

Native Child and Family Policy Update

July 2025

A copy of this update with live links can be found on the National Indian Child Welfare Association's (NICWA) website at <u>https://www.nicwa.org/child-and-family-policy-updates/</u>

Hot Topics

Congress Passes Budget Reconciliation Bill with Cuts to Medicaid and Supplemental Nutrition Assistance Program

Following the Senate's approval of the <u>One Big Beautiful Bill Act</u> (H.R. 1), the House adopted the Senate approved bill on July 3, 2025, and the President signed the bill into law the next day. The new law contains cuts to Medicaid and the Supplemental Nutrition Assistance Program (SNAP) that will make millions ineligible for the programs over the next 10 years. The Coalition for Tribal Sovereignty's <u>letter</u> to Senate leadership outlines many of the concerns that Tribal Nations and Native organizations raised before the bill's passage into law. Many of the cuts will occur because of new work requirements under Medicaid and SNAP in the bill. While the bill contains provisions that exempt Native people from the new work requirements in both programs, there are questions regarding how Medicaid and SNAP cuts will impact access to other state human services programs.

As the cuts begin to take effect, states will have to grapple with whether to use their general funds to supplement losses in federal funding or allow large numbers of people to lose their eligibility for these critical programs. This will result in states having to make difficult choices about the use of state general fund dollars, which could result in the reprogramming of state general funds supporting human services programs to other uses. Currently, 40% of Native children are enrolled in Medicaid or the Children's Health Insurance Program (CHIPS), which funds health services for children not eligible for Medicaid. The cuts to large federal health and human service programs were used to offset the costs of the President's tax cuts and other priorities in the law, which have significant costs (approximately \$4.5 trillion over 10 years without offsets).

NICWA will be monitoring the implementation of these changes, so please keep an eye on our website for the latest Native Child and Family Policy Update for further information.

Department of Health and Human Services (HHS) Requests Comments on Deregulation Priorities

On May 14, 2025, HHS published a <u>request for information</u> to solicit comments on HHS's goal to dramatically reduce regulations. The request for information (RFI) asks commenters to address several questions that focus on identifying regulations that create barriers to access to and operation of federal programs, are considered overly burdensome, are thought to be unlawful, and impede innovation, among many other questions. The RFI is focused on identifying regulations that can be modified or eliminated in support of Executive Orders <u>14192</u> and <u>14219</u>. While tribal nations are generally supportive of regulation reforms that improve program accessibility and operation, there are concerns about changing regulations that provide protection for Native children and families or tribal nations.

Comments are due by July 14, 2025, and NICWA is urging Tribal Nations and advocates to submit comments about regulations that could be reformed to improve federal program access and operation, while also identifying regulations that provide protection for Native children and families and <u>should not</u> be changed, such as the 2024 final rule to require collection of data from states through the AFCARS data system that measure how the Indian Child Welfare Act is being implemented with Native children and families in state child welfare systems. You can find a copy of a NICWA sample letter to adapt for your comments and a link to submit your comments here.

Department of Health and Human Services Announces Listening Sessions on Reorganization

Last week, the Department of Health and Human Services (HHS) Office of Intergovernmental and External Affairs announced virtual Tribal listening sessions on HHS reorganization July 16 and 17, 2025, from 12:00 p.m. to 5:30 p.m. ET each day. These listening sessions will provide an opportunity for Tribal leaders and advocates to collectively share their feedback and priorities regarding HHS reorganization. HHS leadership will be present to hear your feedback on their specific programs and services. An agenda has not yet been released.

In preparation for the listening sessions, NICWA has developed <u>written comments</u> that highlight the need to ensure attention is given to the implications of HHS's reorganization plans for human services and behavioral health services programs. Already, HHS reorganization actions have impacted Tribal Nations and raised concerns about tribal access to federal funds, availability of technical assistance, and failure to consult with tribes on these decisions. The comments emphasize that HHS's trust responsibility and treaty obligations extend to all the agencies of HHS and requires carefully planned consultation with Tribal Nations before decisions are made. NICWA's comments can serve as a guide for drafting your own comments or for developing talking points to use during the listening sessions. There is also a link to register for the listening sessions <u>here</u>.

