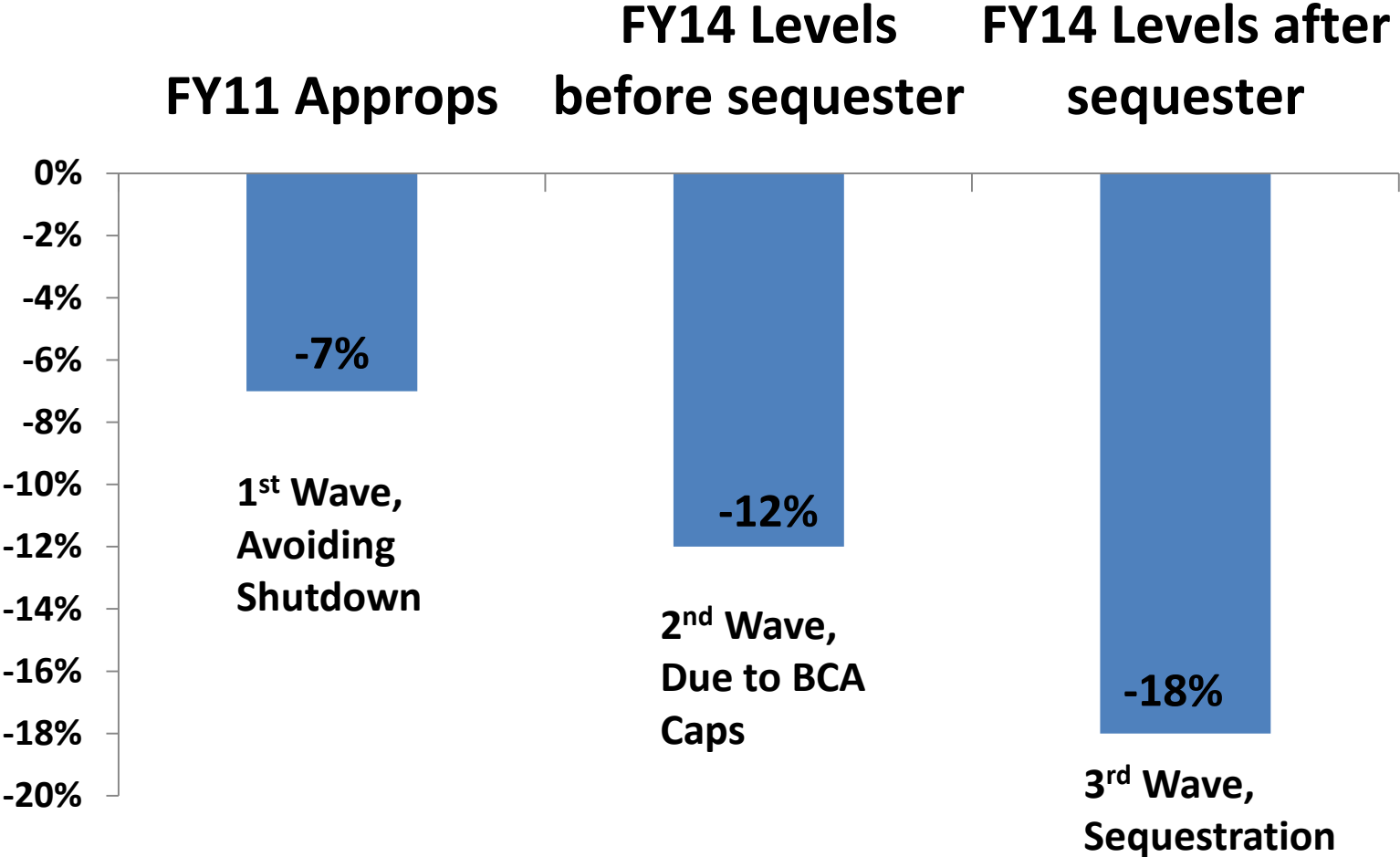
# Where We Are

- Just after midnight on Oct. 17, President Obama signed legislation that avoided a dangerous default and reopened the government after the third-longest government shutdown in history.
  - CR to Jan. 15, 2014, and the
  - debt limit was extended until Feb. 7, 2014.
- The law directed negotiators to develop a budget framework by Dec. 13, which would give Congress a month to finish FY 2014 spending bills before government funding authority ends and new Defense sequester cuts take effect on Jan. 15.
- A 29-member bipartisan conference committee is heavily weighted toward Senate representatives. As the committee begins its work, it is clear that the next couple of months will be an intense time full of opportunities to influence both policy and public opinion.
