

**NATIVE AMERICAN EMPLOYMENT AND TRAINING COUNCIL  
STATEMENT OF URGENCY**

**DECEMBER, 2013**

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The Native American Employment and Training Council (NAETC) provides this Statement of Urgency because critical Native American workforce development programs are seriously threatened by dwindling funding levels, as well as the need for the Department to increase its focus on the communities we represent during these difficult economic times. Properly cultivated, these programs yield a powerful return on investment in Native American communities that benefits us all. As recently as June 26, 2013, in an Executive Order directing the Secretary of Labor to participate in the newly created White House Council on Native American Affairs, President Obama specifically reaffirmed the policy of the United States to promote workforce development in Native American communities as part of its national-level Indian policy. Under this Administration, the NAETC has enjoyed a close working relationship with the Secretary of Labor, but has continued to face challenges to program implementation. In light of this Administration's goals and the significant work it will take to achieve them, the NAETC asks that the Secretary of Labor convene a summit of the NAETC and Native American program grantees to reinvigorate the Department's commitment to its Native American programs and identify steps needed to bring these programs up to their full potential.

***Workforce Investment Act Indian Programs:  
Why is the unique status of Section 166 programs so critical?***

Section 166 of the Workforce Investment Act (WIA) provides for employment and training activities to "promote the economic and social development of Indian, Alaska Native, and Native Hawaiian communities in accordance with the goals and values of such communities," among other purposes. 29 U.S.C. § 2911(a)(1). In enacting Section 166, Congress recognized that workforce programs serving these Native American communities and individuals were deserving of special provisions and National Program status for several important reasons. Our populations are among the fastest growing, but also the most socially and economically disadvantaged, in the nation. Indian Country has historically had the highest unemployment and school dropout rates in the country, and access to state-administered programs is often lacking or non-existent. Our workforce programs must be structured to meet these realities and to build on – rather than ignore or erase – the strengths of the unique cultural values, beliefs, and ways of our Native people.

Importantly, Congress recognized through Section 166 that the Native communities and individuals served by Section 166 programs have a special relationship with the Federal government, unlike that of any other group. Congress accordingly provided that "[a]ll programs assisted under [Section 166] shall be administered in a manner consistent with the principles of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and the government-to-government relationship between the Federal Government and Indian tribal governments." 29 U.S.C. § 2911(a)(2). When it comes to Section 166 programs, then, faithfulness to the letter and spirit of federal Indian policy is a critical aspect of program administration.

***Tracing the History of Native American Workforce Programs:  
Honoring the Federal Relationship through Consistency, Competency, and Support***

The WIA is not the first workforce development legislation to recognize the unique status of the Native American population and the corresponding need to administer Indian and Native American programs at the national level and with special regard for the government-to-government relationship. Under Section 302 of the Comprehensive Employment and Training Act (CETA), the Secretary of Labor created the "Office of Indian Manpower Programs" to centrally manage Indian programs, rather than parceling them out to the Regional Offices. In this way, the Department of Labor satisfied the CETA's mandate to "establish administrative procedures and machinery (including personnel having particular competence in [the] field) for the administration of Indian manpower programs[.]" Indeed, during the 1970s many federal agencies began to realize that due to the unique federal relationship, treaties, laws, and policies governing Indian affairs, the successful administration of programs for Indians requires special expertise, competency, and consistency of policies and procedures that only central management can provide.

The centralized, national-level administrative approach was continued in subsequent amendments to the CETA and in the Job Training Partnership Act when that Act replaced the CETA in 1982. It was firmly entrenched practice when the WIA was passed in 1998 and the Congress directed the Labor Department to administer Section 166 programs "in a manner consistent with the Indian Self-Determination and Education Assistance Act... and the government-to-government relationship." Congress also directed in the WIA that "The Secretary shall designate a single organizational unit within the Department of Labor that shall have primary responsibility for the administration of the activities authorized" under Section 166. *See* 29 U.S.C. § 2911(h)(1).

Also critical to the historic success of Native American workforce programs is that they were well-funded. In 1979, Native American programs under the CETA were funded at approximately \$220.5 million, with \$73.2 of that funding from Title III of the CETA alone. Adequate resources and efficient organization have been the keys to success in our programs despite the vast challenges.

