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Committee on Natural Resources
Subcommittee on Indian and Insular Affairs

Advancing Tribal Self-Determination: Examining the opportunities and challenges of the 477 Program

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Chair Hageman and Members of the Committee, thank you for the opportunity to provide testimony for this important hearing on the 477 Program. I have had the privilege to serve as President and CEO of Cook Inlet Tribal Council (CITC) for 30 years, during the entirety of which CITC has successfully operated a 477 Plan integrating our employment and training and supportive services with our holistic, wraparound comprehensive services that connect individuals and families to life-changing self-determination.

CITC BACKGROUND:

CITC serves as the primary education and workforce development center for Alaska Native and American Indian (AN/AI) people in the Anchorage area. Approximately 70,000 AN/AI people – more than 40% of Alaska's total AN/AI population – live in the Cook Inlet region. In Anchorage alone, the Native population is almost 40,000. CITC serves any AN/AI person looking for services, regardless of their Tribal affiliation or original home areas.

Currently, CITC provides services to its participants via five core departments: Alaska's People (AKP), Child and Family Services (CFS) (child welfare social services), Employment and Training Services Department (ETSD), Recovery and Reentry Services (RS), and Youth Empowerment Services (YES) (including K-12 education support, after school and summer programs and workforce development). Additionally, two CITC affiliates contribute significantly to CITC's mission: Clare Swan Early Learning Center, providing Early Head Start/child care, and the Alaska Native Justice Center, which provides legal representation and advocacy for victims and survivors of sexual assault, domestic violence, human trafficking, and other crime and offers Tribal justice assistance, represents Tribes in ICWA cases being heard in Southcentral Alaska state courts and training and technical assistance for Tribal ICWA Workers.

As one of the nation's preeminent culturally responsive social service organizations, CITC offers programs that serve approximately 12,000 AN/AI people yearly, many of whom have come to recognize CITC as a community locus for assistance, support, and connection. A vital component of those services is CITC's role as the sole Tribal TANF provider in Anchorage and the Mat-Su Valley, which has been a tremendous success in moving people from cash assistance to work largely because it is incorporated into the Employment and Training Services Department and CITC's 477 Plan.

Employment and Training Services Department (ETSD)

Under CITC's 477 Plan, the Employment and Training Services Department (ETSD) assists Alaska Native and American Indian (AN/AI) participants in achieving self-sufficiency and finding meaningful, sustainable employment. As part of its comprehensive, wraparound Tribal TANF services incorporated in CITC's 477 Plan, CITC provides life skills development, access to education and treatment, childcare support, and case management between CITC and other service agencies.

Because TANF is a component of CITC's 477 Plan, fully integrated training services lead participants to vocational development and apprenticeship programs in various industries for highly skilled and in-demand occupations, including healthcare. Specifically, CITC's 477 Plan offers services that include:

- Adult Financial Assistance: temporary cash assistance and case management to Alaska Native/American Indian individuals and their families for paying bills, buying food, and making rent/mortgage payments, among other household expenses;
- Family Cash Assistance (TANF): temporary cash assistance for Native families with children. Qualifying families participate in career planning, training, and educational services, including the support services they need in their journey to self-sufficiency: childcare, transportation assistance, interview practice, and required funds for work clothes, tools, and other related supplies;
- Employment Assistance: support and resources designed to provide job seekers with the help needed to overcome challenges, improve their well-being, and achieve professional goals, including transportation assistance, interview and work clothing, tools, and other related expenses associated with obtaining, maintaining, and advancing their careers);
- Adult Education: fundamental math, reading, and writing skills while preparing for GED testing. Paired with CITC's GED Preparation program, individuals can improve and refresh their academic skills with tutoring support while earning a high school diploma, leading to better employment and increased wages. ETSD also offers workshops on life skills and workplace competencies. For many skills gained, participants earn digital badges, a recognized validation of training that can be included on resumes and job applications;
- Supported Employment: participants gain work and volunteer experience to increase their marketable job skills, build resumes and cover letters, and obtain full-time, non-subsidized employment after an initial training period;
- Vocational Rehabilitation: the program assists AN/AI individuals with disabilities to gain and maintain meaningful employment;
- Vocational Training Grants: multiple grants to help individuals pursuing training in various industries, including transportation, construction, automotive maintenance, welding, administration, healthcare, information technology, childcare, and more;
- Childcare Assistance: financial support for families needing childcare services for children under 13 while parents participate in employment, training, or educational activities. For parents visiting CITC's Nat'uh service center, the Nahtsahda Childcare Center offers on-site, drop-in care, which allows parents to concentrate on employment, education, or treatment activities while on the CITC campus;
- Youth Services: support with academics, life skills classes, case management, finding employment, and developing leadership skills for young Alaskans ages 14-24. The team also supports youth ages 12 and under with social and cultural activities and referrals for other needs;
- For work-ready people, CITC offers employment placement and referrals, career and job counseling, recruitment services for partner organizations, and access to a full-service career development center and staffed computer lab.

