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Bureau of Indian Affairs: Background and Annual FY2026 Appropriations

Congress authorized the Bureau of Indian Affairs (BIA) within the Department of the Interior (DOI) to manage various programs for federally recognized Tribes (hereinafter *Tribes*). BIA is the oldest bureau within DOI, and its role has evolved over time. The Snyder Act of 1921 (25 U.S.C. §13) authorized BIA to operate programs, and spend federal funds, for the benefit of Tribes and tribal citizens. BIA also manages 56 million surface acres, and 59 million acres of subsurface mineral estate, which are held in trust by the United States on behalf of Tribes and tribal citizens. In 1975, Congress passed the Indian Self Determination and Education Assistance Act (ISDEAA; 25 U.S.C. §§5301 et seq.). ISDEAA outlined federal policy on tribal self-determination, including the “effective and meaningful participation by the Indian people in the planning, conduct, and administration of” programs and services. ISDEAA authorizes certain tribal entities to manage specified federal programs (including BIA programs) using federal funds through *self-determination* (“638”) *contracts* and *self-governance compacts*.

Although the Snyder Act and ISDEAA provide the primary authorities for BIA, numerous statutes, court decisions, treaties, and other authorities guide the agency. BIA takes a leading role in fulfilling the federal trust responsibility to Tribes and tribal citizens. The *federal trust responsibility* is a legal obligation under which the United States—through treaties, acts of Congress, and court decisions—has committed to protecting tribal treaty rights, lands, assets, and resources, as well as ensuring access to other services.

Congress generally provides discretionary appropriations to BIA in annual Interior, Environment, and Related Agencies appropriations acts. BIA has seven discretionary appropriations accounts. Congress has provided definite discretionary appropriations (i.e., a specific dollar amount) for five of these accounts, with funding available for two fiscal years or until expended. Congress has provided indefinite discretionary appropriations (“such sums as are necessary”), for two of these accounts, with funding available for two fiscal years. In addition, Congress has provided supplemental and mandatory appropriations to BIA; this funding is not addressed in this product. For more information, see CRS Report R47723, *Bureau of Indian Affairs: Overview of Budget Issues and Options for Congress*, by Mariel J. Murray.

FY2026 Budget Request

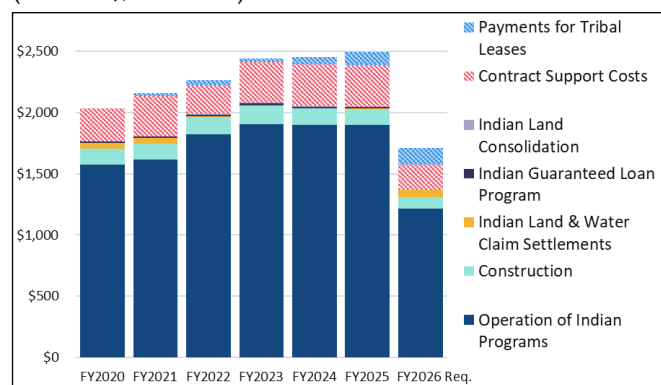
On May 30, 2025, DOI published its *FY2026 Interior Budget in Brief*, which highlights proposed changes for BIA appropriations accounts for FY2026 compared with previous fiscal years. In the request, figures for FY2024 reflect “actual funding” for the fiscal year and the FY2025 figures

are labeled as “notional.” The Administration specifies that the FY2025 notional figures are estimates and that the “President reserves his authority under the ‘Full Year Continuing Appropriations and Extensions Act, 2025’ (P.L. 119-4) to revise spending within the amounts provided by Congress.” The Full-Year Continuing Appropriations and Extensions Act, 2025 (C.R.; P.L. 119-4), stated the FY2025 amounts for BIA’s definite accounts, but the amounts for the indefinite accounts were stated by the Administration in its FY2026 budget request. The C.R. did not include an accompanying report or explanatory statement to detail FY2025 funding for programs within BIA accounts.

The FY2026 budget request is \$1.71 billion. The request is about \$781 million less (-31%) than FY2025 annual appropriations of \$2.50 billion provided by the C.R. The budget request “supports continuing core efforts to advance self-governance and self-determination, foster stronger economies and self-sufficiency, and support safe Indian communities.” The request would eliminate programs “outside of BIA’s core mission,” including some programs related to loans, land consolidation, and climate change.

BIA annual appropriations from FY2021 to FY2025, as well as the FY2026 budget request, are illustrated in **Figure 1**.

Figure 1. BIA Annual Appropriations, FY2020-FY2025, and FY2026 Budget Request by Account
(nominal \$, in millions)



Source: Congressional Research Service (CRS), based on enacted appropriations laws and the *FY2026 Interior Budget in Brief*.

Notes: Figure does not include supplemental or mandatory appropriations.