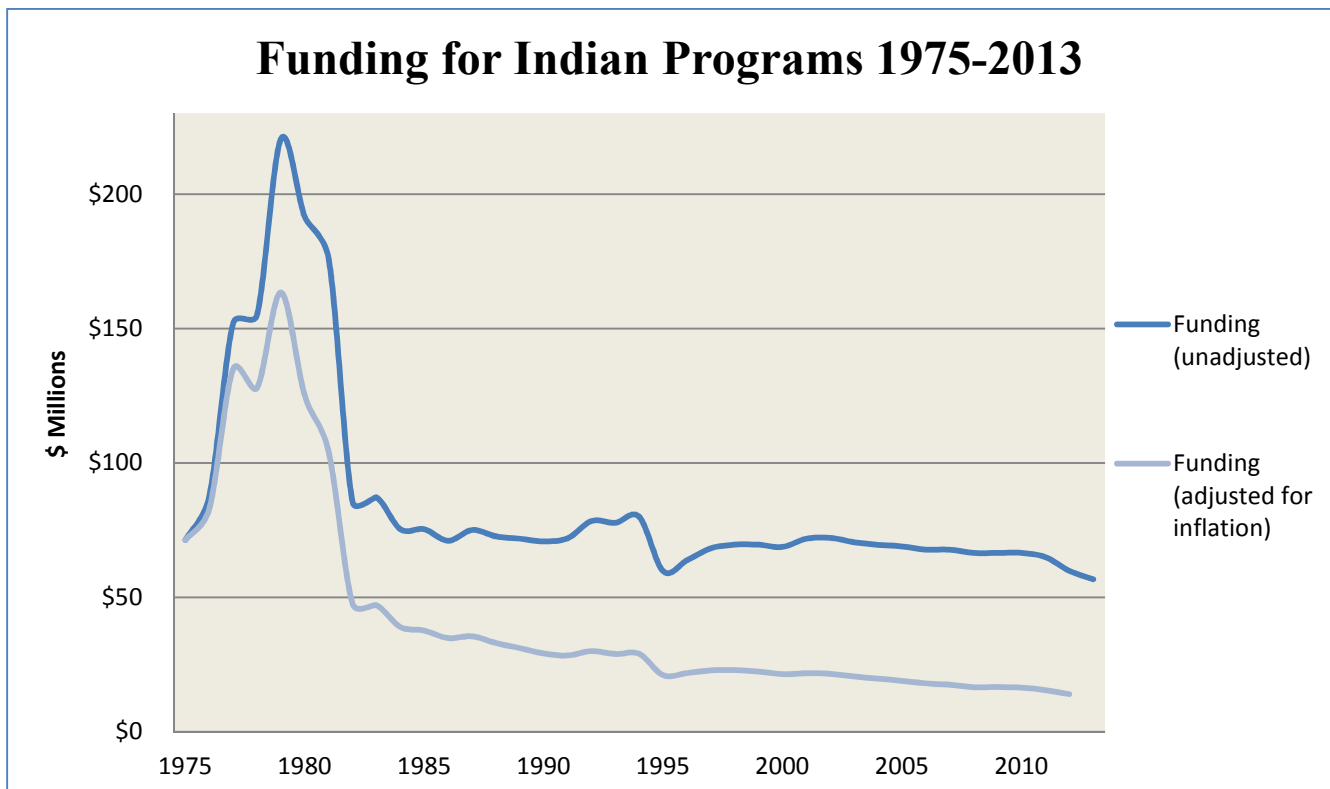
### ***Waning Support for Critical Programs Over the Past 30 Years***

Administered in harmony with federal Indian policy and funded appropriately to the federal government's unique commitment to Native peoples, the Section 166 programs are highly effective. That is because they allow Native American grantees the flexibility to tap into the rich cultural resources at their disposal and provide innovative education, skill training, employment services, and job creation support tailored to the unique circumstances of their communities. Despite both the success achieved and the ongoing challenges faced by our grantees, however, support for these critical programs has waned over the years. The following are just some of the factors that are now threatening to derail the remarkable progress made through Section 166 programs:

