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# Federal Economic Development Resources for Tribal Nations: A Survey

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SUMMARY

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# Federal Economic Development Resources for Tribal Nations: A Survey

American Indian tribes and Alaska Native communities have a unique relationship to the U.S. federal government, and face distinctive socioeconomic challenges as a function of their history, as well as other contextual circumstances. Native American communities have historically had among the highest and most concentrated poverty rates in the country. This is due in part to public and private underinvestment rooted in a combination of historical neglect, geography, and shifting federal policy towards tribal nations. To address the needs of federally recognized tribes (including Alaska Native communities), multiple federal agencies provide a number of community and economic development resources to support the development of basic infrastructure, telecommunications, workforce development and training, business development, community facilities, and the like.

This report provides a survey of federal community and economic development resources for federally recognized tribal nations. In particular, the report focuses on six federal agencies: the Department of Agriculture (USDA); the Bureau of Indian Affairs (BIA), in the Department of the Interior; the Economic Development Administration (EDA), in the Department of Commerce; the Department of Health and Human Services (HHS); the Department of Housing and Urban Development (HUD); and the Employment and Training Administration (ETA), in the Department of Labor. This report also provides information about two other categories of agencies: (1) business development agencies, such as the Small Business Administration and the Minority Business Development Agency; and (2) the federal regional commissions and authorities. The report concludes with a brief discussion of policy considerations in service of potential congressional deliberations.

This report provides Congress with a framework by which to evaluate and assess federal economic development tools for tribes, and a basis for considering future policies in this area. These resources, which are meant to be illustrative and not exhaustive, may be useful for Congress and congressional tribal constituencies to navigate the federal economic development landscape and compare agencies' economic development posture for tribes.

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# Introduction

American Indian tribes and Alaska Native communities have unique economic development needs stemming from distinctive contexts, including a legacy of discrimination and economic neglect, geographic remoteness, the unique and evolving relationship between Native Americans and the U.S. government, and historic concentrations of poverty and distress.[1] In response to these special circumstances, the federal government has made certain community and economic development programs available to federally recognized tribes. Some of these programs are specifically oriented to tribal organizations, while many others are open to tribal applicants.

### What Is a Federally Recognized Tribe?

The Department of the Interior's Bureau of Indian Affairs (BIA) administratively adjudicates federal recognition of American Indian and Alaska Native tribes.[2] According to the BIA, a federally recognized tribe is an American Indian or Alaska Native tribal entity that the federal government recognizes as "having a government-to-government relationship with the United States, with the responsibilities, powers, limitations, and obligations attached to that designation, and is eligible for funding and services" from the BIA, and a number of other federal agencies.[3]

The BIA notes "federally recognized tribes are recognized as possessing certain inherent rights of self-government (i.e., tribal sovereignty) and are entitled to receive certain federal benefits, services, and protections because of their special relationship with the United States." As of August 2021, the federal government recognizes 574 American Indian and Alaska Native tribes and villages, which are specified in the *Federal Register*.[4]

For the purposes of this report, the terms "tribes," "tribal nations," "Native American communities," and "American Indian tribes and Alaska Native communities" are used interchangeably in keeping with federal agency conventions on nomenclature, and refer to American Indian and Alaska Native entities with federal recognition as published by the BIA. The report also includes references to tribal "organizations" and "entities" as to be inclusive of other entities that may be subsidiaries or extensions of federally recognized tribal governments, and may be potentially eligible for certain forms of federal assistance. In addition, statutory or regulatory language may also define what constitutes an Indian tribe for its purpose, which should also be taken into account.

Native Hawaiians, though they also face unique socioeconomic circumstances, may be mentioned from time to time in this report, but will not be discussed in detail because they do not fall within the official definition of a federally recognized tribe. However, Alaska Native Corporations are generally included in this report's definition of a federally recognized tribe; though as for-profit companies, their eligibility for certain programs is more limited.[5]

This report is intended to provide a general survey of economic development resources available to tribal entities. This report lists a variety of such programs from across the federal government, with particular emphasis on programs that either primarily focus on, or may be particularly useful for, providing community and economic development assistance to federally recognized tribes.

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[1] For the purposes of this report, federal community and economic development resources primarily include programs that provide grants, loans, technical assistance, or other such assistance to federally recognized tribes and their eligible subsidiary organizations.

[2] Although most federal recognition is adjudicated administratively by the BIA, federal recognition can also be conferred legislatively. For example, the *Thomasina E. Jordan Indian Tribes of Virginia Federal Recognition Act of 2017* (P.L. 115-121) provided federal recognition to six American Indian tribes in the Commonwealth of Virginia.

[3] BIA, *Frequently Asked Questions*, accessed August 14, 2021, https://www.bia.gov/frequently-asked-questions.

[4] Bureau of Indian Affairs (BIA), "Indian Entities Recognized by and Eligible to Receive Services from the United States Bureau of Indian Affairs," 86 *Federal Register* 7554-7558, January 29, 2021, https://www.federalregister.gov/documents/2021/01/29/2021-01606/indian-entities-recognized-by-and-eligible-to-receive-services-from-the-united-states-bureau-of.

[5] For more information on the status of Alaska Native Corporations, see CRS Legal Sidebar LSB10626, *Supreme Court Holds Alaska Native Corporations Are "Indian Tribes" Entitled to CARES Act Funds*, by M. Maureen Murphy.

Some programs may also be available to tribal governments and communities, nonprofit organizations, and certain for-profit businesses (such as Alaska Native Corporations).

Under this framework, six agencies in particular were identified:

- The Department of Agriculture's (USDA) Rural Development agencies (USDA RD);
- The Bureau of Indian Affairs (BIA), in the Department of the Interior;
- The Economic Development Administration (EDA), in the Department of Commerce;
- The Department of Health and Human Services (HHS);
- The Department of Housing and Urban Development (HUD); and
- The Employment and Training Administration (ETA), in the Department of Labor.

In addition, this report provides information about assistance available through two other categories of agencies: business development agencies (such as the Small Business Administration and the Minority Business Development Agency), and the federal regional commissions and authorities. The federal regional commissions and authorities represent seven federally chartered independent agencies with economic development missions, of which four are currently active.

This report lists and annotates (as necessary) key or illustrative economic development programs in each of the agencies described above. It is not intended to be an exhaustive accounting of every federal economic development program with tribal eligibility. However, the report provides a framework for targeted federal economic development resources for federally recognized tribes.

The report closes with a discussion on issues related to tribal economic development policy, which may inform future congressional policy deliberations.

# Background

Native American communities in the United States, such as the American Indian and Alaskan Native populations, have historically had among the highest poverty rates in the nation,[6] with particular concentrations on Indian reservations or trust land—much of which is rural.[7] Overall, Native Americans also reportedly have the lowest educational achievement rates of any national racial and ethnic groups,[8] and American Indians and Alaska Natives living in tribal areas experience higher rates of physically substandard or overcrowded housing than the population as

[6] Northwestern University, *What Drives Native American Poverty?* Institute for Policy Research, February 24, 2020, at https://www.ipr.northwestern.edu/news/2020/redbird-what-drives-native-american-poverty.html.

