

UNITED STATES HOUSE OF REPRESENTATIVES SUBCOMMITTEE on INDIAN,  
INSULAR, and ALASKA NATIVE AFFAIRS  
April 14, 2015

Hearing on H.R. 329, the Indian Employment, Training, and Related Services Consolidation Act of 2015.

My name is Kenneth Selby, Community Services Director for the Aleutian Pribilof Islands Association (APIA). The Aleutian Pribilof Islands Association, Inc. is a native non-profit organization serving the thirteen federally recognized tribes in the Aleutian and Pribilof Islands, Alaska. Thank you for this opportunity to present testimony in support of H.R. 329, a bill to amend the Indian Employment, Training, and Related Services Demonstration Act of 1992, as amended, Pub. L. No. 102-477, 25 U.S.C. 33401. We greatly appreciate the Committee's attention to this important and long overdue bill, and cannot underestimate the impact this will have on Alaska and the entire United States in terms of increased capacity for tribes and tribal organizations to leverage federal funds for maximum efficiency and to create real jobs in Indian Country.

In addition to my position with APIA where I served as the Director of APIA's P.L. 102-477 Employment and Training Programs and Director of the Human Services Department since inception of the Act and APIA's participation in 1994, I have also served as a member on the National 477 Tribal Work Group, as an executive committee member and as Chair of the Legislative Advocacy Committee. That committee is charged to work with federal partner representatives on behalf of the Tribal Work Group to resolve issues or concerns that arose in implementing, interpreting or requiring operating of a Tribal plan in opposition to federal program opinion or interpretation. I also served as a Tribal Representative member of the Administrative Flexibility Work Group (AFWG).

The Aleutian Pribilof Islands Association, Inc. is a nonprofit regional corporation with thirteen federally recognized tribal members representing the Tribes and communities throughout the Aleutian and Pribilof Islands region in Alaska. Like most Alaska Native communities outside of the few urban centers of Alaska, the communities are remote, separated by great distances, limited to water or air transportation and heavily reliant on local self-sustaining food subsistence and local employment. The Aleutian Pribilof region has vast, natural economically viable resources based in fisheries. However, due to distance, limited transportation and restricted shipping/freight options, the cost of living is extremely high. The highest monthly costs per household are food items and utilities. Unemployment ranges between 13 to 27% (average).

All of our tribal communities rely on some form of federal or state assistance. In terms of job opportunities, improved economic and educational advancement through Employment, Training and Educational services are essential to assist our members in meeting their essential needs and to fulfill their potential for self-sufficiency. See attachment "A."

APIA provides Job Placement and Training, Higher Education, Child Care Development Funds, Native Employment Works, Youth and Adult Workforce Development Services and Activities through our Employment, Training and Related Services approved P.L. 102-477 Tribal Plan.

We also have related programs that serve individuals, families, or households that include Vocational Rehabilitation, Tribal Roads and Low Income Home Energy Assistance Program and Veteran Affairs. Additional programs would be allowed to be integrated through the proposed H.R. 329, inclusion of these new programs and others would greatly enhance programs as they relate to jobs, employment and economic opportunities and most certainly coincide with the purpose and intent of this legislation.

### **How important is the Indian Employment, Training and Related Services legislation to Tribes in Alaska?**

All 229 federally recognized tribes in Alaska have access to the current P.L. 102-477 legislation. Each of the twelve ANCSA not for profit Regional Corporation and eight federally recognized tribes have approved 477 tribal plans. Furthermore, through ANCET (Alaska Coalition on Employment and Training) a statewide entity established in 1984, incorporated in 2002 with a membership of all the 477 participating tribes offers collaboration to maximize the flexibility and diverse range of services and activities each approved tribal plan provides. . For example, ANCET has conducted three accredited 477 caseworker courses through the University of Alaska Fairbanks Humanities Studies curriculum. ANCET sponsors this program to insure the consistence, quality, knowledge of delivering social economic, education, training and related services are of the highest standard.

### **What are the benefits to a participating Tribe this proposed legislation may provide?**

H.R. 329 offers vital changes and additions that will enhance the quality of service to Tribes in accessing economic opportunity, jobs, education and sustainable income. The integration of additional programs through expanding participation by the eight listed U.S. Departments at the discretion of the Secretary is huge. These provisions truly open opportunities to access related programs not previously accessible, but all of which contain employment and training provisions. Furthermore, the language in the Sec. 6 would expand the types of funds to be incorporated to include those received by tribes through competitive process, noncompetitive process or a specific designation and certain block grants.

