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**EXAMINING THE COVID-19 RESPONSE IN NATIVE
COMMUNITIES: NATIVE TOURISM ECONOMIES
ONE YEAR LATER**

HEARING

BEFORE THE

COMMITTEE ON INDIAN AFFAIRS

UNITED STATES SENATE

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CONTENTS

	Page
Hearing held on May 12, 2021	1
Statement of Senator Cortez Masto	4
Statement of Senator Hoeven	35
Statement of Senator Murkowski	2
Statement of Senator Schatz	1

WITNESSES

Alvord, Dennis, Acting Assistant Secretary for Economic Development, U.S. Economic Development Administration, U.S. Department of Commerce	5
Prepared statement	7
De Fries, John, President/CEO, Hawaii Tourism Authority	16
Prepared statement	17
Dick, Russell, President/CEO, Huna Totem Corporation	24
Prepared statement	26
Rodman, Anthony, Acting Director, Office of Indian Economic Development, U.S. Department of the Interior	12
Prepared statement	13
Rupert, Sherry, CEO, American Indian Alaska Native Tourism Association	19
Prepared statement	21

APPENDIX

Response to written questions submitted by Hon. Brian Schatz to:	
Dennis Alvord	39
John De Fries	39
Anthony Rodman	42
Sherry Rupert	41

**EXAMINING THE COVID-19 RESPONSE IN
NATIVE COMMUNITIES: NATIVE TOURISM
ECONOMIES ONE YEAR LATER**

WEDNESDAY, MAY 12, 2021

U.S. SENATE,
COMMITTEE ON INDIAN AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 2:36 p.m. in room 628, Dirksen Senate Office Building, Hon. Brian Schatz, Chairman of the Committee, presiding.

**OPENING STATEMENT OF HON. BRIAN SCHATZ,
U.S. SENATOR FROM HAWAII**

The CHAIRMAN. Good afternoon.

Today's oversight hearing, the third in this Committee's COVID-19 Response series, will focus on the pandemic's impact on Native tourism economies.

Native communities across the Country have diversified their economies with domestic and international tourism to create jobs for community members, boost tribal government revenue, and improve living conditions. But after COVID-19 hit, many Native communities imposed lockdowns and closed their borders and businesses to outside visitors.

The temporary closure of tribal businesses, including tourism-driven enterprises, disrupted a major revenue source for funding tribal government services, and caused a ripple effect through adjacent non-Native communities, many of which rely on tribal enterprise to boost their own economies.

Congress responded by providing funding through the American Rescue Plan act to help Native communities rebuild their economies. This included \$20 billion in recovery funds and additional funding for programs like the EDA grants for tourism. Yes, help is here, but many Native communities need particular resources to regroup, revitalize and expand their own tourism economies.

The Native American Tourism and Improving Visitor Experience Act, or NATIVE Act, would help Native communities to do just that. Enacted in 2016, the NATIVE Act empowers Native communities to shape their own tourism economies and provide unique, sustainable cultural tourism opportunities within the United States. Successful implementation of the NATIVE Act can help drive economic recovery in all Native communities.

Expanding tourism in Native communities requires infrastructure to ensure that their guests have an enjoyable experience. Poor road conditions often make attractive tourist destinations inaccessible, inadequate sanitation can't support large tour groups, and those groups often have to spend their dollars elsewhere.

The United States must fulfill its responsibility to Native Hawaiians, Alaska Natives and tribal communities to ensure that they have the infrastructure to build back better for a robust tourism economy. As vaccines become more readily available to the public, many Native communities are reopening their businesses, including tourism enterprises. That is welcome news. But the long-term impacts of COVID-19 to tribal and Native tourism economies and what it will take to return to pre-COVID visitor levels has not yet been examined.

So I look forward to hearing from the Administration and Native tourism experts on these impacts and the Federal resources and infrastructure needed to get Native tourism economies back on track.

Before I turn to the Vice Chair, I would like to extend my aloha to Mr. De Fries and extend my thanks to our witnesses for joining us today.

Vice Chair Murkowski?

**STATEMENT OF HON. LISA MURKOWSKI,
U.S. SENATOR FROM ALASKA**

Senator MURKOWSKI. Thank you, Mr. Chairman, and thank you for this very important hearing this afternoon. Tsu haa kut ?eiwa.aa. I will look at our witness here to correct pronunciation, but this is classic Tlingit greeting meaning, the daylight broke on us again. Again, these are greetings that convey more than a simple hello.

I think it is perhaps very fitting that as we are seeing the impact from the vaccine, we are hoping to emerge from this pandemic, that we are focusing on some of the sectors in our economy that have been particularly hard-hit, and that is clearly the area of tourism.

I think there is a good sense of hope for the future of tourism in our Native communities, even though this is kind of an unsettling and an uncertain time. Native tourism touches on so many extraordinary aspects of Indian Country and Alaska Native communities, our Native Hawaiians, vibrant cultures, its languages, its economic empowerment, resiliency, the opportunity to share Native history and traditions, and perpetuate Native culture for future generations.

The positive impacts that we have seen in providing local jobs, growing tribal economies, I think we recognize that Native tourism is perhaps still really in its infancy. But there is tremendous growth projected. One indication of this is before the pandemic, visitor volume to American Indian communities from overseas more than doubled between 2007 and 2019, to nearly 1.9 million, according to the U.S. Department of Commerce.

In Alaska, we know firsthand the importance of tourism to our State's economy. We are really struggling right now. Mr. Chairman, you come from a State that gets it in terms of the tourist traffic that comes to you.

Most tourists who come to Hawaii come by plane. Most that come to Alaska come by plane, but in fairness, we have a significant portion that come to us through the cruise lines; 1.3 million tourists arrived in Alaska by cruise ship in 2019. Then when COVID hit, we had 48, not 48,000, but 48 passengers who came.

So when you think about the impact to your communities, whether they are the community of Skagway, Hoonah, Seward, Anchorage, up in the interior, out to Unalaska to the west, all have been negatively impacted. Our rail-built communities have been impacted by the loss of cruise ships, because these folks book excursions into Denali and to Fairbanks. The loss that we have seen in this past year and a half now has been considerable.

In 2020 alone, the cancellation of the cruise ship season has caused an estimated revenue loss of over \$90 million to the State, \$98 million to local governments, over \$1 billion in lost revenue for local businesses. We are looking now at a season that is pretty much on the rocks, if you will, when we talk about the 2021 cruise season. This is the effort that several of us have made to alleviate the Passenger Vessel Services Act restriction that prevents cruise ships from transporting passengers between Washington State and Alaska.

Unfortunately, we have a foreign country that intervenes between our next closest continental United States. It has effectively, between the CDC and Canada, closed all cruise activities. So the opportunity to hear today from one of our witnesses, and it is wonderful to have you here in person, Russell Dick is the President and CEO of the Huna Totem Corporation. Hoonah is a port community, and it is directly impacted by these no-sail orders.

I think we will hear from Mr. Dick's testimony today what this means to a small community. How we are able to support Native tourism going forward is going to be considerable. It is going to be important. It is going to take many different forms.

In Alaska, the contours of Native tourism and economic development are shaped by our unique Federal Indian policy in the State. You have heard me speak many, many times of ANCSA, the Native Claims Settlement Act, and how our ANCs, our Alaska Native Corporations, along with sovereign tribes and tribal non-profits, provide this wide array of services for our Native people. Well, the Huna Totem Corporation, which Mr. Dick represents, is a Native village corporation formed under the terms of ANCSA. Since its incorporation, it has advanced the economic aspirations and culture of the Xunaa Kaawu, meaning the people of Hoonah.

Many of the tribal enterprises in the lower 48 who are engaged in hospitality and tourism provide revenue directly to tribal governments. ANCs provide economic and social benefits directly to Native individuals mandated by ANCSA, and these benefits come in many, many different forms, whether they be dividends, employment, cultural preservation, or the like.

The opportunity to hear again the impact on Native tourism, what we are seeing in Alaska, the impact to this small community of Hoonah, as we will hear today, is powerful testimony. In fact, it is so strong that when I read it last night I thought, this needs to get out beyond just the Indian Affairs Committee. I provided a copy this morning to Secretary Mayorkas and Dr. Walensky at the

CDC. Because I think it speaks directly to the impact, when you have a Federal law like PVSA which limits your ability to provide for jobs and economy for a small Native community, the community of Hoonah, but the broader opportunities to the Native people within the regions that are provided through our ANC and our village corporations. So we will hear that from Mr. Dick.

I look forward to our other witnesses talking about what you have raised, Mr. Chairman, the NATIVE Act, and the considerable benefits that they provide as well. So I look forward to the conversation today and the opportunity to hear from our witnesses.

The CHAIRMAN. Thank you, Vice Chair Murkowski. I think we have Senator Cortez Masto wishing to make an opening statement.

**STATEMENT OF HON. CATHERINE CORTEZ MASTO,
U.S. SENATOR FROM NEVADA**

Senator CORTEZ MASTO. Thank you, Mr. Chairman, and thank you to the Ranking Member. I appreciate your holding a hearing on this important topic. And thank you to all of the witnesses for being here.

The impact that COVID-19 has had on tourism is one of the most important issues facing my State of Nevada. I am excited to hear from our witnesses today about how we can address declines in travel and tourism in Native communities.

I am also very excited to introduce Sherry Rupert, who is here today as one of our panelists. Ms. Rupert has served as the CEO of the American Indian Alaska Native Tourism Association since 2019. She has been a strong advocate for travel and tourism as an economic driver for tribal communities. Prior to becoming CEO, she served as president of the board of directors.

She has also worked in Nevada State government. She has been in Nevada government almost three decades, including serving as our executive director of the Nevada Indian Commission from 2005 to 2019. I have had the opportunity to work with Ms. Rupert in Nevada, and was so pleased that not only was she there, but her compassion and her ability to really bring for the issues that impacting the Native community and work on behalf of the tribes in Nevada.

Her work has been crucial in Nevada, and I am so pleased that she is part of this panel. We miss her, welcome her, though, to this Committee, and all of the work she continues. Thank you.

The CHAIRMAN. Thank you, Senator Cortez Masto.

Are there any other members online wishing to make an opening statement? If not, we will move on to our witnesses. I will introduce them in order.

First, we have Dennis Alvord, Acting Assistant Secretary for Economic Development, from the Economic Development Administration, U.S. Department of Commerce. Anthony Rodman, Acting Director, Office of Indian Economic Development, U.S. Department of the Interior. John De Fries, President and CEO, Hawaii Tourism Authority. Sherry Rupert, CEO, American Indian Alaska Native Tourism Association. And in person, Russell Dick, President and CEO, Huna Totem Corporation.

I want to remind our witnesses that we have your full written testimony, which will be made part of the official hearing record. Please keep your statements to no more than five minutes, so that

our members have time for questions. We do have a 3:30 vote, which we will juggle as usual. But to the extent that you can confine your remarks to five minutes, that will be very, very helpful.

Acting Assistant Alvord, before you begin, I need to note that the Committee's Rule 4(b) states that if the Federal witness misses the Committee's 48-hour deadline for submission of testimony, the witness must state on the record why the testimony was late. So please begin your testimony with an explanation of why you were unable to comply with the Committee's rule. Mr. Alvord, please proceed.

**STATEMENT OF DENNIS ALVORD, ACTING ASSISTANT
SECRETARY FOR ECONOMIC DEVELOPMENT, U.S.
ECONOMIC DEVELOPMENT ADMINISTRATION, U.S.
DEPARTMENT OF COMMERCE**

Mr. ALVORD. Thank you, Chairman.

We were delayed in delivering the testimony due to extensive interagency coordination to make sure that we fulsomely compiled all of the different equities from across the Department to share with the Committee today. Our apologies for that; we will strive to do better in the future.

Chairman Schatz, Vice Chair Murkowski, thank you for the opportunity to testify on behalf of the Department of Commerce and the Economic Development Administration. 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 Fiscal Year 2010, EDA has invested \$143.4 million in 696 awards to tribal communities, including close to \$11.3 million of its CARES Act appropriation in 51 awards to tribal communities. Importantly, EDA's organic statute provides unique authorization that allows tribal entities to be eligible for a 100 percent grant rate.

We are also keenly aware of the special relationship the government has with tribes. In fact, earlier this year, President Biden signed the Presidential Memorandum on Tribal Consultation and Strengthening Nation to Nation Relationships, reaffirming its importance. Within the Department of Commerce, we are committed to strengthening tribal sovereignty, self-governance, fulfillment of tribal trust responsibilities and treaty obligations to tribal nations. We welcome this opportunity to discuss this work we have 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 within the Department. At NTIA, three new grant programs totaling \$1.585 billion have been established: the Tribal Broadband Connectivity Program, Broadband Infrastructure Program and Connecting Minority Communities Pilot Program. NTIA held three national tribal consultations and is working toward 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 re-

lated matters and is exploring how our funding may be complementary.

ITA's U.S. Commercial Service has longstanding relationships with Tribal Nations and tribal-owned businesses through its broad program offerings that help firms export their goods and services around the globe.