President Releases Fiscal Year (FY) 2026 Budget Priorities

President Trump released his FY 2026 <u>budget request</u> to Congress on May 2, 2025. The budget request document contains his top-line budget requests for all federal departments and operations. The budget request, referred to as the "skinny budget," does not provide individual program budget requests in many cases, only his top-line requests. Within the "skinny budget" are requests to cut or eliminate several Department of Health and Human Services (HHS) and Department of Interior (DOI) programs that tribes receive funding from. Some of these include the elimination of the Low Income Home Energy Assistance Program, Community Services Block Grant (basic needs and poverty reduction), Circles of Care grant program (children's mental health system development), and Tribal Behavioral Health Grants program (grants for suicide prevention and mental health services for Native youth). There is also language in the skinny budget that suggests Bureau of Indian Affairs Social Services programs will be cut or proposed for elimination. Important to note is the skinny budget is a request to Congress and does not mandate changes in federal spending. Only Congress can authorize federal program spending through the appropriations process.

Following the release of the skinny budget, HHS released their FY 2026 budget in brief, and the Administration published a <u>technical amendment</u> to their FY 2026 skinny budget. The HHS budget justification does not provide significantly more detail about specific program requests than the skinny budget, but the technical amendment provides language that suggests the Administration is requesting no more than \$10 million be reserved for BIA Welfare Assistance programs. Welfare Assistance programs include General Assistance, Child Assistance, Adult Care Assistance, Emergency Assistance, and Burial Assistance. The total FY 2025 funding appropriated for BIA Welfare Assistance programs was \$78.5 million, suggesting the Administration is requesting an 87% decrease in funding requests.

You can find a NICWA analysis of the President's FY 2026 budget request <u>here</u>. You can also find a copy of a letter sent by the Coalition for Tribal Sovereignty regarding proposed budget cuts to Administration for Children and Families programs under HHS <u>here</u>. NICWA has previously provided testimony to the House Appropriation Committee and HHS on the need to preserve funding for these programs and will be working with members of Congress to educate them about the vital role these programs play in supporting vulnerable tribal citizens. **NICWA urges tribal advocates to contact their House and Senate delegation to ask that programs that Tribes access not be cut or eliminated. There is little time left in this fiscal year for Congress to act on FY 2026 appropriations, so it will be critical that tribal advocates reach out to their congressional delegates very soon. You can find contact information for your Congressional members <u>here</u>.**

Trump Administration Executive Orders Causing Concern in Indian Country

Starting with President Trump's first day in office on January 20, 2025, his Administration began issuing numerous Executive Orders and other policies that are expanding the scope of the Executive Branch's authority in the federal government and challenging constitutional norms regarding the powers of the Executive Branch. These actions are putting roadblocks up to accessing federal funding authorized for Tribal Nations by Congress, eliminating federal staff positions that help oversee and administer federal programs for tribal nations, and freezing regulations and other policies that benefit tribal nations. As of May 13, 2025, the Administration has issued 147 Executive Orders and the number is expected to grow. You can find a regularly updated list of Executive Orders <u>here</u>.

Key Executive Orders and administrative policies that have impacts for Tribal Nation human service programs and Native children and families:

- Office of Management and Budget Memorandum (M-25-13) on Temporary Pause of • Agency Grant, Loan, and Other Financial Assistance Programs: The Office of Management and Budget (OMB) memo M-25-13 instructed federal agencies to temporarily pause federal funding and assistance while simultaneously conducting an assessment to determine individual federal funding and assistance compliance with Executive Orders. If federal funding or assistance was found to not be aligned with existing Executive Orders, it was ordered to be cancelled, including funding or assistance already authorized by Congress. Two days after OMB memo M-25-13 was first issued, it was rescinded by OMB, but later that same day the Trump Administration said it would continue the freeze on federal funding. Several federal programs that support Tribal human services programs were caught up in this funding freeze initially. While many of these federal programs have begun distributing funding to Tribal Nations, there are still federal programs that serve Native populations that are not able to draw down their federal funding, creating confusion and uncertainty about whether these funds will be available in the future.
- Executive Order 14151 Ending Radical and Wasteful Government Diversity, Equity and Inclusion (DEI) Programs and Preferencing and Executive Order 14173 Ending Illegal Discrimination and Restoring Merit-Based Opportunity. These Executive Orders require federal agencies to assess programs, grants, and contracts within their agencies for DEI promotion or activities and eliminate the programs and funding that support them. While Tribal Nations and Native people have a unique political status that is the basis for federal programs and policies that address their needs and are separate from their racial status, there are numerous reports of federal programs and activities related to tribal nations being canceled based on them being considered DEI-related. This may also have an impact on technical assistance or other services being offered by Native organizations under contract with the federal government.
- <u>Executive Order 14170</u> Reforming the Federal Hiring Process and Restoring Merit to Government Service and <u>Executive Order 14210</u> Implementing the President's

