



Testimony by

Mr. Dennis Alvord
Acting Assistant Secretary of Commerce for Economic Development
U. S. Economic Development Administration
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INTRODUCTION

Chairman Schatz, Vice Chairwoman Murkowski, and members of the committee, thank you for this opportunity to testify on behalf of the Department of Commerce (DOC) and the Economic Development Administration (EDA). EDA's mission is to lead the federal economic development agenda by promoting innovation and competitiveness and preparing American regions for growth and success in the worldwide economy.

At EDA, we are cognizant of the unique challenges and opportunities that exist to support American Indians, Indian tribes, Alaska Natives, Native Hawaiians and other Native communities across the United States through our economic development grant programs. Since FY2010, EDA has invested \$143.4 million in 696 awards to tribal communities, including close to \$11.3 million of its Coronavirus Aid, Relief, and Economic Security Act (CARES Act) appropriation in 51 awards to tribal communities. Importantly, EDA's organic statute, the Public

Works and Economic Development Act of 1965 (PWEDA) provides an important and unique authorization that allows Tribal entities to be eligible for a 100% grant rate, across all of EDA's PWEDA programs. No other category of eligible entity is provided such broad comparable flexibility.

We are also keenly aware of the special relationship the Government has with the Tribes. As many of you know, earlier this year, President Biden signed the Presidential Memorandum on Tribal Consultation and Strengthening Nation to Nation Relationships. It directed federal agencies to work with Tribal Nations for the implementation of Executive Order 13175, Consultation and Coordination with Indian Tribal Governments (November 6, 2000). Within the Department of Commerce, we are committed to strengthening Tribal sovereignty, self-governance, fulfillment of federal trust responsibilities and treaty obligations to Tribal Nations and we welcome this opportunity to discuss the work we've carried out with our Tribal partners and grantees. While I am here representing EDA, I am proud to acknowledge the work of several of EDA's sister bureaus with the Department. Below represents ongoing programs and initiatives within the Department:

National Telecommunications and Information Administration (NTIA)

The Consolidated Appropriations Act, 2021 provided for the establishment of three new grant programs totaling \$1.585 billion to be administered by NTIA: Tribal Broadband Connectivity Program, the Broadband Infrastructure Program, and Connecting Minority Communities Pilot Program. Under the Tribal Broadband Connectivity program, infrastructure, training, devices, and subsidized services, as well as telehealth applications, remote work, and distance learning are all eligible for funding under this program. The Broadband Infrastructure

program will focus on rural and unserved areas. Finally, the Connecting Minority Community Pilot program will serve Historically Black Colleges and Universities, Tribal Colleges and Universities, and Native Hawaiian Serving Institutions. The program will provide funding for broadband internet access service or equipment, information technology personnel for remote educational instruction and learning. NTIA held three national tribal consultations and is working towards releasing the process and application for these funds expeditiously. Given the importance of broadband to economic development, EDA has worked closely with NTIA to coordinate on broadband-related matters at the national and regional levels and is exploring how our funding may be complementary.

International Trade Administration (ITA)

ITA's U.S. Commercial Service has longstanding relationships with Tribal Nations and Native-owned businesses from Alaska to New Mexico and Oklahoma to New England through its broad program offerings that help these firms export their goods and services around the globe. To deepen its efforts, ITA recently launched a one-year pilot project in its Northern California Export Assistance Centers to more closely examine the ways to engage Native American enterprises and develop best practices to improve its outreach. Part of this work involved organizing a series of webinars this Spring designed to address concepts primarily around digital strategy; the idea being that the pandemic has resulted in a worldwide shift to online engagements by companies and industries across the board. ITA continues to collaborate with other Commerce agencies and partner with Native American organizations, such as the American Indian Alaska Native Tourism Association (AIANTA) and the Yurok Tribe Economic

Development Corporation, to extend its outreach to these business communities and help them grow internationally.

Minority Business Development Agency (MBDA)

MBDA has a long tradition of serving American Indian, Alaska Native and Native Hawaiian (AIANNH) business enterprises. With the expertise and guidance of the Office of Native American Business Development, MBDA redesigned the service delivery model and introduced pilot and demonstration projects that allowed for innovative proposals to address unique business challenges in the AIANNH business community. MBDA has funded the Office of Native American Business Development and hired a tribal expert appointee to engage tribal entities and Native American businesses, review research, and advise MBDA on upcoming AIANNH programs based on tribal engagement. In Fiscal Year 2020, MBDA invested \$3.6 million across thirteen AIANNH projects that currently provide a range of support in Indian Country, including access to capital, business training, federal procurement training, broadband through public-private partnership, and entrepreneurial education through Tribal colleges. During the pandemic, some AIANNH projects were able to transition services to phone and other virtual consultations. The projects reported nearly 3,600 minority business enterprises served including training that specifically addressed business impacts from the pandemic. Several projects reported providing assistance with Paycheck Protection Plan loans that resulted in securing more than \$2M in financing for AIANNH clients. In Fiscal Year 2021 MBDA plans to invest \$3.9 million in AIANNH projects.