[7] For more information on types of Indian lands, see CRS Report R46647, *Tribal Land and Ownership Statuses: Overview and Selected Issues for Congress*, by Tana Fitzpatrick.

[8] National Community Reinvestment Coalition, *Racial Wealth Snapshot: American Indians/Native Americans*, November 18, 2019, at https://ncrc.org/racial-wealth-snapshot-american-indians-native-americans.

a whole.[9] In addition, credit access and outreach present challenges for mortgage lending in tribal areas, as well as the legal status of trust land.[10]

Prior to the Coronavirus Disease 2019 (COVID-19) pandemic, there were indications of consistent material improvement in these communities since 1990. According to topline economic indicators, real per capita income increased by approximately 86% between 1990 and 2015; the family poverty rate fell by nearly 50%; and unemployment was reduced from 26% to 12%.[11] This period coincided with increased self-government and sovereignty following the enactment of the Indian Self-Determination and Education Assistance Act of 1975 (ISDEAA; P.L. 93-638), which authorized the Departments of the Interior (DOI) and Health and Human Services (HHS) to contract with tribes and assume planning and administration of certain federal services and programs with federal funding.[12]

Similarly, the Indian Gaming Regulatory Act of 1988 (P.L. 100-497) created a framework to govern Indian gaming, which played a significant role in enabling economic activity in the gaming and adjacent sectors, and boosted revenues to some tribal governments (and, in certain cases, to tribal community members directly). In some areas, Indian gaming, tourism, and rural industries drove increased economic growth and attainment in rural Indian communities, though not uniformly. Research suggests income inequality increased for American Indians (as with the United States as a whole) during this period.[13]

## The Impact of COVID-19

According to tribal leadership and official reporting,[14] the effects of the COVID-19 pandemic have been particularly challenging to Native American communities. Research suggests that American Indians, for example, were four times more likely to contract COVID-19 compared to the general U.S. population,[15] potentially linked to limited water and other basic infrastructure.[16]

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[9] Nancy Pindus, G. Thomas Kingsley, Jennifer Biess, et al., *Housing Needs of American Indians and Alaska Natives in Tribal Areas*, prepared for U.S. Department of Housing and Urban Development, January 2017, pp. xviii-xxii, at https://www.huduser.gov/portal/sites/default/files/pdf/HNAIHousingNeeds.pdf.

[10] David Listokin, Kenneth Temkin, Nancy Pindus, et al., *Mortgage Lending on Tribal Land*, prepared for U.S. Department of Housing and Urban Development, January 2017, at https://www.huduser.gov/portal/sites/default/files/pdf/NAHSG-Lending.pdf.

[11] Randall Akee, *Sovereignty and Improved Economic Outcomes for American Indians: Building on the Gains Made Since 1990*, Washington Center for Equitable Growth, January 14, 2021, at https://equitablegrowth.org/sovereignty-and-improved-economic-outcomes-for-american-indians-building-on-the-gains-made-since-1990/.

[12] For more information on the ISDEAA, see CRS In Focus IF11877, *Indian Self-Determination and Education Assistance Act (ISDEAA) and the Bureau of Indian Affairs*, by Tana Fitzpatrick.

[13] Randall Akee, M.R. Jones, and S.R. Porter, "Race Matters: Income Shares, Income Inequality, and Income Mobility for All US Races," *Demography*, vol. 56, no. 3 (2019), pp. 999-1021.

[14] See, for example, U.S. Congress, Senate Committee on Indian Affairs, *A Call to Action: Native Communities' Priorities in Focus for the 117th Congress*, 117th Cong., 1st sess., February 24, 2021, https://www.indian.senate.gov/sites/default/files/NCAI%20SCIA%20Testimony%20%282_22_21%29.pdf; U.S. Commission on Civil Rights, *COVID-19 Impacts on Native American Community*, An Advisory Memorandum of the Arizona Advisory Committee to the U.S. Commission on Civil Rights, April 2021, https://www.usccr.gov/files/2021/05-19-AZ-Memo-COVID-19-Native-Americans.pdf; and CRS In Focus IF11795, *COVID-19 Response: Broadband Funding for Tribes, Tribal Colleges and Universities, the Bureau of Indian Affairs, the Bureau of Indian Education, and the Indian Health Service*, coordinated by Patricia Moloney Figliola.

[15] Research was conducted during 2020, and prior to the emergence of the "delta" variant of novel coronavirus that causes the COVID-19 disease.

[16] Desi Rodriguez-Lonebear, Nicolás E. Barceló, Randall Akee, and Stephanie Russo Carroll, "American Indian Reservations and COVID-19: Correlates of Early Infection Rates in the Pandemic," *Journal of Public Health*

Other research showed disproportionate rates of infection and death among American Indians and Alaska Natives.[17] However, reports suggest that some tribal governments have also been particularly successful in vaccinating their community members.[18]

In addition, federally recognized tribes faced particularly tight fiscal conditions due to falling revenues from pandemic-shuttered gaming and tourism operations.[19] In response, the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) provided approximately $8 billion in direct assistance to tribal governments,[20] while the American Rescue Plan Act (ARPA; P.L. 117-2) included over $31 billion in assistance to tribal governments. This assistance, made through fiscal stabilization funding administered by the Department of the Treasury, does not include other forms of supplemental funding for Native American economic development and housing programs (e.g., the Indian Community Development Block Grant and the Indian Housing Block Grant) also provided in those laws.[21]

## Federal Interventions

Despite federal interventions to assist in community and economic recovery from the COVID-19 pandemic, tribal communities generally continue to lag the rest of the country and other rural areas in economic attainment and the development of basic and digital infrastructure that may facilitate improved economic outcomes.[22] To address these inequities, the federal government supports economic development in tribal nations through various rural development, community development, and housing programs. Although the BIA is the lead agency for tribal affairs, federal economic development resources are arrayed across multiple agencies—each with varying requirements, eligibility criteria, and service types.

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*Management and Practice*, vol. 26, no. 4 (July/August 2020), pp. 371-377.

[17] See Centers for Disease Control and Prevention (CDC), *Risk for COVID-19 Infection, Hospitalization, and Death by Race/Ethnicity*, March 21, 2021, at https://www.cdc.gov/coronavirus/2019-ncov/covid-data/investigations-discovery/hospitalization-death-by-race-ethnicity.html; and J. Arrazola, M.M. Masiello, S. Joshi, et al., *COVID-19 Mortality Among American Indian and Alaska Native Persons—14 States, January–June 2020*, CDC, December 11, 2020, at https://www.cdc.gov/mmwr/volumes/69/wr/mm6949a3.htm.