- **Section 166 Program Funding – A Growing Crisis.** Though Native American workforce development programs were funded at approximately \$220.5 million in 1979, funding levels dropped dramatically thereafter and have trended downward for decades, even though Native communities, as a whole, continue to suffer from the worst and most persistent levels of unemployment. Section 174 of the WIA provides that the Secretary shall reserve not less than \$55 million for carrying out Section 166, but the current funding level is less than \$50 million. Not only has funding trended downward, but this has been during a period when overall Federal funding has gone up. Moreover, Indian Country population growth and inflation have further undercut the ability of the Section 166 programs to achieve their goals.
- **Centralization of Program Administration.** In 2006, the Division of Indian and Native American Programs (DINAP) was reduced from an independently managed division to a program with a unit supervisor, subsumed within the Office of Workforce Investment. Staffing was reduced from 17 to 7, and some in the Department have proposed to regionalize administration of the Native American programs. These actions and proposals are contrary to the history and statutory mandates of the program and harmful to the effort to meet its goals. Further, while staffing and funding has been reduced, the division's obligations to provide vital services to Native American grantees and to perform necessary program oversight and administration functions has not changed. With the current funding and staffing level, it is not possible to provide the level and quality of training and technical assistance that Native American grantees need and deserve.
- **Consultation and Cooperation with the NAETC.** Notwithstanding NAETC's strong relationship with the Secretary, at an administrative level the authority and effectiveness of the NAETC, which exists to advise the Secretary on all aspects of Section 166 programs, has been diminished through the failure to sufficiently fund, consult with, or convene meetings of the NAETC. For the most part, NAETC advice and policy development recommendations have not been implemented or have been ignored. The NAETC seeks a constructive working relationship not only with the Secretary, but with all levels of the Secretary's office and the Department of Labor.
- **Congressional Intent.** In the implementation of programs, the Department of Labor has strayed from Congressional intent in the WIA in various ways. For example, the current Labor Department has removed education as a performance measure for grantee programs, focusing narrowly on training without regard to the goals of Native American program grantees and the advice of the NAETC. These goals and advice are based on the actual needs and circumstances in Native American communities and are reflected in Congress' special treatment of Native American workforce development programs. DOL has also insisted on the use of Mandated Common Measures that fail to represent the intent of the WIA.

- **Legislative Attacks.** Recent legislative proposals would effectively eliminate the separate funding stream for Native American programs, which have been in employment and training legislation since CETA.

The consequences of the failure to adequately support and administer these programs are severe, including increased crime, drop-out, and unemployment rates. Yet after a steady rise in the number of participants served (from just over 23,000 in 2006 to over 39,000 in 2010), funding cuts in 2011 rolled back that progress, resulting in fewer than 35,500 served in 2012. Moreover, fewer and fewer of those participants are fully “enrolled” participants receiving the full range of services that would otherwise be available; far more each year receive only very limited services as “self service” participants. Unless addressed immediately, these adverse impacts will threaten long-term sustainable employment, economic growth, and community stability for generations to come.



#### ***Urgent Action Needed***

With the confirmation of a new Secretary of Labor, and a fiscal and political climate that will ultimately require careful reconsideration of the federal government's priorities, now is the time to ensure that Section 166 programs are equipped to live up to the promises of the Federal government to its Native peoples and build on a record of proven success. However, urgent action is needed to preserve the efficacy of WIA Section 166 programs, and the NAETC calls on the Secretary to:

- Fully fund WIA Section 166 programs as required by law;
- Fully fund NAETC from the Secretary's budget, rather than solely from Section 166 technical assistance and training funding;
- Restore DINAP's authority and appoint a Division Chief to report directly to the Deputy Assistant Secretary;
- Convene a summit of the NAETC and grantees to comprehensively review the current state of the Native American workforce programs and ensure that Congressional intent is carried out in the administration of these programs.

NAETC is confident that, through cooperation and respect, the NAETC and the Department can work together to plot a path forward that will be in the best interest of our communities and the Nation as a whole. The importance of this effort to our Native American grantees and the communities that depend on them cannot be overstated.