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ABSTRACT

This report documents statements from Senators, agency representatives, and tribal representatives concerning Senate bill S. 1530. The purposes of S. 1530 are to demonstrate how Indian tribal governments can integrate the employment, training and related services they provide in order to improve the effectiveness of those services, reduce joblessness in Indian communities and serve tribally-determined goals consistent with the policy of self-determination. Proponents among the witnesses saw the bill as a means to circumvent the bureaucracy involved in administering programs for Indians. Opponents claimed that the bill is unnecessary. The Department of Education spokesman stated that the America 2000 Excellence in Education Act accomplishes the same goal and is a preferable approach to the problem. Witnesses for the Small Business Administration (SBA) expressed the belief that there are no legal barriers to the SBA providing its programs to Indians in conjunction with other agencies. Many representatives expressed concern that the bill would eliminate Indian Summer Youth Programs. Others advocated filling federal positions with Indians. The document contains the text of S. 1530 and transcripts of statements made by all those appearing before the committees. The appendix contains prepared statements in their entirety and letters submitted for the record.

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RC

S. HRG. 102-428

INDIAN EMPLOYMENT TRAINING AND RELATED SERVICES DEMONSTRATION ACT OF 1991

ED344720

JOINT HEARING

BEFORE THE

SELECT COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE

AND THE

COMMITTEE ON LABOR AND HUMAN RESOURCES,
SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY

ONE HUNDRED SECOND CONGRESS

FIRST SESSION

ON

S. 1530

TO AUTHORIZE THE INTEGRATION OF EMPLOYMENT, TRAINING AND RELATED SERVICES PROVIDED BY INDIAN TRIBES

JULY 25, 1991
WASHINGTON, DC

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INDIAN EMPLOYMENT TRAINING AND RELATED SERVICES DEMONSTRATION ACT OF 1991

THURSDAY, JULY 25, 1991

U.S. SENATE,
U.S. SENATE, SELECT COMMITTEE ON INDIAN AFFAIRS,
MEETING JOINTLY WITH THE COMMITTEE ON LABOR AND
HUMAN RESOURCES, SUBCOMMITTEE ON EMPLOYMENT
AND PRODUCTIVITY,

Washington, DC.

The committees met, pursuant to notice, at 2:05 p.m. in room 485, Russell Senate Office Building, Hon. Daniel K. Inouye (chairman of the Select Committee on Indian Affairs) presiding.

Present: Senators Inouye, Cochran, Simon, Domenici, McCain, Conrad, and Murkowski.

STATEMENT OF HON. DANIEL K. INOUE, U.S. SENATOR FROM HAWAII, CHAIRMAN, SELECT COMMITTEE ON INDIAN AFFAIRS

The CHAIRMAN. Today the Select Committee on Indian Affairs will consider S. 1530, the Indian Training and Related Services Demonstration Act of 1991, which was introduced by my esteemed colleague, Senator Simon, and nine other senators who are cosponsors of this bill.

S. 1530 will allow tribal governments to integrate their training and employment programs into a single program. Currently, the Departments of the Interior, Labor, Education, Health and Human Services, and the Small Business Administration each have some kind of tribal training and employment program. The problem tribal governments face in administering these is the myriad of rules and regulations that accompany each program. Grant budgeting, cost classification systems, and accounting procedures all vary significantly despite supposedly uniform Office of Management and Budget requirements.

For example, while the Job Training Partnership Act operates on a program year, most jobs operate on a fiscal year basis. The ability of tribes to integrate their Job Training Partnership programs, their jobs programs, their vocational education, and the BIA employment and training programs is essential, especially for small tribes that receive very small funding allocations.

(1)

In many cases these allocations are too small to permit the operations of the programs independently of one another. The objective of this measure is to assist tribal governments to streamline Federal agency rules and regulations for greater program efficiency and to afford tribal governments a greater degree of flexibility in shaping employment and job training programs to meet the unique needs of their reservation communities.

102D CONGRESS
1ST SESSION

S. 1530

To authorize the integration of employment, training and related services provided by Indian tribes.

IN THE SENATE OF THE UNITED STATES

JULY 23 (legislative day, JULY 8), 1991

Mr. SIMON (for himself, Mr. INOUE, Mr. AKAKA, Mr. MURKOWSKI, Mr. BURDICK, Mr. CONRAD, Mr. DASCHLE, Mr. DECONCINI, Mr. DOMENICI, and Mr. REID) introduced the following bill; which was read twice and referred to the Select Committee on Indian Affairs

A BILL

To authorize the integration of employment, training and related services provided by Indian tribes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Indian Employment,
5 Training and Related Services Demonstration Act of
6 1991".

7 **SEC. 2. STATEMENT OF PURPOSE.**

8 The purposes of this Act are to demonstrate how In-
9 dian tribal governments can integrate the employment,

1 training and related services they provide in order to im-
2 prove the effectiveness of those services, reduce joblessness
3 in Indian communities and serve tribally-determined goals
4 consistent with the policy of self-determination.

5 **SEC. 3. DEFINITIONS.**

6 For the purposes of this Act, the following definitions
7 apply:

8 (1) INDIAN TRIBE.—The terms “Indian tribe”
9 or “tribe” shall have the same meaning as in section
10 4(e) of the Indian Self-Determination and Education
11 Assistance Act.

12 (2) INDIAN.—The term “Indian” shall have the
13 same meaning as in section 4(d) of the Indian Self-
14 Determination and Education Assistance Act.

15 (3) SECRETARY.—Except where otherwise pro-
16 vided, the term “Secretary” means the Secretary of
17 the Interior.

18 **SEC. 4. INTEGRATION OF SERVICES AUTHORIZED.**

19 The Secretary of the Interior, in cooperation with the
20 appropriate Secretary of Labor, Secretary of Health and
21 Human Services, or the Secretary of Education, shall,
22 upon the receipt of a plan acceptable to the Secretary of
23 the Interior submitted by an Indian tribal government, au-
24 thorize the tribal government to consolidate, in accordance
25 with such plan, its federally funded employment, training

1 and related services programs in a manner that integrates
2 the program services involved into a single, coordinated,
3 comprehensive program and reduces administrative costs
4 by consolidating administrative functions.

5 **SEC. 5. PROGRAMS AFFECTED.**

6 The programs that may be integrated in a demon-
7 stration project under any such plan referred to in section
8 4 shall include, but are not limited to, programs author-
9 ized under the Job Training Partnership Act, the job op-
10 portunities and basic skills program under the Family
11 Support Act of 1988, vocational education programs
12 under the Carl D. Perkins Vocational Educational Act,
13 and programs administered by the Secretary generally re-
14 ferred to as the "tribal work experience program" and the
15 "employment assistance program".

16 **SEC. 6. PLAN REQUIREMENTS.**

17 For a plan to be acceptable pursuant to section 4,
18 it shall—

- 19 (1) identify the programs to be integrated;
- 20 (2) be consistent with the purposes of this Act
21 authorizing the services to be integrated in a demon-
22 stration project;
- 23 (3) describe a comprehensive strategy which
24 identifies the full range of potential employment op-
25 portunities on and near the tribal government's serv-

1 ice area, and the education, training and related
2 services to be provided to assist Indian workers to
3 access those employment opportunities;

4 (4) describe the way in which services are to be
5 integrated and delivered and the results expected
6 from the plan;

7 (5) identify the projected expenditures under
8 the plan in a single budget;

9 (6) identify the agency or agencies of the tribal
10 government to be involved in the delivery of the serv-
11 ices integrated under the plan;

12 (7) identify any statutory provisions, regula-
13 tions, policies, or procedures that the tribal govern-
14 ment believes need to be waived in order to imple-
15 ment its plan; and

16 (8) be approved by the governing body of the
17 affected tribe.

18 **SEC. 7. PLAN REVIEW.**

19 Upon receipt of the plan from a tribal government,
20 the Secretary of the Interior shall consult with the Secre-
21 tary of each Federal department providing funds to be
22 used to implement the plan, and with the tribal govern-
23 ment submitting the plan. The parties so consulting shall
24 identify any waivers of statutory requirements or of Fed-
25 eral departmental regulations, policies, or procedures nec-

1 essary to enable the tribal government to implement its
2 plan. Notwithstanding any other provision law, the Secre-
3 tary of the affected department shall have the authority
4 to waive any regulation, policy, or procedure promulgated
5 by that department that has been so identified by such
6 tribal government or department, unless the Secretary of
7 the affected department determines that such a waiver is
8 inconsistent with the purposes of this Act. Notwithstand-
9 ing any other provision of law, the affected Secretary shall
10 also have the authority to waive any statutory provisions
11 so identified. Further, in carrying out their responsibilities
12 under this section, the Secretary of the Interior, Secretary
13 of Labor, Secretary of Health and Human Services, and
14 Secretary of Education shall interpret Federal laws in a
15 manner that will facilitate the accomplishment of the pur-
16 poses of this Act.

17 **SEC. 8. PLAN APPROVAL.**

18 Within 90 days of the receipt of a tribal government's
19 plan by the Secretary, the Secretary shall inform the tribal
20 government, in writing, of the Secretary's approval or dis-
21 approval of the plan. If the plan is disapproved, the tribal
22 government shall be informed, in writing, of the reasons
23 for the disapproval and shall be given an opportunity to
24 amend its plan or to petition the Secretary to reconsider
25 such disapproval.

1 **SEC. 9. JOB CREATION ACTIVITIES AUTHORIZED.**

2 The plan submitted by a tribal government may in-
3 volve the expenditure of funds for the creation of employ-
4 ment opportunities and for the development of the eco-
5 nomic resources of the tribal government or of individual
6 Indian people if such expenditures are consistent with an
7 overall tribal economic development strategy which has a
8 reasonable likelihood of success.

9 **SEC. 10. PRIVATE SECTOR TRAINING PLACEMENTS.**

10 Notwithstanding any other provision of law, a tribal
11 government participating in a demonstration program
12 under this Act is authorized to utilize funds available
13 under such plan to place participants in training positions
14 with private employers and pay such participants a train-
15 ing allowance or wage for a period not to exceed 12
16 months, if the tribal government obtains a written agree-
17 ment from the private employer to provide on-the-job
18 training to such participants and to guarantee permanent
19 employment to the participants upon satisfactory comple-
20 tion of the training period.

21 **SEC. 11. FEDERAL RESPONSIBILITIES.**

22 Within 180 days following the date of enactment of
23 this Act, the Secretary of the Interior, the Secretary of
24 Labor, the Secretary of Health and Human Services and
25 the Secretary of Education shall enter into an interdepart-
26 mental memorandum of agreement providing for the im-

1 plementation of the demonstration projects authorized
2 under this Act. The lead agency for a demonstration pro-
3 gram under this Act shall be the Office of Self-Governance
4 in the Office of the Assistant Secretary for Indian Affairs,
5 Department of the Interior, unless a tribal government re-
6 quests that another office, including a Federal department
7 or agency other than the Department of the Interior, serve
8 as the lead agency for that tribal government's demonstra-
9 tion project. The responsibilities of the lead agency shall
10 include--

11 (1) the use of a single report format related to
12 the plan for the individual project which shall be
13 used by a tribal government to report on the activi-
14 ties undertaken under the project;

15 (2) the use of a single report format related to
16 the projected expenditures for the individual project
17 which shall be used by a tribal government to report
18 on all project expenditures;

19 (3) the development of a single system of Fed-
20 eral oversight for the project, which shall be imple-
21 mented by the lead agency; and

22 (4) the provision of technical assistance to a
23 tribal government appropriate to the project, except
24 that a tribal government shall have the authority to

1 accept or reject the plan for providing such technical
2 assistance and the technical assistance provider.

3 **SEC. 12. NO REDUCTION IN AMOUNTS.**

4 In no case shall the amount of Federal funds avail-
5 able to a tribal government involved in any demonstration
6 project be reduced as a result of the enactment of this
7 Act.

8 **SEC. 13. INTERAGENCY FUND TRANSFERS AUTHORIZED.**

9 The Secretary of the Interior, Secretary of Labor,
10 Secretary of Health and Human Services, or the Secretary
11 of Education, as appropriate, is authorized to take such
12 action as may be necessary to provide for an interagency
13 transfer of funds otherwise available to a tribal govern-
14 ment in order to further the purposes of this Act.

15 **SEC. 14. FISCAL ACCOUNTABILITY.**

16 Nothing in this Act shall be construed so as to inter-
17 fere with the ability of the Secretary or the lead agency
18 to fulfill the responsibilities for the safeguarding of Feder-
19 al funds pursuant to the Single Audit Act of 1984.

20 **SEC. 15. FUNDS AUTHORIZED FOR TRAINING RELATED TO**
21 **INDIAN ROAD CONSTRUCTION.**

22 In expending moneys allocated for Indian road con-
23 struction programs, the Secretary of the Interior shall ex-
24 pend an amount equal to one quarter of one percent of

1 the amount so allocated to train Indians for employment
2 on road construction projects.

3 **SEC. 16. REPORT ON STATUTORY OBSTACLES TO PROGRAM**
4 **INTEGRATION.**

5 Within one year of the date of enactment of this Act,
6 the Secretary shall submit a report to the Select Commit-
7 tee on Indian Affairs of the Senate and the Committee
8 on Interior and Insular Affairs of the House of Represent-
9 atives on the implementation of the demonstration pro-
10 gram authorized in this Act. Such report shall identify
11 statutory barriers to the ability of tribal governments to
12 more effectively integrate their employment, training, and
13 related services in a manner consistent with the purposes
14 of this Act.

The CHAIRMAN. I am extremely pleased that this is a joint hearing and by prior arrangement the hearing will be conducted by the author of this measure, the Senator from Illinois, Senator Simon.

STATEMENT OF HON. PAUL SIMON, U.S. SENATOR FROM ILLINOIS

Senator SIMON [ASSUMING CHAIR]. Thank you very much, Mr. Chairman. Let me, before you leave, just say I am a brand new, freshman member of this Select Committee on Indian Affairs. Senator Inouye has just been absolutely stellar in his leadership. I am honored to work with and serve with you and pleased to be with you.

When you have served here, I might add, you see the handle on that gavel is a little different here.

Let me just say by way of background, unemployment is a problem in pockets throughout the nation. There is no greater place where we have this problem than where Native Americans live on the reservations. If we can work out something that simplifies the procedures and provides jobs for people who are now unemployed, and can do it on the reservations, maybe we can learn something about what can be done also in Chicago and New York City, and elsewhere in this nation. I will insert my whole statement in the record. I won't bother doing that right now.

We have a statement from Senator Bingaman that we want to insert in the record here also.

[Prepared statements of Senators Simon and Bingaman appear in appendix.]

Senator SIMON. We are very pleased to have as our first panel Dave Matheson, Deputy Commissioner, BIA; Mitchell Stanley, Associate Deputy Administrator for Finance, Investment and Procurement, of the SBA. We are pleased to have both of you. Can you identify the people who are with you?

Mr. MATHESON. Yes, sir; I am Dave Matheson, with me today is Ron Eden, Director of Tribal Services for the BIA.

Senator SIMON. Before I forget it, Mr. Matheson, we talked by phone about an Indian tribe; Comanches, Kiowas, and Apaches; that needed an answer. You got fast action for us and they were able to provide jobs for a lot of people. We appreciate that.

Mr. Stanley.

Mr. STANLEY. Mr. Chairman, I'm Mitchell Stanley. I'm Associate Deputy Administrator for Finance, Investment and Procurement. With me today is Charles Mezger, who is our Acting Coordinator for Native American Affairs at the Small Business Administration.

Senator SIMON. Okay. Mr. Matheson, we will hear from you first.

**STATEMENT OF DAVE MATHESON, DEPUTY COMMISSIONER, BIA,
ACCOMPANIED BY RON EDEN, DIRECTOR OF TRIBAL SERVICES, BIA**

Mr. MATHESON. Thank you and good afternoon Mr. Chairmen and members of the committees. I am pleased to be able to discuss employment on Indian Reservations. Coming from the Couer D'Alene Indian Reservation in Idaho myself, and serving as a tribal official, in that capacity, I know that when tribal members, like all other people of the world, have a reason to have hope in

the future, and they are allowed an able and meaningful and productive life through gainful employment, they feel better about themselves. The economy of the reservation would then take care of itself. People would be able to provide for their own families and their own children. I think like any other community that would be plagued with the kind of unemployment that affects Indian reservations, we would see the kind of social problems that plague Indian reservations—alcoholism, drug abuse, family abuse, and the like—reduced. We look forward to working with you in solving many of these problems.

Unemployment on reservations ranges from 40 percent on some reservations to 90 percent on others. This is about 10 times the national average. In many instances there are obstacles to employment that are beyond the control of tribes. First is the often isolated geographical location of reservations with inadequate transportation systems. Other obstacles include jurisdictional disputes between States and residents of trust lands which create problems in law enforcement, gaming enterprises, and subsequent tax disputes. In addition, tribal sovereign immunity and lack of collateral make securing moneys from the private sector for initiating programs that would provide work opportunities on reservations extremely difficult.

The BIA's major training program is Employment Assistance. This program has two functions—adult vocational training and direct employment services. Unemployed and under-employed adult Indians who reside on or near Indian reservations seeking permanent employment are eligible to receive job placement and supportive service grants from the direct employment program.

The BIA's Tribal Work Experience Program, called TWEP, and the Employment Assistance Readiness Net, called EARN, are programs designed to provide Indian clients with the services and skills needed to overcome poverty and long-term dependence on general assistance. The BIA is currently working with the Administration for Children and Families within the Department of Health and Human Services to develop a technical working group to determine where common issues pertaining to training and employment can be coordinated. We would be willing to continue this kind of cooperation and would be willing to work with the Committees and other government agencies and with the tribes to study the factors that are perceived to be obstacles in coordinating the program.

This concludes my summary. I would be happy to answer any questions from the members of the Committees.

[Prepared statement of Mr. Matheson appears in appendix.]

Senator SIMON. Before we hear from Mr. Stanley, do you have any opening statement or any comment you wish to make, Senator Reid?

Senator REID. I appreciate that very much, Senator Simon. No, I'm here, even though I don't have a lot of time, to lend support. I think you have been one of the leaders, ever since I've been in Congress, on employments problems that we have. I think it's great that you focused on Native Americans to lend the expertise you have developed. This is a great program and I support you.

Senator SIMON. Thank you very, very much, Senator Reid. Mr. Stanley.

STATEMENT OF MITCHELL F. STANLEY, ASSOCIATE DEPUTY ADMINISTRATOR, FINANCE, INVESTMENT AND PROCUREMENT, SMALL BUSINESS ADMINISTRATION, ACCOMPANIED BY CHARLES MEZGER, ACTING COORDINATOR, NATIVE AMERICAN AFFAIRS, SMALL BUSINESS ADMINISTRATION

Mr. STANLEY. Thank you very much, Mr. Chairman. I am Mitchell F. Stanley, Associate Deputy Administrator for Finance, Investment and Procurement of the Small Business Administration. On behalf of SBA's administrator, Patricia Saiki, I would like to thank for the opportunity to appear before these committees today to testify on integrating the employment, training, and related services provided by Indian tribes. As I mentioned earlier, I am accompanied by Charles Mezger, who is our Acting Coordinator for Native American Affairs.

I want to begin my testimony by describing what we have been doing at the Small Business Administration to assist Native Americans. Of course, as you know, our new Administrator, who is a native of Hawaii, has a special empathy for the problems faced by Native Americans. She has already created at SBA a focal point for Native American concerns by appointing Mr. Mezger as the Acting Coordinator for Native American Affairs. He will serve in that capacity until we complete a nationwide search for the best qualified person to permanently fill the position.

SBA has a number of special initiatives underway that we feel will lay the groundwork for progress in the future. For example, our Minority Small Business Program, generally known as the 8(a) Program, is designed to develop and promote business ownership by socially and economically disadvantaged individuals. We note with pride that it was two tribally-owned 8(a) firms which provided critical battlefield equipment for use by America's troops in the Middle East during the recent Desert Storm campaign.

As you are aware, Public Laws 100-656 and 101-574 mandated a number of changes to the 8(a) Program for the benefit of small business concerns owned and controlled by Indian tribes, including Alaska Native Corporations. Indian tribes may now own more than one 8(a) concern, so long as the concerns are in different industries. In addition, the manager of a tribally-owned concern may now manage more than one 8(a) firm.

One key change allows a tribally-owned 8(a) concern to enter into joint ventures with a large business to perform 8(a) contracts. To make it easier for tribally-owned firms to participate in our 8(a) program, SBA no longer requires that a tribally-owned entity be managed by a member of the owning tribe. Instead, the manager may be a member of any economically disadvantaged Indian tribe.

SBA, through its district offices and outside resources, provides technical and management counseling and training on or near Indian reservations. Our Small Business Development Center program, with its nationwide network of over 750 centers, is well positioned to deliver the training, counseling, and technical assistance needed to energize economic development in Native American com-

munities. The SBDC network last year provided business counseling to over 2,000 Native Americans. This year for the first time, SBA is requiring that all SBDC's emphasize assistance to Native Americans.

Two of our programs will continue to play an important role in providing counseling and training to Native American small businesses. Those being the Service Corps of Retired Executives [SCORE] and the Small Business Institutes. SCORE volunteers, with expertise in specialized areas, provide free business counseling and training. SBI teams of highly qualified university students, under the guidance of a faculty member, provide intensive management counseling. In the past year SCORE and SBI staff provided counseling to nearly 4,000 Native Americans.

In addition, our Office of Veteran's Affairs is working with the BIA to co-host two workshops in South Dakota for Indian veterans. The workshops will be held in September on the Pine Ridge Oglala Sioux Reservation and the Cheyenne Reservation in Eagle Butte. Topics covered will include business plan preparation, sources of financing, marketing, and legal aspects of going into business.

In February of this year SBA and the BIA signed an agreement that calls for the two agencies to work together to encourage business ownership by Native Americans. To assist the BIA in training its credit officers, SBA has made special provisions to make available its highly regarded intensive loan officer training course to BIA employees. In fact, 10 BIA employee credit officers are already attending the SBA training and we are scheduling additional training nationwide.

I have just described a variety of SBA business development programs that would complement the human resources development programs in the proposed bill. SBA's programs encourage entrepreneurship by providing management and technical training and counseling to business owners and potential business owners by creating financing opportunities for entrepreneurs.

As recently as yesterday, our administrator reaffirmed to SBA's national management the agency's traditional and compelling mission, that being to help people who aspire to get into business and stay in business and expand their business, and thereby join the 98 percent of all businesses in American which are considered small.

We believe that there are no statutory or other legal barriers to SBA providing its programs to Indians in conjunction with the Department of Health and Human Services, the Department of Labor, the BIA, and other agencies. SBA has expertise in business related training and counseling and SBA could provide these services concurrently with its human resources development service of other agencies in a combined effort to facilitate entrepreneurship on Indian reservations.

I am pleased to have been able to provide this report to you today. We are proud of the projects already underway. We are excited about the new initiatives which will begin in the year ahead.

Thank you.

[Prepared statement of Mr. Stanley appears in appendix.]

Senator SIMON. Thank you very much. We are pleased to be joined by Senator Domenici. Do you have any opening comments here?

Senator DOMENICI. I am fearful that we won't have enough time. When I get to my questions, I'll make an observation.

Senator SIMON. Okay. If I may ask both of you if you have had a chance to look at the legislation that is pending.

Mr. STANLEY. Yes, sir; in its current form.

Senator SIMON. With that, if I may ask you first, would that present any problems to the SBA?

Mr. STANLEY. No, sir; we don't feel it will. We are hoping to do as much as we can within the framework of our current resources, but we don't see that the legislation provides any major obstacles to us.

Senator SIMON. If I may ask you at SBA, what percentage of the requests that you get from reservations—Mr. Mezger, maybe you are the person to answer this—are you able to respond affirmatively on, requests that are substantial requests that you would like to respond affirmatively on?

Mr. MEZGER. With respect to the management and technical business assistance we provide, I would say—I don't have an exact figure—but we try to respond to every one of those requests, through our SCORE counselors, Small Business Institutes, and our Small Business Development Centers. Typically, that is the way we will get involved—by receiving an inquiry to respond to.

Senator SIMON. When I think of SBA in Illinois, I think of assistance to a business that wants a loan to get going or enlarge a small business. What is your response in that kind of a situation?

Mr. MEZGER. To actually get funding to start the business?

Senator SIMON. Yes; in other words, are you responding to 20 percent, 80 percent those that you think are solid requests for funding?

Mr. MEZGER. With respect to funding, I would say we are responding to a low number. There are many reasons for that: The problems with the trust lands, problems with sovereign immunity, problems with jurisdiction. Lenders want collateral; they want it backed up. We are finding problems in that area as far as getting financing to reservation-based tribal enterprises.

Senator SIMON. What would you guess—10 percent, 20 percent?

Mr. MEZGER. I have no way of knowing. I could look into that and get back to you, but I don't have that information with me.

