



The Cherokee Nation is laser-focused on ensuring that each of its citizens has access to quality healthcare and world-class healthcare facilities. Last year, Cherokee Nation Businesses committed the next \$100 million in profits for the expansion and improvement of our health care systems. Our goal is to have a health care facility within 30 miles of every Cherokee citizen living within our 14-county jurisdiction. While the rural nature of our jurisdiction presents real challenges in reaching this goal, we are determined to make this a reality. Our plan includes building a new hospital in our capital city of Tahlequah. This new facility will replace our existing hospital, which was built three decades years ago and constructed to serve 65,000 patient visits annually. Thirty years later, the same structure now sees over 400,000 patient visits a year.

Our need for a new hospital is great, and we are ready to commit millions to this project, but before breaking ground we would like the opportunity to ask IHS to work in tandem with us through the JVCP. I deeply appreciate this subcommittee's continued support of the joint venture program, and thank you for the inclusion of past report language that made clear this sentiment. I'd especially like to thank Reps. Cole and McCollum for leading a bipartisan letter to IHS urging a new round of solicitations for the JVCP, and Reps. Moran, Simpson, and Joyce for signing on to this letter.

The longer IHS waits to reopen solicitations for this program, the longer Native people across the country go without the healthcare they so desperately need. Tribes across the country, including ours, have shown that we are ready, willing, and capable of building state of the art healthcare facilities. We want to help ease IHS's significant and growing construction backlog. We want to move ahead on our own. The only thing delaying construction is IHS's delay in reopening the program. IHS last requested solicitations for this program in 2009 (through the FY 2010 omnibus, P.L. 111-8), and the staffing packages for the facilities chosen in that competition are either completed or near completion. On its website, the IHS notes it seems ready to reopen solicitations:

*Applications for this round are not being accepted at this time. The date of the start of the next application round has not yet been determined, but **is anticipated to occur sometime in late 2013**. Check back for details.*

The Cherokee Nation asks for an opportunity to submit such an application. I therefore request that the subcommittee urges IHS to open solicitations for the Joint Venture Construction Program in FY 2015, and continues its strong support of this vital program.

#### NATIVE 8(A) PROGRAM

I am proud the Cherokee Nation invests in our communities in countless other ways, including education and infrastructure. We strive to be good neighbors, and an asset to our communities. We are able to do that, in part, through the Native 8(a) program. This program was created to provide a way for tribal businesses to participate in the federal government's business development program as a path for economic success. We have successfully leveraged this economic development program to diversify our non-gaming portfolio, with 100 percent of the profits of our work either reinvested in our businesses or used to provide direct services for our citizens.

As you know, the Native 8(a) Program operates in tandem with the Small Business Administration 8(a) Business Development Program. Firms in the Native 8(a) Program are owned by Native communities, and through participation in the program, they are able to grow into successful viable entities that can compete in the United States business economy, and in doing so, provide invaluable benefits to the Native communities these companies serve.

In 2009, Congress altered the 8(a) program through a provision contained in the FY 2010 National Defense Authorization Act. Section 811 of that act requires a justification and approval for all direct awards within the 8(a) program equal to or greater than \$20 million in value for the life of the contract. This figure was intended to be a threshold, but we have found that multiple federal agencies are misinterpreting it as a cap. We can understand the need for a threshold—and encourage accountability in federal contracting—but the perceived cap is a serious concern.

This misinterpretation has had a drastic effect on Indian Country. A recent GAO report revealed a significant decline—60 percent—in direct awards to Native community-owned federal contractors. The report also indicated that since Section 811, there have been no new direct awards above the threshold.

Therefore, we request the subcommittee work with the full appropriations committee and the authorizing committees on clarifying language that makes certain the threshold is not, and never was, intended to be interpreted as a cap.

The 8(a) program and Joint Venture Construction Program are important recognitions of the federal trust responsibility to promote the economic well-being of Native people and demonstrations of successful public-private partnerships between the federal government and Indian Country. As you consider your FY 2015 bill, please urge IHS to reopen solicitations for the JVCP and consider guidance for the Native 8(a) program that confirms congressional intent. I thank you for your continued support of Indian Country and your service to this country, and thank you for giving me an opportunity to address you this morning.