Other supportive services such as the Community Services Block Grant and Low Income Heating and Energy Assistance assist CITC's 477 participants in achieving their long term self-sufficiency goals. Additionally, the Tribal Training Grant helps fund short-term vocational training for needed job enhancement or to gain employment, and Native American Career & Technical Education

Program (NACTEP) provides short-term vocational training for highly skilled and in-demand occupations. CITC also offers opportunities in quickly growing fields such as the health profession in meaningful career ladder progress.

FY 23 Impacts:

- Assisted 633 participants with personal and professional life skills classes.
- Enrolled 154 individuals in vocational and healthcare training.
- Provided childcare assistance to 199 families to support employment and education-related activities and served 306 children.
- Served 299 participants with utility assistance and six households with weatherization support.
- Served 347 youth with case management, supported employment, and supportive services with 95 subsidized youth employment placements and 69 youth entered unsubsidized employment.
- Met yearly successful participant closure rates for employment services for individuals with disabilities.
- Provided supportive services to support participants in employment to 786 individuals.
- Increased average hourly wage of participants by \$12.86.

OVERALL 477 PROGRAM BENEFITS:

The 477 Program is a critical federal initiative designed to reduce administrative burdens and support Tribal Self-Determination by allowing Tribes and Tribal Organizations to integrate multiple federally-supported Tribal programs into a single program governed by a single 477 Plan approved by the Department of the Interior (DOI). In turn, the Tribe or Tribal Organization reports back on an annual basis using a single consolidated reporting form. When allowed to function as Congress intended, the 477 Program has been a model of success that we hope will be emulated and expanded across federal programs. In particular, eleven of twelve regions in Alaska and several Federally Recognized Tribes account for nearly half of the 477 Tribe and Tribal organization plans, and provide significant opportunity to leverage federal resources and programs in this very remote and hard to serve region. However, there are still a few issues in implementation that must be noted for the Committee.

OPPORTUNITIES

Expansion of Self Determination and Administrative Flexibility: DOI, and its Division of Workforce Development (DWD), has over the last year or so stepped fully into its role as Lead Agency under the 477 statute, as amended, and the more recently finalized 2023 MOA. DWD has supported Tribes and Tribal Organizations through the Plan approval and amendment processes as more Tribes join the Program and more programs are integrated, interfaced appropriately with the other federal agencies, and stood up for implementation of the 477 law as written and intended by Congress. Unfortunately, there is more work for that Office to do than can be done with the current resources available. CITC urges the Committee to work with its colleagues on the Appropriations Committee to provide additional resources to be used toward these goals.

In addition, CITC is happy to inform the Committee that, after many, many years of effort, its Tribal Vocational Rehabilitation and other Education programs as well as Low Income Heat and Energy Program have finally been integrated into its 477 Plan. In addition, more and more programs have been integrated under other Tribes' and Tribal organizations' 477 Plans, including recently the

Department of Health and Human Services (HHS) Family Violence Prevention and Services Program (FVPSA), and the Department of Justice (DOJ) Victims of Crime Act Tribal Victims Services Set-Aside Program (TVSSA) and Office on Violence Against Women Grants to Tribal Governments Program (GTG). Integration of these programs into 477 Plans will allow Tribes and Tribal Organizations to provide comprehensive services that support the goals of both the underlying programs and the 477 Initiative as a whole.

As a final note, CITC calls the Committee's attention to "The Way Forward: Report of the Alyce Spotted Bear and Walter Soboleff Commission on Native Children," for which CITC's CEO and President served as Chair. Recommendations throughout the report reference the importance and success of braiding and consolidating funding and programs to benefit Native children and youth and improve their outcomes. In particular, Recommendation 25 specifically addresses the benefits of 477 and the importance of expanding its reach, and calls for increased funding to accomplish these goals.

Reduction in Reporting Burdens: Another positive development has been the overall reduction in reporting burden imposed on Tribes and Tribal organizations that are operating 477 Plans. If a Tribe were to operate each of the 44 federal programs currently integrated under a 477 Plan independently, for example, that Tribe would be required to provide at least 153 different individual reports. Under 477, that burden is reduced to a single three-component annual report and the resources that would have otherwise gone to developing each of those individual reports can instead be used to provide services to the community. The current 477 annual report form will expire in November, 2024 and a federal/Tribal work group is currently working on a simplified cumulative report. CITC supports the Federal/Tribal work group in that process, which worked very well the last time the reporting forms were modified.

Simplified Grant Renewal Processes: On a similar note, some agencies have embraced a simplified grant renewal process for programs that have been integrated under a 477 Plan. Tribal grantees understand that to include a grant within 477 Plan, the Tribe must apply for that grant. Certain agencies have acknowledged possible inclusion in a 477 Plan and provide specific instructions or even a simplified path for Tribes or Tribal Organizations to move forward as they apply to renew their grants. Some examples include the Department of Labor's Workforce Innovation and Opportunity Act (WIOA) Program, and HHS' Community Services Block Grant (CSBG) Program. CITC supports these efforts and hopes that other agencies will consistently apply this flexibility.