Senator SIMON. If you could, I'd appreciate it. Mr. Matheson, does the legislation present any problems from the point of view of your agency?

Mr. MATHESON. I saw a copy of the draft bill yesterday. I haven't had a lot of time to analyze and evaluate it. From what I can tell, it appears to be in the spirit of self-governance and the expanded self-determination capability. From that respect it looks very good. I would reserve judgment, I guess, for a final determination to come out in favor of the bill.

Senator SIMON. We'd be interested in getting your reaction. Senator Domenici. We are pleased to joined by Senator McCain, too.

Senator DOMENICI. Thank you very much, Mr. Chairman. I'm pleased to be here. You asked a while ago if I had an opening statement. I don't, but let me just give a couple of observations.

As I understand this pending legislation that Senator Simon introduced with a number of us, essentially we are going to be look-

ing at the Federal government's job training programs. As I understand it, we are saying it is rather absurd to have all of them try to assist the Indian people. In my state, as you know, we have 17 independent small groups of Indians going from 70 or 80 people, to 10,000, aside from the big reservations. That is not a very easy job, nor very effective to try run four or five job training programs with each, and it isn't working. So we thought maybe on a pilot project, we should consolidate them all and fund a series of Indian groups in our country with this kind of training. Essentially, I am glad that you say you see no difficulty, because it would seem to me that the only difficulty that you should see would be technical, because essentially we ought to try something like this. In fact, might I say to the distinguished Senator from Illinois, in a sense, if we make it final someday and put it together, it will be very republican. It will be very much like a block grant, and that is good and fine. We ought to be doing that.

Let me ask a couple of questions of any of you. Do we have accurate information regarding the status of employment or unemployment for the various Indian groups in the country? If we were to ask any of you to pick two Indian tribes from Arizona and one from New Mexico and one from, perhaps, Eastern United States, and asked what is the employment and unemployment for adults there, do we know?

Mr. MATHESON. I believe in most cases, we do. At the agency level, the BIA will annually update their employment/unemployment data.

Senator DOMENICI. Might I ask another question. Do you know whether more are employed in the public sector than the private sector or reverse, and do we know what the principle kind of jobs are?

Mr. MATHESON. No; we don't ask for that.

Senator DOMENICI. Well, Mr. Chairman, I really believe, and I don't have it ready, but I think maybe as part of passing your bill, I might ask that we insert some information gathering, because it seems to me we ought to know where we are going, and to do that we ought to know where we are. I have a strong suspicion that we have a very serious imbalance on the side of public jobs as compared with private jobs. I think it will come out that way. Frankly, that is not the case anywhere in America. Maybe it is in Washington, D.C., but I don't think anywhere else. I think it indicates a very serious economic shortcoming of serious proportions.

Let me ask a question of the BIA, with reference to economic development by the States. I want to indicate to you and to the senators that the State of New Mexico, at my suggestion, is about to do something rather interesting and I would like your thoughts on it, if not today, whenever you can answer it. It seems to me that our State is going to do something extraordinary. We are going to set up within our economic development department, a division for the Indian economic development, which will be advised by the Indians of our State. We will have all the information about our Indian people so that we can help them with economic development from a State entity, with special emphasis through a division. I think if we do that, that the Federal Government should have an interest in that. That is my thinking. I think the Federal government ought

to be very, very glad to see a State with a large Indian population do that.

As I would see it, the BIA, or some of your economic development entities in other departments, ought to be willing to partially staff that as your contribution to a State that is willing to do that. I don't know whether you can or not, but I want to state it today because I think without economic development, job training ends up being a frustration of the highest level. You train people for no jobs. We have done that before. I really think we ought to tie the two together as best we can; job training that's relevant to a possible job, not just job training.

Mr. Chairman, I might indicate the reason I speak with some interest on that subject, I recall two small communities in my State that had job training programs and a number of them were Indian people. We trained enough women hairdressers for six states, out of four small communities in Northern New Mexico. Of course, they didn't want to go to those six states, so they never worked. I really it is kind of a frustration for people to be put in that kind of a situation. I don't your program to end up that way with the Indian people.

Thank you very much.

Senator SIMON. Thank you. Your suggestion on information—I'd be happy to have such an amendment. I think it would help. It is something we ought to have.

Senator INOUE.

Senator INOUE. I have no questions, I would just like to once again commend you, Senator Simon, because if this program is carried out implementing your intent, it would mean not only furthering the cause of self-governance, which I think is very in Indian country, it will also provide them with a mechanism that will cut out paper work, or reduce paper work, which has been one of the greatest obstacles in our relationship with Indian country. It will also permit them to file one report, have one audit, which is all good. Then I think if this program can clarify conflicting regulations, this is the perfect program that we have been looking for. So I congratulate you. I'm glad to hear that the two major agencies here find no problems with this measure, and that they are ready to proceed. So I thank all of you.

Senator SIMON. We are pleased to have Senator Murkowski and Senator Conrad join us, too.

Senator McCAIN.

STATEMENT OF HON. JOHN MCCAIN, U.S. SENATOR FROM ARIZONA, VICE CHAIRMAN, SELECT COMMITTEE ON INDIAN AFFAIRS

Senator McCAIN. Thank you, Mr. Chairman. I would like to add my name as a cosponsor to an excellent piece of legislation. I look forward to hearing from our witnesses. I would echo the views of my colleague from New Mexico, Senator Domenici. I'm sure that Senator DeConcini agrees with me, too. You have to have economic development. That is why Senator Domenici and I and many others have been pushing so hard for the concept of economic enterprise zones, which Chairman Inouye and I have the privilege of testifying for before the House Ways and Means Committee just 1 week

ago. I thank the Chairman, and look forward to hearing from the witnesses.

Senator SIMON. Thank you. We will be honored to have you as a cosponsor.

Senator CONRAD.

STATEMENT OF HON. KENT CONRAD, U.S. SENATOR FROM NORTH DAKOTA

Senator CONRAD. Thank you, Mr. Chairman. I am proud to be a cosponsor of this bill. I think you have done a real public service by presenting this legislation because it will do all of the things I think that people have talked about around this table. Nothing could be more positive for Indian country than to be able to deliver money to the people that need it, rather than to see the money short-stopped, caught up in the bureaucracy and not be useful in trying to deal with some of the problems that we confront. I would just point out that we are going to hear from a witness from my State, from the Standing Rock Sioux Reservation in North Dakota—87 percent level of unemployment, 87 percent. Find a place where Federal Government policy has failed and failed utterly. It would be hard to find a better example.

Chairman Inouye has visited that reservation. I might just say that it is unusual for a committee chairman, in my experience and my limited time in the United States Senate, to have gone around to all of the reservations in the country. That is what Senator Inouye chose to do. It is because of that dedication, I think, that we are focusing on the needs of Indian country in a way that perhaps we can actually make some progress. I would like also to take this time to commend the Cochairman of this committee, the Senator from Arizona, who has also shown a sensitivity to these issues and a willingness to work on solutions. I think we should thank the Chairman, Senator Inouye, for really a remarkable dedication to these issues. Senator McCain, from Arizona. For you, the sponsor of this bill, Senator Simon, I just deeply appreciate that you have identified a way of improving the delivery of services where they are desperately needed. I thank you for it.

Senator SIMON. Thank you. Senator Murkowski.

STATEMENT OF HON. FRANK H. MURKOWSKI, U.S. SENATOR FROM ALASKA

Senator MURKOWSKI. Thank you, Mr. Chairman. I, too, want to join with my colleagues in commending you, Senator Simon, for this legislation. I think the manner in which we have seen this legislation develop is going to directly improve the delivery of much of the needed employment and training services to the American Indian people.

We have from Alaska, the Tanana Chiefs, Donna Scott, who has the unique distinction of being the Director of Employment and Training, representing an area of about 330,000 square miles. That's about one-sixth the size of the United States, excluding Alaska, serving some 15,000 people, or thereabouts, in the region covering not only the Tanana regional corporation, but Arctic

Slope. As a consequence, I think she is uniquely qualified to comment on the effectiveness of this legislation.

As I have already indicated, Mr. Chairman, we have a pretty good sized piece of real estate up in Alaska. The remote rural communities, for the most part, are accessible only by airplane year around, or boat within the summer months. Administering these programs is a real task. It means dedicated people being spread out to large areas with clearly diverse needs. Unemployment in the villages of Alaska can run up to 80 percent. We have an area in northwestern Alaska that never had any year around employment, an area the size of the states of California and Washington put together. For the first time, through cooperation of the Tanana Regional Corporation and a major mining company, there are year around jobs. The native people have a choice of whether remaining on a subsistence economy, or moving out into a regular employment base. It has been quite successful. These are all pioneering efforts.

Previously traditional programs aimed at simply a 9:00 to 5:00 job in a rural area of Alaska just had no application whatsoever. The current system which we have is a burden to the administrators. I think we are going to hear about them this morning because it lacks a certain flexibility. In Alaska, in my area, the non-traditional employment needs are not what it is all about. Sometimes there is too much paperwork. You just don't need that paperwork. You need, obviously, some productive jobs.

For example, each program currently, as I understand it, requires its own coordinator. For Alaska's native population, it is often an unnecessary and difficult process to find qualified people that are at such great distances because you simply can't get them together. I think in some cases the Federal government's approach to Indian employment seems to be if we can divide them enough, we can conquer them and overcome and take care. Well, it just doesn't work that way. This approach is not feasible in rural Alaska. The need is for consolidation. Time and money spend studying and implementing such a set of rules, I think, would serve much better helping the people and the programs they are designed to serve.

Finally, in conclusion, this legislation, I think, addresses these problems fairly by authorizing the Indian tribes with approved plans to consolidate Federally funded employment, training, related services into a single, coordinated, comprehensive program that will allow the tribes a more effective use to serve the needs of the American Indians seeking employment and training. Hopefully, it is going to reduce costs by consolidating the administrative functions. I think those dedicated people within the Bureau would like to see some of the paperwork reduced, and a more effective delivery out to the recipients. For that, I commend the effort of Senator Simon and look forward to the witnesses testimony today.

Thank you, Mr. Chairman.

Senator SIMON. Thank you, Senator Murkowski. We thank our witnesses. We may very well be back in touch with you on this.

Senator DOMENICI. Senator, might I ask a question.

Senator SIMON. Senator Domenici.

Senator DOMENICI. If I missed this, please forgive me. Did you tell us how many Indian 8(a) enterprises or businesses have been qualified through SBA? How many are doing business?

Mr. STANLEY. I'm glad you mentioned that, because we have some interesting statistics which I wanted to tell you about on that subject, on what is happening in the 8(a) program with regard to Native Americans. Through the end of June of this year, 258 Native American firms have participated, or are participating, in the 8(a) program. That is seven percent of our total portfolio, of which there are some 3,800 in the entire portfolio. Last year in fiscal year 1990, Native American firms received 298 8(a) contracts for approximately \$264 million. During the current fiscal year, which started October 1 through the end of June, Native American firms have received 102 8(a) contracts, valued at approximately \$124 million.

Senator DOMENICI. Are these available? I assume that is public information, is it not?

Mr. STANLEY. Yes, sir; it would be.

Senator DOMENICI. Do you have a print-out of just the names and locals of these Native American Indian businesses?

Mr. STANLEY. Yes, sir; we could get that to you.

Senator DOMENICI. Mr. Chairman, could he deliver one copy to the Committee, of that? That would be helpful.

Mr. STANLEY. Sure.

Senator DOMENICI. Let me ask another question. Do you know whether much of this business is defense business, or non-defense business?

Mr. STANLEY. A significant portion of it is defense related work. In fact, in our statement we note with pride two very significant Native American firms which provided many of the chemical warfare suits used during the recent Desert Storm operations.

Senator DOMENICI. Do your records reflect defense versus non-defense business?

Mr. STANLEY. Yes, sir; we would have those statistics.

Senator DOMENICI. Could you, as part of your submittal, indicate that to us also?

Mr. STANLEY. We will do so.

Senator DOMENICI. Do your records indicate an approximate number of employees, how many people work for the business?

Mr. STANLEY. I believe they do, sir, yes.

Senator DOMENICI. If they do, could you submit that also?

Mr. STANLEY. We'd be glad to.

Senator DOMENICI. I assume they are predominately Native American employees by definition.

Mr. STANLEY. Yes, sir; that would generally be because of the location of where these companies are indeed doing business.

Senator DOMENICI. Could you distinguish between tribally-owned and individual-Indian owned, on your records?

Mr. STANLEY. Yes, sir.

Senator DOMENICI. Would you do that as part of it?

Mr. STANLEY. We will do so.

Senator DOMENICI. Thank you very much, Mr. Stanley.

Senator SIMON. Thank you. We thank all four of you for being here.

Our next witnesses are Delores Battle, the Administrator of the Office Job Training Programs, Department of Labor; Barry Stern, Deputy Assistant Secretary for Vocational and Adult Education, Department of Education; Jason Turner, the Director of the Office of Family Assistance, Administration for Children and Family, Department of Health and Human Services.

Ms. Battle, let's hear from you first.

**STATEMENT OF DOLORES BATTLE, ADMINISTRATOR, OFFICE OF
JOB TRAINING PROGRAMS, DEPARTMENT OF LABOR**

Ms. BATTLE. Good afternoon, Chairman Simon, Chairman Inouye. I am pleased to have this opportunity to talk to you about the Department of Labor's Native American programs.

We recognize that joblessness is a significant problem among Native Americans. According to the 1980 census, 14 percent of Indian reservation households—three times the proportion in the United States as a whole—had annual incomes under \$2,500. Nearly 45 percent of reservation Indians lived in households with incomes below the poverty level. In addition to these high poverty rates are high rates of joblessness among reservation Indians. In 1989, according to the BIA estimate, the national unemployment rate for reservation Indians was 40 percent, as compared with the U.S. civilian rate of 5.3 percent. Many others have given up the search for work and are no longer counted among the jobless.

In addition to unemployment, many of those on Indian reservations experience poor health, substandard housing, and other serious social problems that are often associated with economic deprivation. Reservations are largely dependent upon public sector employment and welfare. Research has failed to isolate any single, primary cause of economic underdevelopment on Indian reservations. Rather, the causes are complex and varied from one reservation to another, and are generally thought to include the lack of a skilled labor force, the absence of managerial and entrepreneurial expertise, jurisdictional disputes among tribes, States, and local governments, inability to use trust resources and collateral for investment, and an inability of local governing institutions to create an appropriate environment for private investment.

There is a wide array of human resource and economic development programs specifically serving the Indian community. Federal funding for Indian programs or programs and services that are designed to assist the Indian population totals \$4 billion in fiscal year 1991. Among these are the Department of Labor's Native American program, which is authorized by Title IV-A of the Job Training Partnership Act. These programs are designed to improve the economic well-being of Native American groups such as Indians, Eskimos, Aleuts, and Native Hawaiians through the provision of job training, work experience, and other employment-related services and opportunities that are intended to enable participants to obtain permanent, unsubsidized jobs. Total funding for the title IV-A program this program year is \$59.6 million.

For many years, under JTPA and predecessor legislation, the Department has awarded grants to Indian tribes, Native American groups, and non-profit Indian groups located mainly in urban

areas, and a Native Hawaiian organization. This year, the Department awarded 182 basic grants. Most grant recipients also receive additional funds to operate Summer Youth Employment and Training programs for Native American youth, authorized under Title II-B of JTPA. Funding for the 1991 Summer Program for Native Americans is \$12.7 million.

The last 12-month period for which we have complete participant data is Program Year 1989, which ended on June 30, 1990. During that period, Title IV-A Native American programs served a total of 30,970 participants. Of the 24,992 participants who left the program, 55 percent entered unsubsidized employment. Another 12 percent either were placed in additional training, returned to school full time, or attained a high school or post-secondary credential.

In addition to those served by IV-A programs, Native Americans also participate in other JTPA programs. For example, the Title III Dislocated Program served 1,191 Native Americans during Program Year 1989. The Title II-A Formula Grant Program administered by States and local areas served 10,980 Native Americans during the same year. The Indian Summer Youth Employment and Training Program, to which I referred earlier, served 9,689 Native American youth during the summer of 1990, in addition to the 7,998 Native American Youth participants in the regular Title II-B summer program. The Job Corps served 2,064 Native American youth during Program Year 1989.

Other Federal programs also provide employment and training and related services to Native Americans. They include other programs described here earlier by the BIA, the Department of Education, and BIA Adult Education and Literacy programs, HUD, EDA Commerce and BIA administered programs for economic development assistance, the Administration for Native Americans of the Administration for Children and Families within the Department of Health and Human Services provide grants for a number of related human resource activities. The Job Opportunities and Basic Skills program, which will be discussed by Mr. Turner shortly, also provides services to Indian tribes.

Because of the array of programs that exist, we feel there is a critical need to coordinate resources to avoid duplication and to enhance the delivery of services. There are a number of barriers that can make the coordination of Federal programs more difficult at the grantee level.

Senator SIMON. I don't mean to be stopping you. We will enter your full statement into the record, and if you could summarize the balance of it, it would be appreciated.

Ms. BATTLE. Okay, I'll try to do that.

Some of the barriers that exist include differing eligibility criteria, different definitions for participation in the program, and related barriers. We have made a number of efforts to foster coordination. We have encouraged linkages, both at the national and grantee levels, whenever possible. We have worked with other agencies. Recently, we have transferred \$300,000 to the Administration for Native Americans to jointly fund some projects across Federal agencies so that we could coordinate our resources. These projects are designed to promote job creation on reservations.

At the local level we encourage grantees to develop standardized application forms. This is something that is regularly done on reservations that operate both JTPA and the Jobs Program, for example. The Department of Labor has established a Native American Advisory Committee, which has as one its goals, the development of comprehensive and coordinated Federal delivery systems across program lines. There are a number of other areas in which we are doing specific projects on coordination which I will provide you in my written statement, but for now, I will close there and offer to answer any questions that you may have.

[Prepared statement of Ms. Battle appears in appendix.]

Senator SIMON. We thank you very much for your testimony, Ms. Battle.

Barry Stern.

STATEMENT OF BARRY STERN, DEPUTY ASSISTANT SECRETARY FOR VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION

Mr. STERN. Thank you, Senator Simon and Senator Inouye, and members of this joint committee hearing. I am Barry Stern, Deputy Assistant Secretary for Vocational and Adult Education. Thank you for the opportunity to testify on the Department of Education's employment and training program for Indians.

We administer roughly 15 different programs for Indians at a combined funding level in this fiscal year of over \$517 million. Of these programs the one primarily directed to employment and training is the Indian Vocational Education Program, which is authorized by the Carl D. Perkins Vocational and Applied Technology Education Act of 1990. This program will be the principal subject of my remarks today.

This is a discretionary program. It has been in existence since 1978. Grants are made to Federally recognized Indian tribes and tribal organizations and provides financial assistance to projects that provide vocational education for the benefit of Indians.

Since 1978 we have provide more than \$100 million to 472 individual projects. Approximately 100 different tribes or tribal organizations in 32 States have receives funding under this program during its 13-year existence. We estimate that approximately 30,000, or roughly 2,500 or 3,000 per year, have been served during this period.

This year, we will fund 25 continuation projects and another 12 new projects at a total cost of over \$11 million.

Projects we fund offer vocational training in a wide variety of occupations such as construction, business and clerical, agricultural, automotive, police science, boat building, computer science, and so on. These projects employ a broad range of methodologies, including instruction in basic skill, bilingual instruction, counseling, support services, and employability skills training. These projects appear to be most successful when the training offered links directly to existing employment opportunities or to the economic development initiatives the tribe is carrying out. I think Senator Domenici made that remark before.

Since job opportunities in or near reservations are often limited, many of the projects invest almost as much in job development as they invest in job training. This means that educators have to be closely involved with private sector, including local businesses and community leaders, at all stages of project operation. This is to insure that graduates are being trained for real jobs. Individuals from private and community sectors consistently provide the advice, assistance, and placement opportunities that are necessary to the success of our projects.

The placement of students in successful employment has grown steadily over the years. The present placement rate is between 75 percent to 80 percent. Some of the projects achieve 100 percent placement rate.

The Department places strong emphasis on program coordination at the local level through the project selection and monitoring processes. Project applications are reviewed and projects are monitored to determine the extent to which they involve, coordinate with, or encourage tribal economic development plans. These plans incorporate the Job Training Partnership Act we have just spoken about and the Job Opportunities and Basic Skills Training program that Mr. Turner will speak about.

Inter-agency coordination is achieved further through an interdepartmental coordinating committee that meets at least quarterly. The primary purpose of the committee is to share knowledge, expertise, and program information to enhance education and job training for Indian populations. Members of this group are from Agriculture, the Department of Education, Energy, Health and Human Services, Housing and Urban development, Interior, and Labor. Staff members of the National Advisory Council on Indian Education are regular participants, as well.

The Administration supports the goal of eliminating program red tape and making it easier for recipients of Federal funds to meld funds from different programs into an integrated whole. Toward this end, on May 22, the president sent to Congress the America 2000 Excellence in Education Act, which has been introduced in this body as Senate Bill 1141. Title IV of this bill would authorize schools and other education providers to obtain waivers from statutory and regulatory requirements that they believe impede their ability to meet the special needs of students and other individuals in the most effective manner.

We believe this approach is preferable to the one in your draft bill. The key aspect of our proposal is that waivers would only be granted in exchange for a commitment and a plan to achieve greater educational gains. This accountability notion would be embodied in plans submitted by school districts, which would set forth specific, measurable education improvement goals to be attained, and in project reports that would contain school-by-school data documenting whether the goals are being met. The Secretary would terminate a project, at any time, that was not making satisfactory progress toward meeting its goal. Our bill would be equally applicable to programs for Indians as for other programs. This is the approach we prefer.

This concludes my testimony. Thank you very much for taking the time.

[Prepared statement of Mr. Stern appears in appendix.]
 Senator SIMON. Thank you for being here.
 Mr. Turner.

STATEMENT OF JASON TURNER, DIRECTOR, OFFICE OF FAMILY ASSISTANCE ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. TURNER. Thank you for the opportunity to appear before you today and to discuss the integration and coordination of employment and training programs serving Indian reservations.

With your permission, I will summarize my remarks.

Senator SIMON. Your full statement will be entered in the record.

Mr. TURNER. Thank you. A number of activities are being undertaken with the Administration of Children and Families to address the problems of poverty and welfare dependency among Native Americans living on reservations. Of primary importance for this hearing is implementation of the Family Support Act of 1988.

The Family Support Act was a significant first step in helping the nation's welfare families, including Native American families, reduce their dependence on government and achieve economic independence. One of the key elements of this legislation was the creation of a new program of education, training, and employment activities for welfare recipients, the Job Opportunities and Basic Skills Training, otherwise known as JOBS. The fundamental principle embodied in that Act was that of mutual obligation, namely that the government would help individuals through employment, work experience, and training programs to achieve economic self-sufficiency, while at the same time welfare recipients were expected to make significant efforts in that direction.

The JOBS legislation recognizes the sovereignty of tribal entities and Alaska Native organizations, which may apply directly to the Federal government for funding. Unlike the JOBS program for States, the program for tribal entities is funded by the Federal Government with no required match. In addition, the tribal JOBS program has a provision which enables the Secretary of HHS to waive any JOBS requirement if he determines it will further the program objective of self-sufficiency through employment. We have taken that opportunity, that waiver authority, and we have made several waivers with just such an intent.

Currently, 76 Indian tribes and Alaska Native organizations are operating JOBS programs at a fiscal year 1991 funding level of \$6.3 million. Funding for individual tribal grantees ranges from \$4,649 to \$1.3 million for the Navajo Nation. However, the largest number of tribes, about 36 percent, have grants in the range of \$10,000 to \$50,000. So here again, we see small funding levels for many tribes and the need to coordinate services to enable those tribes to operate effective programs.

So given that condition, the small amount of tribal funding available to each tribe, we believe that it is especially important to coordinate. Our early experience shows that for the most part, tribal grantees are providing with the JOBS funding overall administrative and case management functions, while they contract out most service functions, such as education and training, to any of the var-

ious service providers that are available on the reservation. They are not providing those education and training services, by and large, with JOBS funds.

We have done extensive coordination with JTPA, both on the reservation and here in Washington.

Finally, we read with interest your draft bill, "To authorize the integration of employment, training, and related services provided by Indian tribes." We support efforts to better coordinate these programs and will be happy to work with your Committees toward this end.

In closing, we think we have made a good start toward encouraging the integration and coordination of employment and training programs. We think it is important and we recognize that there is much to be done.

Thank you very much.

[Prepared statement of Mr. Turner appears in appendix.]

Senator SIMON. Thank you very much. Let me ask you a question I could have asked the earlier panel. It is kind of a basic question. Have the three of you, if I could just ask each of you individually, visited on a reservation?

Ms. BATTLE. No.

Mr. STERN. No.

Mr. TURNER. I have visited a reservation, although not in my current capacity.