[18] See Alex Brown, *In Hard-Hit Indian Country, Tribes Rapidly Roll Out Vaccines*, Pew, Stateline, February 9, 2021, at https://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2021/02/09/in-hard-hit-indian-country-tribes-rapidly-roll-out-vaccines; and Shawna Chen and Russell Contreras, "Native American Tribes Lead the Way on Coronavirus Vaccinations," *Axios*, March 11, 2021, at https://www.axios.com/covid-vaccine-native-americans-internet-access-6f1ebc15-987f-4c2a-bf1f-7dcffce7ce8f.html.

[19] See Simon Romero and Jack Healy, "Tribal Nations Face Most Severe Crisis in Decades as the Coronavirus Closes Casinos," *New York Times*, May 11, 2020, at https://www.nytimes.com/2020/05/11/us/coronavirus-native-americans-indian-country.html; and Center on Budget and Policy Priorities, *Tribal Nations More Vulnerable to COVID-19 Impacts, Need Additional Fiscal Aid*, Policy Insight, August 5, 2020, at https://www.cbpp.org/blog/tribal-nations-more-vulnerable-to-covid-19-impacts-need-additional-fiscal-aid.

[20] See CRS In Focus IF11500, *The CARES Act: Implications for Tribes*, by Mainon A. Schwartz.

[21] For more information about the IHBG, see CRS Report R43307, *The Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA): Background and Funding*, by Katie Jones; on the ICDBG program, see CRS In Focus IF11749, *The Indian Community Development Block Grant (ICDBG) Program: An Overview*, by Michael H. Cecire.

[22] See, for example, U.S. Government Accountability Office (GAO), *Tribal Transportation: Better Data Could Improve Road Management and Inform Indian Student Attendance Strategies*, GAO-17-423, May 22, 2017, at https://www.gao.gov/products/gao-17-423; and Donna Feir, Richard M. Todd, and Kent Weyrauch, *The Digital Divide in Indian Country*, Federal Reserve Bank of Minneapolis, January 7, 2019, at https://www.minneapolisfed.org/article/2019/the-digital-divide-in-indian-country.

For example, USDA RD offer a wide variety of both targeted and broad-based competitive programs to facilitate community and economic development in primarily rural tribal areas.[23] These programs include funding for community facilities; business and industry loan guarantees; broadband deployment; and provision of basic infrastructure, among other things. HUD's Indian Community Development Block Grant Program, or ICDBG, also provides flexible competitive funding for economic and community development purposes, and noncompetitive funding for urgent needs.[24] Other federal economic development agencies, such as the Economic Development Administration and federal regional commissions and authorities, also provide general community and economic development assistance to federally recognized tribes. In addition, certain federal programs specifically support housing in tribal areas.[25] These include HUD's Indian Housing Block Grant, which provides formula funding to tribes for affordable housing activities, and the Section 184 program, through which HUD guarantees mortgages made by private lenders to tribal members in eligible areas.[26]

# Agencies Providing Tribal Economic Development Resources

The following sections offer a general survey of the key federal agencies involved in providing economic development resources for tribal nations.

## Department of Agriculture

The Department of Agriculture, the lead agency for rural development in the federal government statutorily, operates the Rural Development agencies,[27] which provide a number of economic development resources for rural areas,[28] including tribal communities.[29] With some exceptions, USDA does not provide specialized tribal programs, but generally extends eligibility for its existing programs to federally recognized tribal entities—many of which are located in, or overlap with, eligible rural areas. Under certain USDA RD programs, USDA also gives priority to applications, waives certain requirements, and provides special loan terms for projects that serve

[23] USDA Rural Development, *Programs & Services for Tribes*, at https://www.rd.usda.gov/programs-services/programs-services-tribes.

[24] For more information, see CRS In Focus IF11749, *The Indian Community Development Block Grant (ICDBG) Program: An Overview*, by Michael H. Cecire.

[25] Native Hawaiians, though they are not generally included in federal programs that serve American Indian and Alaskan Native communities, also experience higher rates of many housing problems. HUD's Native Hawaiian Housing Block Grant and Section 184A programs provide funding and mortgage guarantees, respectively, to address housing needs of Native Hawaiians eligible to reside on the Hawaiian Home Lands. See Kristen Corey, Jennifer Biess, Nancy Pindus, et al., *Housing Needs of Native Hawaiians*, prepared for U.S. Department of Housing and Urban Development, May 2017, pp. xv-xvii, at https://www.huduser.gov/portal/sites/default/files/pdf/HNNH.pdf.

[26] For more information on the Section 184 program, see HUD, "Section 184 Indian Home Loan Guarantee Program," at https://www.hud.gov/program_offices/public_indian_housing/ih/homeownership/184.

[27] USDA-RD is a USDA "mission area" comprised of three sub-agencies—the Rural Business-Cooperative Service, Rural Housing Service, and Rural Utilities Service. For more information, see Department of Agriculture (USDA), *Rural Development: Agencies*, accessed August 24, 2021, https://www.rd.usda.gov/about-rd/agencies.

[28] Department of Agriculture (USDA), *Rural Development: Programs and Services*, accessed August 18, 2021, https://www.rd.usda.gov/programs-services.

[29] USDA, *Rural Development: Programs and Services for Tribes*, accessed August 17, 2021, https://www.rd.usda.gov/programs-services/programs-services-tribes.

*substantially underserved trust areas*—tribal lands held in trust by the federal government for Native Americans.[30]

Potentially relevant USDA economic development programs include

- The Rural Business Development Grants Program, which provides grants to eligible entities for targeted technical assistance and training for rural businesses;[31]
- The Community Facilities Direct Loan & Grant Program, which provides funding through direct loans or grants for essential community facilities;[32]
- The Economic Impact Initiative Grants Program, which provides grants for essential community facilities for especially distressed areas;[33]
- The Business and Industry Loan Guarantees Program, which guarantees loans made by banks and other lenders to rural businesses, nonprofits, and public bodies and tribes;[34]
- The Community Connect Grants Program, which provides funding for rural broadband;[35]
- The Intermediary Relending Program, which provides business loans to improve economic conditions;[36] and
- The Multi-Family Housing Loan Guarantees Program, which guarantees loans made by private-sector lenders to eligible borrowers who are building or preserving affordable rural housing.[37]

In addition, USDA also has a standing Office of Tribal Relations, which coordinates tribal programming and assists federal tribal partners in accessing USDA resources.[38] For more information on USDA RD programs, see CRS Report RL31837, *An Overview of USDA Rural Development Programs*.

[30] USDA RD, "Substantially Underserved Trust Area (SUTA)," accessed August 23, 2021, https://www.rd.usda.gov/about-rd/initiatives/substantially-underserved-trust-area-suta.