"Department of Government Efficiency" Workforce Optimization Initiative: While Tribal Nations and Native people have a unique political status that is the basis for federal programs and policies that address their needs and is separate from their racial status, there are concerns that the language in the Executive Order does not address the unique status of Indian Preference in hiring that is separate from hiring prohibitions based upon race, sex, or religion. Executive Order 14210 seeks to reduce the federal workforce dramatically, requiring federal agency heads to consult with and seek approval for new hires from the newly created Department of Government Efficiency (DOGE). This could impede the hiring of federal staff with relevant experience in the support and administration of federal programs Tribal Nations access.

- Regulatory Freeze Pending Review Memorandum and Executive Order 14192 Unleashing Prosperity Through Deregulation: The regulatory freeze will impact any regulations that were not published in the Federal Register prior to January 20, 2025, or any that were published, but did not go into effect within 60 days from January 20, 2025. The Executive Order seeks to repeal 10 regulations for each new regulation promulgated during this Administration. For this to occur, many existing regulations would need to be eliminated or scaled back considerably. The Executive Order could impact existing regulations that provide protection and support to Native children and families, including the recently promulgated Adoption and Foster Care Analysis and Reporting System (AFCARS) regulations that established requirements for states to report on the status of Native children and families in their child welfare systems.
- Repeal of Richardson Waiver in the regulatory process at HHS: The Richardson Waiver has been used for a number of years to promote greater public knowledge and input into the federal agency regulatory process. Among other things, it allows public comments on proposed regulation changes. The Department of Health and Human Services has issued a Rule (policy statement) revoking the use of the Richardson Waiver and reducing or eliminating the use of public comments in the regulation process going forward. This will severely limit the ability of tribal nations to comment on HHS regulation changes and raises concerns about changes being made to regulations that introduce barriers to tribal access and operation of federal programs and weaken protections for Native people contained in existing federal regulations.

Following the release of these Executive Orders, newly confirmed Secretary of the Department of Interior (DOI), Doug Bergum, issued <u>Secretary's Order 3415</u> that exempts the Department's treaty and trust obligations to Tribal Nations from DEI policies identified in Presidential Executive Order 14151. Following the DOI Order, the Office of General Counsel for the Department of Health and Human Services (HHS) issued an <u>advisory</u> <u>opinion</u> (25-01) in response to a question about the application of Executive Order 14151 to Indian Health Services programs. In their opinion, they state that Executive Order 14151 and a number of related Executive Orders should not be interpreted to rescind, eliminate, hinder, or impair the Department's legal obligations to Tribal Nations. While these departmental orders and opinions are helpful, there are still questions about how the policies of the new Administration will impact Tribal Nation human service program funding, federal staffing for programs that tribal nations administer, and changes for state programs that will trickle down to Native children and families in state human service systems.

If your Tribe or urban Native organization is seeing impacts from these or other Executive Orders, you can provide information to the Senate Committee on Indian Affairs by emailing them at <u>oversight@indian.senate.gov</u>. The Committee is tracking impacts to Indian Country from Executive Orders and communicating concerns to the Administration. All information provided will be held confidential. You can also contact NICWA Government Affairs and Community Development Specialist Evan Roberts at <u>evan@nicwa.org</u> to provide information on your experiences. While we appreciate concerns that Tribes and urban Native organizations have about sharing this kind of information, it is critical to being able to provide accurate and impactful advocacy to remove barriers and address concerns.

<u>Legislative</u>

New Child Welfare Legislation Signed into Law with Tribal Support

On January 4, 2025, President Biden signed into law the <u>Supporting America's Children and</u> <u>Families Act</u> (P.L. 118-258). The legislation reauthorizes two child welfare programs under Title IV-B of the Social Security Act that provide some of the most flexible federal funding for tribes and states to help children at risk of removal into foster care stay at home safely. The legislation contains several provisions that benefit tribal nations and Native children and families.