Senator SIMON. I mention that, and I don't to be picking on the three of you, but I think one of the things that we do need on the part of agency leaders is some greater sensitivity to some the very practical problems. Sometimes you get those most visibly when you actually experience with a visit.

Ms. Battle, this has nothing to do with the current legislation, but as you know, we are working on JTPA legislation. I don't mean, again to be picking on you, but one of the problems is that we have not focused enough, in JTPA, on the hard-to-employ. I note that you say 23 percent of the participants were school dropouts. The reality is there is a higher percentage of school dropouts. I don't recall the percentage. Maybe someone on the staff here knows the percentage. 40 percent, I'm told by Senator Inouye. We have not focused enough in the JTPA program on the hard-to-employ. I know you agree with that, and the Secretary does, and our new legislation, I hope, will emphasize more the hard-to-employ. I don't know if you care to comment.

Ms. BATTLE. My only comment would be that the proportion of Indian enrollees who are school dropouts is quite similar to the proportion in the mainline program. In the mainline program we do want to emphasize dropouts more there, so I assume we would in the Indian program also.

Senator SIMON. But when you recognize that there is a higher percentage of dropouts among the American Indian population, it does indicate that we have some work to do.

Ms. BATTLE. Yes; I agree.

Senator SIMON. You mentioned the Indian Summer Youth Employment Training Program served 9,600 Native American youth during the summer of 1990. Do you feel the Summer Youth Employment Program should be continued?

Ms. BATTLE. Well, as you know, we are proposing a year-round program in the Administration's proposal. The Indian program would therefore be funded as part of title IV then, rather than a part of II-A.

Senator SIMON. But when you say you are funding a year-round program, it is a more attractive of saying you are eliminating the Summer Program.

Ms. BATTLE. Yes; that is right, as a separate component. Yes, that would true of the Indians, too.

Senator SIMON. Let me ask all three of you. Mr. Turner you have in a sense answered this already. Would there be insurmountable difficulties for your agency if the legislation you have seen the draft of should pass.

Ms. BATTLE. I think the concept is very interesting. We might have some technical problems, but I don't think there would be anything insurmountable. I think, picking up on something Mr. Turner said also, it might be particularly useful for reservations with smaller grants, who have less flexibility because of the amount of money they have. This sort of coordinated approach would be a useful tool.

Senator SIMON. Mr. Stern.

Mr. STERN. As I said in our testimony, we really have no problem with the notion of service integration because we think it leads to empowerment in letting people make their decisions and have less administrative headaches and red tape to go through. We would simply add the notion that if we had services integration or consolidation, we should also have accountability. So that if educational funds are used, we see to it that people learn something and get something out of the educational program.

Senator SIMON. Mr. Turner.

Mr. TURNER. I would reiterate what I said earlier, of course we are very pleased to try, and we recognize that lack of coordination is a problem. Our current regulations go a long way toward enabling us, in the JOBS program, to coordinate with other programs and waive requirements where needed. We would be happy to work to find out where we could make even further improvements in that regard.

Senator SIMON. Mr. Chairman.

Senator INOUE. I've just one question. Mr. Stern, you've indicated that you had a few problems with the draft bill. Do you have any specific language that you would to propose to carry out your objectives?

Mr. STERN. Of course, we have just gotten the draft bill in recent days and the Department and the Administration has not had a chance to respond in any official way. I'm sure that they could, upon looking at it, provide you with some additional ideas.

Senator INOUE. Would you get together with the staff of the committee, and with your staff, and work out something? I make this request because I have discussed this matter with the author of the measure and since apparently every member of this committee favors the passage of this bill, and all of the witnesses from the Administration have been supportive of its intent, for one thing, we intend to press forward expeditiously. Our rules require that a markup notice be given one before such markup session. So I am

now notifying one and all that there will be a markup of this measure 1 week from tomorrow in this room. Would that be okay?

Senator SIMON. That would be better than okay.

Senator INOUE. At that time, it is the intention of the committee to report this measure to the full Senate. So, Mr. Stern, it would be extremely helpful if you could have your staff get together with the committee's staff and work out something that would meet your objectives, sir.

Senator SIMON. Ms. Battle, if I could just add one thing, and I recognize that this is not immediately under your jurisdiction, but the suggestion has been made that there should be an Indian desk at the Department of Labor. If you can pass that along to the Secretary, and if action along that line were to be taken, I think it would be welcome. You can just pass that along. Yes.

Ms. BATTLE. I'll be glad to, I just want to be sure I understand. You mean at the Departmental, rather than the Employment and Training Administration?

Senator SIMON. I think at the Departmental level, so that there could be pan-jurisdictional, in terms of if there is a problem whatever the agency is within the Department.

Ms. BATTLE. I'll mention it.

Senator SIMON. Okay. We thank all three of you and if I can give you that one small assignment, to visit a reservation, alright? Thank you very much.

The next panel; Gregg Bourland, Chairman of the Cheyenne River Sioux Tribe, Eagle Butte, SD; Aljoe Agard, Vice Chairman, Standing Rock Sioux Tribe, Fort Yates, ND; Donna L. Scott, Employment and Training Director of the Tanana Chiefs Conference, Fairbanks, AK.

We are very pleased to have all of you here. Mr. Bourland, we will start with you.

STATEMENT OF GREGG BOURLAND, CHAIRMAN, CHEYENNE RIVER SIOUX TRIBE, EAGLE BUTTE, SD

Mr. BOURLAND. Thank you, Mr. Chairman and members of the Senate Select Committee on Indian Affairs and Subcommittee on Employment and Productivity. I thank you for the time for allowing me to testify. My name is Gregg Bourland. I am Chairman of the Cheyenne River Sioux Tribe. I am of the Minneconjou Band of the Lakota Sioux Nation. My Lakota name is Wanbli Awanyankapi, which translated means Eagles Watch Over Him. It is indeed an honor today to testify on S. 1530.

Earlier in my tenure as Chairman of the Cheyenne River Sioux Tribe I was asked to define economic development. For me that boils down to one word, which is "jobs." I heard one of the Honorable Senators here today ask for some statistics. I can provide some statistics for Cheyenne River. We have 12,200 Indian people living on Cheyenne River Reservation, which is a reservation of roughly 3 million acres. Of that, we have a labor force of 8,570 people.

These statistics have been provided as of March 1991, by the BIA. Of that we have 1,185 people employed, which is roughly an employment rate of 14 percent. We have 86 percent unemployment. I think Standing Rock beats us by one percentage point. The

real key factor here is the bulk of those people are employed by the tribe. We have 350. IHS, the BIA, the State of South Dakota.

So the private sector has not been developed on Cheyenne River. The private sector really only exists in small entrepreneurial operations. The industrial sector is nothing but a dream. Economic development, to me, is our jobs, industrial jobs that are needed to be developed. This is why I have been a strong supporter of Senator McCain's legislation, S. 383, the Indian Economic Development Act of 1991. I am a very strong supporter, naturally, of S. 1530, because a lot of our people need training.

But to be real truthful about it, we need training and we need to push into the private sector. We need long term jobs, jobs in manufacturing, and in private entrepreneurial that will come with the increased economic development that will come from manufacturing. We need the legislative support from bills such as S. 1530 and S. 383. We need your help.

If we can develop industry, if we can develop the infrastructure behind industry on our reservations, these are jobs in the private sector that will be available for years to come. We will do everything to help develop them. I realize that infrastructure is very important on reservations. Jobs are one of the key factors. Training—of course, you can't jobs without training.

Section 10 of the proposed legislation in S. 1530 will provide and allows for private training and placement. I feel this is very, very important. As the old saying goes, "What good is training without jobs?" Train a person for 6 months, 8 months, 1 year, train them to be a BIA property and supply person. There is no job there. In other words the Bureau gets 6, 8 months of free labor out of a job training program. You get a young individual, or person, doesn't have to necessarily be young, trained and there is no job for them when they are done. So they move on to another facet of training, maybe the next go around they try to be a carpenter. Sometimes there is no certification when they are done with these things. So they can't go out into the private sector and find a job.

So I ask for your support today, to support this bill. From what I have heard from the Senators, it sounds like the support is there in the Senate Select Committee. I ask that this committee would also look at S. 383 and encourage its movement because it will provide, again, the legislative infrastructure we need out in Lakota country to bring and lure industry to the reservations.

When I became Chairman, I had some startling discoveries. I discovered the BIA in this coming fiscal year is only going to put \$10 million into economic development. You divide that up among, I don't how many tribes the Bureau is going to give it to, but that doesn't equate to very much money for economic development. It is almost nil. At the same time there was the proposal to reduce GA by \$12 million and at the same time have the social services that the GA providers provide, I believe it was work study plans for the GA recipients. I have 7,400 people on my reservation that wouldn't know what to do with a work study plan. Where are we to go with those people?

There are weeks when I feel as Tribal Chairman, that I have talked with all 7,400 of them. We do the best we can to try to help them find jobs. Again, I ask you to support this.

In closure, I would just like to say that I'm thankful for the hearing and I hope that this will be pushed passage of the full Senate. Thank you very much.

Senator SIMON. Thank you. I can see how you got elected Chairman, too. Let me apologize to our witnesses. We have a rollcall over on the floor. We will have to have a 10- or 15-minute recess at this point.

[Recess.]

Senator SIMON. The committee will resume its hearing. The next witness is the Vice Chairman of the Standing Rock Sioux Tribe, Aljoe Agard.

STATEMENT OF ALJOE AGARD, VICE CHAIRMAN, STANDING ROCK SIOUX TRIBE, FORT YATES, ND

Mr. AGARD. Thank you, Senator, Mr. Chairman and members of the committee. I am Aljoe Agard, Vice Chairman of the Standing Rock Sioux Tribe. Our reservation is located in North Dakota. We have 6,500 people residing on our reservation. According the BIA, our unemployment rate is estimated to be 87 percent. This means that there is very little private employment on the reservation. It also means that job training and employment programs are extremely important to us.

I would like to tell the committee about Standing Rock's efforts to coordinate two existing programs. This incident makes it clear why legislation like Senator Simon's bill is needed. Standing Rock has had a JTPA program, and before that a CETA program, for many years. When the JOBS program became available, we saw an opportunity to expand the employment services we provide. We hoped to do this by coordinating the two programs. The Federal agencies encouraged us to do this.

Unfortunately, while the Federal agencies said they wanted us to coordinate JOBS and JTPA, actually each agency wanted things done its way. When the Labor Department sent monitors to our reservation last Fall, they rejected our efforts to link the programs together. They have threatened us with disallowed costs involving our efforts to find a coordinated JTPA/JOBS program. In other words, the agency has told us that if we coordinate these programs, we will be penalized with disallowed costs. As a result, we have now separated the programs. This is inefficient, as we are forced to spend too much of our time and effort allocating time of our personnel and costs between the programs. This takes away from the services we can provide, but we have no real choice because of the Federal agency's position.

We applaud Senator Simon's efforts, and the committee, to address this problem and allow tribes to coordinate their employment and training programs efficiently. Our experience shows that this is precisely what is needed. Standing Rock would very much like to participate in such a demonstration program. We believe that the tribes can design and run effective job training and employment programs if we are permitted to do so without being tangled up in Federal agency red tape. We urge the Committee to act favorably on Senator Simon's bill.

Thank you very much.

[Prepared statement of Mr. Agard appears in appendix.]

Senator SIMON. We thank you very, very much for your testimony. Donna L. Scott, from Fairbanks, Alaska, we are happy to have you here.

STATEMENT OF DONNA L. SCOTT, EMPLOYMENT AND TRAINING DIRECTOR, TANANA CHIEFS CONFERENCE, FAIRBANKS, AK

Ms. SCOTT. Thank you. Good afternoon, I am Donna Scott, Director of Employment and Training for Tanana Chiefs Conference in Fairbanks and Chair of the Alaska Native Coalition on Employment and Training and a member of the National JTPA Native American Programs Advisory Committee.

I would like to take this opportunity to thank Senator Paul Simon and Senator Daniel Inouye and distinguished members of both committees for the opportunity to testify.

If you were to take a moment to glance at a map, you would see that the Tanana Chiefs region covers an area of 323,000 square miles. Spread throughout immense rugged terrain are the 51 villages Tanana Chiefs serves in the Interior and the Arctic Slope. Only six of these are accessible by road. The remainder can be reached only by air, water, or dog sled.

According to the 1990 Census figures, 98,000 people inhabit this sparsely populated area. Native Americans make up 15 percent of this figure. A recent BIA report indicates 70 percent of the potential Native American labor force in our labor was either unemployed or under-employed. Indeed, a number of villages have rates as high as 90 percent.

These figures are not just reflective of the area Tanana Chiefs serves, or even just of Alaska. You can find similar statistics on almost any reservation and among many urban Indian populations. These figures represent an ugly blemish on the face of the Nation. And every day, those of us who work in the field of employment attempt to chip away at these statistics, bit by bit.

What do these statistics mean in terms of actually running programs? First of all, an incredible amount of energy goes into the administration of this myriad of programs that could better be spent on clients and client-related issues. Managing numerous Federal programs with different funding sources, regulations, reporting requirements, administrative rates, fiscal years, delivery systems for staff technical assistance, different hierarchy, different monitoring procedures, different allowable costs—the list goes on—it is a veritable juggling act.

The sad thing about this scenario is that often, in trying to maintain such a delicate balance, we wind up losing sight of the client, of the people we are trying to serve. We lose sight of the fact that the bottom line of all these programs is exactly the same: To help people obtain employment, or at the very least, to become employable.

With this in mind it only makes sense to consolidate such programs and do away with the concept of reinventing the wheel. If you will note on page 4 of my testimony, I have indicated a chart that shows some of these duplications.

Many grantees, myself included, are responsible for or have worked with all of these programs; 20 components that could be consolidated into 6. The one gray area that still appears to be in question regards which agency will act as lead agency for the projects. It is imperative that tribes have the flexibility to choose, and not be locked into the BIA as the mandatory lead. One area that must certainly be applauded is the potential for on-the-job training in the private sector. In some of the areas we serve, where jobs are almost nonexistent, to take away a chance to work at the local store or air carrier or lodge is to eliminate half the available jobs.

In reviewing how the bill would be implemented, it is important to take a close look not only at how each program is currently operating; but also at any potential changes to each that might best benefit the whole upon consolidation. For example, even as we speak, there is a package of amendments to JTPA pending before the Senate Labor Committee, S. 1504, that would abolish all funding for Indian Summer Youth programs. The outcry from our villages on this issue has been one of genuine concern. One village resident says,

Where you have a high rate of unemployment, you also have a high rate of suicide, alcoholism, domestic violence, and child abuse. We need to make it a fact of life that every person at some time or another will enter the work force. This should start at a young age, so we can send out confident youth with good skills and training. You cannot expect to comprehend or understand the theory of work, if you do not see people reporting to work for wages. If want law abiding citizens who are able to pay taxes, we need to instill good work skills and habits while they are young. Private enterprise is a good place for youth to start. They—private enterprises—are a good example of what this country is made of, especially in the small communities.

It is imperative that we not lose our JTPA Summer Youth program. A bill to help us integrate our individual employment and training programs will do little good if other legislation eliminates those very programs we need to consolidate.

Other areas of change within JTPA that should be incorporated in any JTPA amendments would a single point of accountability for Indian programs, meaningful employment in other than entry level positions, and a permanent Indian JTPA advisory council. Pending amendments to the Indian provisions of JTPA are an essential companion piece to the demonstration act.

Senator SIMON. If you could summarize the balance of your statement, we will put the full statement in the record.

Ms. SCOTT. Okay. Of prime importance is the topic of economic development. An economic base must be created that will support the gradual building of an employment network. One program which would greatly benefit from consolidation would be JOBS. Grantees continue to be underwhelmed by funding levels and overwhelmed by massive amounts of redtape.

JOBS and the changing work place have brought a new player into the employment and training arena in the form of child care. In looking at consolidation, we cannot forget that child care will loom large in this issue.

Finally, we must ask that the Senate make a commitment to funding levels for Indian employment and training programs that will allow consolidation to work. We must make sure that we have

not created a system that is in itself a barrier to employment or have lost sight of our intended and stated goals. Today we must take the first step of bringing back into focus the real purpose of our programs. Let us begin now to operate on the principle that, indeed, less is more.

Thank you very much.

[Prepared statement of Ms. Scott appears in appendix.]

Senator SIMON. Let me just comment that I agree with you on the JTPA Summer Youth program in your statement. You also have a statement about your Carl Perkins money and the apprenticeship program that you have. If you can work with Ken Montoya of my staff, we will be happy to try to see if we can get some kind of waiver for your program, because it doesn't make any sense to drop that program.

Ms. SCOTT. Thank you very much, sir.

Senator SIMON. I thank the three of you for your support of the legislation. If we pass the legislation though, and we don't do anything on economic development, will have helped things a little but not significantly. I know your area, Ms. Scott, is very different from the North Dakota and South Dakota region, though I have been in North Dakota and South Dakota in the Winter time when it seemed like Alaska, I want you to know. If you were just to say what one thing is needed for economic development in your areas, Mr. Chairman, we will start with you.

Mr. BOURLAND. I guess the one thing that I see that is really needed right now would be passage of S. 383, along with S. 1530, because the tax incentives are just that. They are an incentive for industry. We take those out to industry, along with some other incentives that we have from our reservation, such as a broad labor base, we have land, we have a number of other incentives that we can put together as a package. But without good solid package of incentives from the United States Government, industry just really isn't going to take a serious look at Indian country.

Senator SIMON. Thank you. Mr. Agard.

Mr. AGARD. The provisions for construction should not just be limited to roads. I think it should extend to other projects, construction projects like housing.

Senator SIMON. You are talking about the one-quarter of 1 percent.

Mr. AGARD. Right.

Senator SIMON. Yes.

Mr. AGARD. If the amendment could include other Federal construction projects, not just roads.

Senator SIMON. Ms. Scott.

Ms. SCOTT. I would say, we should look at the area of entrepreneurship. There really isn't a great deal of industry in Alaska. There is oil and there is tourism, but in the villages themselves, there really isn't an economic base. So we need to look at the small businessperson and what people in the community can do that will allow them to stay in the community and put money back into their communities. So I would say entrepreneurship.

Senator SIMON. We thank the three of you very, very much. Thank you for your testimony and for your leadership. Any suggestions that you have as we go along will be welcome. And let me

just that Chairman Inouye has just been absolutely terrific. All of us on the committee, I'm new on the select committee and I'm eager for any input that I may get from any of you.

Thank you very much.

Our final panel; Joy Hanley, the Executive Director of the Affiliation of Arizona Indian Centers in Phoenix; Frank LaMere, the Executive of the Nebraska Indian Inter-Tribal Development Corporation, Winnebago, NE; and Conrad Edwards, Executive Director of the Council for Tribal Employment Rights of Seattle.

We are happy to have all of you here. Ms. Hanley, we will hear from you first.

**STATEMENT OF JOY J. HANLEY, EXECUTIVE DIRECTOR,
AFFILIATION OF ARIZONA INDIAN CENTERS, PHOENIX, AZ**

Ms. HANLEY. Good afternoon. I would like to thank the Senate Select Committee on Indian Affairs and the Subcommittee on Employment and Productivity of the Labor and Human Resources Committee for inviting me to testify before you.

My name is Joy Hanley. I am a Native American, and I am a member of the Navajo Nation. Presently, I am the Director of a non-reservation JTPA Title IV-A program, run by the Affiliation of Arizona Indian Centers in Arizona. We provide a Job Training Partnership Act program to Native Americans who reside off Indian reservations in 11 rural counties in Arizona.

It is my firm belief that the JTPA programs are one of the most important programs established and funded by the U.S. Government. The program provides opportunities for Native American people, young and old, to develop job skills needed for them to become self-sufficient contributing members of the society, regardless of where they might live, on their individual reservations or in the urban areas. I have been with the job training program for 13 years, initially with CETA and now with JTPA. During that time I have seen many Native Americans become completely self-sufficient. I have seen successful GED graduates. I have seen successful Native American graduates enter the job markets in a variety of technical professions. I have seen successful Native American entrepreneurs develop through job training and assistance. And I have seen some job training graduates go on and get a Bachelor's degree from a university. This program is important because it provides assistance.

In Arizona, we have the largest reservation Indian population in the country, which according to the 1990 Census totals 142,238. The off-reservation population in 1990 totals 61,289 and represents 30 percent of the Indian population in Arizona, an increase from the 1980 Census, up from 18 percent of the population.

The facts of the 1990 Census clearly reflect the migratory patterns of Indian people in Arizona. Unfortunately, reservation economies are plagued with high unemployment which result in the off-reservation areas being constantly barraged with Indian people leaving the reservations and going into the urban areas in search of employment and educational opportunities that will lead to self-sufficiency. The JTPA programs that I have observed on the reservations and off the reservations do an excellent training and

assisting Indian people to get into the job market. However, present funding for the title IV-A program is not to meet the needs of the people needing assistance.

Last year, in the JTPA program, we were able to enroll only 10 percent of the clients that came into our office. 68 percent of the clients served last year were Native American women. A significant number of these women were single heads of household with one or more children. When working with these women, we have found that there is a great need to develop linkages with other social service agencies to help these women survive and succeed. When these women are enrolled in a training program, we must assist them in identifying adequate care for their children, provide family counseling, and help them to survive in an urban setting, and also help them to succeed in their course of training.

As a result of the program, the quality of life rises dramatically for participants and their families who complete the program.

In addition to meeting the needs of clients, managing and directing the JTPA program has become very cumbersome. Grantees for the most part understand and agree that they must be accountable for operating their individual job training program. They understand that accountability has been mandated by legislation through the implementation of Performance Standards and the Single Audit Act. However, oversight of Indian and Native American programs in the title IV-A program is not limited to performance standards and annual audit. Accountability in Indian and Native American JTPA programs has become unreasonable.

Senator SIMON. If you could summarize the balance of your statement, we will put the whole statement in the record.

Ms. HANLEY. Okay, basically, the oversight that Indian JTPA programs is cumbersome. I have several recommendations in addition to going on about the oversight. I am presently a member of the Advisory Committee. This Advisory Committee for the Department of Labor presently has only limited power and is renewed on a year-to-year basis. It is therefore recommended that a permanent advisory committee be authorized, with specific duties and responsibilities. It is recommended that there should be Indian preference within the Department of Labor that would allow for people that operate programs to understand how the people that they are dealing with—I think your question earlier clearly noted that sometimes when you sit in Washington sometimes you are not aware of what happens here in the Indian community, whether you are on the reservation or you are off the reservation. The conditions are very, very different. It is very important to have people in those positions that understand and have familiarity with situations.

Dealing with economic development. Although current law permits great latitude in the way Indian JTPA funds may be used, the DOL policies and practices have inhibited grantees from using the funds fully in support of economic development in Indian communities. A clear statement of legislative intent is needed to address this situation.

Thank you for providing me the opportunity to share my views with you.

[Prepared statement of Ms. Hanley appears in appendix.]

Senator SIMON. Thank you very much.

Mr. LaMere.

STATEMENT OF FRANK LAMERE, EXECUTIVE DIRECTOR, NEBRASKA INDIAN INTER-TRIBAL DEVELOPMENT CORPORATION, WINNEBAGO, NE

Mr. LAMERE. Yes; thank you, Mr. Chairman, for inviting to participating in these very important hearings on employment training programs in Indian country. My name is Frank LaMere, I am a member of the Winnebago Tribe in Nebraska. I have served for 8 years as the Executive Director of the Nebraska Indian Inter-tribal Development Corporation. I have also had the privilege of serving as the Chairman of the Board of Trustees of the Nebraska Indian Community College. I would like to thank you for your strong support of our tribal colleges over the years.

You have a copy of my statement, and I am just going to summarize very briefly one or two points that I would like you to consider.

Senator SIMON. We will enter it in the record.

Mr. LAMERE. One of the things that I think is very important as we talk about re-organization—S. 1530 seeks to re-organize and to hopefully effect positive change in Indian communities across the countries. When we reorganize, though, I think it is very important for us bear in mind the fact that reorganization of components that are not effective right now is going to do little to make change. I think it is very important to take into consideration those proposed changes to JTPA as they effect Indian programs. I think it is very important that you reflect on those.

I want to summarize those very briefly. We sit on an advisory committee, the JTPA Native American Program's Advisory Committee. I have the opportunity of being the Vice Chairman of that committee. I think it is very important that be written into the law, making that more permanent. There are job creation and economic development efforts and discussions on that advisory committee. I think it is important, if you would, Mr. Chairman, to hopefully encourage the advisory committee and the Department of Labor to continue in those very fruitful discussions.

Senator SIMON. Are you talking about the same advisory committee now?

Mr. LAMERE. Yes; with regard to Indian preference, I came before your 2 years ago, and I talked about the fact that we needed Native American in supervisory positions at the Department of Labor. I had mentioned that it had a decade since we had Indian people in supervisory positions at the Department of Labor. Since May 1989, two or three positions have been filled at the Department of Labor, neither of those have a Native American. I think it is very important that we consider that.