- Even as Congress and the White House came to agreement on a budget deal earlier, the agreement conspicuously failed to address sequestration and the funding levels for FY 2014.

# Budget Conference Committee Goals

- The House and Senate will likely focus on whether (and how) to replace some or all of the sequestration cuts in place for FY2014 and perhaps 2015, rather than on a broader long-term budget plan.
- The cuts are evenly divided between non-defense and defense programs, which will be cut by a combined \$109 billion each year. Though intended to be a “stick” that would force Congress to compromise on a deficit-reduction plan, these cuts have taken effect.

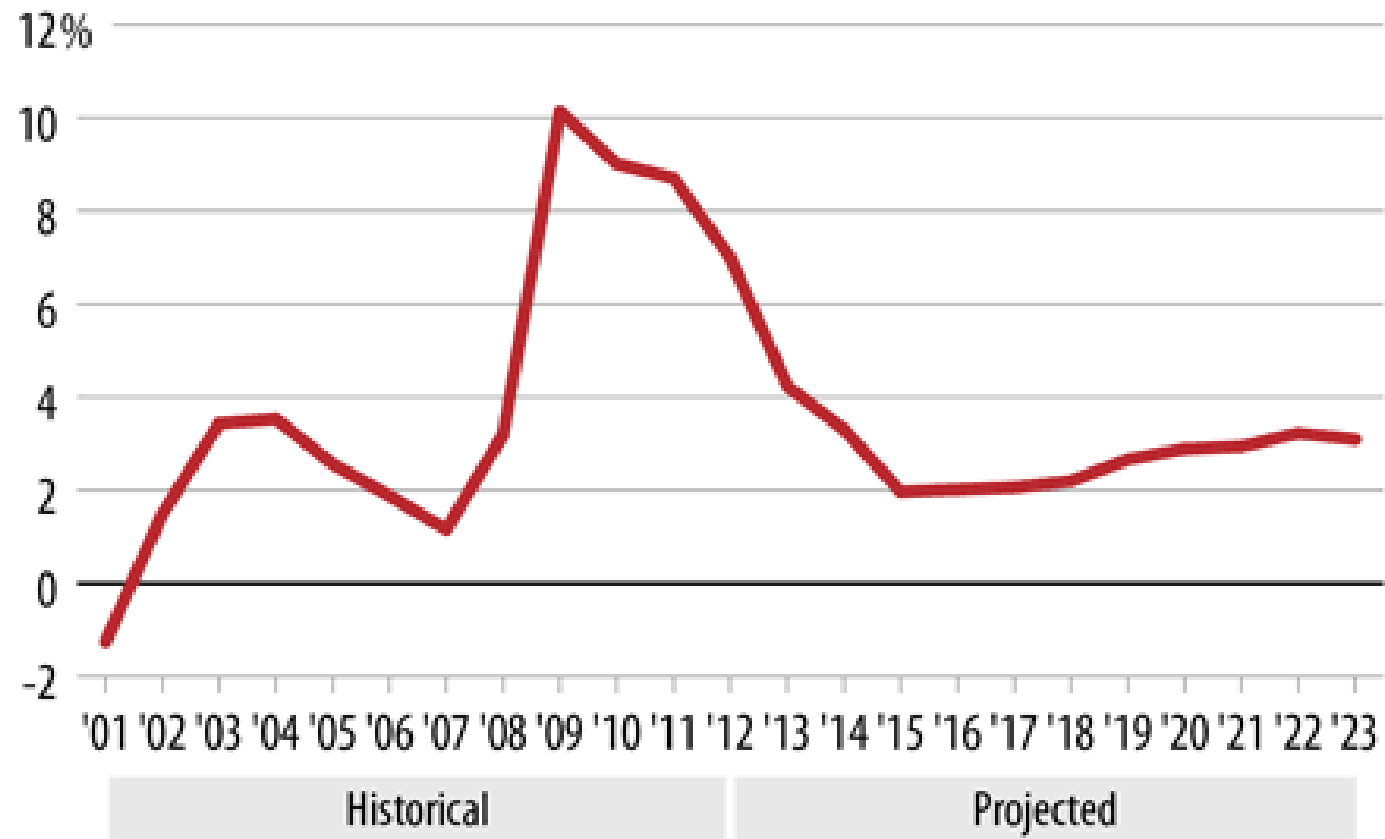
# Percent Cut in non-Defense Discretionary compared to FY10, Inflation Adjusted



