Chairman Schatz, Vice Chair Murkowski, and Members of the Committee, thank you for holding a legislative hearing on July 21, 2021 to receive testimony on S. 1797, S. 1895, and H.R. 1688. On behalf of the National Indian Health Board and the 574 federally-recognized sovereign American Indian and Alaska Native (AI/AN) Tribal Nations we serve, we submit this testimony for the record on S.1895.

On May 27, 2021, Senator Lujan, along with Senators Heinrich and Sinema, introduced S.1895, which requires the Secretary of the Department of Health and Human Services to provide additional funding for the Indian Health Service (IHS) sanitation facilities construction program. Such additional funding would assist in addressing a significant need in Tribal communities.

Sanitation Conditions in Tribal Communities

Human health depends on safe water, sanitation, and hygienic conditions. The COVID-19 pandemic has highlighted the importance of these basic needs and illustrated the devastating consequences of gaps in these systems, including the spread of infectious diseases. The lack of access to safe drinking water and basic sanitation in Indian Country negatively impacts the public health of AI/AN communities.

However, according to the IHS, “at the end of FY 2020 about 7,140, or 1.8 percent, of all AI/AN homes tracked by IHS lacked water supply or wastewater disposal facilities. About 112,082, or approximately 28 percent, of American Indian and Alaska Native homes tracked by IHS needed some form of sanitation facilities improvements.”

For example, in Alaska, the Department of Environmental Conservation reports that over 3,300 rural Alaska homes across 30 predominately Alaska Native Villages lack running water, forcing the use of “honey buckets” that are disposed in environmentally hazardous sewage lagoons. Because of the sordid history of mineral mining on Navajo lands, groundwater on or near the Navajo Nation reservation has been shown to have dangerously high levels of arsenic and uranium. As a result, roughly 30% of Navajo homes lack access to a municipal water supply, making the cost of water for Navajo households roughly 71 times higher than the cost of water in urban areas with municipal water access. The lack of clean, running water and adequate sanitation facilities makes disease prevention, especially during the COVID-19 pandemic, far more challenging for Tribal communities.

---

1 Legislative Hearing To Receive Testimony on S.1797, S.1895, and H.R. 1688 Before the S. Comm. On Indian Aff., 117th Cong. 1 (2021) (statement of Randy Grinnell, Deputy Director for Management Operations, Indian Health Service, Department of Health and Human Services) (emphasis added).


The IHS Sanitation Facilities Construction Program

The IHS is one of the primary providers of community water projects in Tribal communities. The Sanitation Facilities Construction (SFC) Program provides many AI/AN homes and communities with essential water supply, sewage disposal, and solid waste disposal facilities. The IHS environmental engineers plan, design, and manage most SFC projects. Many of those engineers are assigned to one of the twelve IHS Area Offices. The SFC program is an integral part of the IHS disease prevention effort that could potentially impact approximately 413,454 AI/AN homes.

The IHS has identified a Total Database Cost of $2.57 billion in estimated costs for 1,563 water infrastructure projects to address existing drinking water and wastewater needs in its 2019 Annual Report to Congress on Sanitation Deficiency Levels for Indian Homes and Communities. Specifically, IHS determined that over 110,500 Native households need some form of sanitation facility improvement, over 51,700 are without access to adequate sanitation facilities, and over 6,600 are without access to a safe water supply system and/or sewage disposal system.

More than 80% of the cost of the highest deficiency level projects per the IHS sanitation deficiency database were in the IHS Alaska and Navajo areas. The IHS has not released its 2020 report, but indicated in its testimony that the cost to fund all needed projects will rise above $3 billion in fiscal year 2020. For the most part, in a typical year, the IHS is limited to annual appropriations to fund feasible water projects identified in the Annual Report, approximately $196.5 million for FY 2021, to address existing water and wastewater needs. Additional projects and needs waiting to be added to the sanitation deficiencies list far exceed that amount, with over $1.1 billion in Alaska Native villages alone. Costs for the much-needed projects will continue to grow without funding to address the needs.