MBDA has a long tradition of serving American Indian, Alaska Native and Native Hawaiian business enterprises and recently redesigned its service delivery model to address unique business challenges in the community. In fiscal year 2020, MBDA invested \$3.6 million across 13 projects that provide a range of support in Indian Country. The projects reported nearly 3,600 minority business enterprises served including training that specifically addressed business impacts from the pandemic.

At NOAA, the Consolidated Appropriations Acts of 2021 includes \$30 million for federally impacted by COVID-19. NOAA Fisheries held two tribal consultations and is working toward releasing the process for the application for these funds soon.

The Census Bureau works closely with the American Indian and Alaska Native tribal nations on a government-to-government basis. In the 2020 Census, more than 200 tribes established a Tribal Complete Count Committee to encourage participation and highlight the ease, safety and importance of the Census. The Census Bureau continues communication and tribal consultations as we prepare for the release of the 2020 American Indian and Alaska Native data products.

EDA's Fiscal Year 2020 appropriations included \$1.5 billion in supplemental funding from the CARES Act to respond to economic injury due to COVID-19. EDA's role is to facilitate communities' long-term economic recovery planning, reconstruction, redevelopment and resiliency. To date, awards included assistance to 51 tribal planning organizations to aid economic recovery coordination.

While we are proud of the work we have already accomplished under the CARES Act to support our tribal partners, we are aware the pandemic has caused and will continue to cause deep economic injury to indigenous communities in devastating and unprecedented ways. The American Rescue Plan allocates supplemental funding of \$3 billion to EDA to assist communities nationwide, including our tribal partners, in advancing their Coronavirus recovery and resiliency strategies.

EDA is finalizing its implementation plan for this funding. One of the pillars of that execution will focus on pursuing a comprehensive approach to advancing equity by focusing on populations in underserved communities that have been denied a full opportunity to participate in aspects of economic prosperity, including tribal entities.

Recently, EDA conducted two tribal consultations with tribal leaders from across the Country to receive feedback on proposed regulatory changes that would broaden EDA's tribal eligibility to 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 en-

tities as we support long-term economic development in more communities.

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. We are aware of our vital role in ensuring the funds entrusted to us are invested in an equitable 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.

[The prepared statement of Mr. Alvord follows:]

PREPARED STATEMENT OF DENNIS ALVORD, ACTING ASSISTANT SECRETARY FOR
ECONOMIC DEVELOPMENT, U.S. ECONOMIC DEVELOPMENT ADMINISTRATION, U.S.
DEPARTMENT OF COMMERCE

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 world-wide 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 percent 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 wood-working, 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 Incu-

bator 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.

The CHAIRMAN. Thank you very much, Mr. Alvord.

Next we have Anthony Rodman, Acting Director of the Office of Indian Economic Development at the Department of Interior.

STATEMENT OF ANTHONY RODMAN, ACTING DIRECTOR, OFFICE OF INDIAN ECONOMIC DEVELOPMENT, U.S. DEPARTMENT OF THE INTERIOR

Mr. RODMAN. Good afternoon, Chairman Schatz, Vice Chair Murkowski, and members of the Committee. Thank you for the invitation to appear on behalf of Indian Affairs at the Department of Interior to discuss COVID-19 impacts on Native tourism.

My name is Anthony Rodman, and I am Cherokee of Osage from Oklahoma, and I am currently in Oklahoma within the boundaries of the Cherokee Nation. For the past two years, I have been serving as the Acting Director of the Office of Indian Economic Development, which is one of the offices that supports the implementation of the Native American Tourism and Improving Visitor Experience Act, otherwise known as the NATIVE Act.

Never has the goal of the NATIVE Act been more timely than it is now. COVID-19 has rattled the foundations of tribal economies over the past year and one of the hardest-hit sectors has been the tribal tourism industry. Under normal circumstances, tribal tourism is a multi-billion dollar industry and a prime space for tribal economic development. However, from the beginning of March 2020 to the end of 2020, the U.S. Travel Association has estimated \$492 billion in total losses for the U.S. travel economy. In planning for the return of tourism, Indian Affairs seeks to leverage every aspect of the NATIVE Act.

The NATIVE Act encourages full participation of tribes, tribal organizations and Native Hawaiian organizations in the tourism industry by, one, integrating and accounting for Native American equities in Federal agencies' tourism programs; two, providing grants, loans, and technical assistance to tribes, tribal organizations, and Native Hawaiian organizations to spur economic development through tourism.

Indian Affairs has implemented the NATIVE Act through a national, regional, and local approach, offering technical assistance to tribes through universities and non-profits with backgrounds in tribal tourism. These universities and non-profits have focused on developing an enabling environment that cultivates long-term businesses and strategic development for tribal tourism.

The model for the regional tourism efforts in North and South Dakota, Montana, and Virginia, is able to be replicated for other areas of the Country. North Dakota in particular is a great example of how the work of the NATIVE Act is paying off. An organized

tourism alliance has developed with all the tribes in North Dakota, and after two years of work, this organization will be testing tour packages as the tribes start to reopen this year with full operations expected next year.

Indian Affairs' cooperative agreement with the American Indian and Alaska Native Tourism Association, otherwise known as AIANTA, seeks to address some of the national concerns and issues facing Native American tourism. AIANTA has conducted national tourism trainings and seminars with tribes, tribal organizations and Native Hawaiian organizations. Indian Affairs will be working with AIANTA over the next few weeks to finalize AIANTA's budget for activities justified by the NATIVE Act.

The American Rescue Plan also benefits tribal tourism due to its focus on infrastructure. Inadequate infrastructure is the biggest barrier to robust economic development in Indian Country. This includes tourism. As it is often said in the tourism industry, a nice place to visit is a nice place to live. In other words, good roads, clean water and sanitation, energy transmission, broadband, public safety, workforce development and other key components of good infrastructure create an enabling environment for tourism and economic development.

Looking ahead, Indian Affairs will be announcing in the next few weeks its new tribal tourism grant program, which is a competitive grant for tribes funding feasibility studies and business plans for tourism proposals. Indian Affairs is also collaborating with the Office of Native Hawaiian Relations at DOI to award grants to Native Hawaiian organizations to conduct feasibility studies and business plans for tourism projects benefitting the Native Hawaiian community.

Indian Affairs will also announce financial support for tribes to perform infrastructure and/or workforce development needs assessments for tourism-related economic development. Regarding inter-agency coordination in tourism efforts, Indian Affairs will leverage the new reformed White House Council on Native American Affairs. Lastly, Indian Affairs is working on submitting a report to Congress soon, as mandated by the NATIVE Act.

Tribal tourism continues to face one of its greatest challenges with the COVID-19 pandemic. The team at Indian Affairs and the Department of Interior is committed to working with Native American, Alaska Native, and Native Hawaiian organizations on achieving a prosperous and resilient indigenous tourism economy once again.

Thank you, Chairman Schatz, Vice Chair Murkowski, and members of the Committee. I look forward to answering your questions.

[The prepared statement of Mr. Rodman follows:]

PREPARED STATEMENT OF ANTHONY RODMAN, ACTING DIRECTOR, OFFICE OF INDIAN ECONOMIC DEVELOPMENT, U.S. DEPARTMENT OF THE INTERIOR

Good afternoon Chairman Schatz, Vice Chair Murkowski, and Members of the Committee. Thank you for the invitation to appear on behalf of Indian Affairs at the Department of Interior. I appreciate the opportunity to discuss COVID-19 impacts on Native tourism.

COVID-19 has rattled the foundations of Tribal economies over the past year—and one of the hardest hit sectors has been the Tribal tourism industry. While the extent of the economic damage is still being quantified, every tourism project funded

by Indian Affairs has reported significant challenges over the past year. Many Reservations were closed to visitors, travel stopped, and tribal offices were shut down for extended periods of time. As the country focused on the immediate health and safety concerns of the COVID-19 pandemic—a pandemic with a disproportionate impact in Indian Country—Tribal economies and, specifically, the Tribal tourism industry were hit hard.

Tribal tourism is a multi-billion dollar industry and a prime space for Tribal economic development that has steadily increased over the last decade. In 2012, Tribal businesses reported over \$38.8 billion dollars in receipts.¹ In 2016, approximately 1.96 million oversea travelers visited Indian Country, which resulted in 41,000 new U.S. jobs.² While the pandemic has significantly slowed this economic momentum, Native American, Alaska Native, Native Hawaiian tourism entities and Indian Affairs are striving to quickly recharge the Tribal tourism sector.

In planning for the return of increased tourism, Indian Affairs has worked with awardees of cooperative agreements and contracts to pivot and focus on opportunities for virtual tourism and distance training for Tribal staff, capacity building for Tribes' tourism departments and offices, and alliance building among industry organizations, state, and local tourism departments. George Washington University International Institute of Tourism Studies and the Pamplin College of Business at the Virginia Polytechnic Institute and State University have led trainings with Native cultural entrepreneurs from South Dakota, North Dakota, and Montana to develop and launch live online tourism experiences on platforms such as Airbnb and Eventbrite. Some of these Native entrepreneurs have then hosted online virtual classes with paying participants to learn about cultural activities like Native fashion and star quilt making.³

Indian Affairs is prepared to leverage the resources provided by the Native American Tourism and Improving Visitor Experience (NATIVE) Act to support indigenous tourism. This will include a focus on inter-agency coordination to ensure strategic and culturally appropriate federal investments for Tribal tourism.

Indian Affairs NATIVE Act Implementation

Since the passage of the NATIVE Act in 2016, the subsequent appropriations starting in FY 2018, and every fiscal year since, Indian Affairs has sought to build tribal tourism capacity through a national, regional, and local approach.⁴ This includes cooperative agreements, grants, and contracts with universities and non-profit organizations.

The Office of Indian Economic Development—Indian Affairs (OIED-IA) received \$3.4M in appropriations for FY 2018, FY 2019, and FY 2020, and \$500,000 in FY 2021. The Division of Transportation (DOT) in the Office of Indian Services (OIS)—Indian Affairs received \$1M for FY 2018, FY 2019, FY 2020, and FY 2021. Through these combined appropriations, Indian Affairs has provided technical assistance, promoted capacity-building, strategic development, and fostered inter-tribal, agricultural, and cultural tourism opportunities.

Technical Assistance: Technical assistance for Tribes, Tribal organizations, and Native Hawaiians to promote full participation in the tourism industry is provided pursuant to a performance-based cooperative agreement with the American Indian Alaska Native Tourism Association (AIANTA). This work focuses on identifying and accessing federal programs that support tribal capacity building.

Capacity-Building and Strategic Development: Capacity-building, strategic development and planning are promoted, and subject-matter expertise on tourism are strengthened with tribes in South Dakota and North Dakota pursuant to a contract with George Washington University. These activities have focused on strengthening the North Dakota Native Tourism Alliance (NDNTA) as a regional tourism organization; developing tourism products and experiences around main events at several Tribal locations in North Dakota; establishing the South Dakota Native Tourism Network (SDNTN), which includes all nine of the state's federally recognized tribes; and developing a regional native tourism plan for South Dakota.

¹ <https://www.census.gov/newsroom/blogs/random-samplings/2016/08/american-indian-and-alaska-native-owned-businesses-move-past-the-quarter-million-mark.html>

² <https://www.aianta.org/resources/economic-impact/>

³ <https://tribalbusinessnews.com/sections/arts-and-culture/13337-indigenous-entrepreneurs-experiment-with-airbnb-online-experi->

[enances?fbclid=IwAR0NtzSvaJN5RXP8pIcYmRbM0lkKP3tcuXUlwz_pyD6acQ-GzJJO-_Fmo](https://tribalbusinessnews.com/sections/arts-and-culture/13337-indigenous-entrepreneurs-experiment-with-airbnb-online-experi-?fbclid=IwAR0NtzSvaJN5RXP8pIcYmRbM0lkKP3tcuXUlwz_pyD6acQ-GzJJO-_Fmo)

⁴ <https://www.bia.gov/information-detail/current-indigenous-tourism-projects>

Inter-Tribal Tourism: Inter-tribal tourism in Montana and Virginia is fostered through a cooperative agreement with Virginia Polytechnic Institute and State University (Virginia Tech). These activities support the Montana Tribal Tourism Development Project, which is working to promote strategic, culturally appropriate, sustainable tourism development in Montana's eight tribal communities, and the Virginia Tribal Tourism Development Project which is assessing tourism potential with respect to the Virginia Tribes that have recently been federally recognized. These projects will identify the Tribes' tourism assets, provide guidance on their best use, and build human capital to increase visitation.

Agricultural-Tourism: Agricultural-tourism and food-based visitation is promoted through a cooperative agreement with the Taos Community Economic Development Corporation (TCEDC). Through this agreement Tribal staff are trained on how farmers' markets, restaurants and catering companies operated by Native growers and entrepreneurs can attract and serve visitors and boost Tribal employment; in conjunction with the U.S. Department of Agriculture, classes on produce farming, commercial kitchen and food pantry operation, and use of portable slaughter facilities are offered to Tribal members from Virginia, Montana, North Dakota, and South Dakota; and Virginia Tribal members are trained on leasing farms and operating farm stands and farmers' markets as part of the tourism experience.