Source: Center on Budget and Policy Priorities

## Deficits Have Fallen Sharply Since Recession

Actual and projected deficits as a percent of GDP assuming sequestration is in effect



Source: CBPP based on Congressional Budget Office, May 2013 baseline.

# If Sequestration Remains, Policymakers Will Have Cut Deficits by Nearly \$4 Trillion, Largely Through Spending Cuts

## Deficit Reduction Enacted to Date, 2014-2023

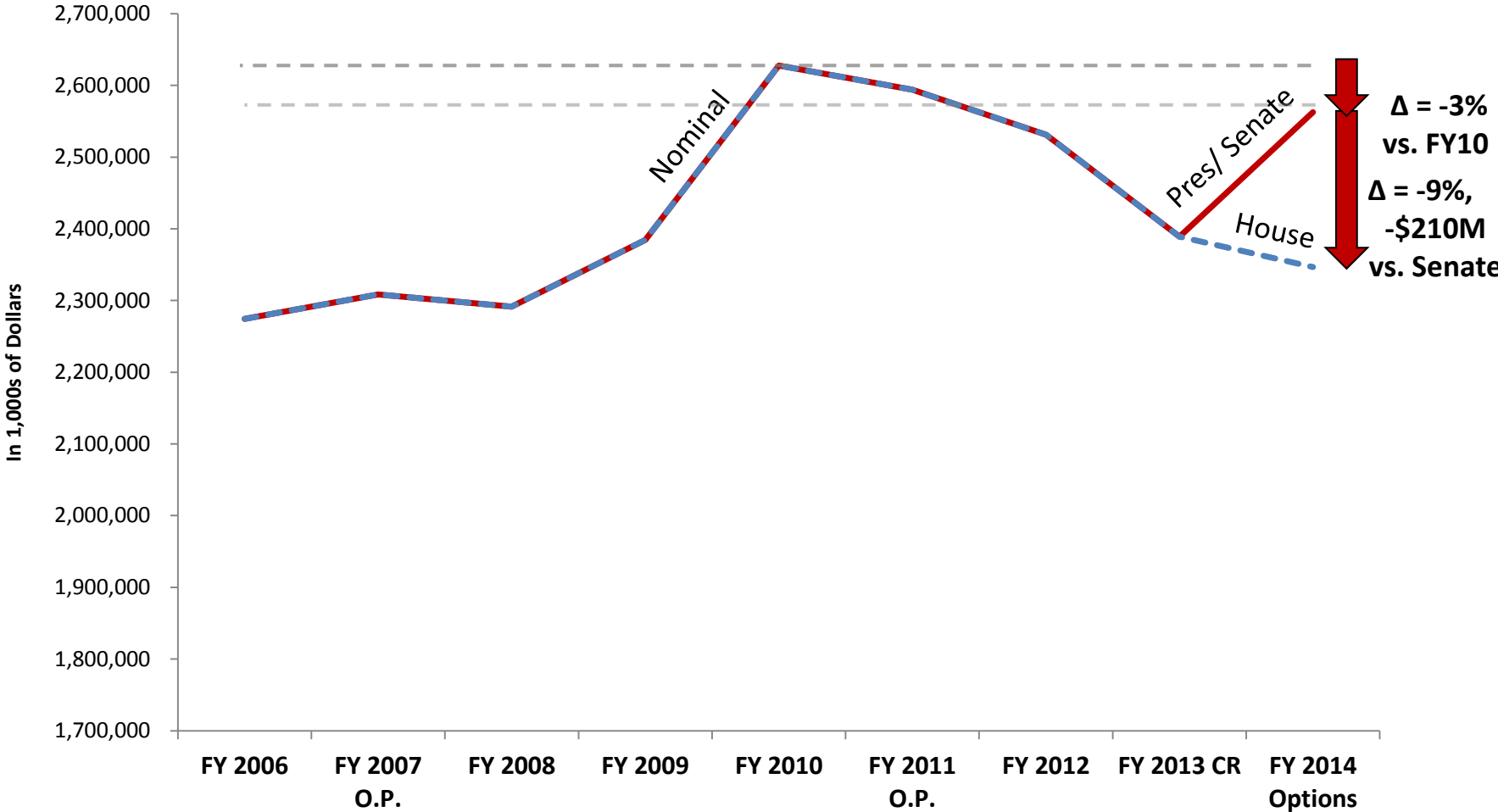
	Policy savings	Interest savings	Total deficit reduction
Discretionary savings from cuts in 2011 funding and caps imposed by the BCA* (excluding sequestration)	\$1.58 trillion	\$340 billion	\$1.92 trillion
Savings from ATRA* (includes revenues and spending cuts)	\$732 billion	\$119 billion	\$851 billion
<b>Total before sequestration</b>	<b>\$2.31 trillion</b>	<b>\$458 billion</b>	<b>\$2.77 trillion</b>
Sequestration cuts	\$976 billion	\$224 billion	\$1.2 trillion
<b>Total with sequestration</b>	<b>\$3.28 trillion</b>	<b>\$682 billion</b>	<b>\$3.97 trillion</b>

