

United States Senate

WASHINGTON, DC 20510

February 9, 2011

Senator Daniel Akaka
Chairman
Committee on Indian Affairs
United States Senate
838 Hart Office Building
Washington D.C. 20510

Dear Chairman Akaka,

We write to request the Senate Committee on Indian Affairs hold a hearing on Alaska Native Corporations (ANC), Native Hawaiian Organizations (NHO), and Indian tribal entity participation in the Small Business Administration (SBA) 8(a) Business Development Program.

As you know, the 8(a) program provides small and disadvantaged businesses the opportunity to pursue federal contracts to promote economic and social development. In accordance with the Federal Government's policy of promoting Indian self-sufficiency and self-determination, businesses owned by Alaskan Native villages or corporations (as defined in Public Law 92-203), NHO's, and Indian tribes have been granted the ability by Congress to participate in the SBA 8(a) Business Development Program.

Proceeds from federal contracts attained through the SBA 8(a) Business Development Program by Native 8(a) companies are reinvested into Native communities for tribal government functions, health care, employment, education, housing, public safety, and other purposes, to sustain quality of life and preserve cultural heritage. The achievement attained over the years as a result of Native 8(a) companies owned by ANCs, NHOs, and Indian tribes in Native communities is invaluable. As Native 8(a) companies become more established, the benefits continue to increase for shareholders.

In spite of the contribution of ANCs, NHOs, and Indian tribal owned Native 8(a) companies to their communities and shareholders, the *Washington Post* published a series of negative articles last fall regarding the SBA 8(a) Business Development Program. The series focused specifically on ANC contracts and shareholders.

We recognize there is a need to shape and review Native 8(a) company participation in the SBA 8(a) Business Development Program as their participation matures over time so Native communities and shareholder receive the benefits to which they are legally entitled. However, the perception created by the *Washington Post* series is misleading and deceptive. We believe the stories understated the enormous successes of ANC participation in the 8(a) program for Alaska Natives.

We therefore respectfully request the Committee on Indian Affairs hold a hearing on ANC, NHO, and Indian tribe participation in the SBA 8(a) Business Development Program this year. The purpose of the hearing is to allow the SBA, ANCs, NHOs, Indian tribes, shareholders, and other stakeholders the opportunity to demonstrate the importance and legitimacy of the program to Native communities in fulfilling self-determination and self-sufficiency. The hearing will allow SBA the opportunity to relay to Congress regulations it has implemented this month to increase transparency and oversight of ANC participation in the program. Additionally, the committee can examine if any additional changes are required to ensure Native communities and shareholders benefit from the program.

We thank you for your consideration of this request. Please do not hesitate to contact Ms. Kawe Mossman-Saafi on the staff of Senator Inouye at (202) 224-3934 or Ms. Meagan Foster on the staff of Senator Begich at (202) 224-9599.

Sincerely,



DANIEL K. INOUE
United States Senator



MARK BEGICH
United States Senator