Cultural-Tourism: Tourism centered on the Navajo Nation's sheep and woolen culture is developed through a cooperative agreement with a Native vendor in Navajo Nation.

Indian Affairs Native Tourism Priorities Moving Forward

In addition to continuing the projects described above, Indian Affairs is committed to implementing its plans to focus on Tribal economic recovery through a number of efforts.

First, through the new Tribal Tourism Grant Program, a competitive grant for Native American and Alaska Native Tribes, Indian Affairs will fund 20–30 feasibility studies and business plans for Tribal tourism proposals. Feasibility studies and business can be a gateway to accessing capital for projects.

Second, Indian Affairs will enter into an agreement with the Office of Native Hawaiian Relations at the Department of Interior to award grants to Native Hawaiian Organizations to conduct feasibility studies and business plans for tourism projects benefiting the Native Hawaiian community.

Third, Indian Affairs will announce a new round of competitive grants for Tribes to perform infrastructure and/or workforce development needs assessments for tourism-related economic development. These studies will help identify gaps in infrastructure or workforce capacity helping to determine priorities, allocate resources and make organizational improvements in support of tourism and economic development. This will help inform the Federal Government on how to better support tourism development in Indigenous communities in coordination with other transportation and economic development programs.

Fourth, Indian Affairs will leverage the newly reformed White House Council on Native American Affairs to improve inter-agency coordination to support Tribal tourism between the Department of Transportation, Department of Commerce, Department of Energy, Department of Health and Human Services, and the Small Business Administration to focuses on economic development, energy, and infrastructure.

Finally, Indian Affairs will make the Office of Indian Economic Development the center of its efforts to support Tribal tourism to ensure greater efficiencies and to give Tribes one place to go for NATIVE Act and tourism questions.

Conclusion

Native American, Alaska Native, and Native Hawaiian cultures cannot be replicated. They are unique and dynamic, full of life and complexity. The NATIVE Act recognizes, as does Indian Affairs, the need for Tribes to tell their stories and share their cultures on their own terms. Tribal tourism continues to face one of its greatest challenges with the COVID–19 pandemic. The team at Indian Affairs and the whole of the Department of Interior is committed to working with Native American, Alaska Native, and Native Hawaiian organizations on achieving a prosperous and resilient Indigenous tourism economy once again.

Chairman Schatz, Vice Chairman Murkowski, and Members of the Committee, thank you again for the invitation to appear today. I look forward to answering your questions and our continued partnership strengthening the Indigenous tourism industry for Tribes, Alaska Native and Native Hawaiians organizations. Thank you again for your leadership.

The CHAIRMAN. Thank you very much.

It is now my pleasure and honor to introduce my friend, John De Fries, the President and CEO of the Hawaii Tourism Authority.

**STATEMENT OF JOHN DE FRIES, PRESIDENT/CEO, HAWAII
TOURISM AUTHORITY**

Mr. DE FRIES. My apologies to the Committee for violating the deadline for submittal which totally falls in my lap because of my misunderstanding of the deadline itself. So for that, I apologize.

Aloha, Mr. Chair, Madame Vice Chair and honorable members of the Committee. In the world of the Native Hawaiian, all life forms and living systems are interconnected and interrelated, be it the earth and sky, oceans and forests, flora and fauna, our ancestors and descendants, be it the people within our communities and/or peoples we host from around the world.

We are islanders who can source our genealogical origins to the cosmos and to the molten core of Planet Earth. We are Native Hawaiian. And, while Hawaii may be the single-most isolated land mass on our planet, we are connected to all other islands and continents by Moananuiakeaor, the vast ocean that surrounds us.

For these reasons we appreciate the opportunity presented by this Committee to look back at the effects of the past year for lessons that will guide us forward into the next century, where future pandemics may arise along with the daunting challenges related to climate change, sea level rise, environmental pollution, and population growth, just to name a few.

Charged with the mission of managing Hawaii tourism in a sustainable manner, the Board of Directors of the Hawaii Tourism Authority adopted a new strategic plan in January 2020, pre-pandemic, that is comprised of four pillars. Number one, natural resources; two, Hawaiian culture; three, community; and four, brand marketing. Relative to the pandemic and its lingering effects, this strategic plan, with its heightened awareness and comprehensive approach, is serving as a critical foundation upon which to rebuild Hawaii's economic recovery with the tourism industry as the lead driver and a potent catalyst for economic diversification.

Additionally, we bear the responsibility of collaborating with leaders in multiple communities in resolving specific hotspot locations throughout our State, where consistent overcrowding is occurring in the absence of appropriate public policy and effective management systems.

In the four years that preceded the COVID-19 pandemic, an annual average of 48,682 Native Hawaiians worked in the tourism-intensive industries per year, accounted for 19.8 percent of the total workers in these industries, and 36.5 percent of the Native Hawaiian workers in all industries. The top five occupations for Native Hawaiian workers in the tourism sector were in sales, transportation and material moving, food preparation and serving, office administration, and management.

While the exact number of Native Hawaiians who were forced into unemployment due to the pandemic are not available; a fair estimate would be in the range of 30,000 to 35,000. Restoring employment opportunities within our visitor industry is a priority for us at HTA.

However, when we use the term and/or classification of Native Hawaiian, we are referencing a place as much as we are describing a people. During the past year of the pandemic, we were reminded of Hawaii's distinct competitive advantage as a world-class center of learning and a place of discovery and rediscovery, with emphasis in the following fields of study: earth, ocean, and atmospheric sciences; indigenous knowledge and traditional practices; renewable energy and sustainable technologies; conflict resolution, civility, compassion, and the making of peace; conservation, sustainability, health, and well-being; astronomy, geology, volcanology, forestry, and botany; Hawaiian culture, multicultural diversity, and cross-cultural exchange.

Across the spectrum of these specific disciplines, there is an array of public-private partnerships and associations at work in Hawaii, with Native Hawaiian leaders at the forefront who are aligned with the global agenda put forth by the United Nations and other international organizations who seek a sustainable future for all of humanity. As we look forward to the continued economic recovery and tourism's role within it, we are working to ensure Native communities and our indigenous ways of knowing are not left behind and forgotten.

We have arrived at a crossroads where we must work to ensure that Native Hawaiians are leading Hawaii's tourism recovery and reimagination, one that is predicated on ancestral wisdom and utilizes modern technology to create a regenerative tourism model that will empower Native Hawaiians and all peoples of Hawaii to prosper and thrive.

Thank you, Mr. Chairman, for this opportunity, and I look forward to answering questions.

[The prepared statement of Mr. De Fries follows:]

PREPARED STATEMENT OF JOHN DE FRIES, PRESIDENT/CEO, HAWAII TOURISM
AUTHORITY

Aloha Mr. Chairman, Madame Vice Chair and Honorable Members of this Committee:

In the world of the Native Hawaiian, all life forms and living systems are interconnected and inter-related; be it the earth and sky, oceans and forests, flora and fauna, our ancestors, and descendants, be it the people within our communities and/or peoples we host from around the world. We are islanders who can source our genealogical origins to the cosmos and to the molten core of Planet Earth. We are Native Hawaiian.

And, while Hawaii may be the single-most isolated land mass on our planet, we are connected to all other islands and continents by *Moananuiakea* or, the vast ocean that surrounds us. For these reasons we appreciate the opportunity presented by this committee, to look back at the affects of the past year, for lessons that will guide us forward into the next century; where future pandemics may arise, along with the daunting challenges related to climate change, sea level rise, environmental pollution, and population growth—to name a few.

Charged with the mission of managing Hawaii tourism in a sustainable manner, the Board of Directors of the Hawaii Tourism Authority adopted a new strategic plan in January 2020 (pre-pandemic) that is comprised of four pillars: (1) Natural Resources; (2) Hawaiian Culture; (3) Community; (4) Brand Marketing. Relative to the pandemic and its lingering effects, this strategic plan—with its heightened awareness and comprehensive approach, is serving as a critical foundation upon which to rebuild Hawaii's economic recovery with the tourism industry as the lead driver and a potent catalyst for economic diversification.

Additionally, we bear the responsibility of collaborating with leaders in multiple communities in resolving specific "hotspot-locations" throughout our State, where

consistent overcrowding is occurring in the absence of appropriate public policy and effective management systems.

In the four years that preceded the COVID–19 pandemic, an annual average of 48,682 Native Hawaiians worked in the tourism intensive industries per year, accounted for 19.8 percent of the total workers in these industries, and 36.5 percent of the Native Hawaiian workers in all the industries. The top five occupations for Native Hawaiian workers in the tourism sector were sales, transportation and material moving, food preparation and serving, office administration, and management. While the exact number of Native Hawaiians who were forced into unemployment due to the pandemic are not available; a fair estimate would be in the range of 30,000–35,000. Restoring employment opportunities within our visitor industry is a priority.

However, when we use the term and/or classification of “Native Hawaiian”, we are referencing a place as much as we are describing a people. During this past year of the pandemic, we were reminded of Hawaii’s distinct competitive advantage as a world-class center of learning and a place of discovery and rediscovery; with emphasis in the following fields of study:

- Earth, ocean, and atmospheric sciences
- Indigenous knowledge and traditional practices
- Renewable energy and sustainable technologies
- Conflict-resolution, civility, compassion, and peace
- Conservation, sustainability, health, and well-being
- Astronomy, geology, volcanology, forestry, and botany
- Hawaiian culture, multicultural diversity, and cross-cultural exchange

Across the spectrum of these specific disciplines, there is an array of public-private partnerships and associations at work in Hawaii; with Native Hawaiian leaders at the forefront, who are aligned with the global agenda put forth by the United Nations and other international organizations who seek a sustainable future for all of humanity.

As we look forward to the continued economic recovery and tourism’s role within it, we are working to ensure Native communities and our indigenous ways of knowing are not left behind and forgotten. We have arrived at a crossroads where we must work to ensure that Native Hawaiians are leading Hawaii’s tourism recovery and reimagination. One that is predicated on ancestral wisdom and utilizes modern technology to create a regenerative tourism model that will empower Native Hawaiians and all peoples of Hawaii to prosper and thrive.

Appendix

According to the Hawai‘i Department of Business, Economic Development and Tourism’s *Native Hawaiians in Hawai‘i’s Tourism Sector—2021 Update*, published in January 2021:

- “Between 2015 and 2019, an average of 48,682 Native Hawaiians worked in the tourism intensive industries per year, accounted for 19.8 percent of the total workers in these industries.”
- “The top five occupations for Native Hawaiian workers in the tourism sector were sales, transportation and material moving, food preparation and serving, office administration, and management.”
- “Compared with all the employees in the tourism intensive industries, Native Hawaiian workers were generally younger, more single, more with a high school diploma (but less with bachelor’s degree or higher), and the average wage was lower than the state level for these industries.”

The initial *Native Hawaiians in Hawai‘i’s Tourism Sector report* was published in April 2017, and it stated:

- “Between 2011 and 2015, an average of 37,386 Native Hawaiians worked in the tourism intensive industries per year, accounted for 16 percent of the total workers in those industries.”
- “The top five occupations for Native Hawaiian workers in the tourism sector were sales, office administration, food preparation, transportation, and building maintenance.”
- “Compared with all the employees in the tourism intensive industries, Native Hawaiians workers were generally younger, more females, more singles, more with high school diploma, but less with bachelor’s degree or higher, and the average wage was lower than the state level for these industries.”

According to the *U.S. Census Bureau*, Hawai'i's resident population was 1,415,872 as of July 1, 2019, with 10.1 percent identifying as Native Hawaiian or Other Pacific Islander (NHPI). When broken down by county, 12.8 percent identified as NHPI in Hawai'i County, 10.6 percent in Maui County, 9.6 percent in Honolulu County, and 9.1 percent in Kaua'i County. (*Demographic data from the 2020 Census is not available yet.)

Additional information:

HTA's Strategic Plan 2020–2025

At the start of 2020, HTA introduced a strategic plan to guide our vision and our responsibilities in support of Hawai'i tourism through 2025. HTA has been reorganized around four interacting "Pillars" (Natural Resources, Hawaiian Culture, Community, and Brand Marketing) supported by research and other administrative functions. This plan establishes a general goal for each Pillar. www.hawaiiitourismauthority.org/media/4286/hta-strategic-plan-2020-2025.pdf

Destination Management Action Plans (DMAP)

The purpose of the DMAPs is to rebuild, redefine and reset tourism's direction over a three-year period through a collaborative process. It's a way to engage Hawai'i's visitor industry, communities, and other sectors, while identifying areas of need that require management for proactive mitigation planning.

Kaua'i DMAP

www.hawaiiitourismauthority.org/media/6771/hta-kauai-dmap.pdf

Maui Nui DMAP

www.hawaiiitourismauthority.org/media/6860/hta-maui-action-plan.pdf

Hawai'i Island DMAP

<https://www.hawaiiitourismauthority.org/media/7040/hta-hawaii-island-action-plan.pdf>

*O'ahu's DMAP process is still underway.