[31] USDA, *Rural Development: Rural Business Development Grants*, accessed August 15, 2021, https://www.rd.usda.gov/programs-services/rural-business-development-grants.

[32] USDA, *Rural Development: Community Facilities Direct Loan and Grant Program*, accessed August 15, 2021, https://www.rd.usda.gov/programs-services/community-facilities-direct-loan-grant-program. USDA also operates a similar program that provides loan guarantees for eligible lenders. See USDA, *Rural Development: Community Facilities Guaranteed Loan Program*, accessed August 15, 2021, https://www.rd.usda.gov/programs-services/community-facilities-guaranteed-loan-program.

[33] USDA, *Rural Development: Economic Impact Initiative Grants*, accessed July 18, 2021, https://www.rd.usda.gov/programs-services/economic-impact-initiative-grants.

[34] USDA, *Rural Development: Business Industry Loan Guarantees*, accessed July 12, 2021, https://www.rd.usda.gov/programs-services/business-industry-loan-guarantees.

[35] USDA, *Rural Development: Community Connect Grants*, accessed August 12, 2021, https://www.rd.usda.gov/programs-services/community-connect-grants.

[36] USDA, *Rural Development: Intermediary Relending Program*, accessed August 11, 2021, https://www.rd.usda.gov/programs-services/intermediary-relending-program.

[37] USDA, *Rural Development: Multi-Family Housing Loan Guarantees*, accessed July 18, 2021, https://www.rd.usda.gov/programs-services/multi-family-housing-loan-guarantees.

[38] USDA, *Office of Tribal Relations*, accessed July 18, 2021, https://www.usda.gov/tribalrelations.

Given its rural development mission and breadth of tribal programming, USDA RD could be considered the most comprehensive source of community and economic development funding for tribal nations. **Table 1** lists USDA RD programs that are available to federally recognized tribes.

**Table 1. USDA Rural Development Programs Serving Federally Recognized Tribes**

in alphabetical order

| Program Title | Support Type | Tribal Eligibility | Notes |
|---|---|---|---|
| Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program | Loan Guarantees | Federally recognized tribes and other financial institutions may apply to administer the program. Eligible borrowers include a variety of public and private entities including Indian tribes. | Assists in the development, construction, and retrofitting of advanced biofuels, renewable chemicals, and biobased products. |
| Business and Industry Loan Guarantees | Loan Guarantees | Federally recognized tribes may apply as borrowers. | Provides loan guarantees to support rural businesses. |
| Community Connect Grants | Grants | Federally recognized tribes may apply, along with certain governmental and nonprofit entities. | Supports broadband deployment into rural communities. |
| Community Facilities Direct Loan and Grant Program / Guaranteed Loan Program | Grants, Direct Loans, Loan Guarantees | Federally recognized tribes may apply. | Supports the development of essential community facilities in rural areas. |
| Distance Learning and Telemedicine Grants | Grants | Various private, nonprofit, and governmental entities, including federally recognized tribes. | Funds the acquisition of capital assets for distance learning and telemedicine capabilities. |
| Economic Impact Initiative Grants | Grants | Federally recognized tribes may apply, along with certain governmental and nonprofit entities. | Helps develop essential community facilities in rural communities with extreme unemployment and severe economic depression. |
| Emergency Community Water Assistance Grants | Grants | Federally recognized tribes may apply, as well as state and local governments and nonprofit organizations. | Assists communities in preparing for, or responding to, an emergency that threatens the availability of safe, reliable drinking water. |
| Grants for Rural and Native Alaskan Villages | Grants | Rural Alaskan villages, or the State of Alaska on behalf of a rural Alaskan village, including Alaska Native communities. | Supports the development of water and waste disposal infrastructure for households and businesses. |
| Household Water Well System Grants | Grants to Capitalize Revolving Loans | Nonprofits may apply to serve eligible areas, which may include rural tribal areas. | Supports revolving loan funds for household water systems in eligible rural areas. |
| Intermediary Relending Program | Loans for Relending | Federally recognized tribes may apply, among other public bodies and nonprofit organizations. | Provides low-interest loans to local lenders that re-lend to businesses to improve rural economic conditions. |

| Program Title | Support Type | Tribal Eligibility | Notes |
|---|---|---|---|
| Multi-Family Housing Direct Loans / Loan Guarantees | Direct Loans, Loan Guarantees | Federally recognized tribes may apply for direct loans, or as a borrower for guaranteed loans. | Provides financing for affordable multi-family rental housing for low-income, elderly, or disabled persons in eligible rural areas. |
| Mutual Self-Help Housing Technical Assistance Grants | Grants | Federally recognized tribes may apply, along with certain governmental and nonprofit entities. | Supports local self-help housing construction projects in qualified communities. |
| ReConnect Loans and Grants | Grants, Direct Loans | Federally recognized tribes may apply, along with certain public and private entities | Supports broadband deployment in rural areas. |
| Revolving Funds for Financing Water and Wastewater Projects | Grants to Capitalize Revolving Loans | Nonprofits administer the program in eligible areas, including tribal lands. | Supports revolving loans to extend and improve rural water and waste disposal systems. |
| Rural Broadband Program | Direct Loans, Loan Guarantees | For-profit, nonprofit, and governmental entities may apply, including tribal entities. | Supports broadband deployment in rural areas. |
| Rural Business Development Grants | Grants | Rural public entities, including federally recognized tribes. | Supports the provision of technical assistance and training for small rural businesses. |
| Rural Community Development Initiative Grants | Grants | Federally recognized tribes, public bodies, non-profits, and qualified for-profit entities. | Supports development of rural housing, community facilities and community and economic development projects. |
| Rural Cooperative Development Grants | Grants | Nonprofit entities and institutions of higher education, including tribal colleges, may apply. | Supports the creation of Cooperative Development Centers to provide assistance to cooperatives in rural areas. |
| Rural Energy for America Program Energy Audit and Renewable Energy Development Assistance Grants | Grants | Federally recognized tribes may apply, among other various organizations. | Assists rural small businesses and agricultural producers by conducting and promoting energy audits and providing Renewable Energy Development Assistance. |
| Rural Housing Site Loans | Direct Loans | Federally recognized tribes may apply, among other nonprofit organizations. | Supports the purchase and development of home sites for low-income persons. |
| Rural Innovation Stronger Economy Grants | Grants | Tribal entities may apply, among other public bodies and nonprofit organizations. | Supports jobs accelerator partnerships, training for high-wage jobs, and business incubators in eligible low-income rural areas. |
| Rural Microentrepreneur Assistance Program | Direct Loans, Grants | Federally recognized tribes may apply, among other various organizations. | Supports Microenterprise Development Organizations in providing technical assistance and microloans. |
| Socially Disadvantaged Groups Grants | Grants | Nonprofit entities and institutions of higher education, including tribal colleges, may apply. | Supports the creation of Cooperative Development Centers that support socially disadvantaged groups, including federally recognized tribes. |