You have already heard about the importance establishing one office responsible for all aspects of the JTPA program and that we must have Indian people in that office. You had mentioned an Indian desk. I wholeheartedly support that effort.

Prior to coming here, Senator, I had the good opportunity to talk to a young man who I only recently was able to know. He was my son, who because of geographic and other circumstances, I had not been able to see for a good many years. He just recently graduated

from high school in South Dakota. I would remiss if I did not point out that today he experiences the rigors and the hardships of the Sun Dance in South Dakota. I had asked him if perhaps it would be wise to stay there and to help to encourage him. He said, "No, it is very important that you do what you need to do in Washington." So, I asked him, "What do young Indian high school graduates want, and what do they feel?" He stated to me that with regard to young high school graduates that they all want to leave the reservation, but there is no place to go. I think it is very important that we bear that in mind, because our young people, and the people on our reservations have the resolve and the potential. They are now looking for that opportunity. That is an opportunity I hope that you can provide through S. 1530, and through your continued efforts with JTPA.

That is all that I have, and of course would entertain any kind of questions. Thank you very much for your continued support of our efforts with economic development, with employment training, and of course, with education.

[Prepared statement of Mr. LaMere appears in appendix.]

Senator SIMON. Thank you.

Mr. Edwards.

**STATEMENT OF CONRAD EDWARDS, EXECUTIVE DIRECTOR,
COUNCIL FOR TRIBAL EMPLOYMENT RIGHTS, SEATTLE, WA**

Mr. EDWARDS. Thank you, Mr. Chairman, honorable members of the committee, for the opportunity to share the perspectives of the Council for Tribal Employment Rights, today with you regarding employment on Indian reservations and the Indian Employment, Training, and Related Services Demonstration Act of 1991.

My name is Conrad Edwards, I am the President of the Council for Tribal Employment Rights. Our membership is comprised of about 120 Tribal Employment Rights Offices throughout the lower 48 States and Alaska. We have and continue to share a deep concern about the issues before this committee today and are supportive of the initiative currently under your consideration. In the TERO experience, we offer the committee an example of the success that can be achieved when Indian tribes integrate the programs, employment, training, and related services on a self determined basis. We exist as a tribal alternative to the bureaucratic programs that have tried to address this crucial issue before.

Mr. Chairman, I am confident that the members of this committee are acutely aware of the deplorable social and economic conditions that are prevalent in Indian country today. Suffice to say that Indian unemployment is alive and well, between the percentages of 25 to 90 percent, chronically. This occurs at a time in our history, you've heard the limited amounts of economic activity that are currently being conducted on Indian reservations. Still, there is more economic development going on in Indian country today than there ever has been in our history.

This, in a country that has experienced 25 percent unemployment at its highest during a period in history known as the Great Depression. During our most recent brush with the "R" word, it ranged as high as 12 percent, in some parts of the country, which

was termed an economic disaster by the national media in those areas. Mr. Chairman, if upwards of 12 percent is a disaster and 24 percent is a Great Depression, then what is 25 to 90 percent but a moral outrage?

To address this issue, back in the 1970's, a courageous group of Navajo construction workers actually took on an international engineering and construction firm that was building a project on their reservation. They proved that discrimination existed as a substantial barrier to Indian employment, and the major cause of Indian unemployment nationwide. They also proved that Indian employment rights are like land, water, mineral, hunting, and fishing rights, in that they are sovereign and protected rights. It brought out the fact that Indian preference has been in the law books and Federal regulations since 1834. The problem has always been one, simply, of non-enforcement.

Following their case, the Equal Employment Opportunities Commission got involved in the area of tribal employment rights, and funded a couple of projects. I defer to the written testimony for the history and the development. I would like to get to some of the impacts and some of the results of that early development.

Senator SIMON. I am sorry to push you, but I am pressed by having an amendment and I am referred to something I am supposed to be doing, so if you could summarize it would be appreciated.

Mr. EDWARDS. I certainly will. One reservation realized about a 300-percent increase in Indian employment in a 1-year period. Another reservation secured over \$200,000 in back pay from a Federal agency and a private sector employer. And yet another tribe who was building two tribal office buildings at the same in two phases had 10 Indians working on the first phase, and they captured over 100 jobs on the second phase. All these activities and results prove that by exercising the inherent sovereignty in consolidating the programs under the tribal control, or local control, is very important.

Again, I'll defer to the written testimony and get right on to our recommendations for the legislative action before you. We know that consolidation will lower the cost of training, and increase the employment of Indians and Native people. We know that the TERO and JTPA programs can fit together and work together with the JOBS programs. We know that the connections need to be made here. We have examples, again in our testimony, of how well we worked with the JTPA program already in field. The problem seems to be here in Washington, DC.

We are currently working with seven agencies, the Equal Employment Opportunities Commission, the Office of Federal Contract Compliance Programs, the USDA, ASCS, the Department of Labor, the Employment Services Administration, the Federal Highway Administration, the BIA, and Administration for Native Americans. We are consolidating our efforts in the field, and doing it at the tribal level under local controls. We are doing it successfully.

As far as the Indian Desk at the Department of Labor, I recommend it at the department level and that you expand the scope of the Indian Desk to include Wage and Hour, and the Occupational

Safety and Health Administration, where we also some initiatives going.

In conclusion I would like to just say that we have a fundamental belief in our people and our own abilities. It is time that the Federal Government adopt a similar position through Indian preference. Indian preference is granted as a political preference, and not a racial preference. I think that message needs to be gotten to the President in order for us to begin to enforce the existing Indian preference laws within these departments. So we are calling for Indian preference within the Department of Labor and the Small Business Administration, as well. These other departments are pretty much up on it.

With that, I will conclude and be glad to answer any questions. [Prepared statement of Mr. Edwards appears in appendix.]

Senator SIMON. Thank you very much. Mr. Edwards, you mentioned OSHA. What is the relationship of the Indian tribes to OSHA, as to your observation?

Mr. EDWARDS. Mr. Chairman, the Occupational Safety and Health Administration has come to us and we have discussed developing tribal safety standards. Our organization, although we did begin with tribal employment rights—in fact developing tribal labor law—we also developed into establishing tribally-owned and operated apprenticeship training standards that are certified by the Department of Labor. We have also gotten into the area of business codes so that we can create an environment that is conducive to the creation of business opportunities and employments opportunities. We are taking a look now at that development of environmental codes and of safety codes.

Senator SIMON. But in terms of working, do you find OSHA works with you reasonably well?

Mr. EDWARDS. Yes.

Senator SIMON. Mr. LaMere, you mentioned the Summer Youth Program, too, and I mentioned to Key Montoya of my staff, we are going to follow through and do our best to make sure that program continues. You made an interesting observation, it is not part of your written testimony, it is either you son or your son's friend, he said all the young people wanted to get off the reservation. If there were jobs on the reservation, would that still be their desire?

Mr. LAMERE. No; I think what the young man was telling me was that there is no opportunity there, and that when they come out of high school, the only opportunity that was available to his graduating class of nine, was the U.S. Army. That was the only opportunity that was readily available to them. There were no opportunities on that reservation. I think that is what he was saying. If you want to build and go on and do something, that it is almost have to leave.

Senator SIMON. The opportunities aren't there on the reservation.

Ms. Hanley, both you and Mr. LaMere referred to the Advisory Committee. Incidentally we have the recommendations of the Advisory Committee and we will put them into the record. The fact that they have produced those kind of specific recommendations indicates that they are at least reasonably effective. If you were to give

them a mark A, B, C, or F, for being effective, what mark would you give them? Then, second, how often do they meet?

Ms. HANLEY. First of all, the members of the Advisory Committee are very effective members of the Native American community and all are very dedicated to working at the Advisory Committee level. We meet two to three times a year and we seriously develop policy recommendations for the Department of Labor. The Department of Labor looks at them from time to time and considers them.

Senator SIMON. You mentioned in your statement,

I see the Department of Labor continuing to implement procedures, literacy testing of all JTPA participants that force grantees to implement procedures that are not designed to benefit the client but provide the Department of Labor with additional data.

I'm going to have to leave in just a few minutes to the White House. A literacy bill, I am pleased to say, the first comprehensive literacy bill we have ever had for the Nation is finally passed, and the President is going to sign it, within 1 hour. But when the Department of Labor now finds out that Jane Smith is not literate, what do they do with that? Is it just data they collect, or do they try to help Jane Smith?

Ms. HANLEY. It is just data. We don't have any reason for collecting it except to provide the Department with data. There are many JTPA programs that have educational components, but there are just as many that do not have educational components. So that when you test, then you don't have educational staff people, the information you are gathering becomes meaningless. It is all gathered at the Washington level.

Senator SIMON. All right. Thank you. That is helpful testimony. Let me thank all of you here. I think we are making some progress. You heard Senator Inouye that we will mark this up 1 week from tomorrow. Any specific suggestions any of you have between now and then, if you can let us know, we will appreciate it. The hearing record will remain open for 30 days.

The hearing stands adjourned.

[Whereupon, at 4:20 p.m., the committee was adjourned, to reconvene at the call of the Chair.]

APPENDIX

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF HON. PAUL SIMON, U.S. SENATOR FROM ILLINOIS

Mr. CHAIRMAN. The Federal Government continually encourages tribes and other Native American groups to link and coordinate human resource development programs to improve the effectiveness of the services they provide. The Department of Labor, in particular, has repeatedly stressed such connections in numerous instructions issued to Indian Job Training and Partnership Act grantees and in the technical assistance workshops it conducts.

When you consider the myriad of just job training money a tribe may receive—JTPA, JOBS, and BIA Adult Vocational—it is easy to see why the ability to coordinate these services is essential for all tribes, especially small tribes. In many cases, these allocations do not even cover the cost of running the program. While the federal government preaches program coordination, the agencies' own operational procedures frequently penalize tribes that try to do this.

Every agency demands a separate contact within the tribal or organizational structure.

Reporting requirements are different and without much flexibility. Budgeting, cost classification systems and accounting procedures are different despite supposedly uniform OMB requirements.

As tribes struggle to cope with the conflicting demands of Federal funding agencies, they often find that their needs and their desire to orient their job training programs around tribal goals and development projects may well be in conflict with an agency's desire to fund a more traditional program or activity.

We need to simplify the procedures for tribes and be more responsive to their employment and economic development needs.

PREPARED STATEMENT OF HON. JEFF BINGAMAN U.S. SENATOR FROM NEW MEXICO

Mr. BINGAMAN. Mr. Chairman, I would first of all like to thank you for calling this hearing. I believe it is time that we address the problem of Indian unemployment, and consider whether we can or should consolidate the delivery of the various programs aimed at addressing unemployment.

As you and the witnesses scheduled to testify at this hearing are aware, unemployment and poverty are both too common among the 1 million American Indians living on reservations. Unemployment hovers at levels up to 90 percent on some reservations. Despite the best of intentions and efforts, Indian unemployment remains 9 or 10 times that of the general population in many areas. Underemployment is also a severe problem.

If we are to attack unemployment on the reservations, it is clear that we must carefully target our limited resources. We must allow Indian tribal governments to focus on giving individuals the skills they need for today's economic demands. In reviewing today's testimony, it seems clear to me that we are not doing so. Instead, we are requiring Indian tribal governments to needlessly duplicate administrative

efforts for various job training programs, thus dramatically reducing the resources available to actually train individuals.

I am pleased that Senator Simon's legislation, S. 1530, which I am proud to co-sponsor, will attempt to address this problem by creating demonstration projects that consolidate training programs. I am looking forward to hearing from today's witnesses, and perhaps having field hearings on this legislation in New Mexico in the months ahead. Again, I thank the Chairman for calling this hearing, and the witnesses for generously giving of their time to attend.

PREPARED STATEMENT OF DAVID J. MATHESON, DEPUTY COMMISSIONER OF INDIAN
AFFAIRS, BIA, DEPARTMENT OF THE INTERIOR

Good afternoon, Chairmen and Members of the Committees. I am pleased to be here to discuss employment on Indian reservations. First, let me say that the Department and I commend you for your interest and focus on one of the critical issues on Indian reservations today.

Unemployment on reservations ranges from 40 percent on some reservations to 90 percent on others. This is 9 to 10 times the national average. In many instances, there are obstacles to employment that are beyond the control of tribes. First is the often isolated geographical location of reservations with inadequate transportation systems. Other obstacles include jurisdictional disputes between States and residents of trust lands which create problems in law enforcement, gaming enterprises, and subsequent tax disputes. In addition, tribal sovereign immunity and lack of collateral make securing moneys from the private sector for initiating programs that would provide work opportunities on reservations extremely difficult.

In your letter of June 26, you mentioned two of the Bureau of Indian Affairs' (BIA) training programs. I would like to begin by describing these programs.

The Employment Assistance (EA) program operated by the BIA has two functions. One is adult vocational training and the other is direct employment services. Tribal governments are given the option of contracting and operating the EA program or they may elect to have the program operated by the BIA.

The purpose of the Adult Vocational Training Program is to assist Indian people to acquire job skills necessary for full-time satisfactory employment. Within that framework, the program provides testing, vocational counseling or guidance to assist participants to make career choices that help the participant relate personal assets to training options and availability of jobs in the labor market. The program provides for full-time institutional training in any Federal or State accredited vocational or trade school. This includes apprenticeships and on-the-job training for periods not to exceed 24 months in length, with the exception that Registered Nurse training may be for periods not to exceed 36 months. While in training, the applicant is provided with transportation costs to the training location, tuition and related training costs, weekly subsistence expenses, counseling, and emergency needs.

Direct employment services are provided to applicants who have a job skill by providing job referrals matching the job skill. These services include testing, counseling, and financial assistance for transportation, tools, subsistence until the first full paycheck is received, and emergency needs. Applicants are also assisted in resume writing, completing job applications, and preparation for interviews. When an applicant is placed on a job, direct employment assistance is then provided the applicant and his/her family. This can include financial assistance, as needed, subject to the rates established by the Area Office. The Area Director may also provide emergency financial assistance and supportive services, such as initial union dues, moving expenses, security deposits, housewares, and child care. Unemployed and under-employed adult Indians who are residing on or near Indian reservations seeking permanent employment may receive placement and supportive services and grants through this direct employment program.

In Fiscal Year 1992, the program budget request for EA is \$2.5 million and our estimates indicate that we will be able to serve 1,841 applicants. Our selection of participants will necessarily be restricted to applicants whose financial needs are critical. In the past, we have been able to serve clients on a first-come, first-serve basis.

The BIA's Division of Social Services has a General Assistance (GA) program which is a secondary source of welfare assistance for eligible Indian people. A part of that program is the Tribal Work Experience Program (TWEP). This program is available as a contract program only if requested by a tribe and the work experiences are developed by the tribe. The program is not designed for actual job skill training as one would normally expect. It is a program intended to provide an eligi-

ble (employable) recipient with work experiences and training that promote and preserve good work habits and skills. These habits and skills include building habits of punctuality, reliability, consistency in attendance, and a sense of responsibility for oneself and for the job. In most cases, the projects include labor work in construction, maintenance, and miscellaneous assignments. Participants are placed according to their educational level, training, job skills, and experience.

Currently, we have over 100 tribal contracts for TWEP. About 3,800 individuals per month are participating in this program. We provide GA services for 50,000 persons per month. Of this number, 75 percent are eligible to participate in TWEP. Not all of those eligible, however, participate. A major barrier to job placement for these individuals is that often they are not viewed as high potential employees and placement for available full-time jobs for these participants is difficult to obtain.

In addition to the EA and TWEP training programs, cooperative training has been offered by the Indian Housing Improvement Program (HIP). The purpose of the BIA's HIP is to repair and renovate housing for needy Indian families on or near Indian reservations. Although HIP is not viewed as a training program, HIP has encouraged tribes to work with schools providing building trades training. Where this has occurred, HIP has supplied the materials and the projects for the students. Informal training is also provided through on-the-job training. This kind of cooperative endeavor, where it can be utilized, alleviates the problem found on many reservations of a lack of skilled labor, particularly in the electrical and plumbing trades.

Tribes have now entered into an era of self-determination and self-governance which, along with the Indian Priority System (IPS), has had a significant impact on tribal priorities. The tribes contract the EA program to provide the same services as administered by the BIA. However, the tribes may not give the training programs and job placement a high priority rating relative to their other programs. Some tribes are less than successful in the placement of their adult training graduates and others in seeking assistance in finding employment. Most reservations, because of their isolated locations, find they have extremely limited job opportunities to offer, and consequently, the most important part of the program, gainful employment, is not achieved.

Up to now, EA programs have been directed toward assisting the individual who is sufficiently motivated and willing to undertake vocational training or be placed in industry. Beyond this potential group of applicants lies a substantial segment of the reservation population to whom attention must be directed by way of effective programs if we are to solve the problem of Indian unemployment.

In order to enhance training and employment opportunities on Indian reservations, the BIA is working with the Administration for Children and Families (ACF) within the Department of Health and Human Services on a technical working group where these issues can be coordinated. We are discussing with them the regulations being written to ensure consistency between programs where possible. This would simplify the provision of services to the Indian people.

In addition, the BIA will be providing our evaluation study on the Employment Assistance Readiness Net (EARN) program when it becomes available to the technical working group. Due to the flexibility of the EARN program and programs within the ACF, we feel there is an opportunity for the ACF to participate with the BIA in this effort.

We would be willing to work with the committees, with other government agencies, and with the tribes to study the factors which are perceived to be obstacles to coordinating programs. We are also developing a list of statutory and non-statutory barriers which could prevent closer integration of existing human resources development programs.

This concludes my prepared statement. I will be happy to answer any questions the Members of the committees may have.

PREPARED STATEMENT OF MITCHELL F. STANLEY, ASSOCIATE DEPUTY ADMINISTRATOR FOR FINANCE, INVESTMENT AND PROCUREMENT OF THE SMALL BUSINESS ADMINISTRATION

I am Mitchell F. Stanley, Associate Deputy Administrator for Finance, Investment and Procurement of the U.S. Small Business Administration (SBA). On behalf of SBA's Administrator, Patricia Saiki, I would like to thank you for the opportunity to appear before these committees today to testify on integrating the employment, training, and related services provided by Indian tribes. I am accompanied by Charles Mezger, our Acting Coordinator for Native American Affairs.

I want to begin my testimony by describing what we have been doing at the Small Business Administration to assist Native Americans. Of course you know that our new Administrator, who is a native of Hawaii, has a special empathy for the problems faced by Native Americans. She has already created an SBA focal point for Native American concerns by appointing Mr. Mezger as the Acting Coordinator for Native American Affairs. Mr. Mezger will serve in that role until we complete a nationwide search for the best qualified person to permanently fill the post.

SBA has a number of special initiatives underway that we feel will lay the groundwork for progress in the future. I want to share some of these exciting projects with you.

Our Minority Small Business Program, generally known as the 8(a) Program, is designed to develop and promote business ownership by socially and economically disadvantaged individuals. Under the 8(a) Program, SBA provides a wide variety of services to 96 participating firms, including management and technical assistance, loans, and federal contracts. We note with pride that two tribally-owned 8(a) firms provided mobile water tanks and chemical protective suits for use by America's troops in the Middle East during the recent Desert Storm campaign.

As you are aware, Public Laws 100-656 and 101-574 mandated a number of changes to the 8(a) Program for the benefit of small business concerns owned and controlled by Indian tribes, including Alaska Native Corporations. For example, Indian tribes may now own more than one 8(a) concern so long as the concerns are in different industries. In addition, the manager of a tribally-owned concern may manage more than one 8(a) firm.

One key change allows a tribally-owned 8(a) concern to enter into joint ventures with a large business to perform 8(a) contracts. This authority may be used up to five times until the sunset date of the provision, September 30, 1994. A tribally-owned concern is also exempt from the requirement of competition for 8(a) contracts over \$5.0 million for manufacturing, and \$3.0 million for all other industries.

To make it easier for tribally-owned firms to participate in our 8(a) program, SBA no longer requires that a tribally-owned entity be managed by a member of the owning tribe. Instead, the manager may be a member of any economically disadvantaged Indian tribe. SBA also revised existing regulations to allow a large business joint venture partner to identify potential 8(a) contracts for the tribally-owned business.

SBA has begun a concerted program of outreach to tribally-owned concerns and firms owned by individual Native Americans. For example, we recently entered into a cooperative agreement with the National Center for Indian Enterprise Development to provide management and technical assistance to 20 Native American clients in a four-State geographical area, including California, Nevada, Arizona, and New Mexico.

Just last week, SBA and the Center cosponsored a conference in Denver on "The Federal Role in American Indian Enterprise Development." During the first day of the conference, Native Americans provided sensitivity training to SBA staff and informed them of Native American business, legislative and tribal issues. On the second day, SBA officials discussed the Agency's various programs, business opportunities for Native Americans, and venture capital development. A similar conference will be held next month in Seattle.

SBA, through its district offices and outside resources, has provided technical and management counseling and training on or near Indian reservations. Our Small Business Development Center program, with its nationwide network of over 750 centers, is well positioned to deliver the training, counseling, and technical assistance needed to energize economic development in Native American communities. To illustrate this potential, the SBDC network last year provided business counseling to over 2,000 Native Americans.

Several Small Business Development Centers are already working closely with Native Americans. The South Dakota SBDC, for example, began a project with the BIA to provide business counseling on the Yankton and Rosebud Sioux reservations. A consultant is assigned full time to the project and provides assistance in business startups, locating sources of capital, marketing, personnel, accounting, and record-keeping. This successful project will soon be expanded to include the Pine Ridge Oglala Sioux Reservation.

The Nevada SBDC has participated in several programs with the Inter-Tribal Council of Northern Nevada. For example, both the Reno and Elko SBDC sub-centers have conducted a Tribal Business Development Seminar that explores opportunities available for starting or managing a small business. In addition to presenting relevant management techniques, the seminar offers tribal members the op-

portunity to consult one-on-one with representatives from financial institutions, development agencies, and investor groups.

The Louisiana SBDC is involved in a long-term project to help members of the Coushatta tribe form small business firms to manufacture and sell Indian-designed clothing and gifts. Five days ago, on July 20, 1991, Bayou Indian Enterprises opened a retail outlet to sell clothing designed by the Coushattas. Once a demand for the product line is clearly established, new tribal manufacturing firms will be formed to expand production of these items.

We have initiated efforts to increase the sensitivity and awareness of our SBDC directors to Native American issues. This year, for the first time, SBA is requiring that all SBDC's emphasize assistance to Native Americans. We have also initiated a study of SBDC's to find out what business development efforts have and have not worked for Native Americans. After evaluating this information, we will assemble a panel of SBA, SBDC, and Native American advisors to determine how SBDC's might better serve Native Americans within current budget levels.

Two of our programs will continue to play an important role in providing counseling and training to Native American small businesses—the Service Corps of Retired Executives (SCORE) and the Small Business Institutes. SCORE volunteers, with expertise in specialized areas, provide free business counseling and training. SBI teams of highly-qualified university students, under the guidance of a faculty member, provide intensive management counseling. In the past year, SCORE and SBI staff provided counseling to nearly 4,000 Native Americans.

Our Office of Veterans Affairs is working with the BIA to co-host two workshops in South Dakota for Indian veterans. The workshops will be held in September on the Pine Ridge Oglala Sioux Reservation and the Cheyenne Reservation in Eagle Butte. Topics covered will include business plan preparation, sources of financing, marketing, and legal aspects of going into business.

In February of this year, SBA and the BIA signed an agreement that calls for the two agencies to work together to encourage business ownership by American Indians, Eskimos, Aleuts, and Native Alaskans. The agreement recognizes that each agency has at its disposal several programs and services that can assist Native Americans and that, by joining together, we can maximize the benefits to these clients.

To assist the BIA in training its credit officers, SBA has opened up its three-tier loan officer training course to BIA employees. Ten BIA credit officers have already attended SBA training, and we are scheduling additional training sessions.

One of the primary benefits of the agreement will be to have BIA credit officers and SBA loan officers meet each other and begin to develop long-term working relationships that will benefit our mutual clients. For example, under the agreement, BIA credit officers will be detailed to SBA field offices to learn about our financial and business assistance programs, as well as explain BIA's business financial assistance programs to our employees.

BIA has agreed to assist SBA by helping us schedule visits to reservations; arranging office space for our use; serving as an on-site source of information to tribal councils and individual Indians about SBA and SBA-sponsored programs; and helping Indian applicants prepare our loan applications.

I have just described the wide variety of SBA's business development programs that would complement the human resources development programs in the proposed bill. SBA's programs encourage entrepreneurship by providing managerial and technical training and counseling to business owners and potential business owners, and by creating financing opportunities for entrepreneurs.

We believe that there are no statutory or other legal barriers to SBA providing its programs to Indians, in conjunction with the Department of Health and Human Services, the Department of Labor, the BIA, and other agencies. SBA has expertise in business-related training and counseling. SBA could provide these services, concurrently with the human resource development services of these other agencies, in a combined effort to facilitate entrepreneurship on Indian reservations.