Hawai'i Green Growth and the Aloha+ Challenge

The Aloha+ Challenge builds on island culture and values and is Hawai'i's locally-driven framework to implement the United Nations 2030 Sustainable Development Goals. HTA is working to promote visitor industry alignment with the Aloha+ Challenge. www.hawaiigreengrowth.org

'Āina Aloha Economic Futures

The HTA Board of Directors adopted the 'Āina Aloha Economic Futures declaration during its board meeting in June 2020. The initiative is made up of guiding principles and a community engagement process that integrates Native Hawaiian values into Hawai'i's economic recovery. www.ainaalohafutures.com

DBEDT's Native Hawaiian Entrepreneurs report

https://files.hawaii.gov/dbedt/economic/reports/Hawaii_Native_Hawaiian_Entrepreneurs.pdf

DBEDT's Native Hawaiian-Owned Firms in Hawai'i's Tourism Sector report

https://files.hawaii.gov/dbedt/economic/reports/Native_Hawaiian_Owned_Business_in_Tourism.pdf

The CHAIRMAN. Thank you, Mr. De Fries.

Next we have Sherry Rupert, CEO of American Indian Alaska Native Tourism Association.

STATEMENT OF SHERRY RUPERT, CEO, AMERICAN INDIAN ALASKA NATIVE TOURISM ASSOCIATION

Ms. RUPERT. Chairman Schatz, Vice Chairwoman Murkowski, and members of the Committee, thank you for the opportunity to provide testimony on behalf of the American Indian Alaska Native Tourism Association, or AIANTA.

I am the CEO of AIANTA, and I am a proud Paiute and Washoe, born and raised in Nevada. Prior to becoming CEO of AIANTA, I was the executive director of the State of Nevada's Indian Commis-

sion. AIANTA is a tribally-led, national non-profit headquartered in Albuquerque, New Mexico, and is the only organization specifically dedicated to advancing cultural tourism in Native nations and communities across the United States. AIANTA is the organization that has been designated to serve as a facilitator as named in the NATIVE Act.

Prior to COVID-19, tourism was a leading opportunity for jobs and economic development in Native nations and communities. In some rural communities, it is the only viable opportunities for household income. According to the Department of Commerce, in 2019, approximately 1.9 million overseas visitors traveled to an American Indian Community. The economic devastation caused by the pandemic cannot be understated.

According to the U.S. Travel Association, the pandemic has impacted travel economies in every State and territory, with Hawaii suffering the most of any State, with visitor spending declining by 60 percent in year to year comparisons. Just to put this into perspective, in 11 States represented by the members of this Committee, the impact of COVID-19, travel restrictions and closures, has resulted in nearly \$69 billion in lost visitor spending, and nearly \$8 billion lost in tax revenue.

The Cherokee Nation, the largest tribal nation in the United States, with more than 390,000 citizens, has an annual economic impact of more than \$2.2 billion and serves as one of the largest employers in northeastern Oklahoma, with nearly 11,500 employees. The COVID-19 pandemic has reinforced the importance and need for tribal communities to have reliable high-speed internet to support tele-medicine, culture, tourism, and language initiatives.

According to the National Indian Gaming Association, nearly every one of the 524 Native American casinos closed last year, resulting in a loss of 296,000 jobs and \$1.5 billion in lost gaming revenue. COVID-19 restrictions have had a dramatic and far-reaching effect, crippling Native American economies well beyond tourism, devastating programs such as health and safety, infrastructure, education, and food programs.

More critically, programs not considered essential, including cultural heritage activities, museums, cultural centers, language programs, events, and even sacred observances came to a halt in 2020 as resources were channeled into programs considered more critical. Tribal museums and cultural centers also closed last year. These facilities create jobs and generate revenue for local communities, serving to perpetuate indigenous cultures, which were already in jeopardy of being permanently lost prior to the pandemic.

In Albuquerque, New Mexico alone, one of the largest powwows, the Gathering of Nations, was canceled in 2020. The Gathering of Nations powwow is a huge source of revenue, with an economic impact of \$22 million annually. The cancellation of this powwow and all powwows across the Nation resulted in significant lost visitor spending, impacting hotels, restaurants and businesses.

We encourage you to support investments in tourism infrastructure, training, marketing and program development for Native nations and communities. We encourage you to support full implementation of the NATIVE Act.

AIANTA appreciates this Committee's support and hard work to address the impact of COVID-19. We stand ready to help this Committee ensure that tourism and economies of Native Hawaiians, Alaska Natives and American Indians are strengthened and enhanced through these critical Federal investments.

This concludes my remarks today, and I want to thank you, Chairman Schatz, Vice Chair Murkowski, and members of the Committee. I am happy to answer any questions.

[The prepared statement of Ms. Rupert follows:]

PREPARED STATEMENT OF SHERRY RUPERT, CEO, AMERICAN INDIAN ALASKA NATIVE
TOURISM ASSOCIATION

Chairman Schatz, Vice-Chairwoman Murkowski and members of the committee, thank you for the opportunity to provide testimony on behalf of the American Indian Alaska Native Tourism Association, Inc. (AIANTA). This testimony will focus on the devastating impact we are facing from COVID-19 and to encourage you to support FY2022 funding needs for American Indians, Alaska Natives and Native Hawaiians engaged in tourism. We also encourage you to support full implementation of the Native American Tourism and Improving Visitor Experience (NATIVE) Act.

Prior to COVID-19, tourism was a leading opportunity for jobs and economic development in Indian Country. In some rural and remote communities, it is one of the only viable opportunities for household income. According to U.S. Department of Commerce, approximately 1.9 million overseas visitors traveled to an American Indian Community in 2019. These visitors are good for the Native Nations and communities they visit and for the entire tourism economy because they stay longer in the U.S. than the average overseas traveler and visit more destinations (2019 U.S. Travel and Tourism Statistics, National Travel and Tourism Office, U.S. Dept of Commerce). As we emerge from the devastating impact of COVID-19, tourism to American Indian, Alaska Native and Native Hawaiian tourism destinations has a bright future that lies in the more than one billion leisure travelers in the world, and the interest of domestic travelers and international visitors in the American Native cultures and what their communities offer—memorable and unique experiences, warm hospitality and unusual landscapes.

AIANTA is the only organization specifically dedicated to advancing Indian Country tourism across the United States. AIANTA helps tribes develop, sustain and grow tourism destinations through technical assistance, training, experiential learning opportunities and resources. Our mission is to define, introduce, grow and sustain American Indian, Alaska Native and Native Hawaiian Tourism that honors traditions and values.

COVID-19

The economic devastation caused by the pandemic cannot be understated. According to the U.S. Travel Association, the pandemic has impacted travel economies in every state and territory, with Hawai'i suffering the most of any state (-60 percent y/y). In Alaska, with the cancellation of the 2020/2021 cruise ship season, the losses are impacting the entire state, including Native Alaskans along the panhandle forced to shutter cultural tourism operations decreasing much needed revenue and jobs for the region and for the State's economy. The impact is estimated at \$3 billion in gross product loss for each year the cruise season is not in operation. (Office of Governor Mike Dunleavy, Report to White House: Alaska Economy Devastated by CDC Decision on Cruise Ships, April 8, 2021)

Further, from March-December 2020, the pandemic resulted in \$492 billion in cumulative losses for the U.S. travel economy, equating to a daily loss of approximately \$1.6 billion for the past 10 months. These losses also represent \$64 billion lost in federal, state, and local tax revenue since March 1, 2020.

In general, the travel and tourism industry in the United States generated more than \$1.87 trillion in economic impact in 2019, according to the U.S. Travel Association. Additionally, tourism supports 9.2 million direct U.S. jobs and accounts for 2.8 percent of the entire U.S. GDP.

During the COVID-19 pandemic, two thirds of all U.S. jobs lost were supported by travel, also according to the U.S. Travel Association. In particular, the franchise lodging sector, a model frequently used by Indian Country hoteliers, lost more than 200,000 jobs last year.

Research commissioned in early 2020 by the National Indian Gaming Association found that nearly every one of the 524 Native American casinos closed last year, resulting in a loss of 296,000 jobs and \$1.5 billion in lost gaming revenue.

These lost jobs and decimated gaming revenues have had a dramatic and far-reaching affect, crippling Native American economies well beyond tourism, in return devastating programs such as health and safety, infrastructure, education and food programs across Indian Country.

More critically, programs not considered essential or lifesaving, such as cultural heritage activities, museums and cultural centers, language programs, cultural events, and even sacred observances became all but extinct in 2020 as decimated budgets were channeled into programs considered most critical.

Nearly every tribal museum and cultural center closed last year. Not only do these facilities create jobs and generate incremental tourism revenues for local communities, but they also serve to perpetuate indigenous cultures, which were already in jeopardy of being permanently lost prior to the pandemic.

The concern over the loss of indigenous culture is so critical, the issue has been defined by the United Nations as one of the six mandated areas of the United Nations Permanent Forum on Indigenous Issues.

Rebuilding the tourism economy for American Indian, Alaska Native and Native Hawaiians across the United States is critical to the broader pandemic recovery efforts—particularly in rural areas suffering from chronic under-investment in infrastructure, data collection and analysis, technical support and economic development opportunities. This under-investment has real and devastating effects including economic devastation and catastrophic health implications. For example: Navajo Nation has been overwhelmed by the virus with over 30,000 positive cases of COVID-19 and 1,284 confirmed deaths—for a total population of 180,462. Navajo Nation, to protect their Nation, made difficult decisions to close the reservation to outside visitors, implemented a shelter in place order and instituted daily curfews.

Navajo Nation is just one example of many across Indian Country. Tribal governments and communities put their people first during these trying times and they will need support to shore-up their systems (many of which are dependent on revenue generated from tourism) and address the underlying inequities caused by lack of investment to support economic opportunities and business development, including for tourism.

American Indian, Alaska Native and Native Hawaiians owned hospitality related businesses (according to the U.S. Census) receipts from hospitality sector businesses in 2012 equaled \$7.681 billion. This thriving sector of many Native Nations' economies are suffering from lost revenue and jobs including native owned destination/tourism destinations to individually owned tribal business/tourism companies.

These closures and decreased visitor traffic will have severe economic impact on all native communities, especially small, rural destinations across the United States. When you consider, most American Indian, Alaska Native and Native Hawaiian tourism operations and destinations are not supported by local, regional or national destination marketing organizations and/or the tourism industry because they are not included in the fees and tax support structures that fund tourism development and growth. Further, American Indians, Alaska Natives and Native Hawaiians are disproportionately unbanked, resulting in lack of access to financial tools to assist with recovery.

In a recent AIANTA tourism sentiment survey, 77 percent of respondents feel that tourism has weakened greatly in their region in the past year and only 5 percent believed tourism improved greatly. Further, nearly one in four respondents had to close their business during the COVID-19 pandemic. (AIANTA's State of Indian Country Tourism, Spring 2021).

The findings of this year's survey are in sharp contrast to survey responses pre-pandemic in 2019 with nearly 75 percent of respondents indicating they believed tourism would increase greatly (28 percent) or somewhat (47 percent) in the coming year and 33 percent of respondents expected to increase tourism employment in the coming year. (AIANTA's State of Indian Country Tourism, Spring 2019).

When done well, tourism provides social and economic stability to the most remote rural communities and mainstream city neighborhoods, complementing the effort of American Indian, Alaska Native and Native Hawaiian enterprises, businesses, organizations, and agencies working to build economies and contribute to the growth of the U.S. tourism industry. For example, by investing in Native agritourism, you are also investing in sustainable practices, water protection and equitable distribution of resources while addressing food insecurity caused by reliance on the greater food distribution system for access to healthy and abundant food supplies. Tourism, including agritourism, brings revenue to Native Nations and

communities providing jobs, localized investments and the perpetuation of cultural practices.

Request for Support to Address the Impact of COVID-19 and Chronic Under-Investment

Funding is immediately needed to accelerate and fully implement the *Native American Tourism and Visitor Experience Act* (NATIVE Act). The NATIVE Act is designed to “enhance and integrate Native American Tourism, empower Native American communities, increase coordination and collaboration between Federal Tourism assets, and expand heritage and cultural tourism opportunities in the United States.” We have seen the impact of initial investments in the NATIVE Act including AIANTA’s work to identify and provide technical assistance and training with 2020 seeing some of our largest participation levels in our programming. Another example of impact can be seen in the swift investments made by the U.S. Forest Service upon receiving NATIVE Act implementation funding in cultural tourism infrastructure and projects across the United States.

Implementation of the NATIVE Act

Priority Agency Investment Recommendations: Initiate agency wide investments in implementation of the NATIVE Act through appropriation requests across the federal departments and agencies as named in the Act to begin to realize the purposes and intent of the Act. We urge the committee to support full implementation in the intent and purpose of the NATIVE Act. Through appropriations and support for technical assistance and training, alongside direct investment at this critical juncture in the COVID-19 recovery efforts, Native Nations and communities will rebuild economic opportunities. Investments now will also help address many of the underlying disparities from chronic underinvestment exacerbated by COVID-19.

AIANTA’s Role and Vision for Rebuilding the Future

AIANTA will work with American Indians, Alaska Natives and Native Hawaiians to develop, grow and sustain cultural tourism enterprises, businesses and organizations through technical assistance, training, marketing and resources.