| Program Title | Support Type | Tribal Eligibility | Notes |
|---|---|---|---|
| Solid Waste Management Grants | Grants | Federally recognized tribes may apply, among other various organizations. | Supports the provision of technical assistance or training to improve solid waste site planning and management. |
| Special Evaluation Assistance for Rural Communities and Households | Grants | Federally recognized tribes may apply, among other various organizations. | Assists very small, financially distressed rural communities with predevelopment feasibility studies, design, and technical assistance on proposed water and waste disposal projects. |
| Telecommunications Infrastructure Loans and Loan Guarantees | Loans, Loan Guarantees | Federally recognized tribes may apply, among various other organizations. | Supports the construction, maintenance, improvement, and expansion of telephone service and broadband in rural areas. |
| Tribal College Initiative Grants | Grants | Tribal Colleges as listed in Section 7402 of the Agricultural Act of 2014. | Supports 1994 Land Grant Institutions (Tribal Colleges) to make capital improvements to educational facilities and to purchase equipment. |
| Water and Waste Disposal Direct Loans and Grants / Loan Guarantees | Grants, Direct Loans, Loan Guarantees | Federally recognized tribes may apply for loans or grants, or apply to private lenders for loan guarantees. | Supports the construction and improvement of water and waste disposal systems in rural areas. |
| Water and Waste Disposal Grants to Alleviate Health Risks on Tribal Lands and Colonias | Grants | Federally recognized tribes may apply, among various other organizations serving eligible areas (including tribal lands). | Supports water and waste disposal facilities and services in low-income rural areas. |
| Water and Waste Disposal Predevelopment Planning Grants | Grants | Federally recognized tribes may apply, among various other organizations. | Assists low-income communities with initial planning and development of applications for USDA Rural Development Water and Waste Disposal direct loan/grant and loan guarantee programs. |
| Water and Waste Disposal Technical Assistance and Training Grants | Grants | Private non-profits serving eligible areas, including tribal territory. | Supports technical assistance and training for water and waste disposal in eligible rural areas. |

**Source:** USDA, *Programs and Services for Tribes*, accessed August 19, 2021, https://www.rd.usda.gov/programs-services/programs-services-tribes.

## Bureau of Indian Affairs

The Bureau of Indian Affairs in the Department of the Interior operates a variety of programs to support federally recognized tribal governments[39] and certain eligible Native American

[39] Bureau of Indian Affairs (BIA), *Direct Assistance (Financial Assistance & Social Services)*, accessed July 18, 2021, https://www.bia.gov/bia/ois/dhs/financial-assistance.

individuals and households.[40] Although some of these programs may have economic development implications, the BIA is generally less involved in providing direct community and economic development funding. BIA offers limited economic development assistance through the Office of Indian Economic Development (IED) and the Division of Energy and Mineral Development (DEMD).[41]

Programs through IED include

- The Native American Business Development Institute Grant Program, which supports feasibility studies on the viability of an economic development project, opportunity, enterprise, business, or technology;[42]
- The Indian Loan Guarantee and Insurance Program, which assists eligible borrowers to develop viable Indian businesses through conventional lender financing;[43]
- The Tribal Tourism Grant Program, which assists tribes in identifying viable tourism business opportunities in their communities;[44]
- The Indian Business Incubators Program, which provides business development assistance to Native entrepreneurs to provide products or services to tribal communities;[45] and
- The National Tribal Broadband Grant program, which helps establish and expand broadband access in Native communities.[46]

In addition, under IED's Division of Economic Development (DED), BIA performs outreach and provides technical assistance to develop Native businesses and tribal legal infrastructure, which can help facilitate investment and commerce.[47]

In the BIA's Office of Trust Services (OTS), DEMD provides funding through several energy-oriented economic development-related programs:

- The Tribal Energy Development Capacity Program, which assists with the development of managerial, organizational, and technical capacity needed to maximize the economic impact of energy resource development on Indian lands;[48] and

[40] BIA, *Housing Improvement Program*, accessed July 15, 2021, https://www.bia.gov/bia/ois/dhs/housing-improvement-program.

[41] BIA, *Office of Indian Energy and Economic Development*, accessed August 11, 2021, https://www.bia.gov/as-ia/ieed.

[42] BIA, *Native American Business Development Institute Grant*, accessed July 25, 2021, https://www.bia.gov/service/grants/nabdi.

[43] BIA, *Indian Loan Guarantee and Insurance Program*, accessed July 27, 2021, https://www.bia.gov/service/loans/ilgp.

[44] BIA, *Tribal Tourism Grant Program*, accessed July 20, 2021, https://www.bia.gov/service/grants/ttgp.

[45] BIA, *Indian Business Incubators Program*, accessed July 22, 2021, https://www.bia.gov/service/grants/ibip.

[46] BIA, *National Tribal Broadband Grant*, accessed August 7, https://www.bia.gov/service/grants/ntbg.

[47] BIA, *Division of Economic Development*, accessed August 7, 2021, https://www.bia.gov/as-ia/ied/division-economic-development.

[48] BIA, *Tribal Energy Development Capacity (TEDC) Program*, accessed July 25, 2021, https://www.bia.gov/service/grants/tedc.

- The Energy and Mineral Development Program, which supports projects that assess, evaluate, or otherwise promote the productive use or development of energy and mineral resources on Indian lands.[49]

OTS also provides grant funding for climate resilience activities,[50] which may be used to support tribal community and economic development needs.[51]

## Economic Development Administration

The Economic Development Administration provides several programs with potential relevance to federally recognized tribes and eligible tribal entities.[52] EDA programs are largely broad-based; tribal entities may be eligible, but do not necessarily receive priority outreach or consideration.[53]

Competitive program areas include

- Public Works: This program provides funding to revitalize, expand, and upgrade physical infrastructure to "attract new industry, encourage business expansion, diversify local economies, and generate or retain long-term, private sector jobs and investment."[54]
- Economic Adjustment: This program assists grantees with "designing and implementing strategies to adjust or bring about change to an economy" in distressed areas.[55]
- Build to Scale (formerly Regional Innovations Strategies): This program supports startups through competitions "supporting entrepreneurship, acceleration of company growth and increased access to risk capital across regional economies."[56]

The EDA also provides planning and technical assistance support to various units of local government, tribal entities, and Economic Development Districts (EDDs). Much of the EDA's visible grant activities are routed through regional EDDs, which are locally based, multi-jurisdictional organizations designated by EDA to provide subawards and facilitate other related activities. These EDDs can provide technical assistance and consulting services to organizations

[49] BIA, *Energy and Mineral Development Program*, accessed July 25, 2021, https://www.bia.gov/service/grants/emdp.

[50] BIA, *Annual Awards Program*, accessed August 15, 2021, https://www.bia.gov/bia/ots/annual-awards-program.