Mr. Chairman, I am pleased to have provided this report to you today. We are proud of the many creative and promising projects already underway, and we are excited about the new initiatives that will begin in the year ahead.

**STATEMENT OF DOLORES BATTLE
ADMINISTRATOR, OFFICE OF JOB TRAINING PROGRAMS
EMPLOYMENT AND TRAINING ADMINISTRATION
U.S. DEPARTMENT OF LABOR
BEFORE THE
SELECT COMMITTEE ON INDIAN AFFAIRS
AND THE SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY
OF THE COMMITTEE ON LABOR AND HUMAN RESOURCES
UNITED STATES SENATE**

JULY 25, 1991

Messrs. Chairmen and Members of the Committees:

I am pleased to have this opportunity to appear before you today to discuss the Department of Labor's Native American programs.

Joblessness is a significant problem among Native Americans. According to the 1980 census, 14 percent of Indian reservation households -- three times the proportion in the United States as a whole -- had annual incomes under \$2,500. Nearly 45 percent of reservation Indians lived in households with incomes below the poverty level. Underlying these high poverty rates are high rates of joblessness among reservation Indians. In 1989, as estimated by the Bureau of Indian Affairs (BIA), the national unemployment rate for reservation Indians was 40%, as compared with the U.S. civilian rate of 5.3%. Many others have given up the search for work and are no longer counted among the jobless.

In addition to unemployment, many of those on Indian reservations experience poor health, substandard housing, and other serious social problems that are often associated with economic deprivation. Reservations are largely dependent upon

public sector employment and welfare. Research has failed to isolate any single, primary cause of economic underdevelopment on Indian reservations. Rather, the causes are complex and varied from one reservation to another, and are generally thought to include the lack of a skilled labor force, the absence of managerial and entrepreneurial expertise, jurisdictional disputes among tribes, States, and local governments, inability to use trust resources as collateral for investment, and an inability of local governing institutions to create an appropriate environment for private investment.

There is a wide array of human resource and economic development programs specifically serving the Indian community. Federal funding for Indian programs or programs and services that are designed to assist the Indian population totals \$4.0 billion in FY 1991. Among these are the Department of Labor's Native American program, which is authorized by Title IV-A of the Job Training Partnership Act (JTPA). These programs are designed to improve the economic well-being of Native American groups such as Indians, Eskimos, Alauts, and Native Hawaiians through the provision of job training, work experience, and other employment-related services and opportunities that are intended to enable participants to obtain permanent, unsubsidized jobs. Total funding for the Title IV-A program this program year is \$59.6 million.

For many years, under JTPA and predecessor legislation, the Department has been awarding grants to Indian tribes, Native

American groups, and non-profit Indian groups located mainly in urban areas, and a Native Hawaiian organization. This year, the Department awarded 182 basic grants. Most grant recipients also receive additional funds to operate Summer Youth Employment and Training programs for Native American youth, authorized under Title II-B of JTPA. Funding for the 1991 Summer Program for Native Americans is \$12.7 million.

The last 12-month period for which we have complete participant data is Program Year 1989, which ended on June 30, 1990. During that period, Title IV-A Native American programs served a total of 30,970 participants. Of the 24,992 participants who left the program, 55 percent entered unsubsidized employment. Another 12 percent either were placed in additional training, returned to school full time, or attained a high school or postsecondary credential.

Data on personal characteristics are available for participants who terminate from the program in a given year. Briefly, data for Program Year 1989 show:

- Equal proportions were male and female.
- A majority of the participants were between the ages of 22 and 44, and 28 percent were age 21 or younger. This represents a conscious commitment to address the employment and training needs of Native American youth.
- Twenty-three percent of the participants were school dropouts.
- Sixteen percent were single heads of households with

dependent children.

- Nineteen percent were welfare recipients.
- Over 27 percent were long-term unemployed.
- Twenty-two percent of the participants were not in the labor market prior to participation in the program.

In addition to being served by Title IV-A programs, Native Americans participate in other JTPA programs. For example, the Title III Dislocated Workers program served 1,191 Native Americans during Program Year 1989. And the Title II-A formula grant program, administered by States and local areas served 10,980 Native Americans during the same year. The Indian Summer Youth Employment and Training Program, to which I referred earlier, served 9,689 Native American youth during the summer of 1990, in addition to the 7,998 Native American youth participants in the regular Title II-B summer program. The Job Corps served 2,064 Native American youth during Program Year 1989.

Other federal programs also provide employment and training and related services to Native Americans:

- The Bureau of Indian Affairs funds skills training, work experience, and employment services programs for low income Indian youth and adults.
- The Department of Education (ED) and BIA fund adult education/literacy programs specifically for Indians.
- HUD, EDA/Commerce and BIA administer programs which provide economic development assistance to Indian tribes and organizations.

- Under its broad discretionary authority, the Administration for Native Americans (ANA) of the Administration for Children and Families within the Department of Health and Human Services provides grants which may encompass all of these activities.
- The Job Opportunities and Basic Skills Training (JOBS) program provides grants to Indian tribes and Alaskan Native organizations to provide education, employment, and training assistance to Indians receiving Aid to Families with Dependent Children (AFDC).

The Need for Federal Coordination. Because of the array of programs providing similar services, there is a critical need to coordinate resources to avoid duplication and enhance the delivery of services. There are a number of barriers that can make the coordination of Federal programs more difficult at the grantee level, including the following:

- Eligibility criteria and other regulations and guidelines differ for similar programs.
- Programs operate on different funding cycles -- most Native American programs operate on a Federal fiscal year basis, while all JTPA programs operate on a program year basis.
- BIA programs extend to tribal members living on or near reservations, while most other programs are limited to Native Americans living on reservations, and JTPA programs are open to all Native Americans regardless of

residence or tribal affiliation.

The definition of who is an Indian is not the same among all Federal programs. Some programs require tribal membership and/or verification of 25 percent blood quantum while the JTPA Title IV-A program permits the grantee the flexibility to determine who is an Indian.

What can be done to foster and promote coordination? For many years, the Department of Labor has encouraged better linkages and coordination among programs at both the national and grantee levels. Whenever possible, we believe the use of JTPA training funds should be coordinated with the economic development activities leading to increased employment opportunities for Native Americans. We have recently transferred \$300,000 to ANA for jointly funding a number of projects to coordinate resources across several federal agencies. These projects will promote and foster job creation on reservations, utilizing JTPA funds in the planning and design of tribal economic development initiatives.

At the local level, grantees can develop a standardized application form which would serve the data and eligibility determination needs of various programs. In some places, for example, this has been done with the JOBS program. They can have central staff serving all programs. They can do in-depth assessments of their client populations to determine which program or combination of programs would be appropriate for

individuals in need of services.

The Department of Labor's Native American Programs' Advisory Committee's Strategic Plan has as its first goal the development of a comprehensive and coordinated Federal service delivery system they will encourage and promote program linkages responsive to the needs identified by the Indian and Native American community. Admittedly, this is an ambitious goal for any Federal agency, but the Department has initiated the following efforts to meet the goal:

- **Strategic Plan.** The plan prepared by the Advisory Committee was distributed to a number of Federal agencies for comments. Copies of the plan were also shared with Congressional members and staff.
- **Interagency Meeting.** The Department of Labor invited representatives from the Office of Indian Education, the Administration for Native Americans, Indian Health Services and other agencies to solicit first-hand recommendations on how to better improve coordination among our various programs serving Native Americans. That meeting was the genesis of our pilot effort with the Administration for Native Americans.
- **HHS/Administration on Aging.** The Department of Labor is a member of the AOA's Interagency Task Force on Older Indians. The task force is a permanent committee chartered to facilitate the coordination among federally funded programs and to improve services to

older Indians.

HHS/Job Opportunities and Basic Skills Training Program (JOBS). The Department of Labor is a member of a special work group assembled by HHS to coordinate our JTPA efforts with its JOBS program. As part of this continuing effort, we: (a) participated in the review of the draft JOBS regulations for the Native American portion of the program, (b) participated in an HHS procurement panel to review contract proposals to provide technical assistance and training (TAT) to JOBS grantees, and (c) continue to provide TAT to JTPA grantees concerning administrative, operational, and financial procedures vis-a-vis the JOBS and JTPA programs.

Efforts with the Department of Defense and the Small Business Administration. The Department of Labor has had a number of meetings with the Small Business Administration and the Department of Defense's Army Materiel Command to explore a pilot effort linking JTPA funds to tribal economic development efforts. The Department has also attended workshops for Native Americans for the purpose of learning first hand the problems of initiating economic development efforts on reservations.

Education/Office of Indian Education. The Director of the Office of Indian Education, Dr. John Tippeconnic,

is also a member of DOL's Native American Programs' Advisory Committee. Dr. Tippeconnic has been coordinating education resources with the Department's technical assistance and training to Indian and Native American grantees on reading assessments and performance standards.

In addition, the Department of Labor is involved in a number of other activities, including: the White House Conference on Indian Education, the Indian Nations At Risk Study, the National Advisory Council on Indian Education, the National American Indian Council, the Bureau of Indian Affairs--Office of Indian Education and Office of Employment Assistance, the Planning Office of the National Policy Center for Native American Studies and Indian Policy Development--Georgetown University, the National American Indian Education Association, and the National Congress of American Indians.

The Department supports efforts directed at better coordination of Federal human resources programs for Native Americans and will continue to work with other Federal agencies in these efforts.

This concludes my prepared statement. At this time I would be pleased to answer any questions you may have.

Statement of
Barry Stern, Deputy Assistant Secretary
for Vocational and Adult Education
Department of Education
Before the
Senate Select Committee on Indian Affairs
and
Subcommittee on Employment and Productivity
Senate Committee on Labor and Human Resources
July 25, 1991

Mr. Chairman, I am Barry Stern, Deputy Assistant Secretary for Vocational and Adult Education. Thank you for the opportunity to testify on the Department of Education's employment and training programs for Indians.

The Department administers 15 separate programs for Indians at a combined funding level for fiscal year 1991 of over \$517,000,000. Of these programs, the one primarily directed to employment and training is the Indian Vocational Education Program, which is authorized by the Carl D. Perkins Vocational and Applied Technology Education Act of 1990. This program will be the principal subject of my remarks today.

Program Background

This discretionary program for Indian vocational education has been in existence since 1978. Under the program, grants are made to federally recognized Indian tribes and tribal organizations (those eligible to contract with the Secretary of the Interior for the administration of programs under the Indian Self-Determination and Education Act of 1975 or under the Act of April 16, 1934).

The purpose of this program is to provide financial assistance to projects that provide vocational education for the benefit of Indians.

Since 1978 we have provided more than \$101 million to 472 individual projects. Approximately 100 different tribes or tribal organizations in 32 States have received funding under this program during its 13-year existence. We estimate that approximately 30,000 students have been served during this period.

This year, we will fund 25 continuation projects and an estimated 12 new projects at a total cost of over \$11,000,000.

Projects funded under this program have offered vocational training in a wide range of occupations, such as the construction trades, business and clerical fields, agricultural occupations, automotive repair and maintenance, police science, boat building, fisheries management, and computer science.

These projects employ a broad range of methodologies, including instruction in basic skills, bilingual instruction, counseling, support services, and employability skills training. These projects appear to be most successful when the training offered links directly to existing employment opportunities or to the economic development initiatives the tribe is carrying out.

Since job opportunities on or near reservations are often limited, many of the projects invest almost as much in job development as they invest in job training. This means that

educators have to be closely involved with private sector, including local businesses and community leaders, at all stages of project operation including planning, implementing, monitoring, and problem solving.

On-going involvement with economic developers, employers, and community leaders helps ensure that graduates are being trained for real jobs. Individuals from the private and community sectors consistently provide the advice, assistance, and placement opportunities that are necessary to the success of our projects.

The placement of students in successful employment has grown steadily over the years. The present placement rate is in the range between 75 percent to 80 percent for those individuals completing the programs. Some of the projects achieve a 100 percent placement rate.

Coordination with Other Programs and Agencies

The Department places a strong emphasis on program coordination at the local level through the project selection and monitoring processes. Project applications are reviewed and projects are monitored to determine the extent to which they involve, coordinate with, or encourage tribal economic development

plans. These economic development plans incorporate the Job Training Partnership Act (JTPA) and the Jobs Opportunities Basic Skills Training (JOBS) programs.

Inter-agency coordination is achieved through an interdepartmental coordinating committee that meets at least quarterly. The primary purpose of the committee is to share knowledge, expertise, and program information to enhance education and job training for Indian populations. Members of the group are program managers and education specialists from the Departments of Agriculture, Education, Energy, Health and Human Services, Housing and Urban Development, Interior, and Labor. Staff members of the National Advisory Council on Indian Education are regular participants, as well.

Education Flexibility in America 2000

The Administration supports the goal of eliminating program "red tape" and making it easier for recipients of Federal funds to meld funds from different programs into an integrated whole. Toward this end, on May 22, the President sent to Congress the "AMERICA 2000 Excellence in Education Act," which has been introduced in this body as S.1141. Title IV of this bill would authorize schools and other education providers to obtain waivers from statutory and regulatory requirements that they believe impede their ability to meet the special needs of students and other individuals in the most effective manner.

This approach is far preferable to your draft bill. The key aspect of our proposal is that waivers would only be granted in exchange for a commitment and a plan to achieve greater educational gains. This accountability notion would be embodied in plans submitted by school districts, which would set forth specific, measurable education improvement goals to be attained, and in project reports that would contain school-by-school data documenting whether the goals are being met. The Secretary would terminate a project, at any time, that was not making satisfactory progress toward meeting its goal. Our bill would be equally applicable to programs for Indians as for other programs. It is the approach we prefer.

Thank you for the opportunity to testify before this joint hearing. This concludes my statement.



DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

STATEMENT BY
JASON TURNER
DIRECTOR, OFFICE OF FAMILY ASSISTANCE
ADMINISTRATION FOR CHILDREN AND FAMILIES
DEPARTMENT OF HEALTH AND HUMAN SERVICES
BEFORE THE
SELECT COMMITTEE ON INDIAN AFFAIRS
AND
COMMITTEE ON LABOR AND HUMAN RESOURCES
SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY
U.S. SENATE
JULY 25, 1991

Thank you for the opportunity to appear before you today to discuss the integration and coordination of employment and training programs serving Indian reservations.

One of Secretary Sullivan's major initiatives is to coordinate and consolidate within the Department of Health and Human Services those services that are available to families living in poverty. It was this recognition of the need to better target and coordinate Federal programs that prompted Secretary Sullivan to reorganize the Department's many programs for children and families into a single agency: the Administration for Children and Families (ACF). With an annual budget of \$27 billion, ACF will provide States, communities, and the Congress with a single agency within HHS concerned with children's programs and policies, and it will increase the ability of the Federal government to coordinate these services.

A number of activities are being undertaken within ACF to address the problems of poverty and welfare dependency among Native Americans living on reservations. Of primary importance for this hearing is implementation of the Family Support Act of 1988.

The Family Support Act was a significant first step in helping the nation's welfare families, including Native American families, reduce their dependence on government and achieve

economic independence. One of the key elements of this legislation was the creation of a new program of education, training, and employment activities for welfare recipients, the Job Opportunities and Basic Skills Training (JOBS) program. A fundamental principle embodied in JOBS, and the Family Support Act itself, is the idea of mutual obligation, in which welfare recipients are expected to take steps toward self-sufficiency through employment, and the government is expected to support this effort through work experience, training and supportive services.

The JOBS legislation recognizes the sovereignty of Tribal entities and Alaska Native organizations, which may apply directly to the Federal government for funding. Native Americans receiving Aid to Families with Dependent Children (AFDC) are eligible for JOBS. Unlike the JOBS programs for States, the program for Tribal entities is funded by the Federal government with no required match. Further, the JOBS program gives Tribes the flexibility to design and operate a program that meets the unique needs of their Tribal members, a flexibility which is enhanced by a provision which enables the Secretary of HHS to waive any JOBS requirement if he determines it will further the program objective of self-sufficiency through employment.

Currently, 76 Indian Tribes and Alaska Native organizations are operating JOBS programs at a FY 1991 funding level of \$6.3

million. Funding for individual Tribal grantees ranges from \$4,649 for the Aleutian-Pribilof Islands Association, Inc., to \$1.3 million for the Navajo Nation. However, the largest number of Tribes, 36 percent, receive grants between \$10,000 and \$50,000.

Given the size of these grants to Tribes, it is critical for them to coordinate with other programs in order to maximize benefits from the JOBS program. Further, the JOBS statute specifically requires coordination with other programs providing employment, training, and supportive services. Early experience in the program indicates that, for the most part, Tribal grantees are providing overall administrative and case management functions while contracting out most service functions, such as education and training, to other public and private providers.

One program with which there has been extensive local coordination is the Job Training Partnership Act (JTPA) program. Fifty-nine of the Tribes operating a JOBS program also operate a JTPA program, and staffs of JOBS and JTPA usually are co-located. In fact, in 28 of the Tribes operating the two programs one person is responsible for both. Under these circumstances a natural opportunity arises to maximize the support each program can give to the other. In many circumstances, for example, the JTPA program provides training, while JOBS funds the case management and support services, such as transportation.

One example of successful coordination is the JOBS program in Gila River Indian Community, which is located in the Tribe's Employment and Training Department. The Tribal Work Experience Program (TWEP), the Tribal Employment Rights Office (TERO), and the JTPA program all are co-located. The JTPA application is used for prospective JOBS participants so that JTPA can provide employment and training services, when appropriate. Finally, monthly program Directors' meetings ensure that each program is apprised of current and new developments in these programs.

To facilitate the coordination and reduce the burden of Tribal reporting, we have made the JOBS reporting requirements similar to those of JTPA, wherever appropriate, and have made the overall requirements less comprehensive than those required of the States.

Coordination with education programs to ensure the availability of adult and vocational education activities is essential. At least one Tribe, the Mississippi Band of Choctaw Indians, felt so strongly about the importance of education in helping its members become self-sufficient that it located its JOBS program in its Education Department.

There also are numerous efforts aimed at coordinating support services. The new Child Care and Development Block Grant (CC&DBG) program is located within ACF. Under it, Indian Tribes can apply directly to the Federal Government for funds for child care services for low-income families. Thus, these funds are potentially available to Tribes to supplement other available child care resources for JOBS participants.

Further, ACF brings together the Office of Family Assistance, the Administration for Native Americans (ANA), and the Indian Head Start program. We are now developing strategies to better coordinate services to benefit Indian Tribes. For instance, to respond to the criticism that job training on reservations is often wasted because there are too few available jobs, we intend to encourage Tribal JOBS programs to link training and supportive services to specific economic development projects funded through ANA.

Overall, to better help Tribes implement the JOBS program, ACF set aside funds to provide Tribal leaders, Tribal JOBS staff, and others working with Tribes information and training directed at the successful operation of the JOBS program. In September 1990, ACF awarded a three-year contract for approximately \$379,000 to ACKCO, Inc., an Indian-owned business. Under this contract, three technical assistance publications will be developed,

including an Operations Guide, a Best Practices Catalogue, and a Problem Solving Guide. We also are planning two technical assistance workshops this fiscal year, one in August and the other in September to which Tribes receiving JOBS funding have been invited. Coordination strategies will be discussed at these meetings. The Departments of Labor, Education, and Interior (Bureau of Indian Affairs) have been invited to participate in these workshops.

We intend to continue our efforts to improve the integration, coordination, and continuity of services to needy Tribal families. For example, in the next fiscal year we intend to hold JOBS technical assistance conferences concurrently with JTPA conferences. We recognize that such efforts will improve the quality and effectiveness of services provided to Native Americans.

Finally, we read with interest your draft bill, "To authorize the integration of employment, training, and related services provided by Indian tribes." We support efforts to better coordinate programs to serve Native Americans and will be happy to work with your Committees toward this end.

In closing, we think we have made a good start toward encouraging the integration and coordination of employment and training programs serving Indian reservations by taking advantage of the

considerable flexibility provided in recent legislation and Secretary Sullivan's commitment to integration of services for families in poverty. However, we recognize that there is still much to be done to address problems specific to Native Americans, and we will continue our efforts in the future.

Thank you again for the opportunity to appear before you today. I would be pleased to respond to any questions you may have.

TESTIMONY BEFORE THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS

July 25, 1991

HEARING ON EMPLOYMENT AND TRAINING

Submitted by Gregg J. Bourland, Chairman
Cheyenne River Sioux Tribe

Mr. Chairman and Members of the Committee, my name is Gregg Bourland, my Lakota name is Wanbli Awanyankapi (Eagles Watch Over Him). I am of the Minneconjou Band of the Lakota People of South Dakota. As Chairman of the Cheyenne River Sioux Tribe, it is indeed an honor to address this Committee today.

We deeply appreciate the Committee's interest in Indian employment and training and its efforts to work with the Tribes to develop legislation that will improve the delivery of employment services to Indian people. Our success in this effort will not only decrease our severe unemployment rate, but its ripples will help to solve so many of the other problems that undermine the potential of our people. It will also have a positive effect on the budget because the millions of dollars Congress now appropriates to maintain an unemployed population and to address the social and economic problems that result from high unemployment can be redirected to economic and governmental development.

Presently, our unemployment rate based on the latest BIA labor force report, is 86% while our employment rate is 14%. If, through successful employment training programs we can begin to reverse those numbers, we would see such impact as:

- 1) a dramatic reduction in the funding needed for general assistance, AFDC and all of the other maintenance programs;
- 2) a dramatic reduction in suicide, alcoholism and all of the related social distress that occurs when people are unable to support themselves;
- 3) a dramatic increase in funds available for health care services, since the employed work force would be covered by health insurance, which could substantially supplement the IHS budget;
- 4) partial relief from the severe housing shortage on reservations, since with an employed work force, a private sector housing market would develop.

The list could go on and on because full employment means a healthy, self-sufficient people. Unfortunately, the present

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Federal employment training effort on reservations is not designed to achieve this kind of success. Instead, it represents an example of bureaucracy at its worst. Presently, the Federal government funds many different training programs on reservations. These include JTPA, TWEP, (which is tied to BIA General Assistance), JOBS (which is tied to AFDC), BIA employment assistance, Department of Education vocational education, higher education scholarships, and related programs. None is funded at a level that is sufficient to get the job done, but each comes loaded down with restrictions, administrative burdens and bureaucratic barriers that prevent the Tribe from establishing a comprehensive and coherent training effort.

The Cheyenne River Sioux Tribe is a firm believer in the principle of self-determination -- that the Tribe, at the local level, is in a much better position to determine what are the best kinds of programs for its people, than is the faceless bureaucracy in Washington. Several months ago, we began exploring what could be accomplished if the principles of self-determination were applied to the employment training area. We concluded that application of those principles would enable the Tribe to implement a comprehensive and much more effective employment training program. It is this initiative by the Cheyenne River Sioux Tribe that became the basis for the draft bill that is before the Committee today. We strongly support the bill and urge its expedited passage. I would like to discuss briefly how this bill would remove the existing barriers and enable tribes to develop much more effective and successful training programs.

1. The Bill will Permit Continuity in Training.

Someone once said that Indians are the most partially trained people in the country. Because reservations are served by many fragmented, unfunded programs, each with its own set of bureaucratic restrictions, the training an individual Indian receives lacks both continuity and comprehensiveness. An individual on a reservation ends up getting six months of carpentry training, nine months of heavy equipment, six months of office machine repair, etc. None of this training provides the individual with the in-depth skills or the certification needed to make him highly employable. With the increased need for a highly skilled work force as we approach the year 2000, this partial and fragmented training becomes even more useless.

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A training program needs to evaluate a person to determine the point he or she is at now, needs to help them identify a realistic career goal, needs to develop a plan to help them reach that goal, and then most importantly, needs to stay with that person until he or she is fully employable. It must be able to take that person, depending on the individual, through basic academic skills, classroom training, certification that is universally recognized, on-the-job training in private sector jobs, and then full-time placement. It must also be able to provide the necessary supportive services throughout the process. The present fragmented programs, with their Washington-imposed limits and demands, makes this kind of training impossible. The Demonstration bill now being considered by the Committee would correct this problem by eliminating both the fragmentation and the restrictions. Tribes would be able to pool all of their training funds into a single central pot and then design and operate a comprehensive program that stays with its participants until they are highly employable and until it has placed them in a permanent job. Also the training program could concentrate on real results, rather than on meeting the agency imposed performance standards and body counts imposed by the agencies that relate to no reality other than that of the bureaucratic mind.

2. The Bill Would Reduce the Administrative Burden and Cost.

Each of the different employment training program the federal government funds on the Cheyenne River Sioux Reservation requires the Tribe to establish a separate financial management and administrative structure and imposes its own reporting requirements. These burdens require tribes to spend money on administrative tasks that could better be used in direct training. More importantly, it absorbs an enormous amount of staff time. If the staff could be freed from much of these administrative burdens, they could devote their time to working directly with the trainees, particularly in providing the one-to-one counseling that is essential to the success of any employment training effort. The proposed legislation, by providing for a single administrative structure, a single reporting system, and a single financial management system, will free up a significant amount of time and money for direct services.