Key child welfare provisions in the new law include:

- Increase in mandatory funding under the Title IV-B, Subpart 2 Program (Promoting Safe and Stable Families) that will increase funding for existing tribal grantees and allow a number of new tribes to qualify to receive the funding (Section 107 and increase to overall appropriation).
- Change the current funding mechanism under Title IV-B, Subpart 1 Program (Child Welfare Services) from the outdated regulatory formula to a 3% set-aside from the overall appropriation. This will provide a small increase in tribal funding under the program (Section 107).
- Increase funding for the Tribal Court Improvement Program from \$1 million to \$2 million per year allowing more tribes to apply for and receive grant funding (Section 107).

- Allow the Secretary of the Department of Health and Human Services (HHS) to modify Title IV-B reporting requirements for tribes and states to reduce administrative burden (Sections 106 and 107).
- Require states to collect and report data related to Indian Child Welfare Act (ICWA) requirements in state child welfare cases involving Native children and families (Section 107).
- Require HHS to provide technical assistance to states and tribes for the purpose of supporting effective implementation of ICWA (Section 107).
- Require HHS to consult with tribes on the development of guidelines to maximize the engagement of tribes in state court proceedings involving ICWA (Section 104).
- Allow tribes the option of using their federally negotiated indirect rate in the operation of Title IV-B programs (Section 107).
- Clarify tribes as eligible to apply for and receive competitive grant funding to evaluate programs or services that meet one of the evidence-based criteria under the Title IV-E Prevention Services Program (Section 108).
- Allow the Secretary of HHS to waive or modify an application requirement or matching requirement for tribal grants addressing the needs of foster children who have parents that are incarcerated (Section 113).
- Require the Secretary of HHS to use tribally relevant data in carrying out evaluation activities under a grant program addressing the needs of foster children who have parents that are incarcerated (Section 113).

In addition, the law also authorizes tribal nations to access the Treasury Offset Program (TOP) that allows states and tribes to access tax returns of parents that are behind in child support payments (Section 202). The funds are then distributed to the custodial parent. Previously, only states were allowed to utilize this program. The National Tribal Child Support Association and National Association of Tribal Child Support Directors were key supporters of this legislation.

NICWA worked on the legislation for over two years with tribal advocates to develop tribal provisions and secure passage of the legislation before the end of the congressional session last December. Reauthorizations of major child welfare laws only happen every 10 years, so it was critical that tribal voices were heard in the process.

Native American Child Protection Act Signed into Law

On December 23, 2024, President Biden signed into law the <u>Native American Child Protection</u> <u>Act</u> (P.L. 118-160). The legislation was first introduced in the House by Representative Ruben Gallego (D-AZ) and its companion bill, S. 2273, was introduced in the Senate by Senators Ben Ray Luján (D-NM) and Susan Collins (R-ME). It amends the Indian Child Protection and Family Violence Prevention Act of 1990 (P.L. 101-630) to reauthorize and reform programs for Native communities to treat and prevent child abuse, neglect, and family violence. The House passed H.R. 663 in September 2023 with significant bipartisan support, and the Senate passed it without amendment on December 17, 2024.

The grant programs outlined in the legislation are intended to fill funding gaps for tribal services by providing dedicated funding for prevention and treatment for victims of child abuse, neglect, and family violence. The Act amends the law to clarify activities that can be supported with grant funding. This includes child abuse prevention and treatment, including technical assistance and training, establishing child protection teams or multidisciplinary teams, and developing intergovernmental agreements between tribes and states to prevent, investigate, prosecute, and treat child abuse, neglect, and family violence. The Act includes language to make urban Indian organizations eligible for the grant programs when partnering with a tribe or tribal organization. Language in the Act also encourages the use of culturally appropriate programs and services and authorizes the establishment of a National Indian Child Resource and Family Services Center to assist Native communities through technical assistance and training.

The authorizing language in the law that provides authority to appropriate funding for the grant programs has not been reauthorized by Congress since the original passage of the legislation in 1990. NICWA has been working to reauthorize the grant programs for many years and will continue to work with the new Congress to accomplish this goal. Reauthorization is critical to increasing appropriations for the grant programs and signaling to Congress that this is a priority program for tribal nations.