The IHS estimates that every $1 spent on water and sanitation infrastructure will save $1.18 in avoided direct healthcare cost. During FY 2020, 373 sanitation projects were funded at $220 million. Once constructed, these sanitation facilities will benefit an estimated 143,000 American Indian and Alaska Native people and help avoid over 235,000 inpatient and outpatient visits related to respiratory, skin, and gastroenteric disease over 30 years. The health care cost savings for these visits alone is estimated to be over $259 million.

S.1895 – the Indian Health Service Sanitation Facilities Construction Enhancement Act

Funding. The bill, S.1895, the Indian Health Service Sanitation Facilities Construction Enhancement Act authorizes an additional $3 billion for fiscal year 2022 (available until expended) for the planning, design, construction, modernization, improvement, and renovation of water, sewer, and solid waste sanitation facilities. Of that amount, $350 million is set aside for additional staffing support to carry out this Act. These amounts are in addition to funds provided for under any other provision of law. These amounts will contribute to addressing the significant sanitation deficiency levels identified in Tribal communities.

---

4 Department of Health and Human Services, Indian Health Service. Annual Report to the Congress of the United States On Sanitation Deficiency Levels for Indian Homes and Communities, Fiscal Year 2019, at 7.
5 Department of Health and Human Services. Fiscal Year 2022, Indian Health Service, Justification of Estimates for Appropriations Committees, at CJ 224.
6 Id.
7 Id.
Project Eligibility. The bill requires that the Secretary shall prioritize sanitation facilities in accordance with the IHS Sanitation Deficiency System established pursuant to 302(g) of the Indian Health Care Improvement Act (25 U.S.C. 1632(g)).

According to the IHS, the Total Database Estimate of $2.57 billion for FY 2019, and $3.09 billion projected for FY 2020, includes both economically feasible and infeasible projects. However, those projects determined to be economically infeasible, according to the IHS, are not eligible for IHS funding. The bill does not prohibit the economically infeasible projects from being funded.

The IHS also cites a national average of four years for the design and construction of the feasible projects. The 2019 Annual Report notes that there are 1,088 feasible and 475 infeasible projects. The average project length and number of projects creates a significant waiting period for the projects. The amount of funding in the bill made available immediately until expended should serve to reduce the waiting period.

The IHS has indicated that “[a]ll projects are re-evaluated annually to determine whether the costs and priority scoring factors have changed.” However, clarification may be needed regarding how infeasible projects should be addressed, in light of the additional funding and current Sanitation Deficiency System priority.

Conclusion

We thank the Senate Committee on Indian Affairs for holding this hearing on important legislation. We stand ready to work with Congress in a bipartisan manner to enact legislation that strengthens the government-government relationship, improves access to care for all AI/ANs, and raises health outcomes.

---

8 Department of Health and Human Services, Indian Health Service. Annual Report to the Congress of the United States On Sanitation Deficiency Levels for Indian Homes and Communities, Fiscal Year 2019, at 8-9. (“The feasible project cost estimate forms the basis for the IHS Funding Plan, which is used for developing budget requests and for allocating appropriated funds to the IHS Areas. Projects with high capital costs on a per-home basis are considered infeasible and are not considered when allocating appropriated funds to the Areas by IHS headquarters.”)

9 Legislative Hearing To Receive Testimony on S.1797, S.1895, and H.R. 1688 Before the S. Comm. On Indian Aff., 117th Cong. 1 (2021) (statement of Randy Grinnell, Deputy Director for Management Operations, Indian Health Service, Department of Health and Human Services)

10 Department of Health and Human Services, Indian Health Service. Annual Report to the Congress of the United States On Sanitation Deficiency Levels for Indian Homes and Communities, Fiscal Year 2019, at 9.

11 Id.

12 Id., at 11. (“The IHS may still support the planning, design, and construction of projects that are infeasible, typically as a result of funding contributions from other federal agencies and/or tribal sources. The SFC Program has provided and will continue to provide eligible AI/AN homes with other less costly types of sanitation facilities (e.g., offsite watering points and sewer haul systems). The SFC Program will also continue to track and estimate project costs to serve these homes with piped water and sewer systems.”)