[51] For information on the relationship between federal economic development resources and climate change issues, see CRS In Focus IF11815, *Climate Change: Selected Federal Economic Development Tools and Policy Considerations*, by Michael H. Cecire and Jane A. Leggett.

[52] Economic Development Administration (EDA), *EDA Programs*, accessed August 13, 2021, https://www.eda.gov/programs/eda-programs/.

[53] For more information on the EDA, see CRS Report R41241, *Economic Development Administration: A Review of Elements of Its Statutory History*, by Julie M. Lawhorn.

[54] EDA, *EDA Programs*, accessed August 13, 2021, https://www.eda.gov/programs/eda-programs/.

[55] Public Works and Economic Adjustment Assistance, as well as the Assistance to Coal Communities program, are granted through a single solicitation notice. See https://www.grants.gov/web/grants/view-opportunity.html?oppId=306735. In addition the Revolving Loan Fund operates under Economic Adjustment Assistance. See CRS In Focus IF11449, *Economic Development Revolving Loan Funds (ED-RLFs)*, by Julie M. Lawhorn.

[56] Economic Development Administration (EDA), *EDA Programs*, accessed August 13, 2021, https://www.eda.gov/programs/eda-programs/.

and entities, including federally recognized tribes, by advising on eligibility for certain EDA programs and other potential resources from other federal and state agencies.[57]

Recent EDA grants to federally recognized tribes in 2021 include, for example, funding for the development of economic development recovery strategies to recover from the effects of COVID-19;[58] and technical assistance for utilizing natural resources, and a related workforce development plan for job creation.[59]

## Department of Health and Human Services

The Department of Health and Human Services supports community and economic development through a variety of programs, of which several are open to federally recognized tribal entities. Programs open to tribes are administered through HHS's Tribal Liaison Workgroup in the Office of Community Services.[60]

Relevant programs from the Office of Community Services include

- The Community Economic Development Program, which awards grants to tribes to increase self-sufficiency in distressed areas;[61]
- The Community Services Block Grant Program, which provides block grant funds to tribal entities to combat poverty;[62]
- The Rural Community Development Program, which assists with developing safe water infrastructure;[63] and
- The Low Income Home Energy Assistance Program, which offers various energy assistance benefits.[64]

## Department of Housing and Urban Development

The Department of Housing and Urban Development is among the largest sources of federal community and economic development funding through the Community Development Block Grant (CDBG) program. Tribal entities are eligible for a similar but separate category of CDBG funds called the Indian Community Development Block Grant program (ICDBG). ICDBG and other tribal-specific programming is administered by the Office of Native American Programs (ONAP).[65]

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[57] EDA, *Economic Development Districts*, accessed August 13, 2021, https://www.eda.gov/edd/.

[58] See CRS Insight IN11402, *The Economic Development Administration's Economic Recovery Assistance for COVID-19 Impacted Communities*, by Julie M. Lawhorn.

[59] EDA, *Latest EDA Grants*, accessed August 22, 2021, https://eda.gov/grants/.

[60] Department of Health and Human Services (HHS), *Office of Community Services: Tribal Liaison Workgroup*, accessed August 16, 2021, https://www.acf.hhs.gov/ocs/programs/tribal-services.

[61] HHS, *Community Economic Development*, accessed August 16, 2021, https://www.acf.hhs.gov/ocs/programs/ced.

[62] HHS, *Community Services Block Grant Program*, accessed August 16, 2021, https://www.acf.hhs.gov/programs/ocs/programs/csbg.

[63] HHS, *Rural Community Development Program*, accessed August 18, 2021, https://www.acf.hhs.gov/programs/ocs/programs/rcd.

[64] HHS, *Low Income Home Energy Assistance*, accessed August 20, 2021, https://www.acf.hhs.gov/programs/ocs/programs/liheap.

[65] Department of Housing and Urban Development (HUD), *Office of Native American Programs*, accessed August 17, 2021, https://www.hud.gov/program_offices/public_indian_housing/ih.

The ICDBG program provides direct grants to tribes and Alaskan native villages to support the development of housing, suitable living environments, and economic opportunities. Program funds are required principally to benefit low- and moderate-income persons.[66]

Grants are awarded in two categories: (1) single purpose grants, which are awarded on a competitive basis through an annual notice of funding availability; and (2) imminent threat grants, which are allocated on a noncompetitive basis as available to eliminate or mitigate issues posing an urgent threat to the public health or safety of tribal residents.[67] For more information on the ICDBG program, see CRS In Focus IF11749, *The Indian Community Development Block Grant (ICDBG) Program: An Overview*.

Additional HUD community and economic development programs for tribal entities include

- The Indian Housing Block Grant Program (IHBG): IHBG provides formula grants for a variety of housing activities on reservations and tribal areas.[68]
- The Tribal Housing Activities Loan Guarantee Program (Title VI): Federally recognized tribes and tribally designated housing entities are eligible for financing in addition to the IHBG to build new housing, rehabilitate existing housing, build infrastructure, build community facilities, acquire land for housing development, prepare plans, and other activities.[69]
- Rural Capacity Building for Community Development and Affordable Housing Grants Program: This program grants funds to non-profit organizations and allows for support of tribes in housing and community development efforts.[70]

## Employment and Training Administration

The Department of Labor's Employment and Training Administration administers several workforce development funding programs with varying applicability to federally recognized tribal entities.[71] The ETA's Division of Indian and Native American Programs coordinates assistance to federal tribal entities, and particularly Section 166 of the Workforce Innovation and Opportunity Act (WIOA).[72] Section 166 programs are described as

> Designed to support employment and training activities in order to develop more fully the academic, occupational and literacy skills; make individuals more competitive in the workforce; and promote economic and social development in accordance with the goals and values of such communities.

[66] 24 C.F.R. §1003.208.

[67] HUD, *Indian Community Development Block Grant program (ICDBG)*, accessed August 17, 2021, https://www.hud.gov/program_offices/public_indian_housing/ih/grants/icdbg.

[68] HUD, *Indian Housing Block Grant program (ICDBG)*, accessed August 17, 2021, https://www.hud.gov/program_offices/public_indian_housing/ih/grants/ihbg.

[69] HUD, *Tribal Housing Activities Loan Guarantee Program (Title VI)*, accessed August 17, 2021, https://www.hud.gov/program_offices/public_indian_housing/ih/homeownership/titlevi.

[70] HUD Exchange, *Rural Capacity Building for Community Development and Affordable Housing Grants Program*, accessed August 18, 2021, https://www.hudexchange.info/programs/rural-capacity-building/.

[71] Employment and Training Administration (ETA), *Department of Labor Employment and Training Administration*, accessed August 17, 2021, https://www.dol.gov/agencies/eta.

[72] ETA, *Division of Indian and Native American Programs (DINAP)*, accessed August 17, 2021, https://www.dol.gov/agencies/eta/dinap.