National Oceanic and Atmospheric Administration (NOAA)

The Consolidated Appropriations Act, 2021 includes \$30 million for Federally recognized tribes in any of the Nation’s coastal States, Great Lakes States and territories for direct and indirect fishery economic related losses as well as subsistence, cultural and ceremonial impacts related to COVID-19. Specifically, “federally recognized Tribes in any of the Nation’s coastal States and territories, and federally recognized Tribes in any of the Nation’s Great Lakes States with fisheries on the Tribe’s reservation or ceded or usual and accustomed territory” are potentially eligible. NOAA Fisheries held two national tribal consultations and is working towards releasing the process and application for these funds soon. In addition, Section 12005 of the CARES Act provided \$300 million to support states, tribes, and territories with coastal and marine fishery participants who have been negatively affected by COVID–19. NOAA Fisheries allocated over \$6 million to federally recognized tribes on the West coast and federally recognized tribes with tribally managed fisheries in Alaska in May 2020. Tribal fishers were also able to apply for assistance from their state throughout the country. NOAA Fisheries held tribal consultations on the administration of those funds.

U.S. Census Bureau

The Census Bureau works closely with American Indian and Alaska Native (AIAN) tribal nations on a government-to-government basis. Our goal was to complete an accurate 2020 census that includes counting tribal populations on and off reservations in coordination with tribal governments. To better address issues and achieve a more accurate count for 2020, we began working with tribes earlier in the decade. Since 2015, the Bureau conducted 17 tribal

consultations and one national webinar with federal, state recognized tribal governments and Alaska Native Regional and Village Corporations to discuss planning, operations and communications for the 2020 census.

More than 200 tribes established a Tribal Complete Count Committee. These committees encouraged participation in the 2020 Census and informed their tribal community that the 2020 census is easy, safe and important. The Census Bureau also worked with organizations that support AIAN populations living on and off tribal lands, including the Alaska Federation of Natives, National Indian Education Association, Native American Rights Fund, National Congress of American Indians, and the National American Indian Housing Council.

The Census Bureau continues communication and tribal consultations as we prepare for the release of the 2020 American Indian and Alaska Native data products. The Census Bureau is now researching the use of Administrative tribal data for future censuses and surveys to achieve the best accurate and complete count of the AIAN community.

CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT

EDA's FY 2020 appropriations included \$1.5 billion in supplemental funding from the CARES Act (P.L. 116-136) to respond to economic injury due to COVID-19. EDA's role in these recovery efforts is to facilitate delivery of federal economic development assistance to communities for long-term economic recovery planning, reconstruction, redevelopment and resiliency.

Because of the unusual and compelling urgency of the economic dislocations caused by the coronavirus pandemic, EDA determined that the public interest would be best served by

using a portion of its supplemental CARES Act funding to expeditiously make awards to existing high-performing EDA grant recipients with unique capacities to respond rapidly to the situation, including to its Economic Development Districts, University Centers, and 51 Tribal Planning Organizations. The awards fund the cost of economic recovery coordination and technical assistance activities to support recovery from the pandemic within the geographic area served by these organizations. These investments also helped develop a pipeline of infrastructure and workforce projects that EDA funded with its remaining CARES Act funds and will use to source projects for upcoming American Rescue Plan (ARP) Act (P. L. 117-2) competitions.

Our CARES Act investments are supporting a variety of critical economic development strategies that are helping communities recover and set a course for future prosperity and, I am pleased to note that EDA has awarded more than \$1 billion in CARES Act grants and met this important and significant milestone in less than one year from the enactment of the CARES Act. EDA's work continues and, as of April 26, 2021, EDA has invested more than \$1.1 billion in CARES Act funding across 1028 awards to communities across the country.

I am proud of the fortitude shown by our grantee partners in responding to this crisis, particularly Native communities that were disproportionately impacted by the health and economic impacts of the pandemic; and, I am inspired by the dedication that EDA's exemplary staff has shown in meeting the challenge of quickly and responsibly awarding this critical funding.