AIANTA will work with the U.S. Department of Interior to ensure inclusion of Native Nations and communities in the department and agency management plans;

AIANTA will work with the U.S. Department of Agriculture to support recreation and rural development planning and initiatives;

AIANTA will work with the U.S. Department of Commerce and its divisions: National Travel and Tourism Office, International Trade Administration and Economic Development Administration to integrate tribes into the research and development programs offered by Commerce.

AIANTA will work with the National Endowment for the Arts, National Endowment for the Humanities, Institute for Museum and Library Science, Administration for Native Americans, and in Smithsonian projects to ensure tourism tribes are well represented in all federal grant programs through technical assistance and training opportunities;

AIANTA will collaborate with the U.S. Department of Labor on data collection and tourism workforce development;

AIANTA will collaborate with the U.S. Department of Health and Human Services to support investments in cultural tourism programming and initiatives;

AIANTA will collaborate with the U.S. Department of Transportation on infrastructure initiatives and investments that support cultural tourism in Native Nations and communities; and

AIANTA stands ready to help rebuild Native Nations and communities and support full implementation of the NATIVE Act as we move through this crisis.

The following documents have been retained in the Committee files:

- A. Travel Impact: AK
- B. Travel Impact: HI
- C. Travel Impact: KS
- D. Travel Impact: MN
- E. Travel Impact: MT
- F. Travel Impact: NV
- G. Travel Impact: NM
- H. Travel Impact: NV
- I. Travel Impact: OK
- J. Travel Impact: SD
- K. Travel Impact: WA
- L. Office of Governor Mike Dunleavy, Report to White House: Alaska Economy Devastated by CDC Decision on Cruise Ships, April 8, 2021

- M. Research Fact Sheet—Travel: The Hardest Hit U.S. Industry
- N. Case Studies in Tribal Agritourism
- O. AITC 2020 Regional Meeting Summary
- P. 2019 State of Indian Country Survey
- Q. 2020 State of Indian Country/Cultural Heritage Tourism—Impact of COVID-19
- R. 2021 State of Indian Country Survey
- S. Letter of Support—Burke
- T. Letter of Support—Cherokee Nation
- U. Letter of Support—Sun Tours

The CHAIRMAN. Thank you very much.

Next, we have Mr. Russell Dick, President and CEO, Huna Totem Corporation, Juneau, Alaska.

**STATEMENT OF RUSSELL DICK, PRESIDENT/CEO, HUMA
TOTEM CORPORATION**

Mr. DICK. Thank you, sir. Good afternoon, Chairman Schatz, Vice Chair Murkowski and members of the Committee. It is certainly an honor and a pleasure to be here in person and to see everybody. Thank you.

My name is Russell Dick. I serve as the President and CEO of Huna Totem Corporation, the Alaska Native Village Corporation for Hoonah, Alaska, a community of 760 people, and my hometown. Huna Totem is owned by over 1,400 Alaska Native tribal shareholders with aboriginal ties to what everyone now refers to as Glacier Bay National Park and Preserve.

I think we can all attest to the fact that the last 14 months have been extremely challenging for everybody. That is no different in our rural communities in Alaska and again, my hometown of Hoonah. But we are resilient. And we have been resilient because of the cooperative working relationship Alaska Native Corporations have with their local tribal organizations and communities in building what we refer to as economic, social, and cultural infrastructure necessary for the sustainability of our Alaska Native communities.

If you think about how unique we are in Alaska, just as in Hawaii, economic opportunity is extremely, extremely limited. Hoonah is remote. We are not connected to any other community by a road system, so everything is transported by either plane or boat. We run primarily off diesel power at a staggering electricity rate of 54 cents a kilowatt hour.

But even with that, we have done what we believe the Alaska Native Claims Settlement intended when Congress passed the Act in 1971. Under that Act, Alaska Native Corporations are established as for-profit corporations. But we do not have simply an economic responsibility to our tribal member shareholders. We have a deep, profound, social and cultural responsibility as well.

Through our operations, we not only provide dividends to our shareholders, but we provide employment opportunities, internships, scholarships, we support our cultural preservation perpetuation activities by funding language arts programs through the school system, we provide funding through Hoonah Heritage Foundation to support our way of life, and to teach our kids about traditional harvesting activities.

One of our operations, Icy Strait Point, located in Hoonah, is the only privately owned all-inclusive cruise ship destination in the U.S., and hosts every major cruise line that travels to Alaska. Since its opening in 2004, we have contributed over \$60 million directly to the community of Hoonah. We are the largest private employer and single contributor to local sales tax, representing 80 percent of the community's tax base.

Unfortunately, the pandemic has had a devastating impact on our operations in the community. As we all know, the CDC shut down the cruise industry in the U.S., and to date, it is the only, the only major industry not operating today. In 2020 alone, that shutdown meant the loss of at least half a million guests and their economic contributions of nearly \$10 million to our community.

Icy Strait Point normally employs over 250 people during the season, with nearly 80 percent local and Alaska Native hire, all in a community less than 800 people. All of those jobs were non-existent in 2020 and all of those jobs are non-existent today.

So it has been over 20 months since Alaska has seen a cruise ship, and our 2021 Alaska cruise season is also in peril, which will continue to devastate the communities throughout Alaska, like Hoonah, that depend on tourism. A quick restart to cruising in Alaska is absolutely critical.

Please remember, our season is only five months. We operate from May through September. If we don't see a cruise ship in 2021, it will be 31 months without any economic opportunity in our community. That is devastating socially and culturally.

As you can see the impacts of the pandemic on Native tourism and the tourism economy more broadly, we have a few additional suggestions outside of the CDC work that our Alaska delegation is doing today. We support equitable funding for Native American borrowers participating in the Bureau of Indian Affairs loan guarantee program.

Last year, Congress enacted provisions in the CARES Act that provided \$17 billion to the SBA to pay principal, interest and fees on SBA loan products. That assistance was for a period of six months, which was then extended by Congress at the end of 2020.

But for whatever reason, Congress has declined to provide any relief to the BIA program's Native American borrowers, even though the BIA program was intended to reduce the disparities between Native and non-Native businesses.

Finally, the Passenger Vessel Services Act needs to be reformed to support American jobs. To avoid violating the PVSA, foreign-built ships have to visit a foreign port at some point during their voyage. For cruises for Alaska, that means a stop in Canada. The problems associated with the PVSA have been exacerbated by the pandemic, during which time Canada has closed its port to cruise ships.

The price is paid in Alaska, in our region, and to our village. To me personally, Mr. Chair, and Madam Vice Chair, as an indigenous community in the United States of America, having another Country dictate our economic prosperity has to be completely unacceptable.

What matters most for us today is the next steps to salvage the 2021 season and return to normal operations in 2022. We all agree

that public health is our common priority, but economic health is intertwined with that goal. They need not and should not be mutually exclusive.

[Phrase in Native tongue.] Thank you for the opportunity to comment today.

[The prepared statement of Mr. Dick follows:]

PREPARED STATEMENT OF RUSSELL DICK, PRESIDENT/CEO, HUNA TOTEM CORPORATION

Good afternoon Chairman Schatz, Vice Chair Murkowski, and members of the Committee. Thank you for the opportunity to testify before you today.

My name is Russell Dick. I serve as President & CEO of Huna Totem Corporation, the Alaska Native village corporation for the village of Hoonah, Alaska. Huna Totem Corporation has worked for nearly 20 years to develop our port, Icy Strait Point, as a premier destination for the cruise ship industry. To our knowledge, Icy Strait Point is the only Indigenous-owned, all-inclusive cruise ship port in the United States. Icy Strait Point is located near the community of Hoonah, approximately 35 miles west of Juneau and 22 miles from Glacier Bay National Park and Preserve, which is our ancestral homeland. Icy Strait Point drives our local economy and provides enormous economic, social, and cultural benefits for our people. The impacts of COVID-19 on our Native tourism economy cannot be overstated. It is critical that our tourism economy be restored as quickly as possible, which means among other things taking every necessary step to ensure that cruise ship services return to Southeast Alaska as early this summer as possible.

Our Corporation

Huna Totem Corporation is owned by over 1,400 shareholders whose aboriginal ties are to the Village of Hoonah and what is now Glacier Bay National Park and Preserve, in Southeast Alaska. The Corporation was formed under the terms of the Alaska Native Claims Settlement Act (ANCSA), enacted by Congress on December 18, 1971. Huna Totem Corporation was incorporated on November 9, 1973.

ANCSA paved the way for the formation of 12 Alaska Native regional corporations and approximately 200 village corporations spread throughout 12 regions in Alaska. Under ANCSA, Huna Totem Corporation received one township (23,040 acres) of land.

Alaska Native corporations operate as for-profit entities for the benefit of their owners, but they are not typical corporations. Huna Totem Corporation has business interests in tourism, investment management, federal contracting, and natural resources. As contemplated under ANCSA, these interests enable us to return important economic, social, and cultural benefits to our community. Beyond the dividends we return to our shareholders, we provide internships and employment, and support our cultural preservation and perpetuation activities through the Huna Heritage Foundation and Alaska Native Voices Educational Institute. We support our elders with firewood deliveries, our schools with computers and broadband access, and our community with food supplies. In short, our mission is holistic in our contributions to the community, as was originally intended under ANSCA.

Our Community

Hoonah is located on Chichagof Island. We, as members of the *Xúna Kaawu*, have thrived in the area for thousands of years. Our community is remote; it is not connected to any other community by a road system, runs significantly on diesel power, and has limited economic opportunity. Economic activities that largely defined our economy in the twentieth century—timber and fishing—are at a low ebb. However, we are a resilient people, and we are fortunate to have had an opportunity to develop a sustainable tourism-based economy for our village.

Ground was broken at Icy Strait Point in 2001. We invested in ourselves, making significant renovations and modern additions to Hoonah's historic salmon cannery. The Celebrity cruise ship MV Mercury made the inaugural call to Icy Strait Point in 2004. Through bold leadership, strategic investment, and historic resolve, we brought Icy Strait Point to life, ushering in a new era of economic opportunity for the community of Hoonah and our shareholders, providing employment, financial contributions, and a strong tax base to support the community.

Since that first ship call in 2004, we have built two cruise ship piers, along with extensive uplands facilities, 30 tours and excursions, three waterfront restaurants, 100 percent Alaska-owned retail shops, the world's largest zipline, and Alaska's first high-speed gondola system. Icy Strait Point is now renowned as a world-class cruise

ship destination and we are proud to have won Seatrade's 2020 Global Port of the Year award, which recognized Icy Strait Point for incorporating not only the beauty of Alaska, but the authentic and unique culture and values of the *Xúna Kaawu*.

For over 16 years, Huna Totem has been on a journey to develop Icy Strait Point into a world-class destination. Since opening in 2004, we have hosted over two million passengers, and received ships calls from every major cruise line traveling to Alaska. We are the single largest employer and contributor to local sales tax in Hoonah, having contributed over \$60 million directly to the community over that 16-year period.

The pandemic has affected us all. For Hoonah, the pandemic has meant the loss of at least a half million guests and the concomitant economic contribution to our community. Icy Strait Point will return, not because we are a corporation per se, but because we are the corporation—the village corporation—that Congress created to serve our people. But we need the Federal Government's help and cooperation now to do that.

Economic Impact of the Pandemic

The shutdown of the cruise industry has profoundly disrupted our local economy, as 80 percent of our local tax base comes from tourism. Icy Strait Point normally employs over 250 people during the cruise ship season, with nearly 80 percent local and Alaska Native hire. All of this occurs in a village of less than 800 residents.

Icy Strait Point is a great example of what Alaska Native village corporations can do for their communities. Beyond the tax contributions to our community, the jobs and the infusion of dollars into the local economy, the heart of our business is truly the families and their children who own our business and are empowered by it. During the 2019 season, Icy Strait Point employed 27 of the 32 students from the high school in Hoonah. Think about that: we exist to create opportunity for our kids in their own community. Isn't that the core of what parents want for their children in their hometowns? This is what Congress intended when it created Alaska Native corporations.

But we have faced an enormous challenge as a consequence of the pandemic. Where in 2019 we received 167 ship calls carrying roughly 270,000 visitors, the 2020 season was cancelled. In 2020, Icy Strait Point expected to receive 212 ship calls carrying over 440,000 passengers and employ over 250 people with a direct economic contribution of over \$10 million to the community of Hoonah. At this time, over 20 months have passed since Alaska has seen a cruise ship. The result has been closed local businesses, the loss of hundreds of jobs, a slowdown in economic activity, an increase in food insecurity, lost ferry service, and decreased funding to the City of Hoonah, amongst other negative effects. As you know, the 2021 season is now imperiled. The loss or further delay of the 2021 summer cruise season will continue to devastate the communities throughout Alaska, like Hoonah, that depend on tourism. A quick restart to cruising in Alaska is critical. Leadership from the City of Hoonah, the community, and Icy Strait Point are all eager for cruise ships to return.

