

**STATEMENT  
OF  
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BUREAU OF INDIAN AFFAIRS  
UNITED STATES DEPARTMENT OF THE INTERIOR  
BEFORE THE  
UNITED STATES SENATE COMMITTEE FOR INDIAN AFFAIRS**

**November 6, 2019**

Good afternoon Chairman Hoeven, Vice-Chairman Udall, and Members of the Committee. My name is Spike Bighorn and I am the Acting Deputy Bureau Director, Office of Indian Services, Bureau of Indian Affairs at the Department of the Interior (Interior).

Thank you for the opportunity to provide testimony regarding Public Law 102-477, the Indian Employment, Training, and Related Services Demonstration Act of 1992 (477 Program). Interior understands the importance of the 477 Program and its goal of reducing unemployment through workforce development and job training in tribal communities by reducing and streamlining certain administrative requirements. From her private sector experience, the Assistant Secretary—Indian Affairs places a high value on workforce development. Assistant Secretary Sweeney also recognizes the need for flexibility in administering programs to best address specific tribal needs and priorities.

The Assistant Secretary has made it a top priority to advance Native American workforce development and tribal self-determination.

The 477 Program is a critical program that builds capacity in Indian Country and Alaska Native villages by authorizing tribal governments and tribal organizations to integrate eligible employment, training, and related services programs that support workforce development and, thereby, reduce the high unemployment rates in tribal communities and with native population centers.

**Background of the 477 Program**

In passing Public Law 102-477 in 1992 (1992 Act), Congress intended to reduce unemployment in tribal communities by creating employment opportunities consistent with the principle of tribal self-determination. The 1992 Act was also intended to increase the effectiveness of employment and training programs by reducing and streamlining administrative requirements through the consolidation of budgeting, reporting, and auditing systems. However, the 1992 Act

was only a demonstration project and only applied to programs from the Departments of Interior, Labor, Education, and Health and Human Services.

In 2000, Congress amended the 477 Program to allow tribes and tribal organizations more flexibility in using their funds for employment creation and to provide clarity on waiver requests in tribal plans. In 2017, Congress again amended the 477 Program in the Indian Employment, Training and Related Services Consolidation Act of 2017 (P.L.115-93) (2017 amendments). Congress made clear that the purpose of the 477 Program is to facilitate the ability of federally recognized tribes and tribal organizations to integrate the eligible employment, training, and related services they provide from different federal sources, and is aimed at reducing administrative, reporting, and accounting costs.

Most notably in the 2017 amendments, Congress made the demonstration project permanent, and expanded the 477 Program to include eligible programs from the Departments of Agriculture, Commerce, Energy, Homeland Security, Housing and Urban Development, Transportation, Veterans Affairs, and Justice. Today, there are twelve federal Departments that are authorized to participate in the 477 Program (federal partners).

### **Interagency Memorandum of Agreement**

Pursuant to Section 11 of the 2017 amendments, Congress directed the federal partners to negotiate and execute a Memorandum of Agreement (MOA) to implement those amendments.

The federal partners worked diligently to complete the final draft prior to the statutory deadline.

In December 2018, the Secretary of the Interior and the heads of the other agencies named in the law signed an Interagency MOA. The MOA is intended to facilitate coordination and collaboration of the federal partners in implementing the 477 Program. The MOA defines concrete procedures for Interior to consult with the other federal partners in its review of a 477 plan and sets forth how this consultation will be completed within the 90-day statutory deadline. The 90-day deadline for reviewing and approving plans ensures that tribes receive a timely decision on their 477 plans.

In accordance with the MOA, Interior is working with the 477 tribal working group, made up of Tribes with existing 477 plans, and our other federal partners to update the 477 Program statistical and financial reporting forms and improve mechanisms for comprehensive federal oversight and monitoring of the 477 Program.

Interior remains committed to ensuring that tribes and tribal organizations are provided the services set out in the 477 Program. Equally as important is being a reliable partner to the other federal agencies in the implementation of the 477 Program.

## **477 Program Intent and Implementation**

Interior, through the Division of Workforce Development at the Office of Indian Services within the Bureau of Indian Affairs (BIA), is the lead agency for the 477 Program, tasked with the role of administering the 477 Program among tribes, tribal organizations, and the eleven other federal partners. The BIA is responsible for working with tribes to ensure that plans submitted by a Tribe under the 477 Program are completed. BIA coordinates the review and approval of plans, including waiver requests, with the federal partners. If a program or waiver is denied, BIA works collaboratively with the tribe and the affected agency (one of the federal partners authorized to participate in the 477 Program) to overcome obstacles to such an approval. BIA also coordinates the dispute-resolution process between tribes and affected agencies to resolve disputes related to denied waivers. While the BIA retains exclusive statutory authority to approve or deny tribal 477 plans, Interior is committed to consulting with our other federal partners throughout the review, approval, and oversight processes.

As the lead agency, the BIA also manages the distribution, monitoring, and auditing of funds provided to tribes through the 477 Program. Once a plan is approved, and subject to the availability of funds, the affected agencies transfer funds to the BIA, which is responsible for distributing these funds to the tribe. Approved tribal plans are implemented on a three-year cycle, providing tribes with budget and program planning stability.