Below are representative examples of EDA's concerted effort in support of economic development and recovery in Tribal communities, including economic development projects that support the creative economy:

Native Village of Napaimute

- In FY 2019, EDA awarded \$589,000 in Economic Adjustment Assistance funds to the

Native Village of Napaimute for the acquisition of vital equipment needed to transport harvested wood products. Prior to the EDA investment, transportation has been limited and movement of lumber had to occur on ice roads which had become increasingly difficult to travel. Alternatives, such as commercial barge service, were also limited or sporadic, leaving the village with no economically viable way to move its product to market. This EDA investment enables the village to safely and efficiently deliver its product to customers and stabilize market accessibility for its wood products. In addition, the village has also been able to expand its market to include the production of log home packages, helping provide affordable housing to residents of an economically disadvantaged area of Alaska's vast Unorganized Borough.

Wampanoag Tribe of Gay Head Aquinnah (CARES Act)

- In the wake of the COVID-19 pandemic, the Wampanoag Tribe of Gay Head Aquinnah identified a need to diversify their regional economy beyond tourism to sustain a resilient economy. In April 2021, EDA awarded \$120,000 in CARES Act funds to support the Tribe with preparing a wastewater feasibility study that will include data collection and assessment, development of alternatives, and a cost benefit analysis, to aid in determining necessary upgrades and expansion work for the existing wastewater treatment plant and will produce a timeline for implementing the recommended economic development strategy. Once completed, the project will help the region diversify the existing economy, attract private investment, and advance economic resiliency throughout the region.

Coquille Indian Tribe

- In the wake of the COVID-19 pandemic, Alaska Indians and Alaska Natives continue to face persistent disparities in health and healthcare including high uninsured rates, barriers to obtaining care, and poor health status. In FY 2020, EDA awarded \$1.4 million in CARES Act funds to support the Coquille Indian Tribe with constructing the Ko-Kwel Wellness Center to improve medical and dental services to American Indians and Alaska Native (AI/AN) populations living throughout coastal southern Oregon. This EDA investment will help individuals find a provider, reduce wait times, and allow the community to access the healthcare system without travelling long distances. The new center will be located on the Kilkich Reservation, a designated Opportunity Zone, to help bolster job creation, attract private investment and strengthen the regional economy.

Lower Sioux Indian Community

- In May 2018, an external Feasibility Study was completed to determine the best plan for stimulating and growing the local economy within the Lower Sioux Indian Community. The study validated the untapped market potential for native arts in the region, nationally and internationally as well as the high level of artistic skills within the Lower Sioux community. In FY 2018, EDA awarded \$4.4 million in Public Works funds to construct the Lower Sioux Intergenerational Cultural Incubator, a facility with training and production space for tribal entrepreneurs working in pottery, quilting, media/graphic arts, culinary arts, and mixed-artistic media such as quilling, beading, and regalia

making. This EDA investment will broaden access to workforce training and business development opportunities, expanding capacity for entrepreneurship, access to capital, and exports while preserving and promoting the cultural heritage and cultural skill transfer and succession throughout the region.

Indian Pueblo Cultural Center

- To address an existing gap in access to economic development resources in central New Mexico, in FY 2019, EDA awarded \$1 million in Economic Adjustment Assistance funds to the Indian Pueblo Cultural Center, to build a maker space in Bernalillo County, to provide critical access for Native communities to pursue entrepreneurial opportunities. This EDA investment will help the Indian Pueblo Cultural Center serve artists and entrepreneurs by providing access to cutting edge equipment, skills training, and technical support in areas such as woodworking, jewelry-making and graphic design so they can start and grow businesses and create jobs in their community, which will help drive economic growth.

Catawba Indian Nation

- To address the challenges aligning workforce training with economic opportunity in the region, in FY 2016, EDA awarded \$188 thousand in Local Technical Assistance funds to Catawba Indian Nation, to assist in the creation of a strategic plan for development of 123 acres of Tribal land in South Carolina. This EDA investment supported the Catawba Indian Nation with developing a plan to collect, analyze, and compile data to determine the best use of the land, helped identify trends in local and traded industry clusters, and provided legal insight into Tribal organizational structures and partnership agreements to create regional development. The project has helped the Tribe have a better understanding of financing and incentives associated with sovereign property to focus on multifaceted film, tourism, retail/hospitality and education development in the area.

Artspace Projects Inc.