Definite Discretionary Appropriations Accounts

Operation of Indian Programs (OIP). The FY2026 budget request would fund BIA’s largest account at \$1.22 billion, about \$680 million less (-36%) than in FY2025. The request would reduce funding for all OIP programs, which support

tribal governments, human services, trust natural resource management and real estate services, public safety and justice, and community and economic development. The request would reduce funding for public safety and justice (i.e., law enforcement, tribal courts, and fire protection) by \$84 million from FY2025 to “reduce redundancies and inefficiencies with other law enforcement agencies” (see the “skinny budget”). Instead of these programs, the request states that OIP funding would support Executive Orders 14154 and 14225, “Unleashing American Energy” and “Immediate Expansion of American Timber Production,” respectively.

Construction. The FY2026 budget request would fund this account at \$93 million, a decrease of \$40 million from FY2025. This account funds activities such as construction, repair, improvement, and maintenance of irrigation and power systems, buildings, utilities, and other BIA facilities.

Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians. The FY2026 budget request proposes \$59 million to implement congressionally authorized land and water settlements negotiated between Tribes, states, and Congress. This figure is in comparison with \$1 million for each of FY2024 and FY2025. The request cited ongoing implementation of land settlements in addition to needing to make initial federal payments authorized in the Hualapai Tribe Water Rights Settlement Act of 2022 (P.L. 117-419).

Indian Guaranteed Loan Program. The FY2026 budget request proposes to eliminate the Indian Guaranteed Loan program, although the request still proposes \$1 million for the program in FY2026. The program was funded at \$13 million for FY2025. The request asserts that the program is duplicative of several other federal programs that offer loans to small businesses.

Indian Land Consolidation. The FY2026 budget request proposes to terminate this account, which funds purchases of tribal lands held by many owners, which BIA then conveys to the Tribe with jurisdiction. The request states that this program, funded at \$4 million for FY2025, “has received bipartisan criticism for being ineffective.”

Indefinite Discretionary Appropriations Accounts Contract Support Costs (CSCs). The FY2026 budget proposes “fully funding” this account at \$205 million. This is in contrast to the \$342 million in FY2025 notional funding. ISDEAA has been interpreted to require BIA to pay the reasonable indirect or administrative costs (known as CSCs) for activities necessary to ensure ISDEAA contract and compact compliance and “prudent management.”

Payments for Tribal Leases. The FY2026 budget proposes to “fully fund” this account at \$138 million. This is in contrast to the \$104 million in FY2025 notional funding and an increase of \$34 million compared with FY2025. ISDEAA requires BIA to enter into leases—commonly referred to as *105(l) leases*—to pay for tribally owned or rented facilities used to support activities under ISDEAA contracts and compacts.

Issues for Congress

Congress may examine how the FY2026 budget request, which proposes decreasing BIA’s funding by 31% compared with FY2025 annual appropriations, would shape the agency’s activities and affect program delivery to Tribes. DOI’s *Budget in Brief* provides topline request levels for BIA’s accounts and OIP programs but does not detail requested funding levels for most activities and programs. Congress may seek further information from the Administration regarding the requested funding levels for specific BIA activities. In addition, Congress may inquire whether the proposed budget reduction necessitates a reduction in BIA staffing and, if so, for which programs.

Funding for Tribal Public Safety and Justice

Tribal public safety and justice, including tribal law enforcement, are issues of continuing interest to many policymakers. Native Americans are statistically more likely than members of other races and ethnicities to be victims of violence—some use the term *Missing and Murdered Indigenous Peoples* to describe this phenomenon. BIA’s 2021 *Tribal Law and Order Act* report estimated that Congress funded BIA’s public safety and justice program (within the OIP account) 87% below the estimated total tribal need of \$3.5 billion. Congress increased funding for this program from \$434 million in FY2020 to \$556 million in FY2024 (+22%). The FY2026 budget request proposes reducing funding for this program.

Funding for Tribal Self-Determination

Funding for ISDEAA agreements is a perennial issue facing Congress, and aspects of contention include ISDEAA’s legal requirements, available appropriations, and varying tribal needs. For example, whether Tribes historically have received all the CSCs they believe they were legally entitled to has been a source of contention (see *Salazar v. Ramah Navajo Chapter*, 567 U.S. 182 (2012)). The FY2026 budget proposes funding CSCs and payments to tribal leases at a level that apparently fully meets tribal needs. At the same time, the request would reduce OIP funding, which funds programs that many Tribes manage in ISDEAA contracts and compacts.

Funding for New Tribes

BIA provides base funding for Tribes that are newly federally recognized in order to establish and carry out the responsibilities of a tribal government. DOI states that BIA will work to determine a new Tribe funding estimate for the Lumbee Tribe of North Carolina (*Lumbee*) “when the Tribe is federally recognized.” This was in reference to a presidential memorandum issued on January 23, 2025, that directed the Secretary of the Interior to submit a plan to assist the Lumbee in obtaining federal recognition. Congress is considering several bills to federally recognize the Lumbee, including the Lumbee Fairness Act (H.R. 474 and S. 107) in the 119th Congress.

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