CHALLENGES

Unlawful Holding of Funds by DOJ: As noted earlier, following the 477 statute, BIA recently approved a Tribe's 477 Plan amendment to integrate DOJ's TVSSA and GTG programs. This should have been straightforward, as those programs are clearly able to be integrated because the Tribe proposed to implement those programs "for the purpose of job training, [job] skill development, assisting Indian youth and adults to succeed in the workforce, and encouraging self-sufficiency," as well as "services related to th[ose] activities" under 25 U.S.C. § 3404(a)(1). During the plan review process, DOJ disagreed with the integration of these programs, under the view that Tribes may only integrate programs that are specifically authorized for employment and training. Congress explicitly rejected that view in developing the 2017 amendments to the 477 statute (in fact, that was one of the main purposes of the 2017 amendments), and the affected federal agencies did as well in the 2023 MOA. DOJ then took the position (happily reversed prior to the legislative hearing)

that it can refuse to transfer the funds even though the plan amendment has been approved. This is flatly contrary to the 477 statute's funds transfer requirements,¹ and if allowed to stand, would undermine both the 477 Program and this Committee's work in developing those funds transfer requirements.

Delayed Funds Transfers: There also remains a significant problem with certain agencies and programs transferring funds to BIA to be passed on to Tribes and Tribal Organizations operating 477 Programs. For example, one Tribal Organization has been waiting for funds from the Department of Commerce's Minority Business Development Agency for more than a year. Similarly, Tribes and Tribal Organizations waiting for Bureau of Indian Education funds have been delayed by nearly two years.

Frequency of TANF reporting: The Office of Family Assistance (OFA) has insisted on a quarterly reporting requirement for Tribes and Tribal organizations receiving TANF funds through their 477 Plans, though it is clear that 477, as amended, requires only one consolidated annual report for all programs; therefore, TANF data should be included when the tribal program does its annual reporting, whether on the federal fiscal year or in line with the period cycle. It appears that OFA may have decided to allow for annual reporting, and CITC looks forward to that change. If not, this has been a serious and recurring issue for Tribes and Tribal organizations that include TANF in their 477 Plans, and OFA should be instructed to require only one annual report as required by the legislation. In fact, no waiver is required because the language of the 477 amendment makes clear that only one report is required.

CITC strongly urges the Committee to ensure that the TANF program continues to receive reports in the integrated statistical report developed by the federal agencies in conjunction with the 477 Tribal Workgroup. That report contains all of the necessary information and keeps TANF in alignment with the requirements of the 477 legislation as amended. As OFA is aware, that statute provides that "Notwithstanding any other provision of law," only one report is required, and separate accounting of individual programs within a 477 Plan is not consistent with that Congressional direction.

CITC has the evidence as described above to show that the fully integrated approach is the most successful way to move people from cash assistance to unsubsidized work, reflecting the eloquent comment made at the consultation, "these are 477 clients, not TANF clients." OFA and Tribal TANF programs have the same goal: helping people to become self-sufficient, and the integration of services and braided funding that 477 allows makes that a reality.

Misunderstanding of the Waiver Process and Opportunity: Requests for waiver under the 477 legislation as amended allow the federal departments to waive both *regulatory and statutory* provisions as long as they are not in opposition to the underlying program requirements. Therefore, merely stating that a law requires quarterly reporting, for example, does not follow the opportunity of the 477 waiver process (and in fact, as described above, waiver should not even be necessary for reporting beyond the annual report per the legislation)—the analysis must be more open to lessening of administrative burden contemplated by the law; agency interpretation of allowable waivers must be more flexible in order to fulfill the statutory requirement to grant waivers unless in opposition to the underlying program goals and purpose.

¹ 25 U.S.C. § 3411(a)(2) and 25 U.S.C. § 3413(a)(1)(B).

Unlawful Meddling in Tribal Hires: Citing to the 2 CFR Part 200 Uniform Guidance regulations, some federal agencies, such as the Department of Education, have been requiring federal approval for personnel decisions made by Tribes and Tribal organizations operating pursuant to a 477 Plan. This is contrary to both the letter and spirit of the 477 statute, and nothing in the Part 200 regulations allows or requires this action.

Inconsistent Compliance Supplement. The May 2023 OMB Compliance Supplement has detailed requirements regarding the investment of 477 funds. However, 25 U.S.C. § 3413(g)(2) requires only that those funds are “managed in accordance with the prudent investment standard.” OMB should update the compliance report to be consistent with the statute and remove any additional requirements.

CONCLUSION

If its full potential is realized, PL102-477 provides an unparalleled opportunity to streamline funding and programs for the maximum benefit to American Indian and Alaska Native people. Thank you for your oversight and attention to making this possibility a reality, and for the opportunity to provide this testimony.