Once a tribe receives these funds, they are consolidated into a single budget, allowing the tribe to exercise self-determination through flexible administration of those funds across activities from the approved plan. The tribes then report on outcomes for the program services and activities in the approved plan. The integrated funding and unified reporting system further serves to reduce the administrative burden on tribes and the federal government.

For each of the 67 tribes and tribal organizations with active 477 plans, the BIA conducts on-site monitoring at least once every three years and, in coordination with affected agencies, provides technical assistance related to audit findings or program activities. BIA will notify affected agencies of the on-site monitoring activities. Affected federal partners are invited to participate and notify the BIA of any issues or concerns so that they can be addressed during the on-site review. BIA also conducts annual 477 Program trainings at regional and national conferences for participating and non-participating tribes.

Tribal 477 plans can include programs administered by the federal partners that are implemented for the purpose of job training, welfare to work and tribal work experience, creating or enhancing employment opportunities, skill development, assisting tribal youth and adults to succeed in the workforce, encouraging self-sufficiency, familiarizing individual participants with the world of

work, and facilitating the creation of job opportunities, economic development, or related services.

Participation in the program is voluntary for tribes and tribal organizations and the program is intended to demonstrate how tribes and tribal organizations can integrate employment, training, and related services to improve the effectiveness of services, reduce joblessness, and serve tribally-determined goals. The 477 Program is another step in implementing the policy of self-determination because tribes operating under an approved tribal plan are further able to implement programs designed to address tribal needs, guided by tribal priorities.

Currently, there are 67 tribally approved plans (see Appendix A) located in 18 states: Alaska, Arizona, Idaho, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, New York, North Dakota, Oklahoma, Oregon, South Dakota, Washington, Wisconsin, and Wyoming. On an annual basis, approximately \$125 million is consolidated by tribes as a result of their approved 477 plans. Over 270 tribes and tribal organizations are represented by the 67 separate 477 plans. Interior anticipates this number will rise with the increased number of programs now eligible to be integrated into the 477 Program.

The benefits of consolidating programs across twelve federal agencies greatly increases the flexibility with which tribes can provide critical workforce development services to their tribal members. The successes already achieved by the sixty-seven tribal entities with existing 477 plans demonstrate how this program benefits tribes and supports tribal sovereignty and self-determination.

As mandated by the 2017 amendments to the 477 Program, Interior co-hosted the first annual meeting of tribes and federal partners with the Tribal 477 Workgroup Co-Chairs, Margaret Zientek and Holly Morales, on September 20, 2019.

I am pleased to report that 11 of the 12 federal partners attended the meeting, with approximately 25 tribal partners participating either in person or by teleconference. A major topic of discussion focused on the tribal comments related to the Interagency MOA.

The meeting provided a meaningful exchange between the tribes and the federal partners on important issues related to the 477 Program as the first round of 477 proposals from the tribes under the new law are being submitted and reviewed. I look forward to co-hosting the second annual meeting next summer at the National 477 Conference.

## **477 Program Success**

The 477 Program empowers each tribe to tailor their plan to the unique needs of their tribe, incorporate culturally relevant components, and create and implement program services that are in alignment with tribal self-determination priorities.

Programs are designed to allow participants to engage in employment and training activities along with related services like child care and cash assistance to allow them to successfully complete work activities. This alignment of services produces higher rates of success and employment attainment than if programs were operated individually. Programs administered through an approved 477 plan allow tribes to spend more time on delivering services rather than administrative activities.

The 477 Program also supports American Indians and Alaska Natives in becoming entrepreneurs and addressing community needs. Let me give you some examples. An unemployed Bristol Bay Native Association participant recently filled out a single application for multiple services from the Bristol Bay Native Association. She received child-care services while in training to become a licensed child-care provider. She earned a child-care certification and the Bristol Bay 477 Program supported necessary home improvements. At the completion of these streamlined services, this participant was able to come off public assistance and is now a self-employed business owner in a rural community, providing critical child-care services to other members of her community.

The Citizen Potawatomi Nation, Oklahoma, leveraged \$100,000 to a micro-loan program to support small business development and encourage entrepreneurial and job creation activities. As borrowers repay their loans, that amount is reinvested in the loan program, allowing the Tribe to provide additional loans to more entrepreneurs. The initial investment has turned over five times and produced multiple entrepreneurs. It has significantly increased employment in the Tribe's service area.

A young man from the Tohono O'odham Nation of Arizona applied for welfare assistance when he was unable to find work. He applied for 477 services and was sent to HVAC School. Once he earned his certification, he returned to his community working for a local school district. He now owns his own HVAC business and hires 477 participants.

Two Osage Nation Members applied for 477 services as they worked to obtain Certification in Law Enforcement Training and related equipment. These two individuals are now full-time police officers for their Tribe, with college degrees and law enforcement certificates.

The Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana, train 477 Program participants who received funds under Temporary Assistance for Needy Families and Workforce Investment Opportunities Act programs to become program specialists. The Tribe

then hires them as 477 Program staff and places them in local businesses in and around their service area.

