

FOR IMMEDIATE RELEASE

NACA Applauds ICT Editorial on Alaska Native Corporations

Publication Calls for Greater Congressional Education of ANCs in Advance of Upcoming Senate Hearing

WASHINGTON, DC (June 19, 2009) The Native American Contractors Association (NACA) welcomed a recent Indian Country Today (ICT) editorial urging Congress to develop a better understanding of the value and important role Alaska Native Corporations (ANCs) play in improving the lives of the disadvantaged Alaska Native community.

“ANCs are misunderstood enterprises,” said Sarah Lukin, NACA’s Executive Director. “Many in Congress do not have a full appreciation of their history, why they exist, who they support and the enormous value they offer the United States government. NACA agrees with *Indian Country Today’s* position, and is working hard to improve Congressional awareness of ANCs as the Senate Homeland Security and Government Affairs Subcommittee on Contracting Oversight prepares to examine these important businesses this July.”

Indian Country Today highlighted the fact that ANCs offer “a way for the economically disadvantaged Native people to improve their lives,” adding that those “with few opportunities and little hope now have a chance at an education, gaining job skills, starting businesses and giving back to their communities.”

The editorial also noted “ANCs combined receive less than one percent of all federal contracting dollars spent each year,” and that these businesses “are not, and should not be, the source of controversy their critics, often their economic competitors, would have Congress believe.”

The full text of the editorial is included below.

For more information, please contact Rosalie Schwimmer at NACA at 202.349.9845

The Native American Contractors Association (NACA) brings a collective voice to Capitol Hill on public policy issues related to procurement and Native economic development. Federal agencies, Congress, and other organizations look to NACA to provide information about Native American businesses and the Native 8(a) program.

#####

Indian Country Today

“Congress Needs Education on Alaska Native Corps”

June 12, 2009

<http://www.indiancountrytoday.com/opinion/editorials/47921027.html>

The American political process is a competitive balancing of interests and information about how to reconcile government, political and economic interests. Unless members of Congress

have an assignment to an Indian issues-related committee, or visible tribal communities within their states, many do not have detailed information about Indian affairs.

The National Congress of American Indians has long worked to provide information to Congress, but it is often difficult to gain sustained attention from already over-burdened politicians. The invisibility of American Indian communities often works to disadvantage, especially in committees that are focused primarily on non-Indian issues.

On May 12, Sen. Claire McCaskill, D-Mo., sent a letter to 20 Alaska Native Corporations requesting a substantial amount of information on a wide range of ANC operations. She is chair of the Subcommittee on Contracting Oversight within the Committee on Homeland Security and Governmental Affairs. McCaskill called for a hearing to review ANCs contracting operations July 16, and requested the delivery of information by May 29. In a recent twitter statement, the senator indicated the purpose of the committee hearing: “Yes we’re going to have hearing on ANCs. To look at why most of the work is in Virginia & why no competition.”

Much of the data requested by McCaskill is about contracts, distributions to ANC shareholders, information on subcontractors and executive compensation. The requested information looks into possible profit advantages enjoyed by the ANCs and whether Indian shareholders are materially benefiting from dividends and employment. These are legitimate questions for a congressional committee to investigate, if the purpose is to ensure that Alaska Native shareholders are properly benefiting from their corporations, and if not, then adjustments should be recommended that more effectively carry out the policies of fostering market-based and sustained economic development among Alaska Native communities.

The two Alaskan Senators, Lisa Murkowski and Mark Begich, wrote a well-informed letter to McCaskill providing comments on the history of the intent of the Alaska Native Claims Settlement Act of 1971 for creating the ANCs as economic development vehicles; and the purpose of the Small Business Association’s 8(a) program to provide business opportunities for economically disadvantaged communities.

For a limited number of years, the 8(a) program, under strict guidelines, allows minority-owned or disadvantaged businesses to negotiate for government contracts without a competitive bid process. The Alaskan senators said: “Alaska Native peoples are among the poorest in the United States. ... In many Alaskan villages, unemployment reaches 50 percent or more.” The senators also suggest that the timeframe of 13 business days for the selected 20 ANCs to provide information is too short, and suggests an extension of 30 days.

Recent statements by McCaskill raise questions about the subcommittee’s basic level of awareness regarding what ANCs do, why they exist, how they operate and who they help support.

ANCs were a central part of the landmark ANCSA agreement that offered the corporations a way for the economically disadvantaged Native people to improve their lives. People with few opportunities and little hope now have a chance at an education, gaining job skills, starting businesses and giving back to their communities.

ANCs do not conduct most of their work in the state of Alaska. If ANCs were restricted to working in Alaska only, they would fail to bring about meaningful economic improvement to the people they represent. Most ANC contracts are gained in full and open competition. All ANCs

combined receive less than one percent of all federal contracting dollars spent each year. ANCs are not, and should not be, the source of controversy their critics, often their economic competitors, would have Congress believe.

All are best served if the Subcommittee on Contracting Oversight fully examines the policy and economic contributions ANCs provide their communities and the U.S. government.