Administrative

AFCARS Final Rule on ICWA Data Elements Published

On December 5, 2024, the Biden Administration published a Final Rule restoring many of the ICWA data elements that were previously eliminated in 2020. The ICWA data elements were first approved in 2016, and then in mid-2020. 85% of the previously approved data elements were eliminated. A review of comments filed by states, tribes, child welfare organizations, and individuals during the public comment period revealed there was strong support for restoring the proposed ICWA data elements. These data elements are critical to helping the Administration for Children and Families (ACF), states, and tribes better understand how ICWA is being implemented across the country and effectively target resources to improve implementation where needed. The proposed data elements would be added to the Adoption and Foster Care Analysis Reporting System (AFCARS), which collects data from state child welfare agencies. The Final Rule goes into effect on February 5, 2025, with the first data collection period starting on October 1, 2028 (first data due to ACF on May 15, 2029). This caps over 30 years of NICWA advocacy to close the gap in data collection on Native children and families that can inform improved implementation of ICWA.

Administration for Children and Families Expands Flexibility for Tribes to Provide Cultural Services in Federal Child Welfare Programs

On July 30, 2024, the Children's Bureau published <u>new policies</u> in their Child Welfare Policy Manual that expand flexibility to tribes that are operating the Title IV-E program under an agreement with a state Title IV-E agency. The new policies clarify that a tribe in an agreement with a state may provide prevention programs and services adapted to the culture and context of the tribal community served. This allows eligible tribes to use cultural programs and services beyond those approved under the <u>Title IV-E Prevention</u> <u>Services Clearinghouse</u>. States can only use prevention programs and services that are approved under the Clearinghouse.

The new policy will allow tribes in agreements with states to utilize cultural programs and services that are not approved by the Clearinghouse. A tribe must still document the cultural program and services they are using, such as providing information on the program and service, how it meets the specific needs of the eligible children or caregivers, and previous outcomes that have been achieved when using the program and service. Title IV-E tribes may still use Clearinghouse-approved programs and services and culturally adapt them, but they are not limited to these. Previous guidance for tribes operating Title IV-E directly from the federal government under the statutory language (ACYF-CB-PI-18-10) is also the basis for these new policy changes. The current guidance will likely need to be updated in the future to include tribes in agreements with states and how they can utilize this new flexibility.

In 2018, Congress passed the Family First Prevention Services Program (P.L 115-123) that established a new program component within the Title IV-E Foster Care and Adoption Assistance Program. The new component allowed states and tribes with approved Title IV-E plans to seek reimbursement for eligible prevention services provided to children who were at imminent risk of placement in foster care and their parents or relative caregivers. Like other parts of Title IV-E, the funding provides reimbursement for services already provided as opposed to grant-style funding. The prevention services component of Title IV-E is optional, so not every state may opt for the funding, which determines whether a tribe in an agreement with a state will be able to operate the prevention services component. Currently, there are about 130 tribes operating Title IV-E through an agreement with a state.

Fiscal Year 2026 Appropriations Process in Full Swing

The House and Senate Appropriation Committees have begun work on developing their individual appropriation bills (12) and in the House, some appropriation subcommittees have already marked up (approved) their fiscal year (FY) 2026 appropriation bills. Tribal advocates are asking Congress to reject many of the cuts to federal programs that the President has proposed in his budget request to Congress that Tribal Nations access, including those that support vulnerable Native children and families, like the Bureau of Indian Affairs (BIA) Welfare Assistance programs (see article above regarding President's FY 2026 budget request). NICWA urges Tribal leaders and advocates to contact their House and Senate members and urge them to reject any cuts to human service programs that Tribal Nations use. Below is a list of key human and behavioral health services programs that support tribal human service programs and recommended FY 2026 funding levels.

- BIA Indian Child Welfare Act On and Off Reservation grant programs (separate programs) \$35 million
- BIA Indian Child Protection and Family Violence Prevention Act grants (victim treatment and prevention services) \$25 million each
- BIA Social Services programs \$80 million
- BIA Welfare Assistance programs \$90 million
- BIA Tiwahe Initiative \$30 million
- HHS Low Income Energy Assistance Program (LIHEAP) \$4.1 billion (Tribes receive set-aside from total appropriation)
- HHS Head Start (tribes receive a portion of the total appropriation)
- HHS Title IV-B, Subpart 2, Discretionary Funding \$80 million
- HHS Family Violence Prevention and Services grant program \$300 million (tribes receive set-aside from total appropriation)
- Substance Abuse and Mental Health Services Administration (SAMHSA) Tribal Behavioral Health Grant Programs (Substance Abuse Prevention and Mental Health) - \$30 million each or \$60 million combined
- SAMHSA Circles of Care Children's Mental Health Planning Grants \$8 million

For more information relating to this update, please contact NICWA Director of Government Affairs and Advocacy David Simmons at <u>desimmons@nicwa.org</u>.