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**3. The Bill Will Eliminate the Artificial Barrier
 Between Employment Training and Economic Development.**

Before I was elected Chairman, I was a private businessman. I owned and operated a video rental store in Eagle Butte, along with several other business ventures. While there are a very limited number of job openings available in Eagle Butte, there is an enormous opportunity for entrepreneurship. It has always bothered me that the federal government seems to push our tribal members into blue collar type jobs rather than helping them enter, and enjoy the fruits, of our free enterprise system. For me, one of the most exciting parts of the proposed bill is the provision permitting tribes to use their employment training dollars to promote entrepreneurship.

In addition to promoting individual entrepreneurship, tribes need to be actively involved in bringing new employment opportunities to their reservations. Until there are more jobs, even the best employment training program will be unable to make a substantial dent in unemployment. But with their heads buried deep in the sand, the Federal bureaucracy refuses to acknowledge the implications of this. It requires the employment training programs to churn out trained persons but prohibits those programs from having any role in promoting economic development so there will be jobs available for these trained persons. Congress is also to blame because while the federal government spends millions on training, it provides tribes with virtually no money for economic development. The BIA expends less than 1% of its total budget on economic development. We recognize that with the budget crisis, it may be a while before Congress can provide substantial new funding for economic development. Until then, tribes must be authorized to use some of their employment training for economic development. Otherwise, too much of the employment training money will continue to go to producing highly trained welfare recipients. Only by removing this barrier will tribes be able to truly do something about their unemployment problems. The proposed legislation will allow the demonstration tribes to fully integrate their employment training and their economic development programs. I commend the Committee for taking this important step.

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CONCLUSION

Congress has adopted self-determination legislation to permit tribes to assume control of BIA and IHS programs. That legislation was based on the principle that the tribe, at the reservation level, is better able to develop policies and programs to meet the needs of their people than are the bureaucrats in Washington. The proposed legislation will apply the self-determination principle to employment training, an area that cuts across several different agencies. But the basic presumption is the same -- that tribes are better able to design an employment training program that meets the real needs of their people, than can three different sets of bureaucrats in three different agencies. On behalf of the Cheyenne River Sioux Tribe, I urge the Congress to speedily enact this bill so that the tribes will have the tools they need to help more of their members become self-sufficient and productive members of the community. Thank you again for this opportunity to testify before you on the critically important issue.

Testimony of Aljoe Agard, Vice Chairman
Standing Rock Sioux Tribe
on
Indian Employment and Training Programs
before the
Select Committee on Indian Affairs
and the
Committee on Labor and Human Resources,
United States Senate

July 25, 1991

Mr. Chairman and members of the Committee. I am Aljoe Agard, Vice Chairman of the Standing Rock Sioux Tribe. I appreciate the opportunity to testify before you today.

The Standing Rock Sioux Reservation covers about 2.3 million acres in North and South Dakota. According to recent BIA figures, about 6,500 Indians reside on or near the Reservation. Our Reservation is located in a rural area, and contains no major private industrial or commercial development. Our unemployment rate is estimated by the BIA to be 87%. This tragic figure means that -- apart from the Tribe and federal agencies -- our people have very little opportunity to secure meaningful employment on our Reservation. It also means that programs related to job training and employment are vital to our future.

The Tribe has run a JTPA program -- and before that a CETA program -- for many years. More recently, we added a JOBS program under the Family Support Act. We also have a Tribal Work Experience Program serving people on general assistance, and an employment assistance program. These, we believe, have been

successful programs that have provided needed skills and training -- as well as a measure of hope -- to many of our people. But, we believe that more can be achieved if we are permitted to coordinate our job-related efforts, rather than fragmenting those efforts to address administrative requirements of different federal agencies. We therefore support the efforts of Senator Simon and these Committees to provide legislation to allow tribes to integrate their employment and training services.

These programs have many elements in common. They serve people from among the large group of unemployed and economically disadvantaged people on our Reservation. And they provide a range of opportunities for these people -- including classroom training, on the job training, work experience and supportive services. But, each program has its own requirements, for recordkeeping, auditing and so forth. Dealing with the separate federal agencies to meet their administrative requirements takes time, and takes resources away from the direct services that are needed so badly by our people.

Our experience trying to coordinate our JTPA program with the JOBS program has taught us that changes are needed. When the Family Support Act was passed in 1988, we saw an opportunity to expand the scope of the employment services we provide. We hoped to do this efficiently by coordinating our efforts between the JTPA and JOBS programs. The federal agencies

involved -- both the Labor Department and the Department of Health and Human Services -- both stressed the need to link these programs together.

Unfortunately, while the agencies said they wanted us to coordinate JTPA with JOBS, in practice each agency wanted things done its way. A great deal of our time and effort must be spent in prorating costs, allocating time, filing forms -- all to meet each agency's separate requirements. The time we spend on these administrative matters -- such as determining how much photocopying was for JOBS and how much was for JTPA -- is wasteful and diminishes our ability to provide what is needed by the people served by the program. We are simply forced to duplicate administrative efforts in many areas.

We had hoped to be able to accomplish more coordination between the programs. In trying to meet the agencies' mandate in this regard, after the Family Services Act was enacted our tribal JTPA director met with other tribal JTPA directors, federal agencies and state officials, in an effort to plan a coordinated JTPA/JOBS program. But, when the Labor Department sent monitors to visit us in the fall of 1990, they rejected our efforts to link the programs together. Labor has threatened to disallow the costs associated with our efforts to plan a coordinated effort between JTPA and JOBS. This matter is still pending.

Having seen how the federal agencies respond to our efforts to coordinate these programs, we have changed our course. Rather than be threatened with disallowed costs, we have simply separated our programs. The Standing Rock Sioux Tribe now runs its JTPA program completely separate from its JOBS programs. This means efficiency is lost, but we see no other choice, under the current position of the federal agencies.

Based on our experiences, we support Senator Simon's bill, which we had the opportunity to review in draft form, before its introduction. The bill would permit the Secretary of Interior to authorize tribes to consolidate their federal job training and related programs into a single comprehensive program. This would be done through the approval of plans initiated by the tribes themselves. The bill would permit the waiver of requirements that would otherwise impede such a comprehensive approach to job training. It would also authorize tribes to undertake job creating activities, and to have private sector training placements, where those are available. In addition, it would allocate a small percentage of BIA road construction funds to train Indians for employment.

The Standing Rock Sioux Tribe strongly supports the bill, which recognizes that tribes can design and run effective programs in this area, if they are permitted to do so without being tangled up in federal red tape. We see this bill as

providing a significant step forward in tribal self-determination in the job training area.

We do have some suggestions regarding ways to further the goals of the bill.

1. Mandate a minimum number of tribes to participate.

We are concerned that the agencies will not want to change their bureaucratic ways of dealing with their particular employment training programs. The tendency of the agencies toward proposals to change the way they handle programs is to just say no. While the bill authorizes the Secretary of Interior to accept tribal plans to coordinate job programs, it does not require him to do so. We suggest that the bill require that the Secretary accept a minimum number of tribes -- we suggest ten -- into a demonstration program under this bill. In this respect, we have in mind making this job program demonstration program more like the Self Governance Demonstration Project -- Title III to the Self Determination Act Amendments of 1988. We fear that unless Congress mandates a minimum level of participation in the demonstration program regarding job training, the program will be unraveled by federal agency inaction.

2. Make the program effective immediately. We have learned another lesson from the Indian Self-Determination Amendments. The federal agencies have managed to significantly

delay the implementation of the 1988 Amendments by not adopting proper regulations. To avoid a similar problem here, we suggest that language be included in this bill to provide that its provisions apply upon enactment -- whether or not regulations or any departmental memorandum of agreement under Section 11 are in place.

3. Expand employment training under federal construction projects. Section 15 of the bill would require that for Indian road construction projects the Secretary would expend an amount equal to one quarter of one percent of the amount allocated to train Indians for employment. This is an excellent provision, which would provide a needed source of practical training regarding road construction. We suggest that this be expanded to include other forms of federally funded construction for the benefit of Indians on the Reservation, such as the Housing Improvement Program, BIA school construction and others. In this manner federally funded Reservation construction can serve also to create skills needed on the Reservation to help break the cycle of unemployment.

That concludes my comments. I would be pleased to address any questions you might have.

TESTIMONY
July 25, 1991
Washington, D.C.
Senate Hearing on Proposed Bill Entitled
"Indian Employment, Training and Related Services
Demonstration Act of 1991"

Presenter: Donna L. Scott

**Director of Employment and Training
Tanana Chiefs Conference, Inc. - Fairbanks, Alaska**

Chair of Alaska Native Coalition on Employment and Training

Member, National JTPA Native American Programs Advisory Committee

I would like to take this opportunity to thank Sen. Paul Simon, author of the bill entitled "Indian Employment, Training and Related Services Demonstration Act of 1991" and chairman of the Subcommittee on Employment and Productivity of the Labor and Human Resources Committee; Sen. Daniel Inouye, chairman of the Select Committee on Indian Affairs; and distinguished members of both committees, for the opportunity to appear before you.

Indian employment and training managers must deal on a daily basis with the problems inherent in running a number of different, yet related, programs and with a bureaucracy which is often unsympathetic, or sometimes just unaware, of situations unique to Indian communities. Nowhere are these unique situations spotlighted more than in the vast reaches of Alaska where administering Indian employment programs has risen to a high art. Offering training when there are few, if any, training institutions stretches the limits of the imagination and the budget. Running an employment program when seasonal jobs are few and year-around jobs virtually nonexistent is a daily, uphill struggle.

If you were to take a moment to glance at a map, you would see that the Tanana Chiefs region covers an area of 323,000 square miles...from the United States-Canadian border to

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the east to Pt. Hope on the west, from the Upper Kuskokwim River and the Alaska Range to the south and north to Barrow and the Arctic Ocean. Spread throughout this immense, rugged terrain are the 51 villages of the Interior and the Arctic Slope. Only six of these are accessible by road. The remainder can be reached only by air, water or dogsled.

According to the 1990 Census figures, 97,915 people inhabit this sparsely populated area. Native Americans make up 15% of this figure, or 15,129 persons; with one-third residing in Fairbanks and Barrow, the only two urban centers in the region. A few large villages of 300 to 800 people are dotted throughout the area. The remainder of the population live in small, predominantly Native villages with as few as 11 people. Most village residents rely on a subsistence lifestyle all or part of the year.

The most recent BIA "Report on Indian Service Population and Labor Force Estimates", issued in March of this year, indicates a potential labor force (16 years and over) of 7,231 or just under half of the population. Of these, only 2,160 were employed and earning \$7,000 or more a year. An additional 946 were also employed, but earned less than \$7,000 a year. Based on these figures, 70% of the potential labor force was either unemployed or underemployed, part of the working poor. Although it may be hard to believe, this estimate is actually low as the BIA tends to err on the conservative side. Indeed, a number of villages have rates as high as 85 and 90%.

These figures are not just reflective of the area Tanana Chiefs serves, or even just of Alaska. You can find similar statistics on almost any reservation and among many urban Indian populations. These figures represent an ugly blemish on the face of the nation. And every day, those of us who work in the field of employment attempt to chip away at these statistics, bit by bit.

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So, what do these statistics mean in terms of actually running a JTPA program? A JOBS program? Employment Assistance? Vocational Education? Tribal Work Experience? How do we deal with seemingly insurmountable odds? What do they mean to the agencies administering these federal monies and to our potential service population? And, finally, what part would Sen. Simon's bill play in all of this?

First of all, an incredible amount of energy goes into the administration of this myriad of programs that could better be spent on clients and client-related issues. Managing numerous federal programs with different funding sources, regulations, reporting requirements, administrative rates, fiscal years, delivery systems for staff technical assistance, different hierarchy, different monitoring procedures, different allowable costs - the list goes on and on - is a veritable juggling act.

For tribes with small grants, funding levels are so minimal that the programs are already inexorably linked now in order to make them work; but, with none of the positive ramifications and support they would receive from the Demonstration Act. Indeed, as it now stands, tribes are often punished for trying to link their programs. A prime example would be JOBS which purports to the idea of forming linkages with other programs (in fact, it is mandated in the law); but, in actuality, attempts by tribes to integrate items such as cost and time allocations with other employment and training programs have been looked at askance and even sanctioned. HHS has actually told grantees we must keep track of our time on an hourly basis, preferably in increments of 15 minutes. Such stringent requirements result in an inordinate amount of time being spent on reporting what one is doing as opposed to doing it.

The sad thing about this scenario is that often, in trying to maintain such a delicate balance, we end up losing sight of the client, of the people we are trying to serve. We lose sight of the

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fact that the final goals of these programs are exactly the same: to build self-esteem, increase skill levels, acquaint people with the world of work and build a work ethic if none exists. The bottom line of all these programs? To help people obtain employment - or at the very least - to become employable.

With this in mind, it only seems to make sense to consolidate such programs and do away with the concept of reinventing the wheel. Let us then look at how Sen. Simon's bill could improve overall coordination and program quality by looking at areas of obvious duplication:

	JTPA	JOBS	EMPL ASST	CARL PERKINS	TWEP
Classroom Training	X	X	X	X	
OJT	X	X	X		
Work Experience	X	X			X
Summer Youth Emp.	X		X		
TERO	X		X		
Services	X	X	X	X	X

Many grantees, myself included, are responsible for or have worked with all of these programs: **twenty components that could be consolidated into six.** Administrative/program rate splits are different. Title IV operates on a program year, different from the federal fiscal years under which the other programs operate. Indirect rates are factored in different ways for Employment Assistance than for JTPA. JTPA Title IV has a 20 percent carryover, JTPA Summer Youth has a 25 percent carryover, JOBS does not look at carryover in the same way as JTPA; but does allow money to be encumbered for the following year. Under the new stipulations for Carl Perkins money, instructors must be certified for post-secondary instruction which, for example, would effectively end the apprenticeship training program I have been running with the Painters Union for the past five years. This provision is not required under JTPA.

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It is not feasible through this forum to cite all the areas of duplication that could be consolidated with relative ease, or all the areas of difference that need to be reviewed in minute detail to begin to see how the pieces of the puzzle will fit together. However, as the bill stands now, it will lay the groundwork for the arduous, yet rewarding task of integration that lies ahead. The one gray area that still appears to be in question regards which agency will act as lead agency for the projects. It is imperative that tribes have the flexibility to choose, and not be locked into the Bureau of Indian Affairs as the mandatory lead. In a project of this magnitude, with so many potential ramifications, each tribe must select the umbrella agency that will best fit their needs. One area that must certainly be applauded is the potential for on-the-job training in the private sector. In some of the areas we serve, where jobs are almost nonexistent, to take away a chance to work at the local store or air carrier or lodge is to eliminate half the available jobs.

In reviewing how the bill would be implemented, it is important to take a close look not only at how each program is currently operating; but also at any potential changes to each that might best benefit the whole upon consolidation. We must look at the issue of youth employment, which would be a prime component of this new bill. Even as we speak, there is a package of amendments to JTPA pending before the Senate Labor Committee (S 1404) that would abolish all funding for Indian Summer Youth programs. The outcry from our villages on this issue has been one of genuine concern. The lack of a work ethic instilled at an early age and all the havoc it can wreak was simply, but eloquently put by one of Tanana Chiefs' village - based education/employment technicians: "Where you have a high rate of unemployment, you also have a high rate of suicide, alcoholism, domestic violence and child abuse. We need to make it a fact of life that every person at some time or another will enter the work force and this should start at a young age, so we can send out confident youth with good job skills and training.... You cannot expect to comprehend or understand the theory of

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work, if you do not see people reporting to work for wages....This is all learned when you are young and on your first job....If we want law abiding citizens who are able to pay taxes, we need to instill good work skills and habits while they are young....Private enterprise is a good place for youth to start in a work place. They (private enterprises) are a good example of what this country is made of, especially in the small communities."

It is imperative that we not lose our JTPA Summer Youth program. The JTPA amendments being developed in the Labor Committee must protect the Summer Youth program. A bill to help us integrate our individual employment and training programs will do little good if other legislation eliminates those very programs we need to consolidate.

Other areas of change within JTPA that Indian grantees are currently seeking should also be incorporated in any JTPA amendments introduced by the Senate Labor Committee. Of utmost importance would be a single point of accountability for Indian programs in the Department of Labor. This is currently lacking in the JTPA law. It is also lacking in the JOBS legislation and the absence of such a point has considerably weakened both programs. The lack of Indian people employed in other than entry-level positions is a major problem in all the programs which would be incorporated into the Demonstration Act, with the exceptions of the Department of the Interior and the Department of Education, where Indian preference applies. This is an area where D.O.E. should be looked upon as a model of what needs to be done in other agencies when consolidation begins. The importance of a permanent Indian JTPA Advisory Council cannot be overlooked in this scenario. The Department of Labor currently has a formal Committee, but right now its powers are limited and it is only renewed on a yearly basis. A more formal, detailed structure authorized by law should be put in place under any JTPA amendments developed by the Senate Labor Committee. Amendments to the Indian provisions of JTPA are an essential companion piece to the Demonstration Act.

791-139.6

Of prime importance in any discussion of Indian employment must be the issue of economic development. Under current JTPA law, Indian provisions do not restrict how Indian JTPA funds can be utilized for economic development, but the Department of Labor itself has inhibited its pursuit through restrictive policy interpretations. Only recently has Department of Labor begun to acknowledge what we must keep uppermost in mind - that no employment program will have a chance to succeed in Indian Country without a major component that addresses economic development. An economic base must be created that will support the gradual building of an employment network. Credibility suffers and the irony is not lost when we go out into the community with a program called JOBS and there are no jobs. Economic development must be the cornerstone of all our employment and training efforts.

One program which should greatly benefit from consolidation would be JOBS. Grantees continue to be underwhelmed by funding levels and overwhelmed by massive amounts of red tape. We had a grantee in Alaska funded at less than \$5,000 this past year. Still, this or any small program - often operating with just one staff person - must be just as familiar with all the rules, regulations and reporting requirements of what may be several small programs, as any large grantee. Eventually this undermines the integrity of the smaller programs, as a one-person staff just cannot keep up.

JOBS and the changing work place have brought a new player into the employment and training arena in the form of child care. This is an unfamiliar area to those of us working in employment, but it is rapidly coming to the forefront with its own set of issues we must deal with, i.e. licensed vs. unlicensed care, liability issues and parental choice. In looking at consolidation issues, we cannot forget that child care is going to loom large in this picture.

791-109.7

Finally, to make this all come together and actually work, we must address the issue of funding. This bill will just be "pie in the sky" if no commitment is made to maintain adequate funding levels. True, language in the bill says, "In no case shall the amount of federal funds available to a tribe involved in any demonstration project be reduced as a result of the enactment of this Act." This is all well and good; but separate and apart from this, we need a commitment from members of the Senate that funding levels for each Indian employment and training program will not continue to be eroded away every year as they have been in the past. This commitment is the final piece of the puzzle.

In bringing Sen. Simon's bill to fruition and looking at the crossroads where JTPA now stands, we must remember that Indian employment and training programs are supposed to be in the business of eliminating barriers. But have we not now created a system which is in itself a barrier to employment? Have we not lost sight of our intended and stated goals? And can we not here today take that first step of bringing back into focus the real purpose of such programs? Let us begin now to operate on the principle that, indeed, "less is more."

791-139.8

TESTIMONY OF JOY J. HANLEY

Good morning, I would like to thank the Senate Select Committee on Indian Affairs and the Subcommittee on Employment and Productivity of the Labor and Human Resources Committee for inviting me to testify before you this morning.

My name is Joy Hanley. I am a Native American, a member of the Navajo Nation. Presently, I am the Director of a non-reservation JTPA Title IV-A program, run by the Affiliation of Arizona Indian Centers, Inc., in Arizona. We provide a Job Training Partnership Act program to Native American people who reside off Indian reservations in eleven (11) rural counties in Arizona.

It is my firm belief that the JTPA programs are one of the most important programs established and funded by the United States Government. The program provides opportunities for Native American people, young and old to develop job skills needed for them to become self-sufficient contributing members of the society, regardless of where they might live on, their individual reservations or in the urban areas. I have been with the job training program for thirteen (13) years, initially with CETA and now with JTPA and during that time I have seen many Native Americans become completely self-sufficient. I have seen successful GED graduates, I have seen successful Native American graduates enter the job markets in a variety of technical

professions, I have seen successful Native American entrepreneurs develop through job training and assistance, and I have seen some job training graduates go on and get a Bachelor's degree from a university. This program is important because it provides assistance to Native Americans wherever they reside.

In Arizona, we have the largest reservation Indian population in the country, which according to the 1990 Census totals 142,238. The off-reservation population in 1990 totals 61,289 and represents 30% of the total 203,527 Indian population in Arizona; a significant increase from the 1980 census which recorded that Indian people in the off-reservation areas comprised only 18% of the total Indian population.

The facts of the 1990 census clearly reflect the migratory patterns of Indian people in Arizona. Unfortunately, reservation economies are plagued with high unemployment which result in the off-reservation areas being constantly barraged with Indian people leaving the reservations and going into the urban areas in search of employment and educational opportunities that will lead to self-sufficiency. The JTPA programs that I have observed on the reservations and off the reservations do an excellent job of training and assisting Indian people to get into the job market; however, present funding for the Title IV-A program is not adequate to meet the needs of the people needing assistance.

Last year in our JTPA program, we were able to enroll only 10% of the eligible clients that came into our offices. Sixty-eight percent (68%) of the clients served last year were Native

American women. A significant number of these women were single heads of household with one or more children. When working with these women, we have found that there is a great need to develop linkages with other social service agencies to help these women survive and succeed. When these women are enrolled in a training program, we must assist them in identifying adequate care for their children, provide family planning counseling, help them to survive in an urban setting, and help them to succeed in their course of training.

As a result of the program, the quality of life rises dramatically for the participants and their families who complete their program.

In addition to the meeting the needs of the clients, managing and directing the JTPA program has become very cumbersome. Grantees for the most part understand and agree that they must be accountable for operating their individual job training programs. They understand that accountability has been mandated by legislation through the implementation of Performance Standards and the Single Audit Act; however, oversight of Indian and Native American programs in the JTPA Title IV-A is not limited to performance standards and annual audit. Accountability in Indian and Native American JTPA programs has become unreasonable. In addition to the annual audit and Performance Standards, Indian grantees are subject to annual monitoring visits by their Department of Labor Federal Representative and selected grantees are subject to an in-depth

review by the DOL Division of Program and Fiscal Review. Grantees also submit quarterly reports to the Department of Labor on the actual progress of the program. These reports contain actual number of participants and expenses. Finally, grantees are constantly barraged by new or revised instructions on how to operate their JTPA program. To date, DOL has issued hundreds of bulletins starting in 1983 when JTPA began. Until recently, grantees were required to have on hand and follow instructions of all bulletins issued.

My concern with the multi-levels of accountability is that program directors are so concerned with meeting their Performance Standards and maintaining a high level of administrative accountability that they have changed their programs to meet the standards, which may or may not necessarily meet the needs of the client. This concern has merit when I see the Department of Labor continuing to implement procedures (literacy testing of all JTPA participants) that force grantees to implement procedures that are not designed to benefit the client, but provide DOL with additional data. A large number of grantees have voiced their opinion that when these procedures are implemented, they will alienate the client.

Because Native American grantees are under the control of many different offices within the Department of Labor, it is recommended that Native American programs should have one single organizational unit within the Department of Labor who should have as its primary responsibility, the administration of all

Native American Programs. In addition, this organization unit should provide for Indian Preference in hiring to insure that individuals who are familiar and understand Indian communities are responsible for working with grantees who operate such programs.

Presently, the Department of Labor has created a formal Advisory Committee of Indian representatives for the program, this committee has limited power and is renewed only on a year to year basis. It is therefore recommended that a permanent Advisory Committee should be authorized by law with specific duties and responsibilities.

Although current law permits great latitude in the way Indian JTPA funds may be used, DOL policies and practices have inhibited grantees from using the funds fully in support of economic development in Indian communities. A clear statement of legislative intent is needed to address this situation.

Thank you for providing me the opportunity to share my views and concerns with you.

Prepared Statement of:

Mr. Frank LaMere
Executive Director
Nebraska Indian Inter-Tribal
Development Corporation
Winnabago, Nebraska

Presented to the:

Select Committee on Indian Affairs
United States Senate

Committee on Labor and Human Resources
United States Senate

Joint Hearings on:

Indian Employment and Training Programs

Held on July 25, 1991

Thank you, Mr. Chairman, for inviting me to participate in these very important hearings on employment and training programs in Indian Country.