H.R. 329 contains language that reinforces the original intent and purpose of the Act by integrating like programs, combining funds and simplifying reporting into one common report, as has been so successful for the past over twenty years. Both Houses of Congress and both sides of the aisle have consistently supported the intent, purpose and execution of P.L. 102-477 Act of 1992, recognizing the Act does not require new funding; the Act lessens administrative costs; and the integration of like purpose programs and combination of fiscal resources and a single budget makes common sense and is frugal use of tax payer dollars.

However, over the past decade, the agencies have engaged in limiting practices that interpret the intent and purpose of P.L. 102-477 contrary to its plain intent, therefore requiring new legislation to instill compliance by federal agencies. Significant strengthening of the legislation includes the clarity of funds transfer. The new language creates specific means, timing and statute to avoid future question on how or when funds are to be transferred once the plan is approved.

Section 11 and 14 address expressly prohibit a participating Indian Tribe from reporting on expenditure of funds from an individual fund source or single agency code. Furthermore, the “Single Audit Act of 1984” is clearly referred to establish accounting principles, auditing procedures. These two sections clarify that additional audit reporting on activity that extend or raises audit cost and time are not required.

Sec. 14 also clearly speaks to allowing consolidated program funds to be reallocated and re-budgeted as specified **in approved plan**, putting to rest any objection of use of such program funds as designed in a Tribe’s plan in support of carrying out services and activities.

Section 8 includes language that simplifies and clarifies the Secretary’s role and the plan approval process to alleviate delays that have historically occurred in plan approval.

A new and very needed section on dispute resolution is added in this legislation not previously present in the Act. Section 9 elaborates on the power of the Secretary and rights of the parties to seek judicial remedy in detail. It is intended that these specifics will prevent non-action on disputed approval of plans or aspects of a tribe’s efforts in implementing their plan by federal agencies.

And finally, Sec. 14 (c) Indirect cost allows for a tribe to recover 100 percent of any indirect costs incurred by the tribes as a result of the transfer of funds to the tribe under this Act. Some tribes have chosen not to integrate certain allowed programs into their tribal plan due to specific program statute or regulation capping the percentage of indirect costs, thus prohibiting tribes from fully benefiting from the full range of programs. This section would maximize the ability to leverage funds to provide the most direct services to this very disadvantaged population.

### **What have been some of the barriers to realizing the full potential of the current Indian Employment, Training and Related Services legislation?**

Some federal agencies have been reluctant to embrace the intent and purpose of the legislation, citing lack of accountability for specific program dollars by the participating federal agency transferring program funds into a 477 Tribal Plan. The agency further states that the Act’s authorization to combine the various program funds from an agency creates a situation in which that agency is not able to account for how funds are used per a specific program. The current legislation and the proposed legislation in Section 14 (Administration of funds subsection (2)) clearly speaks to the accountability concern.

“14.(2)(A) Separate records and audits not required. – Notwithstanding any other provision of law (including regulations and circulars of any agency (including Office of Management and Budget Circular A-133)), an Indian tribe that has in place an approved plan under this Act shall not be required – (A) to maintain separate records that trace any service or activity conducted under the approved plan to the program for which the funds were initially authorized or transferred; (B) to allocate expenditures among such a program; or (C) to audit expenditures by the original source of the program.”

This section will resolve the experience of participating tribes that conducting additional auditing of expenditures led to greater audit costs, administrative costs and loss of potential.

The Aleutian Pribilof Islands Association and our thirteen member tribes are grateful for this committee's support for the Indian Employment, Training, and Related Services Consolidation Act. We urge immediate passage of this Bill, and stand ready to work with the Committee to assist in any way that we can to make that happen.

Thank you for this opportunity to address H.R. 329.

ALEUTIAN PRIBILOF ISLANDS ASSOCIATION, INC.  
477 PROGRAM RESULTS – 2014

Employment Objectives met	21
Entered Unsubsidized Employment	2
Received Child Care	4
Met Employment/Educational Goal	10
Economic/Job Creation	
Jobs Created	20*
New Employees	20
Businesses Assisted	30*
Total Served	57

\*Jobs created and businesses assisted are not included in total served.