Our Concerns with the Ongoing Federal Approach to Tourism

We believe that a balanced approach to the pandemic, looking forward, must consider both the direct health issues of COVID-19 coupled with the need to avoid devastating impacts on our village economy. As a port, we hold ourselves to the highest standards in hygiene, safety, and environmental protection, serving as our village's economic engine while keeping our guests, staff, elders, and community members safe. We would like to see the Federal Government take a balanced approach as well.

We are deeply concerned with the handling of the pandemic and of our industry by the Federal Government and, in particular, the Centers for Disease Control (CDC). As we wrote to the CDC last January, five long months ago, the next steps to be undertaken by the CDC regarding cruising are of great interest to us. Cruising has safely resumed in other parts of the world, with multiple levels of prevention proving successful. We are ready to move forward.

In Alaska, we are well-prepared to regulate and manage local operations, working together with industry and our local and state authorities. The community of Hoonah has been proactive and successful in managing the pandemic, with 100 percent of locals and visitors tested upon arrival, weekly wastewater testing, and currently zero active cases (with only 4 cases total throughout the pandemic).

Icy Strait Point developed a COVID-19 response plan back in April of 2020. We have initiated and are committed to the GBAC STAR facility accreditation program, from the Global Biorisk Advisory Council, a Division of ISSA—The Worldwide Cleaning Industry Association, to prevent and respond to outbreaks, and to deliver

a clean, healthy, and safe environment. This is a third-party validation of safety and documented systems.

We have been actively communicating with the state of Alaska, City of Hoonah, Juneau, and other ports in southeast Alaska, and with cruise line operators expected to visit Icy Strait Point. We have explored various technologies in sanitation; and our policies and procedures meet or exceed current cruise line operational protocols, including the Vessel Sanitation Program, as well as existing CDC COVID-19 guidance. To date, the CDC's singular focus on the cruise industry, the overly prescriptive details in its Conditional Sale Order and accompanying guidance, and its one-size-fits-all policies that do not fit rural Alaska, have proven preclusive to an actual 2021 season.

Combining strong vaccination programs with adherence to the 74 recommendations developed by the Healthy Sail Panel will provide for a safe resumption of sailing. The plain truth is that our village, our corporation, our part of Alaska, the cruise lines, and the CDC all have the same goal, which is to safely sail.

We suggest that the CDC should limit its oversight to on-board or at-sea issues and leave onshore issues to existing CDC regulations and local control, as it does for other tourism operations, hospitality, and other industries. We would ask that CDC continue to review and revise its technical instructions to ensure that Alaska can have as much of a 2021 season as possible. After a long delay, we understand CDC is now working to ensure cruise lines can return to operation. CDC's continued commitment to this goal is critical to us and it must be held to account. Cruise ships can move their operations to any region of the world but we cannot. We need the CDC to work with the cruise lines to ensure they can return to Alaska as soon as possible this summer.

How Congress Can Help: Provide Relief to Bureau of Indian Affairs Loan Guarantee Program Borrowers

As Congress considers the impacts of the pandemic on Native tourism and the tourism economy more broadly, we have a few suggestions. For starters, we strongly urge Congress to provide equitable funding to support Native American borrowers participating in the Bureau of Indian Affairs (BIA) Loan Guarantee Program.

Last year, Congress enacted provisions in the CARES Act that provided \$17 billion to the Small Business Administration (SBA) to pay the principal, interest, and fees on all preexisting SBA loan products issued under SBA's Section 7(a) loan guarantee, 504, and microloan programs. The legislation directed SBA to provide this assistance for a period of six months on behalf of small businesses impacted by COVID-19. Congress extended this coverage under the Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, signed into law on December 27, 2020. Congress should provide similar relief to Native-owned businesses participating in the BIA Loan Guarantee Program; the failure thus far to extend equal relief to the BIA Program's Native American borrowers is inequitable on its face.

Native-owned businesses around the country are struggling to stay afloat. This is particularly true for businesses in the tourism and hospitality sectors, for which the COVID-19 emergency has been particularly damaging. One of the programs already in place to support Native-owned businesses is the BIA Loan Guarantee Program, established pursuant to Section 201 of the Indian Financing Act of 1974.

This program supports Native-owned businesses that contribute to the economy of an Indian reservation or a Tribal service area. Native-owned businesses across Indian Country participate in this program, including businesses in New Mexico, Arizona, Alaska, Oklahoma, Nevada, Montana, Washington, Wisconsin, North Dakota, and South Dakota. Congress should extend relief to Native-owned businesses participating in the BIA Loan Guarantee Program, which would help these businesses survive long enough to get back on track financially. The BIA Loan Guarantee Program is small, and relief would cost a small fraction of the relief already extended to other SBA program borrowers.

Specifically, we suggest that Congress should provide funding to BIA to aid Native-owned businesses based on relative economic need, with a six-month base period for all borrowers (consistent with the CARES Act relief for SBA borrowers), and additional funding available to allow BIA to extend the relief period for up to 18 months to individual borrowers based on the relative economic impact of COVID-19 to their respective businesses.

It is inequitable that financial assistance has not already been extended to borrowers participating in the BIA Loan Guarantee Program. As BIA points out on its website, "Congress passed the Indian Financing Act of 1974 . . . to reduce the disparity between business capital available to Indian and non-Indian businesses." As noted by the Treasury Department's Native American CDFI Assistance Program, Native communities face unique challenges to economic growth, including height-

ened barriers to accessing capital and basic financial services. Congress should help BIA Loan Guarantee Program borrowers, just as it has done for SBA borrowers.

How Congress Can Help: Fund the Maritime Transportation System Emergency Relief Program

We recommend that Congress support an appropriate level of FY 2022 funding for the Maritime Transportation System Emergency Relief program, as established in Section 3505 of the FY 2021 National Defense Authorization Act. Section 3505, the Maritime Transportation System Emergency Relief Act, was designed to “provide relief to those in the maritime industry during a national emergency such as the ongoing COVID–19 pandemic or natural disasters.”

The new program, if appropriately funded, will provide broad assistance to ports and public and private entities engaged in “support activities” for marine transportation. Huna Totem Corporation suggests that the Maritime Administration should give priority to marine transportation and port entities based on relative loss of income experienced because of the COVID–19 pandemic.

How Congress Can Help: Amend the Passenger Vessel Safety Act to Protect American Jobs

Huna Totem urges Congress to reform the Passenger Vessel Safety Act (PVSA) in a manner that will best support American jobs. Congress needs to recognize that large passenger ships have not been built in the United States for over 60 years. As it pertains to large cruise ships, the PVSA’s mandated use of U.S.-built vessels is protectionism for an industry that simply does not exist. The price is paid here in Alaska, in our region, and in our village.

The problems associated with the PVSA have been exacerbated by the pandemic, during which Canada has closed its ports to cruise ships, making it currently impossible for Alaskan cruises to carry on even after the Federal Government has signed off on cruising.

To avoid violating the PVSA, ships that do not meet its requirements must visit a foreign port at some point during their voyage. For cruises to Alaska, that means a stop in Canada. But Canada’s ports currently are off-limits to cruise ships through February 2022—making visits to Alaska by such vessels impossible without a change in the statute or administrative waiver, which is also proving difficult to obtain.

The reality is that our community currently faces a situation in which we might have no economy this summer to support our employees—80 percent of whom are local and Native hire—because Congress has not dealt with the PVSA. This is not Canada’s fault; this is the Federal Government’s fault. Let me be clear: the PVSA right now is preventing us from hiring Americans in an American community that desperately needs those jobs. The U.S. Congress is responsible for this problem.

Conclusion

The effects of the COVID–19 pandemic on our community and our corporation have been extreme. They have been compounded by the complexity and slowness of the CDC’s response, a terribly outdated federal law, and a failure to extend benefits made available to SBA Loan Guarantee Program borrowers to BIA Loan Guarantee Program borrowers. The loss of jobs and tax base have been profound. What matters most for us today is the next steps to salvage a 2021 season and return to normal operations in 2022. We all agree that public health is our common priority, but economic health is inextricably intertwined with that goal. They need not, and should not, be mutually exclusive. The time to move forward is now. We are looking to you for help. Thank you.

The CHAIRMAN. Thank you very much for your compelling testimony. I am going to try to go very quick because we do have votes coming up.

Mr. Alvord, I spoke with Secretary Raimondo to share my disappointment that the Department had failed to implement the NATIVE Act over the last four years. How is the Department going to move forward, specifically?

Mr. ALVORD. Thank you, Mr. Chairman, for the question. I am aware that the Department had not provided some of the reports called for under the Act and has been slow to implement some of the other provisions, including putting in place a memorandum of

understanding, and various forms of interagency coordination and prioritization around our grant funding.

As I hope I have expressed in my testimony here today, the Department has strong equities and I think a lot of policies, programs, data and information that we can bring to bear to aid the implementation of that Act. You have our full commitment to doing so moving forward.

The CHAIRMAN. We will be checking in just about monthly, not to create a sort of reporting requirement that costs you a lot of time, but just to know where we are. We can go to quarterly or even annually if I feel sufficiently confident that it is being implemented. But for at least the time being, I would like to understand at a somewhat granular level how you are moving along.

Speaking of granular level of implementation, Mr. Rodman, you mentioned the \$12 million provided by Congress to BIA. I wonder what the time frame is for deploying those dollars.

Mr. RODMAN. Thank you, Senator Schatz. We are looking for the tribal tourism grant to go out within the month, hopefully sooner than that. And that soon right on the heels of that would be the Native Hawaiian Organization grants as well. So it is one of the next grants that we are going to churn out, the tourism grants.

The CHAIRMAN. Thank you.

Ms. Rupert, how can the Federal Government use the NATIVE Act to increase support for Native tourism, and are there any Federal agencies that you believe should serve as a model for NATIVE Act implementation?

Ms. RUPERT. Sure. We work with several agencies within the Federal system. There are some agencies that have considered their management plans and have included tribes in that. Most recently, Congress appropriated \$1 million to the U.S. Forest Service. I have seen the projects that they are funding, and they are all across the Country in every region.

So we would love to see more of that, with the Federal agencies working closely with us, with AIANTA, and through the NATIVE Act. It provides a number of opportunities for tribes to be more involved at the Federal level. We would be happy to assist in any manner that we can.

The CHAIRMAN. Thank you very much.

Mr. De Fries, I have a couple of questions for you. First of all, thank you for being willing to serve in the government, and thanks for your leadership on these issues.

The NATIVE Act seeks to empower Native Hawaiians to tell their own stories. I am wondering what you think HTA can do to ensure Native Hawaiians play a role in defining the contours of tourism going forward. I am particularly interested, I am sort of merging two of my questions, in the balance that you have to strike between presenting an authentic version of the State of Hawaii, but still dealing in numbers, dealing in the objectives around maybe 10 million visitors annually is too many. But certainly you are looking at millions of people and trying to provide an authentic experience to them.

How do you do that and maintain authenticity when it is in the millions, when you are allowing people to visit places and cultures and people that want to tell their own stories, and yet it is

unsustainable at the cultural level, sometimes at the environmental level, to have that many people interacting in that way? I am wondering how you strike that balance.

Mr. DE FRIES. We are in the process of trying to learn how to strike that balance, to be quite honest. When we ended year 2019 at 10,400,000 visitors, it was a banner year, first time Hawaii had ever surpassed that 10 million mark. But it produced, in certain areas, a lot of tension in terms of overcrowding and what we have come to know as over-tourism.

What is going to help that is some of the management systems that we are working together with, DLNR, Department of Land and Natural Resources, to try and manage the flow of people, especially giving them information as to what peak periods they should avoid.

On a macro level, what we have done is we have taken the conversation to every island and every community and basically invited, over the last 14 months, each of the islands to convene a very diverse steering committee that sets a framework in place for a larger community discussion, and giving voice and definition to what a sustainable tourism model looks like in their community, on their island specifically.

So we are on a steep learning curve to try and understand that. Question number one every week for me is someone saying, how do we cap the number of air seats, how do we cap the number of rental cars, all of that. Frankly, you are aware that there is Federal legislation that keeps us from being able to do that.

So the best we can do is to try and manage this flow seasonally and throughout the various islands, and as best we can prevent this over centralization of human activity in certain hot spots throughout the State.

The CHAIRMAN. Thank you. I appreciate the two thoughts. First, you are right, we would have to amend the Constitution to be able to stop people from coming in, which would be quite a challenge. The other thing I want to recognize is the humility with which you approach this inherently difficult challenge. We do want people visiting, we want to welcome them.

But there is such a thing as too much of a good thing, and I think 10,400,000 was well beyond too much of a good thing. But now we don't have enough of a good thing and we have tens of thousands of people wanting to go back to work. So striking that right balance in whatever it is that is the new equilibrium is at least partly your job, and I appreciate it.

Vice Chair Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

I am smiling because we are living that same scenario in Alaska. We are not at 10 million, we thought 1.3 was pretty significant. But how you do achieve that balance is so important.

Mr. Dick, thank you for your testimony, the compelling story. I think you have outlined in a very clearly articulated way how, with the promise of ANCSA we really have seen an economic and cultural empowerment. You have described the jobs that have been created in a small community, 760 people, and a recognition that the contribution to the tax base there, 80 percent of the tax base comes from the tourist base that you have built.