\*BCA = Budget Control Act; ATRA = American Taxpayer Relief Act

Source: CBPP based on Congressional Budget Office and Joint Committee on Taxation data.

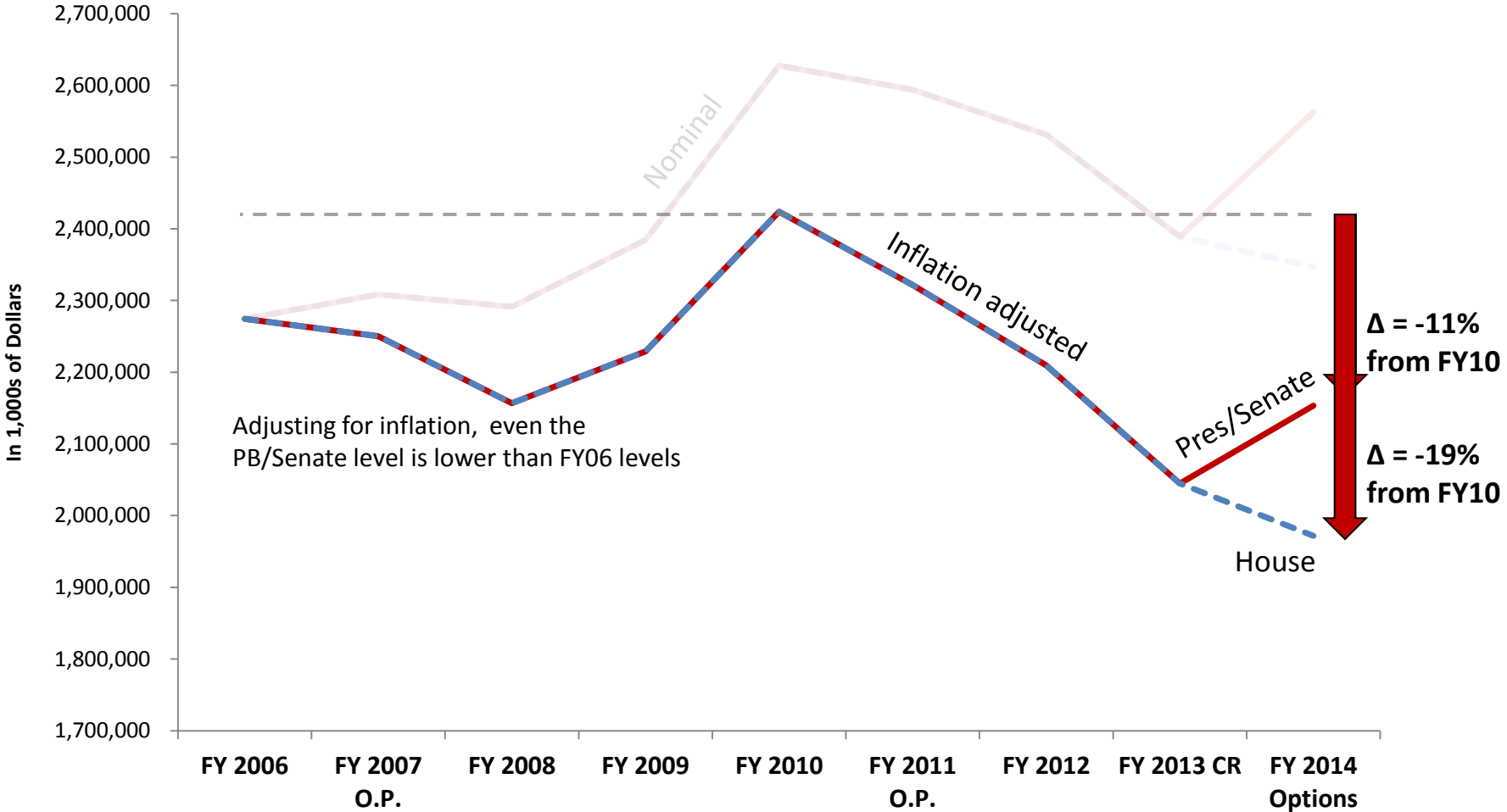
# Sequestration: Tribes Losing Ground

## Critical Governmental Services



# Sequestration: Tribes Losing Ground

## Critical Governmental Services





# Time for Action

The Budget Conferees represent collectively 88 tribes and over 1.3 million American Indians.

- **Overall Strategy for FY2014 Budget Conference**
- Turn off sequestration entirely because it breaks trust and treaty obligations.
- The United States should be a nation that meets its promises, not only to veterans and elders, but also to Indian tribes.
- We call on Congress to cancel sequestration. If Congress cancels sequestration cuts to defense spending, the same dollar-for-dollar protection must be provided to non-defense discretionary programs. Congress must not simply replace defense sequestration cuts with cuts to non-defense programs.

# Characterizing Indian Programs

- Tribal programs are not charity or an entitlement: tribes prepaid for these services.
- Tribes have made some progress in addressing unacceptably inadequate public services that most Americans routinely take for granted, like law enforcement, education, and infrastructure development. Tribes are asking for governmental parity.
- The trust responsibility is a federal commitment that should be honored in good budget times as well as in difficult budget times.
- Use specific tribal data or news stories from the clearinghouse to highlight impacts on districts for specific members you are meeting with.

# Upcoming Budget Events

**11/12, 2pm, Sequestration Impact on Indian Country** , Senate Indian Affairs Committee, Chairwoman Cantwell, D-Wash. will hold a listening session on the impact of sequestration on Indian country. **628 Dirksen Building**

**11/13/2013: 2:30 PM –4:00 PM**

**FACES OF AUSTERITY:** *How Budget Cuts Have Made Us Sicker, Poorer, and Less Secure*, Hart Senate Office Building, Room 902,

**NCAI Budget Taskforce Meeting**

**12/3, 9:30 to noon** at the Embassy of Tribal Nations, 1516 P St NW

This is to develop government-wide recommendations on important program and agency levels for FY 2015. Tribal leaders, national organizations, regional intertribal organizations, and tribal advocates are all invited to participate in this planning meeting.