Under WIOA, the ETA provides assistance to local workforce development boards that provide workforce development assistance to states, localities, and, under Section 166, to federally recognized tribal entities. For more information about WIOA, see CRS Report R44252, *The Workforce Innovation and Opportunity Act and the One-Stop Delivery System*.

## Agencies That Serve Tribal Businesses

The Small Business Administration (SBA) and the Department of Commerce's Minority Business Development Administration (MBDA) both offer certain resources to tribal organizations, including loans and technical assistance. Beneficiaries may include tribally owned or established businesses, such as Alaska Native Corporations, or businesses established or owned by Native American entrepreneurs.[73] USDA RD also provides services to tribally owned and Native American businesses through the Rural Business-Cooperative Service, as outlined in the USDA section of this report.

### Small Business Administration

The Small Business Administration offers a variety of programs that support small businesses with access to capital, federal contracts, technical assistance, and advisory services. For more information about SBA programs, see CRS Report RL33243, *Small Business Administration: A Primer on Programs and Funding*.

The SBA's Office of Native American Affairs provides technical assistance and supports American Indians, Alaskan Natives, and Native Hawaiians in creating, developing, and expanding small business.[74] The office administers programs related to entrepreneurial development, lending, and procurement. In addition, American Indian business owners are eligible to participate in the SBA Minority Small Business and Capital Ownership Development Program (the "8(a) Program"), which provides minority small businesses with set-asides and sole-source awards. For more information on the 8(a) Program, see CRS Report R44844, *SBA's "8(a) Program": Overview, History, and Current Issues*.

In addition to regional and district offices, the SBA helps fund a broad network of small business development centers (SBDCs) around the country.[75] SBDCs administer loans, conduct trainings, provide technical assistance to small businesses, and are generally a resource for local context-specific resources for small businesses. Native American businesses as well as tribes can consult a local SBDC or another SBA office for assistance.

### Minority Business Development Agency

The Department of Commerce's Minority Business Development Agency is the lead federal agency dedicated to assisting minority business enterprises (MBEs) in overcoming social and economic disadvantages that have limited their participation in the nation's free enterprise system. The MBDA's mission is to support the growth and global competitiveness of the

[73] Although this report does not generally include resources for individuals, small and minority business assistance programs are included because of the role that some for-profit businesses play in tribal affairs, and the community and economic development role that businesses play.

[74] Small Business Administration (SBA), *Office of Native American Affairs*, accessed August 17, 2021, https://www.sba.gov/offices/headquarters/naa.

[75] SBA, *Office of Small Business Development Centers*, accessed August 17, 2021, https://www.sba.gov/offices/headquarters/osbdc.

minority business community. Through a network of local business development centers and other initiatives, the MBDA carries out this mission by providing technical and business assistance, support, and resources, as well as advocacy and research on behalf of MBEs.

MBDA provides assistance to entities with expertise in American Indian, Alaska Native, and Native Hawaiian (AIANNH) business for projects that focus on job creation, retention, and economic impact for AIANNH communities and businesses.[76] AIANNH projects may provide a range of services including, but not limited to, entrepreneurial assistance, training, capital access, federal procurement assistance, networking and relationship management, deal sourcing, joint ventures and partnerships, strategic infrastructure and economic planning assistance, and education for entrepreneurial and tribal entities.

For more information about the MBDA, see CRS Report R46816, *The Minority Business Development Agency: An Overview of Its History and Programs*.

## Federal Regional Commissions and Authorities

There are seven chartered federal regional commissions and authorities, which are place-based, multistate (in all cases except for one) federal-state partnerships that integrate federal and state economic development priorities with regional and local considerations, and engage in economic development activities to that effect.

Of the seven federal regional commissions and authorities, four are currently active:

- Appalachian Regional Commission (service area includes parts of Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and all of West Virginia);[77]
- Delta Regional Authority (all or parts of Alabama, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee);[78]
- Denali Commission (Alaska);[79] and
- Northern Border Regional Commission (parts of northern Maine, New Hampshire, New York, and Vermont).[80]

In addition, Congress has authorized the following federal authorities and commissions that are currently inactive:

- Northern Great Plains Regional Authority (Iowa, Minnesota, Nebraska, North Dakota, and South Dakota);
- Southeast Crescent Regional Commission (parts of Alabama, Georgia, Mississippi, North Carolina, South Carolina, Virginia, and all of Florida); and
- Southwest Border Regional Commission (southern border regions of Arizona, California, New Mexico, and Texas).

[76] The term "AIANNH" is unique to the MBDA.

[77] Appalachian Regional Commission, accessed August 23, 2021, https://www.arc.gov.

[78] Delta Regional Authority, accessed August 23, 2021, https://www.dra.gov.

[79] Denali Commission, accessed August 23, 2021, https://www.denali.gov.

[80] Northern Border Regional Commission, accessed August 23, 2021, https://www.nbrc.gov.

As federally chartered agencies created by acts of Congress, the federal regional commissions and authorities depend on congressional appropriations for their activities and administration, and are subject to congressional oversight.

In general, tribal entities that fall within the respective service areas of active federal regional commissions and authorities are eligible for grant assistance.[81] In addition, the Denali Commission and the currently inactive Northern Great Plains Regional Authority both statutorily include Native American representation as part of their governing structures. Under this structure, the Denali Commission has elevated Native Alaskan issues in its grant making. For example, a Government Accountability Office report found that rural and particularly Alaska Native villages were susceptible to recurring flooding and erosion, threatening local infrastructure and community integrity.[82] In response, the Denali Commission established the Village Infrastructure Protection program, which operated between 2016 and 2020, and provided approximately $40 million in resources to mitigate the impact of these threats in Native Alaskan communities.[83]

For more information on the federal regional commissions and authorities, see CRS Report R45997, *Federal Regional Commissions and Authorities: Structural Features and Function*.

# Concluding Notes and Policy Considerations

The federal government offers an array of programs that may be used to address aspects of tribal economic development, including certain programs that are either directly targeted to tribal entities, or particularly well suited to their circumstances or contexts (e.g., USDA RD programs). However, this list of resources is not exhaustive, and many other programs are available for issues or uses that are economic development-adjacent, such as support for basic and transportation infrastructure, financial and credit access, and housing.

## Improving Credit Access: Case Study

For example, with regard to community credit access, the Native American CDFI Assistance (NACA) program at the Department of the Treasury's Community Development Financial Institution (CDFI) Fund provides capitalization through financial assistance awards to designated Native CDFIs.[84] NACA awards are made in the form of loans, grants, equity investments, deposits, and credit union shares. The NACA program also provides technical assistance grants to Native CDFIs, emerging Native CDFIs, and sponsoring entities (a financial entity that might be sponsoring the development of a Native CDFI) to increase institutions' capacity to serve Native American communities.[85]

[81] This includes both federally recognized tribes, as well as potentially state-recognized tribes that are designated as units of local government. Some federal agencies do have the authority to provide certain funding to state-recognized tribes. For more information, see U.S. Government Accountability Office, *Indian Issues: Federal Funding for Non-Federally Recognized Tribes*, GAO-12-348, April 2012, https://www.gao.gov/assets/600/590102.pdf.