It was not too many years ago that I was in Hoonah. Not only did Hoonah not have a bank at that time, they didn't even have a cash machine. So the only way that you could get money is if you flew to Juneau, or actually the store there would cash a check. But our reality is what Huna Totem has put in place has been an economic lifeline that you have created there. I think it is extraordinarily significant.

Thirty-one months, we are hoping that it will not be 31 months where we do not have a tourist season. We are hoping, we are doing everything possible again, beginning with communicating with the Secretary of Homeland just this morning on PVSA and what we might be able to do on that. Explain to the Committee, though, if you don't have tourism, what economic opportunity does the community of Hoonah have right now in Alaska?

Mr. DICK. Thank you for that question, Vice Chair Murkowski. I don't think there is much opportunity at all. If you look at some of the other communities in Alaska, some in the interior, communities like Juneau or Ketchikan, you may still have the opportunity for independent travelers. Not to the extent that you used to have them, but you still have that opportunity.

In Hoonah, we don't have that opportunity. We don't have that infrastructure. Our infrastructure is built around cruise ships and cruise ship travelers.

Senator MURKOWSKI. Could people fly Alaska Airlines into Hoonah?

Mr. DICK. You can get a Cessna and a Caravan into our airport. Nothing bigger than that, Senator.

Senator MURKOWSKI. So let me ask, then, because you noted that CDC focuses absolutely on health and safety as is their mission. We understand that. Can you describe the COVID response plan, the safety protocols that you have put in place in order to provide for this level of opportunity so that folks can come in? I think there are some who are saying, we will at all costs just open the doors because we need the economic revenues.

But just describe very briefly the third party validation of the safety systems, what you have put in place to make sure that not only the passengers are in a safe place, but also the entire community of Hoonah, and the efforts they have made.

Mr. DICK. Thank you, Senator. I think I will answer that in a couple of ways. In the first way is how we have built out Icy Strait Point. It is built a mile and a half away from the community of Hoonah. So we are able to keep guests relatively contained there, though we do have guests that come up into town.

The city of Hoonah has done an extraordinary job, through Hoonah Indian Association, the local tribe, in basically monitoring COVID in and out of the community. So everybody, 100 percent of all travelers who come into the community by plane or by boat, or otherwise, I don't know how otherwise you might get there, maybe swimming, they do 100 percent testing. Based on that testing, they will have people quarantined if they test positive; if not, they continue on with their daily lives.

In the community of Hoonah, they have had a total of six cases of COVID over the last 14 months. They have done an extraordinary job themselves.

For us at Icy Strait Point, we have an individual who has a Masters in public health. From day one, in early April, we have had protocols put in place around sanitation, hygiene, how we are going to control the flow of passengers, what kinds of protocols we are going to put in place in terms of mask-wearing, indoors, outdoors. That has been in place since April of last year.

We have updated that plan based on the Health Sales Panel 74 recommendations that came out of the work that Royal Caribbean and Norwegian Cruise Line did. We have continued to update that based on the guidance that the CDC has put out.

So we feel extremely confident about our ability to safely manage guests at our port and ensure the protection of our elders and our community members.

Senator MURKOWSKI. One last quick question for you. You have had an opportunity to listen to Mr. Alvord with EDA as well as Mr. Rodman with BIA, a discussion about what is available through EDA in terms of funding opportunities as well as competitive grants for tribes that Mr. Rodman mentioned through BIA.

You have articulated, I think very well, and it is a good reminder to us that with the BIA loan guarantee program, allowing that to provide relief to Native-owned businesses, that is a very important suggestion to the Committee. Do you see, either through EDA, or the BIA grants that Mr. Rodman is speaking to, that these could be helpful within Native tourism?

Mr. DICK. Thank you, Senator. We hadn't seen that to date. Of course, given the current definition of their programs, we will certainly go back and take a look to see if those can work for Alaska Native Corporations.

I know the issue through EDA has always been money going to communities and to tribes, and not necessarily to Alaska Native Corporations who have made the kind of investment that we have in a place like Icy Strait Point.

Senator MURKOWSKI. Again, I think you have outlined very well how those benefits that come through the ANC then are spread out, whether it is to the 1,400 shareholders there at Huna Totem, or more broadly.

Mr. Chairman, thank you so much.

The CHAIRMAN. Senator Cortez Masto.

Senator CORTEZ MASTO. Thank you, Mr. Chairman. Again, thank you to all the panelists.

Mr. Alvord, let me start with you. I noticed in your testimony you are still working through the funding availability notice for the total \$3 billion in the American Rescue Plan as well as how to implement the 25 percent carveout for tourism support. Can you please talk about the metrics that EDA will be using to ensure that the funding is prioritized for the communities that have suffered the greatest impact of the tourism decline?

Mr. ALVORD. Absolutely, Senator, and thank you for that question. I should start by saying that EDA is acutely aware that even before the pandemic that Native communities were underserved and among the most economically distressed communities that are eligible for EDA assistance. The pandemic only exacerbated that situation. These same communities were then among the most impacted from a health and economic development standpoint.

As a result, we have taken a number of actions as part of our program designed to make sure that we are in a very strong position to be able to serve those needs. One action that we have taken already is that we have revised our investment priorities. These serve as a guideline for how EDA will undertake its investment activity. We have made equity among the principal priorities through which we will be viewing our investment portfolio, for the ongoing work under the CARES Act, for the new work that we will be initiating under the American Rescue Plan, and for the entirety of EDA's economic development assistance program.

So we believe that will be very helpful in ensuring that we are guiding our investments toward those types of opportunities.

Among the principal metrics that we use to look at how we are doing, we evaluate how many jobs we are helping to create or retain as a result of our current investments, as well as the additional private and public investment that is being leveraged.

Senator CORTEZ MASTO. Let me be a little bit more specific. Are you going to make it clear that tourism marketing is an eligible and worthwhile investment? That was something that I really fought for in the ARP, because our tourism and travel industry had been so hard hit.

I want to make sure that that carveout that was focused on tourism is also a metric that many of our communities know is available for funding. Is that something you are going to highlight with them?

Mr. ALVORD. Absolutely, Senator. We definitely view marketing as a critical component to helping the tourism economy to bounce back quickly at this time. We believe that will align very well with our traditional metrics, because it is going to help to retain jobs, it is going to help to bring jobs back very quickly. So within that \$750 million industry specific set-aside within the American Rescue Plan, marketing activities will be eligible, and we will be certain to make that clear.

Senator CORTEZ MASTO. Okay, thank you.

Ms. RUPERT, in your testimony you note that destination marketing organizations don't always market tribal destinations, because they aren't included in the fee structure. Do you think tourism promotion is key to getting visitors to come back to tribal communities? How can we better target investments to those who need that support?

Ms. RUPERT. Definitely yes. Every tribal destination attraction needs to be marketed. We do our best with the limited amount of funding that we have. But for tribes and Native-owned businesses to be marketed by their own State would be so helpful to them, as well as through Brand USA, our marketing of the United States. It is very important for tribes to be included in that as well.

So the issue is that when tribes are located within a certain State but don't, on their tribal lands, especially in Nevada, none of our tribes have lodging establishments. So therefore, they are not putting into the lodging tax that goes to the State for promotion of the State. So our tribes don't get promoted in that way.

Senator CORTEZ MASTO. Thank you. That is why, to the Chairman and members of the Committee, the work that I have done and will continue to do is, how do we ensure that our tribal com-

munities have the support they need at the Federal level to incentivize their economic development, whether that is around tourism or travel or other things that we can help them with.

But I think it is so important. I know just in the State of Nevada, and what Sherry said is, our tribes, we don't have tribal gaming. Many of the tribes cannot compete with the gaming that is on the Las Vegas strip or in Reno. So we have to figure out other ways that we can continue to incentivize economic development, and tourism or travel. Outdoor recreation is also an important part of this as well.

Thank you to the panel members, and thank you for this important hearing.

The CHAIRMAN. Senator Hoeven.

**STATEMENT OF HON. JOHN HOEVEN,
U.S. SENATOR FROM NORTH DAKOTA**

Senator HOEVEN. Thank you, Mr. Chairman.

Director Rodman, for you as the Country and of course the tribes work to come out of the COVID pandemic, obviously you face many challenges. One is to get their economy going again.

Specifically, how do you help them jump start their economies and get them going, particularly in regard to tourists?

Mr. RODMAN. Thank you, Senator Hoeven. With regard to tourism, we are hoping to get our funding out very quickly for grants and for the technical assistance component. The grants that we have done typically are feasibility studies based; not all, but mostly. So that really scopes out the viability of a project. For these particular grants, they will be accommodating or considering tourism businesses that have really been impacted by COVID-19, which is pretty much all of them. So how do they bounce back from that. Those will be individually based.

We are also working with our technical assistance teams in certain regions for a regional approach. That is really leveraging the cooperation of all the tribes in a given State, and the State tourism departments, and the local infrastructure to get a big boost, and for tribes to get more visibility. Some of the tourism promotion that is going on in States, in North Dakota, that is right on the cusp of taking off from the work that we have done.

Then working with AIANTA to identify more nationally the technical assistance needs, then figuring out how to deliver those most effectively to tribal communities which will inform our Federal policies on how to best address those technical assistance needs. So it is really national, regional, and we have some local projects as well.

Senator HOEVEN. So in terms of lessons learned, what are the lessons learned in terms of COVID and how you can really make a difference?

Mr. RODMAN. I think, sir, in talking to our technical assistance experts, one of the areas that they are focusing on and working with the tribal teams now is resiliency. I know that we talk a lot about resiliency. But I think this COVID-19 was, everyone was using the word unprecedented, but that is really what happened here. So the experts that we are working with at George Washington University and Virginia Tech are working with the tribal teams to ensure there are ways to pivot.

So in this case there was a lot of online, a lot of things went to line. We looked at online tourism, and we went to Airbnb and Eventbrite. There were certain sessions where people could pay and learn about star quilt making or Native fashion or other cultural elements, to learn about that. But then there were also some where artisans could sell some of the products as well.

So we are trying to factor that in moving forward, we have to, given COVID-19, it is that resiliency type of methodology.

Senator HOEVEN. Thank you.

Ms. Rupert, how do public-private partnerships like Brand USA as well as other organizations work with tribes to help them with jobs and their economy, particularly in regard to tourism?

Ms. RUPERT. Here at AIANTA, we do partner with Brand USA. We partner with them on fan tours. We bring international groups over, specifically Italian, the Italian market, tour operators and travel agents. And we bring them to different parts of the Country, into different tribes annually. Usually that is prior to IPW, which is the largest travel trade show in North America.

We actually work with the tribes to build the itinerary. We take these tour operators, media and travel agents with us there, and they get to learn all about those tribes and find out which destinations and attractions they can participate in, or add to their tours. So we partner with them, and that way, they usually come to our annual American Indian Tourism conference, and talk about the different initiatives that they are doing, inviting the tribes to participate in that.

There definitely needs to be, as I mentioned earlier, there definitely needs to be more of that going on in Indian Country.

Senator HOEVEN. Thank you very much. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

I will now turn to Vice Chair Murkowski for some concluding remarks.

Senator MURKOWSKI. Thank you, Mr. Chairman.

I know we do have votes that have begun. I want to thank our witnesses for their contributions here today. I think we recognize that we have seen an unprecedented amount of Federal funding that has been directed to provide assistance for our tribes, for our Native people, whether it is the CARES Act last year, the end of year package, the Rescue package this year and there is more than is being discussed.

But I think we recognize that it is not just about directing the dollars. It is making sure that those directed dollars are able to get to a place and in a way that addresses those that have been most significantly impacted. I think we have heard some stories today about the extraordinary economic impact.

The story of Hoonah is clearly one that is pretty powerful, a community of 760 people, and the economic activity that comes with what Huna Totem has created through the tourism industry, to be able to provide 250 jobs in that community, to be able to be 80 percent of your tax base, to be able to put 27 of the 32 high school students to work on a summer job, give them those job skills.

I think we recognize that how we can work to facilitate ensuring that the level of response is really in these areas that have been

significantly impacted, we want to be able to do that. But we also know that it is not just the Federal dollars. Sometimes it is the Federal Government and our regulations that hold us back from achieving what it is that has been built and worked so hard to facilitate over the years. That is exactly what has happened in this situation.

Russell, your comment that as an indigenous person, basically the economic livelihood of the people in your home village is being dictated by Canada right now, which is effectively what we are dealing with, with the PVSA, this is something that we need to address, we must address, and we will address it. We need to do it now, so that there is some semblance of a season, even if it is just a couple of months, it will be better than a kick in the rear, which is what the region has seen.

So know that we are going to work with you. Mr. Chairman, I really appreciate that we have held this hearing today. You pulled together a good panel of folks to talk about these issues.

I agree with you, I think we need to make sure that there is a level of accountability within the Department of Interior as well. So know that I am going to be looking forward to getting the updates on that report about the NATIVE Act and its implementation as well.

Thank you.

The CHAIRMAN. Thank you very much. I want to thank our excellent and diverse panelists for presenting their views.

If there are no more questions for our witnesses, members may also submit follow-up written questions for the record. The hearing record will be open for two weeks.