- In 2011, the Establishing a Creative Economy: Arts as an Economic Engine in Native Communities study was conducted to examine the Native arts economy with a focus on the Pine Ridge Indian Reservation. The study was completed using data collected from the 2011 American Indian Creative Economy Market Study Project, which surveyed 143 Native artists to examine their household economics, infrastructure needs, and social networks. The study demonstrated that art is a driver of local Native economies and that it is a critical component of creating sustainable and vibrant communities and estimated that 30 percent of Native people on the Pine Ridge Reservation are artists of some sort and most of them live below the poverty line. In FY 2015, EDA awarded \$750,000 in Public Works funds to construct the Oglala Lakota Arts and Business Incubator on the Pine Ridge Indian Reservation in Kyle, South Dakota. This EDA investment supported the Artspace Projects Inc. with offering incubator space and entrepreneur education and support programming to new and emerging Oglala Lakota artisan businesses and Reservation-based entrepreneurs in the area. The project created a centrally located, fixed structure where Native artists have access to studio space, computers for digital work and electronic marketplace access, classroom and gallery

space, and a hub to establish connections with other arts and cultural activities across the geographically vast reservation. Additionally, the project has helped establish connections with other arts and cultural activities and institutions on the Reservation and in Western South Dakota, which will be a catalyst for business acceleration throughout the region, promoting economic diversification, resiliency, and opportunities for job creation.

Northern Arizona University

- Due to the COVID-19 pandemic, a supply chain breakdown occurred in Flagstaff, Arizona and food/supplies were limited within the local Tribal Community. In March 2021, EDA awarded \$182,522 in CARES Act funds to the Arizona Board of Regents on behalf of Northern Arizona University, to develop and implement a Diversification Strategy to concentrate on four areas: Green House Development Plan, Food Cooperative Initiative, Farm-to-School Program and Food Security/Supply Chain study. This EDA investment is designed to help increase underserved White Mountain Apache communities' access to healthy, affordable, and locally sourced food. In addition, the project will provide technical assistance to support food enterprise development, business strategy, and supply chain components of the food system to get more healthy food into the Tribal communities with limited access, focusing on local and regional sourcing. Once implemented, the project will create jobs, provide economic incentives to Apache farmers and ranchers, preserve Apache traditions and cultural lifeways and increase long-term economic sustainability, which will strengthen the regional economy and advance economic resiliency throughout the region.

FUTURE WORK TO SUPPORT TRIBAL PARTNERS

While we are proud of the work we have already accomplished under CARES Act to support our Tribal partners, we are also aware the pandemic has caused, and will continue to cause, deep economic injury to indigenous communities in devastating and unprecedented ways.

On March 11, President Joseph Biden signed the American Rescue Plan into law. This historic and sweeping legislation provides additional relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses. The ARP allocates supplemental funding of \$3 billion to EDA to assist communities nationwide, including our Tribal partners, in advancing their coronavirus recovery and resiliency strategies.

Though EDA is still finalizing its implementation plan for this funding, the execution will focus on: (1) bringing back the American workforce and industries that have been hardest hit, such as travel and tourism and manufacturing, through programs that support economic growth and diversification, creating talent pipelines to address industry needs, and fostering higher-skill, higher-wage job opportunities for all; (2) capitalizing on American ingenuity to build regions of the future by focusing on innovation-led economic development, including planning, infrastructure, workforce development, and business financing; and (3) pursuing a comprehensive approach to advancing equity by focusing on populations and underserved communities that have been denied a full opportunity to participate in aspects of economic prosperity, including Tribal entities.

To guide not only our ARP portfolio, but all EDA program funding, we've established new EDA Investment Priorities. Notably, 'Equity' has been added to the top of the investment priority list. EDA is committed to working with populations and underserved communities, including Tribal partners, that have been denied a full opportunity to participate in aspects of economic prosperity in the past.

Just last month, EDA also conducted two Tribal Consultations with Tribal Leaders from across the country. The purpose of these consultations was to seek feedback on a proposed regulatory change that would broaden EDA's tribal eligibility to include for-profit organizations, which are wholly owned by and established for the benefit of the Tribe, which is currently prohibited by EDA regulation. The goal of this change is to potentially make EDA's development assistance more accessible to a wider range of Tribal entities as means to support long-term economic development through more communities.

CONCLUSION

As we seek to recover from the devastating impacts of the pandemic, partnership, collaboration and fulfilling the federal trust responsibilities and treaty obligations to Tribal Nations has never been more important. As EDA grows in budget and size, we are further entrusted to take on a greater and more prominent role in supporting communities recovering from sudden economic disruption and dislocation. We are aware of our important role in ensuring the funds entrusted to us are invested in an equitable, fair and impactful manner and that we are reaching the communities most in need of our assistance. I look forward to answering any questions you may have.