My name is Frank LaMere. I am a member of the Winnebago Tribe. For eight years I have served as the Executive Director of the Nebraska Indian Inter-Tribal Development Corporation. My organization operates the Indian JTPA program which serves the Winnebago and Omaha Tribes in Nebraska, the Sac and Fox Tribe of the Mississippi in Iowa, the Flandreau Santee Sioux Tribe in South Dakota and Indian people living in many off-reservation communities in the states of Nebraska and Iowa. We also operate the JOBS program for the Omaha and Santee Sioux Tribes, as well as a number of other programs.

I also have the privilege of serving as the Chairman of the Board of Trustees of the Nebraska Indian Community College and I would again like to thank you for your strong support of all our tribal colleges over the years.

We are here this afternoon to talk about how to make all Indian employment and training programs more effective in Indian communities, on and off the reservation. The Indian provisions of the Job Training Partnership Act are a central part of that effort.

Nationally, Indian JTPA programs are the largest of the various Indian employment and training efforts. The Indian JTPA Title IV program

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reaches about 31,000 unemployed and underemployed and economically disadvantaged youth and adults. Over 12,000 Native American youth in reservation areas, Oklahoma, Alaska and Hawaii participate in the Indian Summer Youth program which is part of Title II-B of JTPA.

Indian JTPA programs face the most challenging tasks of any job training programs, anywhere. You know this because you have taken the time to visit our communities -- on the Pine Ridge reservation in South Dakota, in Arizona, and in Oklahoma.

We have succeeded in ways that are measured in people terms, not just abstract and sometimes meaningless numbers of the official performance standards system.

To improve the effectiveness of Indian employment and training programs, it is necessary to increase the usefulness of JTPA. I would like to talk about how you can help us do this.

Two years ago I had the privilege to testify at the hearings conducted by the Senate Labor Committee on amendments to JTPA. We've made some progress over these last two years. After the JTPA hearings in May of 1989, the Labor Department finally named members to an Indian JTPA Advisory Committee.

Working with Deputy Assistant Secretary of Labor John Florez, the Committee has concentrated on the need for greater emphasis on job

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creation and economic development in the Indian JTPA program. The Committee has also taken on a number of other issues. I currently serve as the Vice Chair for that Committee and I am pleased that most of my associates testifying today are Committee members.

However, if we are going to make more progress in a number of important areas, we need your help in the form of several changes in the Indian provisions of the JTPA law.

Two years ago I described our needs as an Indian office in the Labor Department which would be responsible for all aspects of our program and would be responsive to Indian tribes and organizations. To make it responsive, there must be Indian people in that office at all levels, not just the entry levels. That office must work cooperatively and in consultation with Indian grantees. To insure this consultation, a permanent, independent Advisory Committee must be written into the law.

Let me review briefly why these continue to be our priority needs, looking at what has and what hasn't happened over these last two years.

When I testified before, I said that the paperwork in the Indian JTPA program was out of control. That remains a serious problem.

In addition to the law and the regulations, every Indian JTPA grantee must comply with over 65 DOL policy issuances, called DINAP

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Bulletins, some of which go back seven years. Many of these are confusing. Some are contradictory. Another member of the Advisory Committee came to my office recently to review these Bulletins. It took him nearly three days just to go through them all.

We are answerable for our compliance with all these policies to a number of different offices in DOL. Each one seems to have its own idea of what we should be doing. We are supposed to keep them all happy.

Two years ago I talked about the need for Indian people in all DOL jobs that oversee our programs, including policymaking and supervisory jobs. I pointed out that it had been nearly a decade since an Indian person had been appointed to a supervisory job in the Indian Division.

Since then, two of the three program supervisor jobs in DOL's Indian Division have been filled. Neither was Indian. The Advisory Committee has documented this problem and has asked DOL to endorse an Indian preference requirement in the Indian provisions of the JTPA law.

That kind of requirement makes a difference. Dr. John Tippeconnic, the outstanding Indian educator who now heads the Office of Indian Education, told our Advisory Committee that the number of Indian staff in that office dramatically increased after Congress mandated Indian preference there in 1988. He also said that the responsiveness of the Office to Indian education programs in the field had improved.

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Two years ago I testified that we needed a permanent, independent Indian JTPA Advisory Committee authorized by law. The current Committee has functioned on a year-to-year basis. It has been told that it can't look at certain aspects of the program. It has neither the permanence nor the clout that a Committee established under the law would have. The current Committee has called on DOL to support a permanent Advisory Committee.

A complete set of our recommendations for changes in the Indian provisions of JTPA is attached to my statement. Please consider these and incorporated them into any package of JTPA amendments which is developed in the Labor Committee.

One final matter. For the second time in two years, the Labor Department has proposed changes in JTPA which would completely abolish the Indian Summer Youth program now funded under Title II-B. This would be a devastating blow to our youth in reservation areas. Please don't let it happen. Our recommendations propose a way to preserve these programs in the event the Senate Labor Committee restructures Parts A and B of Title II of JTPA.

Senator, I offer these recommendations in support of your work and of your initiative offered this week as the Indian Employment, Training and Related Services Demonstration Act of 1991.

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Thank you again for what you have done to further Indian education and employment and training programs. Please continue to help us build a better future for all Indian and Native Americans who want only an opportunity and a chance to succeed.

**Recommended Changes in the
Indian and Native American Provisions of JTPA**

To Provide for a Single Point of Accountability

Amend Section 401 of current law as follows:

Add at the end thereof the following new subsection:

(k) (1) The Secretary shall designate a single organizational unit which shall have as its primary responsibility the administration of all Native American programs authorized under the Act.

(2) Prior to the selection of the official in charge of this organizational unit and pursuant to merit selection procedures, the Secretary shall provide a list of qualified candidates for such position to the Native American Employment and Training Council, allowing adequate time for review and recommendation. The Secretary shall appoint to such position a person whose name appears on a list of recommendations provided by the Council. This subsection shall be effective with the first vacancy occurring after the enactment of this subsection.

(3) This organizational unit shall:

(A) be accountable for administering the provisions of all Native American programs authorized under this Act, including the monitoring of such programs and making recommendations regarding the selection of all recipients of financial assistance.

(B) be accountable for the development of all policies and procedures related to the implementation of such programs.

(C) coordinate the development of policy and procedures for all employment and training programs within the Department relating to services for Native American workers.

To Provide for Indian Preference in Employment

Add a new subsection (l) to read as follows:

(l) (1) In the hiring and promotion of all professional staff for the organizational unit designated under subsection (k) of this section, special consideration shall be given to (i) individuals who have field experience in the daily operation of service and training programs for Native Americans, and (ii) individuals who are Indians or Native Alaskans. Such consideration under clause (ii) shall be implemented in the same fashion as that given to veterans in subparagraph (A), (B), or (C) of section 2108(3) of title 5, United States Code. The Secretary shall take such additional actions as may be necessary to promote the recruitment and promotion of Indians, Native Alaskans and Native Hawaiians to positions in such unit.

(2) The provisions of this paragraph shall apply to personnel actions taken after the date of enactment of this subsection.

(3) The Secretary shall provide a one-time special consideration (as defined in this subsection) for individuals who are not Indians or Native Alaskans and are serving within such organizational unit on the date of enactment of this subparagraph and who desire to take another position for which they are qualified within the Department and for which there is a vacancy.

To Provide for a Permanent Advisory Council

Further amend Section 401 as follows:

Insert in subsection (h)(1) "the Native American Employment and Training Council and" before "representatives of Indians and other Native Americans": and

Add at the end thereof the following new subsection:

(m) (1) There is hereby established a Native American Employment and Training Council (hereinafter in this subsection referred to as the 'Council') which shall consist of not less than 17 Indians, Native Alaskans and Native Hawaiians appointed by the Secretary from among individuals nominated by Indian tribes or Indian, Native Alaskan or Native Hawaiian organizations. The Council's membership shall represent all geographic areas of the United States with a substantial Indian, Native Alaskan or

Native Hawaiian population and shall include representatives of tribal governments and of nonreservation Native American organizations who are service providers under this Act. A majority of the members of the Council shall have field experience in the daily operation of the program authorized under this section.

(2) The Council shall be chaired by a Council member elected by a majority of the Council's membership. The Council shall meet not less than twice each program year.

(3) Members of the JTPA Native American Programs Advisory Committee which existed before the enactment of this subsection --

(A) shall serve as members of the Council until successors are appointed; and

(B) may be appointed as members of the new Council, if such appointment is consistent with the provisions of this subsection.

(4) The term of office for members of the Council shall be two years, except that --

(A) the Secretary shall designate one-half of the initial appointments of members of the Council for terms of one year;

(B) any vacancy shall be filled in the same manner as the original appointment;

(C) any member appointed to such a vacancy shall serve for the remainder of the term for which his or her predecessor was appointed; and

(D) members may be reappointed.

(5) The membership of the Council shall be appointed by the beginning of program year 1992.

(6) The Council shall --

(A) solicit the views of a wide variety of tribes and Native American groups, including those operating employment and training programs funded under this section, on issues affecting the operation and administration of such programs;

(B) advise the Secretary with respect to all matters concerning the implementation of programs under this section and other programs providing services to Native American youth and adults under this Act:

(C) advise and make recommendations to the Secretary with respect to the design and implementation of performance standards developed under subsection (h) of this section;

(D) advise and make recommendations to the Secretary with respect to any services obtained or to be obtained by the Department through contracts or arrangements with non-Federal agencies or entities which involve the program authorized by this section;

(E) evaluate the effectiveness of Native American job training programs and make recommendations with respect to the improvement of such programs:

(F) review and make recommendations to the Secretary on the list of nominees for the position of the official in charge of the organizational unit designated under subsection (k) whenever a vacancy in such position occurs; and

(G) submit a report directly to the Secretary and to the Congress no later than January 1 of each even numbered year on the progress of Native American job training programs and making recommendations for improving their administration and effectiveness.

(7) Members of the Council shall serve without compensation but shall be entitled to reimbursement for their expenses in the performance of their duties. The Secretary shall provide the Council with such administrative support as may be necessary to the performance of its functions.

To Support Indian Economic Development and Program Integratic a

Add a new subsection (m) to read as follows:

(m) The Secretary shall encourage the integration at the fund recipient level of services provided under this Act with services provided under other federally-funded human resource development and economic development programs. Such integration shall be consistent with plans developed at the fund recipient level. At the written request of the fund recipient or recipients affected, the Secretary is authorized to waive regulations and program policies applying to programs under this Act as a means of furthering such integration of program services.

Concerning the Possible Restructuring of Title II

In the event that Title II is restructured into an adult Part and a youth Part as proposed by the Administration, amend Section 401 by deleting subsection (j) and inserting in lieu thereof the following:

(j) (1) For the purposes of carrying out this section, the Secretary shall reserve, from funds available for this title (other than part B) for any fiscal year, an amount equal to ___ percent of the total amount of funds appropriated to carry out the provisions of title II of this Act for such fiscal year.

(2) Of the amounts reserved under paragraph (1), 18 percent shall be provided to section 401 entities which were eligible for direct funding under part B of title II (the Summer Youth Employment and Training Program) immediately prior to the enactment of this subsection. Such entities shall use such funds to operate special programs for economically disadvantaged Native American youth between the ages of 14 and 21.

Concerning Indian Participation in YOU

Indian-specific language from s. 543, as reported, with regard to Indian eligibility for YOU

TESTIMONY
BEFORE THE SENATE SELECT COMMITTEE ON INDIAN AFFAIRS
AND
THE SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY
HEARINGS ON EMPLOYMENT ON INDIAN RESERVATIONS
AND
THE INDIAN EMPLOYMENT TRAINING AND RELATED SERVICES
DEMONSTRATION ACT OF 1991

SUBMITTED BY
THE COUNCIL FOR TRIBAL EMPLOYMENT RIGHTS
CONRAD D. EDWARDS, PRESIDENT

JULY 25, 1991

Mr. Chairman, Honorable Members of the Committee, thank you for the opportunity to share the perspectives of the Council for Tribal Employment Rights with you today regarding employment on Indian reservations and on the Indian Employment Training and Related Services Demonstration Act of 1991.

Our membership, which is comprised of one hundred twenty (120) Tribal Employment Rights Offices (TEROs) throughout the lower forty-eight states and Alaska, have and continue to share a deep concern about the issues before this committee today and are supportive of the initiative currently under your consideration. In the TERO experience, we offer the committee an example of the success that can be achieved when Indian Tribes integrate the employment, training, and related services on a self determined basis.

Mr. Chairman, I am confident that the members of this committee are acutely aware of the deplorable social and economic conditions currently prevalent in Indian Country. Suffice to say here that chronic Indian and Native unemployment remains between

twenty-five and ninety percent (25-90%). This, at a time when there is more economic development occurring in Indian Country than there has been in our history. This, in a country that has experienced twenty-four percent (24%) unemployment at its highest during a period in history known as the "Great Depression". During our most recent brush with the "R" word, it ranged as high as twelve percent (12%) in some parts of the country which was termed an economic "disaster" by the national media in those areas. Mr. Chairman, if upwards of twelve percent is a disaster and twenty-four percent is a great depression, what then is twenty-five to ninety percent, but a moral outrage.

In the late 1970's, a small group of courageous Navajo construction workers proved without question that blatant discrimination existed as a substantial barrier to Indian employment and a major cause of Indian unemployment nationwide. Their case against a very large and prominent international construction and engineering firm was instrumental in bringing to light that Indian employment rights are like land, water, mineral, hunting, and fishing rights in that they are sovereign and protected rights. Their case also brought out the fact that Indian preference has been in federal laws and regulations since 1834 and simply not enforced by the responsible agencies. This

allowed non-Indians to monopolize employment and training opportunities that should have been available to Indians on a preferential basis in their own communities.

In 1977 following the Navajo case, the Equal Employment Opportunity Commission (EEOC) and a group of twelve Indian Tribes from throughout the country sought to clarify the status of Indian preference and tribal employment rights with respect to the laws and regulations and their application to the deplorable unemployment conditions in Indian country.

A project was funded by EEOC and involved the twelve tribes developing and adopting a Tribal Employment Rights ordinance which basically utilized the inherent sovereignty of the tribes to set the conditions of doing business on the reservation. One of the conditions was that all employers operating within the exterior boundaries of the reservation would be required to hire and train qualified or trainable Indians. Another aspect of the project involved the federal agencies with direct Indian preference responsibilities (i.e., BIA, HUD, IHS) and the Office of Federal Contract Compliance Programs (OFCCP) working with the tribes to ensure they enforced and complied with the federal provisions. The project results were significant and immediate as the following illustrations indicate:

1. One reservation realized a 300% increase in Indian employment in the construction area in a one-year period.
2. Another reservation collected over \$200,000 in fines and

back pay from a federal agency and a private sector employer who had discriminated against Indians on projects on the reservation.

3. Yet another tribe building two identical tribal office buildings saw fewer than 10 Indians on the first phase of the project (building #1) capture over 100 jobs in phase two (building #2) by establishing a TERO while the project was in progress.

All these activities and their results proved another very important fact, that by exercising their inherent sovereignty, tribes could gain control and remedy their unemployment situation by self-determined means. Thus, the TERO movement was born.

In its infant stages, the TERO program was narrow in scope focusing on employment and training and limited to basic compliance. In the beginning, the EEOC funded the original twelve TEROs at \$7,500 each to provide technical assistance to new tribes in ordinance development and to establish Title VII, Civil Rights Act, and compliance and enforcement programs.

In 1978, a second project was funded again by EEOC and ten more tribes acted to protect their rights to preferential employment and training by establishing TEROs. The new TEROs were assisted by the original twelve TEROs who had informally organized into a loosely structured Tribal Employment Rights Planning Committee (TERPC) in order to contract with the EEOC. From 1978 to 1981, the number of TEROs grew from twelve to

thirty-four, and each new TERO was assisted by one of the more experienced tribes.

Although each TERO differed in structure, need, and priority, all had similar beginnings and achieved similar results. It didn't take long for the TEROs to realize that the same laws, regulation, and processes could be applied to gain access to contracting, sub-contracting, and other business opportunities for Indians. The TERO concept began to form which went beyond the scope of the TERO program and had a definite process which could be followed. The concept was based entirely on the sovereign authority of the tribes and limited only by their own self-determination. The heart of the TERO was a tribal ordinance adopted by the tribes pursuant to their own needs and at their convenience. The ordinance required all employers on the reservation to provide Indian preference in all employment and business activities within the exterior boundaries of the reservation or be subject to legal sanctions enforceable by the tribes. The application of the concept to employment and training had achieved remarkable results and had, through the experience of the tribes, successfully effected self-paced and self-determined development. CTER and the TEROs envisioned a broader application which could have far reaching impacts in other areas of socio-economic development but, at this stage, the TERO stood alone.

In February of 1982 at a national meeting of the TEROs, it was determined by a consensus that there was a need for a nation-

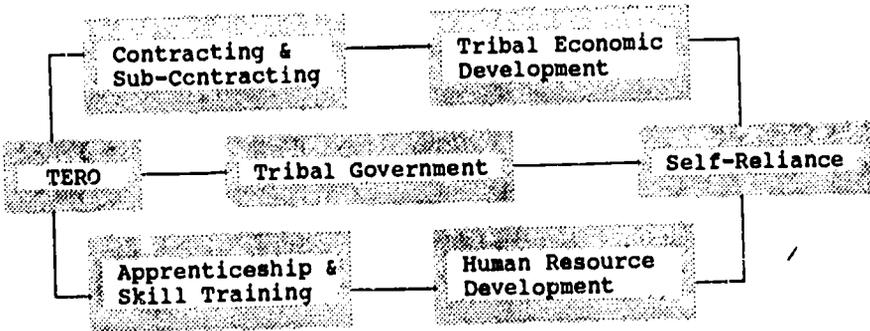
al organization to provide developmental assistance and training to new and developing TEROs and non-TERO tribes on an on-going basis in the areas of basic TERO (Indian preference and tribal employment rights) and Indian preference in contracting and subcontracting. It was also decided that such an organization would represent and promote the interests of the TEROs where and when appropriate to access all economic opportunities for Indian and Native People. The CTER was formed out of the Tribal Employment Rights Planning Committee to represent the TERO and to further develop the TERO concept.

Drawing on the experience and the accomplishments of the TEROs, the CTER expanded the program into the realm of social and economic development to achieve broader impact. The strategy was extended beyond jobs and compliance to encompass the three elements necessary for successful economic self reliance to occur, they are business, government, and labor.

CTER utilized the same sovereignty principles and process that had facilitated the success of the TERO program to develop model tribal apprenticeship training standards which were certified by the U.S. Department of Labor, model business codes, TERO fees and tax structures, as well as a due process for tribes. The strategy was kept simple and, at the heart of it, was the inherent sovereignty of the tribes and at the controls were the tribal governing bodies. At that point, the CTER felt the approach met the criteria for the Administration for Native Americans' (ANA) Social and Economic Development Strategies

(SEDS) Program, and an application was made to ANA and CTER became a grantee. Through the innovative foresight of ANA and a SEDS philosophy which encouraged community based development, CTER and the TEROs developed, field tested, and effectively implemented the model strategy shown:

TERO STRATEGY OF ECONOMIC SELF-RELIANCE



The TEROs blossomed and produced even more dramatic results and farther reaching impacts in their respective communities. Under the first three-year SEDS grant, some of the more significant developments were:

1. The number of TEROs increased from 34 to over 60.
2. EEOC/TERO contracts increased from 12 to 20 and the amount was adjusted from \$7,500 to \$12,000 to each tribe.
3. The Pueblo of Zuni Tribe's apprenticeship training standards were the first tribal standards to be certified by the U.S. DOL.

4. 26 Indian tribes and private sector industries formed a Public and Private Industry Advisory Council (PPIAC) in the Southwest TERO Region for the purpose of establishing business and economic partnerships among themselves.
5. The Southwest Indian Development Enterprises (SIDE) was established by the Hopi, Navajo, and Zuni Tribes in collaboration with the states of Arizona and New Mexico to promote employees, contractors, and sub-contractors in highway construction throughout the two state area.
6. The majority of TEROs began levying TERO taxes and fees on employers operating on the reservations and firmly established the TERO programs' unique capability to generate their own operating income.

At the same time the new strategy was being developed and implemented, CTER advocated for and achieved major legislative and regulatory inclusions and revisions which incorporated Indian preference and tribal employment rights into some federal and state legislation, regulations, policies, and procedures. By doing so, the responsibility for enforcement and compliance was spread around among the responsible agencies which also lessened the financial burden on each of them. Some examples are:

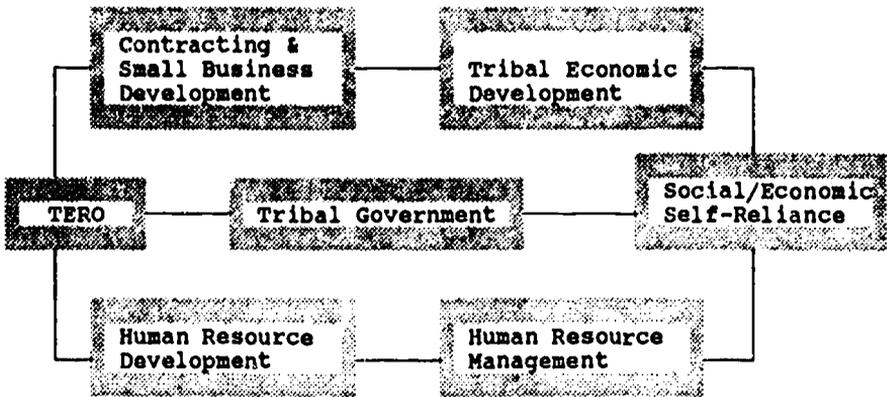
1. Indian preference and TERO language was included in the Surface Transportation Assistance Act (STAA) of 1982 and the Job Training and Partnership Act (JTPA) and added to the Civil Rights Handbook.

2. Several key federal agencies issued new or revised policies which recognized the sovereign jurisdiction of the tribes and supported the legality of the TEROS, i.e., EEOC, FHWA, and OFCCP.
3. CTER collaborated with the BIA, IHS, and HUD to bolster their enforcement and compliance programs and procedures under Section 7(b) which is the section of Public Law 93-638 that provides for Indian preference on all of their projects.

Under a second three-year grant, CTER began to assist Indian small businesses to take advantage of Indian preference in their entrepreneurial efforts. CTER developed a Youth and Entrepreneurship Program to prepare Indian and Native youth to be business leaders, enterprise managers, and entrepreneurs, all of which are in short supply in Indian country. A third three-year grant enabled CTER to begin exploring the areas of community owned and developed enterprises and tribal industrial development. Utilizing the same processes and concepts that assisted Indian and Native communities to capture jobs, training, contracts, and sub-contracts, CTER sought to provide a model which would facilitate the tribes' ability to create their own opportunities by starting and operating business enterprises at the community level. The strategy model was also revised to focus on human resources development and management as opposed to the former concentration on apprenticeship training and job placement.

The model, the processes, and the TEROs, all became more sophisticated and comprehensive and the concept itself had broadened in scope to the point where other tribal personnel had to be involved (i.e., tribal economic planners, business and enterprise managers, etc.). The interest in and the productivity of the program continued to rise as the revised concept model is implemented by tribes. The revised model is illustrated: (Note the changes in the components.)

TERO STRATEGY OF SOCIAL/ECONOMIC SELF-RELIANCE



Today there are one hundred twenty (120) Indian Tribes and Alaska Native organizations that have adopted and are enforcing TEROs at varying levels of development and sophistication. It should be noted that some TEROs represent more than one tribe, thus, there are only 120 tribes in the directory. There are,

however, more tribes involved and not listed. Some examples are as follows:

1. The Four Tribes Consortium of Anadarko, Oklahoma, includes the Apache, Ft. Sill Apache, Delaware, and Wichita Tribes.
2. The Tribal Governors Inc., of Orono, Maine, includes the Penobscot Nation, Passamaquoddy Tribe and the Houlton Band of Maliseets.
3. The Three Affiliated Tribes of Ft. Berthold. of New Town, North Dakota, includes the Mandan, Arikara, and Hidatsa Tribes.
4. The Shosone-Bannock Tribes of Ft. Hall, Idaho
5. The Alaska Native Employment Rights Offices each represent multiple villages each with its own governing body which can pass and enforce a TERO ordinance.

One hundred percent (100%) of them are taxing or levying some type of operating fees on reservation employers and businesses.

Approximately seventy-five percent (75%) of the TERO tribes have established TERO Commissions that function as regulatory arms of the Tribal Councils to ensure due process is followed and to hear grievances. The results in socio-economic terms continue to be positive and very significant as the following illustrates:

1. The Makah Tribe of northwestern Washington State experienced the lowest unemployment rate its had in a hundred years.

2. The Blackfeet Tribe of Montana achieved 95% Indian hire on all tribal, private, and public construction projects on the reservation in one season.
3. The Shoshone and Arapaho Tribes' TERO contributed \$250,000 to the Tribes' general fund from taxes and fees collected from employers and businesses operating on their reservation.
4. The Hopi Tribe of Arizona collected \$109,000 in taxes from one phase of a school construction project that took place in one of their reservation school districts.
5. The Kotzebue Alaska Native TERO negotiated 100% Native hire on an IHS hospital being constructed in their village.
6. The Oglala Sioux was awarded \$400,000 on an Indian Health Service hospital project.