I want to thank all the witnesses for their time and their testimony today. This hearing is adjourned.

[Whereupon, at 3:45 p.m., the hearing was adjourned.]

A P P E N D I X

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO JOHN DE FRIES

Question. What can the Federal Government do to provide the most effective assistance to Native tourism operations in states like Hawai'i, where travel, tourism, and hospitality sector revenues have suffered so greatly as a result of the pandemic?

Answer. The Hawai'i Tourism Authority is operating today with the understanding that Hawai'i's future is in regenerative tourism—tourism that gives back more than it takes. Native tourism operations in Hawai'i and across the nation draw upon generations of ancestral stewardship that followed similar paradigms of prioritizing reinvestment in community, natural, and cultural resources.

For that reason, we recognize Native tourism's role in the vanguard of regenerative tourism that will address the immediate recovery of travel, tourism, and hospitality sector businesses, while also setting a course for a sustainable future. This recognition is reflected in the Hawai'i Tourism Authority's 2020–2025 Strategic Plan, which is guiding our efforts to build tourism back better.

Mr. Chairman, the Federal Government has a great role to play in this recovery. Drawing upon consultation and conversation with a diverse group of community members, I respectfully submit the following recommendations:

- 1.) First and foremost, pursue the fullest potential of the Native American Tourism and Improving Visitor Experience Act, passed under your leadership in 2016. Many of Hawai'i's largest visitor attractions and most significant historic and cultural sites are under federal stewardship. Updating management plans and tourism initiatives to more fully embrace Native tourism will be a significant step forward for Native tourism operations nationwide.
- 2.) Utilizing existing federal pathways like the Small Business Administration, enhance the availability of technical assistance, capacity building, financial support, and training for Native entrepreneurs starting new ventures or growing existing businesses. This technical assistance and financial support should also include digital modernization efforts to help Native tourism operations become more competitive and sustainable.
- 3.) With county, state, and federal level taxes combined, Hawai'i has one of the highest tax burdens for small business owners. Consider federal income tax relief for small business owners with an emphasis on Native business owners.
- 4.) Consider mechanisms for impact fees levied on various levels, from individuals (e.g. access fees for federally-funded highways that traverse environmentally-sensitive areas) to large international companies (e.g. surcharges based on visitor counts) that could fund Native-led stewardship efforts.

I thank the Committee for the opportunity to share this response. The Hawai'i Tourism Authority stands ready to assist in advancing any of these recommendations. Mahalo for your consideration.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO DENNIS ALVORD

Question 1. COVID–19 has devastated Native tourism economies in Hawaii, in Alaska, and in Indian Country. Your written testimony states that the American Rescue Plan allocated \$3 billion in supplemental funding to the Economic Development Administration (EDA) to assist communities nationwide, including Native communities, in economic related pandemic recovery efforts. What programs at the Department of Commerce will help Tribes revive Native tourism efforts and spur economic recovery?

Answer. For over 50 years, EDA has partnered with Tribal communities throughout the United States to help foster long-term job creation and attract private in-

vestment. EDA grants have helped remove economic barriers and attract capital to Indian country, addressing a broad array of needs from construction to non-construction, technical assistance, and revolving loan fund projects.

EDA provides Partnership Planning grants to Tribes to develop Comprehensive Economic Development Strategies (CEDS) that articulate and prioritize their economic development goals—including objectives specific to tribal tourism. Each year, EDA funds approximately 50 Native American planning organizations that are leading these efforts across the country. These investments are focused on Tribally-developed economic development strategies that are specific to each Tribe's unique assets, needs, and opportunities.

Beyond planning, EDA's Local Technical Assistance and Short-Term Planning programs can help Tribes analyze tribal assets and undertake more focused planning efforts to help set the stage for new activities focused on tourism. EDA's Public Works and Economic Adjustment Assistance (EAA) program can be used to implement newly planned, or revitalized, tourism-related efforts through infrastructure construction. In addition, EAA assistance can also be used to capitalize (or recapitalize) tribal financing efforts focused on tourism.

In addition, as outlined in my written testimony, EDA's sister bureaus within the Department, including the International Trade Administration, the Minority Business Development Agency, the National Telecommunications and Information Administration, and the National Oceanic and Atmospheric Administration are also actively working to help Tribes boost Native tourism and economic recovery in Tribal communities.

Question 1a. And how will supplemental funding enacted as part of the American Rescue Plan Act help?

Answer. EDA's \$3 billion in supplemental American Rescue Plan funding allocated 25 percent (\$750 million) to assist communities that have suffered economic injury because of job losses in the travel, tourism, or outdoor recreation sectors. The Department is finalizing implementation plans for this funding, which will include opportunities to help Native communities recover from the pandemic's impacts on their travel and tourism industries.

Additionally, EDA recently announced a new set of Investment Priorities, which provide an overarching framework to ensure its grant investment portfolio—ranging from planning to infrastructure construction—contributes to local efforts to build, improve, or better leverage economic assets that allow businesses to succeed and regional economies to prosper and become more resilient. EDA's first Investment Priority is focused on advancing equity in economic development across the nation, including for Indigenous and Native American populations. A description of this EDA Investment Priority follows:

Equity: Economic development planning or implementation projects that advance equity across America through investments that directly benefit 1) one or more traditionally underserved populations, including but not limited to women, Black, Latino, and Indigenous and Native American persons, Asian Americans, and Pacific Islanders or 2) underserved communities within geographies that have been systematically and/or systematically denied a full opportunity to participate in aspects of economic prosperity such as Tribal Lands, Persistent Poverty Counties, and rural areas with demonstrated, historical underservice. For more information on these populations and geographies see: <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/>

Question 2. Your written testimony also mentioned conducting Tribal consultations on a proposed regulatory change that would broaden EDA's Tribal eligibility to include for-profit organizations that are wholly owned by and established for the benefit of the Tribe. When does EDA expect to publish that regulatory change?

Answer. EDA is considering making a regulatory change that would broaden EDA's regulatory definition of "Indian Tribe". See 13 C.F.R. § 300.3. To inform this proposal, in April 2021, EDA conducted two Tribal Consultations with Tribal Leaders from across the country to seek feedback on the possible regulatory change. Based on that feedback, EDA is currently working on updating the proposal to ensure any change is impactful, clear, and supports the economic development objectives of Tribes across the country. EDA is also cognizant that there is ongoing litigation before the Supreme Court that addresses tribal eligibility under the CARES Act (see Janet L. Yellen, Secretary of the Treasury, *Petitioner v. Confederated Tribes of the Chehalis Reservation, et al.*). While EDA does not anticipate the decision in this case impacting EDA's proposed rule change, EDA is ensuring that the decision, likely to be issued this month, is integrated into the proposal, as necessary.

Question 3. Prior to the hearing, the Department of Commerce informed my staff that a report on the NATIVE Act was sent last year. We have not received a copy of that report and request a copy as soon as possible. Who will be the point of contact for the report and when can we expect to receive it?

Answer. A copy of the NATIVE Act report with attachments as completed and submitted by the prior Administration is attached.*

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
SHERRY RUPERT

Question. How can the Federal Government utilize the framework of the NATIVE Act to increase support for Native tourism and enhance the opportunities visitors have to learn about Native American history, culture, traditional foods, language, and arts?

Answer. The Tourism and Recreation sector are powerful economic drivers for the U.S. economy. The infrastructure for tourism is developed around fees, taxes and general fund investments that provide the foundation for tourism and recreation to thrive. These systems support tourism and, as the U.S. recovers from COVID-19, provides the assistance needed to rebuild and grow back quickly. Due to the unique nature of Native Nations and communities' land status and lack of inclusion in local, regional and national systems, they are largely left out of the tourism and recreation support structures. Further, federal, corporate and foundational funding is not typically dedicated to tourism infrastructure—because it is paid for by taxes, fees and general fund monies.

For grant funds that are available, they are frequently project based, rather than long-term investments. Many also require match funds. This is problematic as there are few resources available for Native Nations and organizations to secure the match. This is especially true for federal funding opportunities where the application process is frequently more onerous, and the match cannot include federal funds. Again, due to the unique nature of Native Nations and communities, funding they do receive frequently stems from federal sources, creating a situation where they do not have resources for the dedicated staff to complete the application process for the grants they may be eligible for, and they do not have the resources to provide the match.

Tourism and recreation revenue in Native Nations and communities are frequently cycled back into paying for essential services including housing, food access, education and healthcare; economic demands that are not placed on their non-Native tourism and recreation counterparts. This reliance on revenue from business enterprises to fund essential services and underlying social structures means revenue is not readily available to reinvest in tourism development and growth. COVID-19 has put unprecedented strain on the tourism and recreation systems world-wide. This strain is compounded for Native Nations and communities because they do not have access to a fully developed tourism network of support to rebuild.

As the U.S. economy recovers from the pandemic in 2022, the hospitality/tourism sector will be a crucial and significant driver for job growth and revenue as domestic travel continues to grow and international visitors return. Now is the time to make significant investments in sustainable cultural tourism infrastructure and initiatives in Indigenous communities, address underlying inequities, strengthen the economic structures we all rely on and build on sustainable practices.

Funding is immediately needed to accelerate and fully implement the Native American Tourism and Improving Visitor Experience Act (NATIVE Act). The NATIVE Act provides the framework for inclusion in tourism planning, alongside support for technical assistance, training and branding enhancement. We have already seen the impact of initial investments in the NATIVE Act, including AIANTA's work to identify and provide technical assistance and training, with 2020 seeing some of our largest participation levels in our programming.

Priority Agency Investment Recommendations: Initiate agency-wide investments in implementation of the NATIVE Act through appropriations across the federal departments and agencies, as named in the Act, to begin to realize the purposes and intent of the NATIVE Act by bringing much needed support to build, enhance and grow sustainable cultural tourism at this critical juncture as we address the COVID-19 recovery efforts, build economic opportunities and address many of the underlying disparities from chronic underinvestment in Native Nations and communities.

*The information referred to has been retained in the Committee files.

By focusing on the agencies named in the act, alongside consistent and long-term investments in the identification and delivery of technical assistance and training, cultural tourism can rebuild and support the economic goals and cultural perpetuation in Native Nations and communities. This can be achieved using the framework of the NATIVE Act: inclusion in planning, consultation, training, branding enhancement and dedicated funding support.

For example, pursuant to PL 114–221, resources could be allocated to the Department of Interior through the Bureau of Indian Affairs to establish a set-aside specific to the national organization as authorized under section 4(d)(3) to fulfill the role as intended under section 4 (d)(1–2) of Public Law 114–221 alongside set-asides for grant programs related to travel, recreation and tourism pursuant to sections 2(6) and 5(b).

For other agencies named in the NATIVE Act, including the Department of Commerce, pursuant to PL 114–221, NATIVE Act liaison positions (Sections 2–5) could be created; long-term, dedicated support could be allocated for delivery of technical assistance and training for recreation and tourism planning by a national organization (Section 4(d)(3)); and targeted grant programs for Native Nations and communities could be established without match requirements specific to travel, recreation and/or tourism pursuant to sections 2(6) and 5(b).

AIANTA supports agency-wide investments in implementation of the NATIVE Act through appropriations requests across the federal departments and agencies as named in the Act to begin to realize the purposes and intent of the Act. We urge the committee to support full implementation in the intent and purpose of the NATIVE Act. Through appropriations and support for technical assistance and training, alongside direct investment at this critical juncture in the COVID–19 recovery efforts, Native Nations and communities will rebuild economic opportunities. Investments now and in the longer-term will also help address many of the underlying disparities from chronic underinvestment exacerbated by COVID–19.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
ANTHONY RODMAN

Question 1. In your testimony, you stated that Indian Affairs will announce a round of competitive grants for Tribes to perform infrastructure and/or workforce development needs assessments for tourism-related economic development. COVID–19 exacerbated the need for infrastructure investment in Native communities. What are the major infrastructure needs faced by Native communities that limit the potential growth of Native tourism?

Answer. The major infrastructure challenges that inhibit the potential growth of tourism include road improvements, workforce development for Native communities that focus on the hospitality and tourism industry, and access to affordable and reliable broadband. Tribes have identified more than \$70 billion in transportation needs over the next 20 years, which translates to approximately \$3.5 billion per year. Overall, the tourism industry adage of “a nice place to visit is a nice place live” is helpful in illustrating that successful Native tourism relies on adequate infrastructure of all kinds: roads and bridges, workforce development, broadband, and access to clean water.

The American Jobs Plan will invest in infrastructure to build and repair roads, bridges, and water systems, and provide investments for Native communities to recover from the effect of COVID–19 and help build back better.

Question 2. What assistance will the American Jobs Plan provide to drive a Native tourism recovery?

Answer. The American Jobs Plan will help drive Native tourism by investing in equitable workforce development and job training programs; bridging the digital divide by achieving 100 percent coverage of high-speed broadband; supporting clean and safe drinking water; doubling the Transportation Program; expanding and rehabilitating Indian Housing; fixing rural bridges; strengthening community resilience for communities at risk for climate-driven disasters; and plugging orphan wells and cleaning up abandoned mines.