[82] U.S. Government Accountability Office, *Alaska Native Villages: Limited Progress Has Been Made on Relocating Villages Threatened by Flooding and Erosion*, GAO-09-551, June 2009, https://www.gao.gov/assets/gao-09-551.pdf.

[83] Denali Commission, *Village Infrastructure Protection*, August 18, 2021, https://www.denali.gov/programs/village-infrastructure-protection/.

[84] As financial institutions, Native CDFIs were not included in the scope of this report. They can play a significant role in community and economic development in tribal areas.

[85] CDFI Fund, *Native Initiatives*, accessed July 19, 2021, https://www.cdfifund.gov/programs-training/programs/native-initiatives.

The breadth of federal economic development resources provides tribes with many options; it can also pose certain organizational challenges for tribal governments and entities—particularly for smaller communities with limited resources. Relatedly, even some economic development programs that may be well suited to tribal beneficiaries may struggle with uptake among tribal organizations due to issues of awareness and engagement.

In this regard, certain federal efforts to increase engagement with tribal entities and populations have appeared to bridge this gap. For example, one economic development-adjacent USDA RD mortgage program, the Single Family Housing Direct Loan program, provides direct mortgage lending to underserved borrowers in rural areas, but saw relatively little uptake among Native Americans—particularly those living on reservation or trust lands. However, a pilot program that worked with Native American financial institutions to lend those funds in Native American communities saw promising early results in terms of program awareness and uptake (see case study below).

### Case Study: 502 Direct Native CDFI Relending Pilot Program

The establishment and popularity of a USDA RD pilot program for American Indian beneficiaries highlights both economic distress in Native American communities, and potential issues of access and awareness in those communities.

In 2018, USDA RD established a pilot program based on the Single Family Housing Direct Loan program, also known as the Section 502 Direct Loan Program,[86] to provide direct mortgage loans to Native American beneficiaries. The pilot program, known as the 502 Direct Native CDFI Relending Pilot Program, collaborated with two Native Community Development Finance Institutions (CDFIs) in South Dakota, which acted as intermediaries to re-lend funds as a way of increasing participation among eligible low-income families on tribal lands in the Dakotas. USDA RD lent $800,000 to each CDFI, Mazaska Owecaso Otipit Financial and Four Bands Community Fund, to relend to eligible homebuyers for mortgages on South Dakota and some North Dakota tribal lands. Each CDFI also contributed $200,000 each for the mortgages, bringing the pilot program's total capitalization to $2 million.

A February 2020 progress report on the Native CDFI Relending Pilot Program by the South Dakota Native Homeownership Coalition (SDNHC),[87] of which both CDFIs are members, noted that deployment of the funds began in October 2019, and by February 2020 approximately 50% of the loan capital had been deployed, resulting in eight new homeowners. Of the program, SDNHC leadership noted that it was "more than was deployed in the previous nine years prior to the start of the program."[88] The progress report noted eight pilot loans deployed as of February 2020 with an average amount of $97,951, and reported consistent demand.

In August 2020, the South Dakota congressional delegation sent a letter to USDA leadership requesting the pilot's continuation.[89] The letter noted that "the Native CDFIs have deployed nearly $2 million in mortgage capital [or approximately the entirety of the pilot's total capitalization] to eligible 502 borrowers in less than a year, more than three times the amount of capital deployed to the same reservations in the previous nine years." The letter also says that the Native CDFIs "estimate that there is demand for more than $3 million worth of 502 direct loans should additional funding be provided[.]" According to its proponents, the Native CDFI Relending Pilot Program was able to succeed because it integrated Native American representation and outreach (through the Native CDFIs) with existing if more general resources.

[86] USDA Rural Development, *Single Family Housing Direct Home Loans*, accessed July 19, 2021, https://www.rd.usda.gov/programs-services/single-family-housing-direct-home-loans.

[87] South Dakota Native Homeownership Coalition, *Progress Report: 502 Direct Native CDFI Relending Pilot Program*, February 2020, https://www.sdnativehomeownershipcoalition.org/2019/wp-content/uploads/2020/03/502-Success-Report_v2.pdf.

[88] South Dakota Native Homeownership Coalition, *Pilot Program Increases Rates of Mortgage Lending on South Dakota's Reservations*, accessed July 20, 2021, https://www.sdnativehomeownershipcoalition.org/news/pilot-program-increases-rates-of-mortgage-lending-on-south-dakotas-reservations/.

[89] Letter from John Thune, Senator, M. Michael Rounds, Senator, and Dusty Johnson, Member of Congress, to Sonny Perdue, Secretary of Agriculture, August 4, 2020, https://www.sdnativehomeownershipcoalition.org/2019/wp-content/uploads/2019/10/SD-Delegation-Letter-re-502-Relending-Pilot-August-4-2020.pdf.

## Resource Coordination and Native Representation

Another challenge to developing effective tribal economic development policy is the duality of American Indian nations' status as both units of government within the United States, and as sovereign entities with government-to-government relationships to the federal government. In that regard, federal tribal economic development policy emphasizes programming that assists tribes in developing their economies—pursuant to principles of self-determination as outlined in the ISDEAA statute. However, in recognition of deep-seated poverty and socioeconomic distress in many tribal areas, the federal government also provides more direct economic development tools and interventions.

One approach to facilitate the interchange between economic development grant making and intergovernmental coordination has been through intergovernmental agencies that enshrine American Indian and Native Alaskan participation. For example, the Denali Commission, a federal regional commission, provides infrastructure and economic development grant programs to a variety of communities and eligible organizations in Alaska, including Alaska Native communities. In addition, the Denali Commission includes a federal co-chair, the Alaska governor, and the Alaska Federation of Natives president, alongside representation from four other state constituencies. This represents a potential model where Native American interests are represented at the leadership level of a federal economic development grant making agency. Another authorized federal regional commission, the Northern Great Plains Regional Authority, also has a similar type of leadership structure, but is currently inactive.

As such, future considerations of federal tribal economic development policy may consider improving coordination mechanisms, and integrating tribal representation into economic development decisionmaking. For example, Congress may consider developing the means by which tribal economic development tools may be more effectively coordinated—to better calibrate interagency tribal economic development policy and simplify the process for lower-capacity tribal governments. In addition, as is the case in the Denali Commission, federal economic development interventions could be more centrally coordinated and include integrated representation for tribal leadership, which would highlight both the intergovernmental nature of the federal-tribal relationship and the standing federal policy to promote self-determination.

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