The Confederated Tribes of the Colville Reservation, Washington, have seen significant improvements among high federal dependency populations, despite high unemployment rates. Unemployment in the area is around 50%, however, the 477 Program continues to increase the number of clients served, providing both employment training and education related support and opportunities. From 2016-17 to 2017-18, despite a rise in the number of clients seeking services, the percent of adult clients exiting the program achieving positive employment outcomes increased from 26 percent to 32 percent. Cash Assistance clients exiting the program achieving positive employment outcomes also increased over the same period, while the percentage of clients exiting the Cash Assistance program with positive outcomes increased from 11 percent to 15 percent.

The success stories demonstrate how the 477 Program goes beyond any single individual program. The integrated assistance provided to individual program participants not only improves their likelihood of success and achieving future employment, but also increases the economic opportunities available locally to the whole community. A new child-care center is just one example, however, it means more options for parents to find affordable solutions for their own children while seeking employment, attending job training, or creating their own business.

The 477 lifts up tribal communities; it is not a hand out, but a hand up. Interior is committed to the effective oversight and the administrative role it plays in the 477 Program. I look forward to continuing to work with tribes, tribal organizations, and our federal partners to deliver this necessary program and expand the number of participating programs consistent with the law.

## Appendix A

- Aleutian Pribilof Island Association, Alaska
- Arapaho Tribe of the Wind River Reservation, Wyoming
- Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation, Montana
- Association of Village Council Presidents, Alaska
- Blackfeet Tribe of the Blackfeet Indian Reservation of Montana
- Bristol Bay Native Association, Alaska
- Central Council of the Tlingit & Haida Indian Tribes, Alaska
- Cherokee Nation of Oklahoma
- Cheyenne River Sioux Tribe of the Cheyenne River Reservation, South Dakota
- Chickaloon Native Village, Alaska
- Chilkat Indian Village, Alaska
- The Chickasaw Nation, Oklahoma
- The Choctaw Nation of Oklahoma
- Chugachmiut, Alaska
- Citizen Potawatomi Nation, Oklahoma
- Confederated Tribes of the Colville Reservation, Washington
- Confederated Tribes of the Grand Ronde Community of Oregon
- Confederated Salish and Kootenai Tribes of the Flathead Reservation, Montana
- Confederated Tribes of Siletz Indians of Oregon
- Confederated Tribes of the Umatilla Reservation, Oregon
- Cook Inlet Tribal Council, Alaska
- Copper River Native Association, Alaska
- Eastern Shoshone Tribe of the Wind River Reservation, Wyoming
- Fort Belknap Indian Community of the Fort Belknap Indian Reservation of Montana
- Grand Traverse Band of Ottawa and Chippewa Indians, Michigan
- Ho-Chunk Nation of Wisconsin
- Kaw Nation, Oklahoma
- Kawerak, Inc., Alaska
- Knik Tribe, Alaska
- Kodiak Area Native Association, Alaska
- Lummi Tribe of the Lummi Reservation, Washington
- Makah Indian Tribe of the Makah Indian Reservation, Washington
- Maniilaq Association, Alaska
- Mashpee Wampanoag Tribe, Massachusetts
- Menominee Indian Tribe of Wisconsin
- Metlakatla Indian Community, Annette Island Reserve, Alaska
- Mille Lacs Band of Chippewa Indians, Minnesota
- The Muscogee (Creek) Nation, Oklahoma
- Nez Perce Tribe, Idaho

- Ohkay Owingeh, New Mexico
- Orutsaramiut Native Council, Alaska
- The Osage Nation, Oklahoma
- Pawnee Nation of Oklahoma
- Port Gamble S'Klallam Tribe, Washington
- Pueblo of Laguna, New Mexico
- Pueblo of Taos, New Mexico
- Red Lake Band of Chippewa Indians, Minnesota
- Reno-Sparks Indian Colony, Nevada
- Rosebud Sioux Tribe of the Rosebud Indian Reservation, South Dakota
- Saint Regis Mohawk Tribe, New York
- Seneca Nation of Indians, New York
- Shoshone-Bannock Tribes of the Fort Hall Reservation, Idaho
- Shoshone-Paiute Tribes of the Duck Valley Reservation, Nevada
- Sun'aq Tribe of Kodiak, Alaska
- Sisseton-Wahpeton Oyate of the Lake Traverse Reservation, South Dakota
- Spirit Lake Tribe, North Dakota
- Spokane Tribe of the Spokane Reservation, Washington
- Standing Rock Sioux Tribe of North & South Dakota
- Stockbridge Munsee Community, Wisconsin
- Tanana Chiefs Conference, Alaska
- Three Affiliated Tribes of the Fort Berthold Reservation, North Dakota
- Tohono O'odham Nation of Arizona
- Tulalip Tribes of Washington
- White Earth Band of Chippewa Indians, Minnesota
- Winnebago Tribe of Nebraska
- Yakutat Tlingit Tribe, Alaska
- Zuni Tribe of the Zuni Reservation, New Mexico