In other areas, the effects of the TERO movement are equally impressive:

1. The EEOC currently funds 56 TEROs nationwide at the level of \$22,500 each and has identified the TEROs as its number one discrimination prevention program in the State and Local Division; additionally, the Commission is seeking more funding from the Congress for the TEROs.
2. HUD, as a result of legal action taken by the TEROs, has revised its regulations institutionalizing TERO and Section 7(b) enforcement.
3. The BIA, in collaboration with CTER, has developed a more

effective 7(b) enforcement and compliance program and is currently contracting with CTER to train all the Area Offices in both TERO and 7(b).

4. 10,000 to 20,000 job placements at an average wage of \$11 per hour have been made annually by the TEROs.
5. In one year, over \$16,000,000 has been generated in back pay, wages, contracts, sub-contracts, fines, fees, and taxes from employers who discriminated against Indian and Native peoples.

The past thirteen years have tested and proven the TERO Program and the concept of economic self reliance to be a tool of almost unlimited potential and an exercise in true self determination which has unified a large segment of Indian country around the common purpose of participatory governance and community development. The key to the success of the TEROs is the concept and program is born out of the communities' own felt needs which are addressed by the tribes according to community values and priorities and it is all implemented and managed locally. The TERO optimizes and synergizes all available human, technical, and financial resources from the tribal, public, and private sectors toward meeting the needs of the communities. It accomplishes its goals and objectives according to its local priorities and community values with cultural accommodation, not sacrifice.

Finally, Mr. Chairman and members of the Committee, we at CTER are at the forefront of the struggle for Indian preference

and are the only organization dedicated to that purpose. We would be derelict in our mandated duties to not call for Indian preference in hiring at all levels of the U.S. Department of Labor. It has been proven on countless occasions that minority people serve minority people more effectively for all manners of cultural and social reasons. Indians and other Native people are no different in that regard and, over past decades, our people have developed more than adequate qualifications to serve in many if not all positions within the U.S. Department of Labor, so it is timely that some measures be effected to enhance our participation. Indian preference is granted in federal law as a political preference based in the government-to-government relationship we enjoy with the United States and, as such, should not be viewed as a racial preference.

In conclusion, Mr. Chairman, we believe the Indian Employment, Training, and Related Services Demonstration Act is consistent with the President's plan for meeting the current economic crises in America. He called for "a plan of action right here at home to put more power and opportunity in the hands of the individual. The strength of democracy is not in bureaucracy, it is in the people and their communities. In everything we do, let us unleash the potential of our most precious resource - our citizens. We must return to the families, communities, counties, cities, states, and institutions of every kind the power to chart their own destiny and the freedom and opportunity provided by strong economic growth". Mr. Chairman, Indian people

have been pursuing this kind of self-determination and control over our own destinies for four hundred years. This Act can play a crucial role in our achieving that goal along with the rest of America. You see, Mr. Chairman, we are not seeking a transference of dependency to another federal agency, but true collaboration with a valuable resource and a partner in our progress.

Mr. Chairman and members of the committee, the Council for Tribal Employment Rights supports the Indian Employment, Training, and Related Services Demonstration Act of 1991. Further, with our success and experience as a resource, we stand ready to collaborate or otherwise assist this committee and the respective agencies in the development of legislation, regulations, programs, policies, and procedures. By our own mandate, we are committed to the success and prosperity of our people and we feel this Act can play a crucial role in our progress and our self-determination.

Thank you, Mr. Chairman and members of the committee, I would be pleased to answer any questions or provide you with additional information at this time.

TESTIMONY
of
The Navajo Nation
to
The Senate Select Committee on Indian Affairs
and
The Subcommittee on Employment and Productivity
of the **Labor and Human Resources Committee**
on
The Indian Employment, Training and Related Services Demonstration Act of 1991

The Navajo Nation is the largest Indian tribe in the United States. The Navajo Nation's boundaries fall into three states, New Mexico, Arizona and Utah which encompasses an area nearly the size of New England. The Navajo unemployment rate is estimated at over 38%, compared to only 7% in the total United States. Undoubtedly, there is a need for employment opportunities on the Navajo Nation and within Indian country. The Navajo Nation supports the goals of the Indian Employment, Training and Related Services Demonstration Act of 1991 which are to improve the effectiveness of employment, training and related services provided by tribes and increasing employment on Indian reservations.

If the Navajo Nation is ever going to realize these goals it must be the sole provider of employment services to its residents. The Navajo Nation views this Act as a vehicle to help designate the Navajo Nation as a single Service Delivery Area (SDA). Currently, the Navajo Nation is composed of two SDA's in Arizona and New Mexico. We suggest that the Utah portion of the Navajo Nation be included within the single SDA. Furthermore, the SDA should be extended to include the Eastern

Navajo Agency in New Mexico. The formation of a single SDA would consolidate job training services and would help programs authorized under the Job Training Partnership Act (JTPA) operate more effectively and efficiently. The Navajo Nation receives job training funding under JTPA's Title II-A, II-B, and IV-A. The U.S. Department of Labor administers these funds through its National Special Program Office and through the states of New Mexico and Arizona, which comprise the two SDA's on the Navajo reservation. The Navajo Nation's Department of Employment and Training is therefore subject to various guidelines, rules and regulations from two states and federal regions. For example, the State of Arizona appropriates from its general fund, to the Navajo Nation Department of Employment and Training, funding to operate four Labor Service Centers currently on the Arizona portion of the Navajo Nation. The State of Arizona receives these funds under the Wagner - Peyser Act as amended by Title V of JTPA. There are no service centers on the Navajo Nation in New Mexico. Due to the size of the Navajo Nation and its growing population, additional employment service centers are needed, especially in New Mexico. The Navajo Nation seeks direct funding from the Wagner - Peyser Act as a single SDA. Thereby, the Navajo Nation could use these funds to implement additional service centers reservation wide. Likewise, the Navajo Nation seeks direct funding as a single SDA from Section 402 of JTPA, the Migrant and Seasonal Farmworkers Program. Currently, there is only one grantee of Section 402 funding in the State of Arizona. Thus, any demonstration program on Navajo must have as its basis a single SDA. We are uncertain the way the bill is written whether it will allow a demonstration project of this kind. We suggest separate language specific to Navajo if there is any ambiguity.

The Navajo Nation believes the proposed bill is a laudable attempt to integrate services, but it may be too limited in scope. Section 5 of the Act refers to other federal programs under the Family Support Act and the Carl Perkins Act as

being included in a demonstration project. There are employment and training opportunities under other various federal departments (Public Health Service, Housing and Urban Development, and the Veterans Administration) which if included, would strengthen the economic development plans of the Navajo Nation as well as other Indian nations. The Navajo Nation recommends that Section 5 be broadened to include these other programs.

The overall objective of the Navajo Nation's economic development plan is to attract outside industry and businesses onto the reservation. While many factors go into the decision of where a business or industry locates itself, the availability of a properly motivated and trained workforce plays a significant role. The Navajo Nation seeks to promote its economic expansion through the creation of new jobs. The Navajo Nation feels that this effort is possible through the implementation of feasibility studies and business planning, as well as the training of its workers and potential entrepreneurs. Section 6, which outlines the demonstration program plan's component parts, is useful because it assists us in focusing on what is necessary for our demonstration project and overall economic development efforts.

As to the employment pool of prospective workers, the Navajo Nation suggests that any effort to consolidate fragmented labor activities and to create a comprehensive labor service plan must not exclude any segment of the Indian population, nor should it place off-reservation Indians at a disadvantage. Section 6 should be read broadly or language should be added which provides for the eligibility of off-reservation Indians in these programs. The Navajo Nation recommends that a new "(8)" be added to Section 6 that will identify what non-profit organizations and private businesses on or near the reservation should be included in any plan.

The Navajo Nation supports the concept of allowing tribes to determine the lead agency for the implementation of the demonstration projects under Section 9. The Navajo Nation agrees with Section 9, subsection's 1 through 4, which outlines the use of a single report format for planning and reporting, for developing a single system of federal oversight authority, and for providing technical assistance to the tribe. To ensure that the lead agency will devote the time necessary to carry out the functions of this Act, the Navajo Nation recommends that the lead agency and affected agencies be mandated to integrate and consolidate their programs in a timely manner. We are concerned that this initiative may not be of sufficient priority and may be viewed as eroding or undermining an agency's authority. As a further safeguard, the Navajo Nation recommends that the legislation include timelines for the agencies to meet.

The Navajo Nation further recommends that under Section 9 of the legislation, that Indian tribes and other infrastructure development agencies, such as the Department of Housing and Urban Development and the Veterans Administration, be included in the development of memorandum of agreements providing for the implementation of demonstration projects.

The Navajo Nation supports Section 10 because it will help us maintain our current levels of funding while we develop any demonstration projects. Finally, the Navajo Nation recommends a new section that will fund research and development for tribes to assist us in developing plans, conducting feasibility studies and to determine how our training funds can be used to support economic development initiatives. The Navajo Nation suggests that the various departments of the government whose activities have a significant impact on Indian economies commit an equal share of funds to establish a planning fund. Such funds could be administered by ANA through its existing plan of operation to support this special initiative.

In sum, the Navajo Nation supports the purpose of this legislation; however, we suggest that the Act be broadened in scope to help Indian tribes further improve their employment and job training services and to reduce the rate of unemployment within their communities. The Navajo Nation stands ready to assist the Committee in implementing any technical changes to this effect. We commend the leadership of Senator Simon who, in his capacity as a member of the Senate Select Committee on Indian Affairs and as Chairman of the Employment and Productivity Subcommittee of the Labor and Human Resources Committee, brings a special expertise to Indian country in the employment area.



MCGRATH NATIVE VILLAGE COUNCIL

P.O. BOX 134
 MCGRATH, AK 99627
 (907) 524-3024

July 18, 1991

The Honorable Daniel K. Inouye
 Chairman
 Select Committee on Indian Affairs
 United States Senate
 Washington, DC 20510



Dear Honorable Inouye:

I would like to take this opportunity to give my full support for the Indian Summer Youth Employment Program under JTPA. The McGrath Native Village Council has been offering this program to the youth in our area for the last couple of years.

These youth need this program. It provides them with employment opportunities that may not otherwise be available. It provides training for the work field. This program offers education for the basic structure of beginning life on their own.

Some of the objectives of this program is to teach the youth employees to be on time, to gain different skills so that the youth could possibly pick a field of employment if they desired, to build confidence within the youth, to give them spending money or help support their family, to be self sufficient and to follow instructions. It gives them some meaningful experiences in their life.

The only thing that I see that could use some changes would be to be able to offer employment in some of the private enterprises and maybe change some of the eligibility requirements in the financial portion of the monthly income. If 10% to 20% of the applicants financial portion could be slightly higher, then more youths would be able to apply and obtain work.

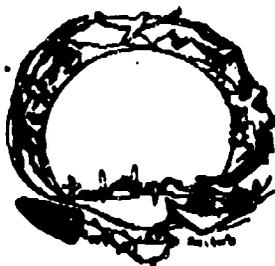
Honorable Inouye, I would greatly appreciate it if you would not allow this program to be abolished. The McGrath Native Village Council is in full support of this program.

Sincerely,

Kathy Briscofield

Kathy Briscofield
 Office Manager

CC: Denne Scott
 Council Members



TANANA CHIEFS CONFERENCE, INC.

McGrath Subregional Office
P.O. Box 72
McGrath, Alaska 99627

July 17, 1991

The Hon. Daniel K. Inouye
Chairperson
Select Committee on Indian Affairs
United States Senate
Washington, D.C. 20510

Dear Hon. Daniel K Inouye:

I am requesting that the Indian and Native American Summer Youth program under the JTPA program not be eliminated. We can all remember our first job. The majority of us would order school clothes, our first bikes, stereos or some of the youth would use their extra money to support their family. Not all Native Americans have the same chance I did. In the majority of the Alaskan villages there is no economy, except for the school. Where can a young person find work? They can't. A cycle is continuing. The cycle of unemployment. You cannot expect to comprehend or understand the theory of work, if you do not see people reporting to work for wages. If they move to a city with an economy base and find a job they are way on the bottom of the employee list, due to the lack of jobs skills and experience. They have no concept of work habits, job duties, responsibility, working with others, job courtesy, etc.. This is all learned when you are young and on your first job. How can we even consider sending a 21 year old man or woman out to the work world with no experience and no idea of the responsibilities that come with the work world. If we want law abiding citizens who are able to pay taxes we need to install good work skill and habits while they are young. You cannot do this by making the summer youth money competitive, a lot of the smaller communities do not have the expertise or education to compete for this type of funds. By eliminating the Indian and Native American Youth program you will be eliminating a whole future work force.

Pg 2

Private enterprise is a good place for youth to start in a work place. They are a good example on what this country is made of, especially in the small communities., I feel the youth could not only learn the world of work but it could also encourage them to consider owning a business of their own. In most small town or villages the local economy is a small privately owned store. I feel the youth should be able to work for private for profit, especially in the small communities where you only have small stores etc.

Where you have a high rate of unemployment you also have a high rate of suicide, alcoholism, domestic violence, and child abuse. We need to make it a fact of life that every person at some time or another will enter the work force and this should start at a young age, so we can send out confident youth with good job skills and training. Thank you for your attention.

Sincerely,



Pat Baldwin
Education Employment Technician

AVCP Employment and Training Division

July 16, 1991

P.O. BOX 848
 BETHEL, ALASKA 99559
 (907) 543-3521

Honorable Senator Ted Stevens
 United States Senate
 522 Hart Building
 Washington, D.C. 20510

Dear Honorable Ted Stevens:

Enclosed please find a copy of AVCP's letter to the Honorable William D. Ford, Chairman, Committee on Education and Labor, U.S. House of Representatives. Identical letters have been sent in the House to the Honorable Carl C. Perkins, the Honorable William F. Goodling, and the Honorable Steve Gunderson.

In the Senate, identical letters have been sent to the Honorable Paul Simon, the Honorable Daniel K. Inouye, and the Honorable John McCain.

The purpose of these letters are two fold:

First, to vigorously oppose the DOL-drafted package of amendments to the Job Training and Partnership Act (JTPA) that would (1) abolish all DOL funding for Indian Summer Youth programs, and (2) create a new youth program call "Youth Opportunities Unlimited" (YOU). The reason for our opposition is outlined in the attached letter to the Honorable William D. Ford.

Second, to address areas of concern that should (and must) be discussed at the Senate's July 25th joint hearing of the Select Committee on Indian Affairs and the Subcommittee on Employment and Productivity of the Senate Labor committee.

These areas of concern include both improving the administration of the JTPA program as it now exists, as well as increasing the effectiveness of this existing JTPA program. Our letter to the Honorable William D. Ford, gives our recommendations as to how both areas of concern should (and must) be improved.

If it is possible that you might attend the joint hearing on 25th of July to testify on our behalf, we would greatly appreciate it. The matters that will be discussed are of utmost importance in our continuing struggle to educate, train and find jobs for our Native people.

If you have any questions or need more information please call Mr. Carl J. Hoffman, Education, Employment and Training Director, of this office. Thank you for any assistance that you might give us. Your continuing support for the AVCP Region and its people is greatly appreciated.

Please keep us informed of any developments that might affect our JTPA or training-related programs.

Sincerely,
 ASSOCIATION OF VILLAGE COUNCIL PRESIDENTS
 Willie Kooayulie, Chairman


 Myron Nanang, President

cc: file
 45-734

FYI

Post-Net brand fax transmittal memo 7871		# of pages = 04	
To: Donna Scott	From: Carl J. Hoffman		
CC: TCC	CC: AVCP, Inc		
Dept: E+T	Phone: (907) 543-3521		
Fax: (907) 451-8936	Fax: (907) 543-3596		

AVCP Employment and Training Division

July 15, 1991

P.O. BOX 848
 BETHEL, ALASKA 99559
 (907) 543-3521

The Honorable William D. Ford
 Chairman
 Committee on Education and Labor
 U.S. House of Representatives
 Washington, D.C. 20515

Dear Representative Ford:

This letter is to express some of the views and opinions of the Association of Village Council Presidents (AVCP) regarding the U.S. Department of Labor's Indian and Native American JTPA program, and to address some of the DOL-drafted proposed amendments to the Job Training and Partnership Act itself.

AVCP has successfully administered the Indian and Native American JTPA program since its inception.

On an annual basis our Title IV-A program assists literally dozens of Alaska Natives enter unsubsidized employment, either directly, or indirectly through Classroom Training, On-the-Job Training or Work Experience.

We have conducted numerous training programs to enhance the employability of our participants.

The Training Assistance and Supportive Services segments of our JTPA program have enabled hundreds of participants enter the job market and unsubsidized employment.

Our Other Activity department has been very successful in administering our Tribal Employment and Rights Office (TERO) to ensure Native preference in hiring whenever possible.

AVCP is annually funded for, and administers, a Summer Youth Employment and Training Program (SYETP).

The Association of Village Council Presidents is vehemently opposed to the DOL-drafted package of amendments to JTPA that has been introduced into the House of Representatives (HR 2496).

This bill, if passed, would abolish all funding for Indian Summer Youth Programs, and we cannot afford to let this happen!

In the AVCP region alone, we serve well over 100 economically disadvantaged youth each summer within the parameters of our Title II-B, Summer Youth Employment and Training Program.

It is absolutely imperative that this special funding for Indian, Native Alaskan and Native Hawaiian economically disadvantaged youth continue. If any changes are to occur, they should be to expand, and increase funding for, the Summer Youth Program as it currently exists.

Even with the proposed increase in Title IV monies as outlined in HR 2496, the great majority of tribal grantees, all Native Alaskan grantees, and one Native Hawaiian program would lose money in the process. For many of these grantees, including AVCP, the losses would be of major proportions. We should not allow this to happen.

HR 2496 would also create a new youth program called "Youth Opportunities Unlimited." "YOU" is completely unrealistic for Indian and Native American Programs. Although Indian grantees would be eligible to apply for projects serving reservation areas and Native Alaskan villages, Indian funding is not guaranteed.

In addition, under "YOU" a maximum of 25 projects would be set up to provide concentrated education programs for youth between the ages of 14 and 21 in high poverty areas. All funding, however, would be on a competitive basis, with Indian grantees serving reservation areas and Native Alaskan villages competing with states and projects serving farm workers. Again, no Indian funding would be guaranteed. This is entirely unacceptable, and unfair to Native American grantees and the economically disadvantaged youth they serve. Something must be done - at least to the point of guaranteeing Indian funding.

The 50% matching share requirement of "YOU" is also unacceptable for Indian and Native American grantees. Although 25% of the applicants' match could be met with other Federal funds, including regular Title IV money, the remaining would have to come from non-Federal sources. In most instances in Indian country, this last 25% would simply be nonexistent.

AVCP understands that, in the Senate, the Select Committee on Indian Affairs and the Subcommittee on Employment and Productivity of the Senate Labor Committee have scheduled a joint hearing for July 25th specifically on Indian Jobs Training programs.

It is said that the two committees want to know what can be done to improve the effectiveness of individual programs, like JTPA, and what should be done to help tribes and organizations link program services more closely together.

We have a few comments/suggestions in these regards which address both improving the administration of the Indian JTPA program and increasing the effectiveness of the JTPA program.

A permanent Advisory Committee of Indian representatives should be authorized by law with specified duties and responsibilities.

A clear legislative directive for Indian preference in relevant DOL policy or managerial positions is clearly needed. This, despite a 17 year statutory mandate to employ persons with "particular competence" in the Indian Employment and Training field in the administration of JTPA program.

A focal point of accountability is needed to reduce the confusion, delays, and problems in the directions given to grantees on a daily basis. This is due to the many different offices within the Department of Labor which have effective control over the policies which govern the Indian JTPA program.

Economic development within Indian communities, reservations and Alaskan villages is desperately needed.

Current DOL policies and practices have inhibited Indian grantees from using JPTA funds fully in support of economic development. A clear positive statement of legislative intent is needed to address this situation.

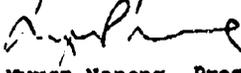
Grantees must also be allowed to integrate all their job training programs (JTPA, JOBS, College Assistance, AVT, etc.) into one single program with one set of requirements and reporting procedures. This would vastly improve the effectiveness with which Indian tribes and organizations can address the serious needs of the Indian work force.

If you have any questions or need more information regarding the above, please call Mr. Carl J. Hoffman, Education, Employment and Training Director, of this office.

We thank you for your consideration of our concerns and suggestions, and respectfully request your support in these regards.

Thank you.

Sincerely,
ASSOCIATION OF VILLAGE COUNCIL PRESIDENTS
Willie Kassayulis, Chairman



Myron Naneng, President

cc: file

Cook Inlet Tribal Council, Inc.

July 5, 1991

Donna Scott
 Director of Employment and Training
 Tanana Chiefs Conference
 Fairbanks, Alaska

Dear Ms. ^{Donna}Scott:

I hope this catches up to you before you leave for Washington, D.C. I have reviewed a draft of the Indian Employment, Training and Related Services Act of 1991. It is an excellent idea and the Cook Inlet Tribal Council, Inc. would like to operate a pilot project.

As you may already know, the Community Services Department of CIRC provides employment and training programs to its clientele. CIRC's philosophy is to provide a comprehensive delivery of services to its clients and does so by operating various programs from different agencies. We have effectively provided an integrated program.

Over the years we have learned to deal with differing calendar years, proposal requirements, reporting, allowable costs, auditors and monitors, technical assistance, etc. Learning an agencies idiosyncracies is a part of doing business.

Operations would be simplified by this Act. Administration, reporting, planning, budgeting all would be improved. This would increase the quality of services to clients as well.

We thought that the Bureau would be the logical choice of agencies to deal with and that we had worked well with them to this point.

Thank you. Sincerely,

Richard Fast

Richard Fast
 Director, Community Services Department

Maniilaq Manpower

P. O. Box 725
KOTZEBUE, ALASKA 99752

PHONE
(907) 442 3860

July 3, 1991

The Hon. Daniel K. Inouye
Chairman, Select Committee on Indian Affairs
United States Senate
Washington, D.C. 20510

Dear Senator Inouye:

It has been brought to our attention that HR 2496 would abolish all funding for Indian Summer Youth Programs.

If in fact this was to occur, it would have a devastating effect on our overall JTPA programs and what this program accomplishes, which is in effect, to produce effective adult workers thereby raising their living of standards and severing their dependence on public assistance programs.

Maniilaq Manpower has been administering the JTPA programs since the 1970's and we are now reaping the benefits in that many of the youths who been participants in our summer youth and work experience programs are now productive employees. We are afraid that if one part of the JTPA link is severed a negative impact will be felt in our adult Classroom Training Program.

Therefore, Maniilaq Manpower would encourage you to keep the Indian Summer Youth program intact.

If you have any questions, please feel free to contact our office.

Thank you.

Sincerely,

Dan Snyder, Jr.,
Executive Director

cc: Thomas Pungalik, Chairman,
Maniilaq Manpower, Board of Directors

Donna Scott, Chairman
Alaska Native Coalition on Education and Training



MANILAM SAVAAKSRAQSUVIOVIA
MEMBER VILLAGES

MISAAPPAAT, NUNATCHIAQ, IMAATCHIAQ, KATYAAK, KIVALINGO, LAUGVIK, OIKOTAGRIK, NALITAAG, NUURVIK, AKULIKAG, ISINNAQ
AMBLER, BUCKLAND, DEERING, KIANA, KVALUNA, KOBUK, KOTZEBUE, NOATAK, NOORVIK, SELAWIK, SHUNGNAK

Tanana Chiefs Conference, Inc.

Y-K Subregional Office
P.O. Box 92
Galena, Alaska 99741

Phone: (907) 656-1326/1226

MEMORANDUM:

TO: Donna Scott, Director of Employment *Paul*
FROM: Debra Paul, Education/Employment Tech
RE: Amendment to JTPA Law

DATE: July 19, 1991

This is in regards to the amendments in the JTPA Law.

The Summer Youth Employment Program is very important to our youths in this region. It provides a learning experience in the job market and gives the youths an idea what they would like to be doing after they graduate from high school. It provides employment and little income for the youths since the job market is kind of scarce in the villages. The SYEP increases their responsibility and makes them feel they are being independant. It also benefits the employers a great deal since there is hardly enough funds to keep someone employed full-time. The age group that does qualify for SYEP have limited community activities to keep them busy and this SYEP program gives them more worthwhile opportunities.

The JTPA/SYEP program can be improved by extending the program dates to provide a longer program for our youths. Also, to include youths from all native families and not just the economically disadvantage as their is not much other employment opportunities for the youths that do not qualify for this program.

For these reasons we request the funding for SYEP program be kept included in the proposed JTPA amendments.

Thank you

cc: Subregional Director

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