

**IMPACTS OF GOVERNMENT SHUTDOWNS AND
AGENCY REDUCTIONS IN FORCE ON NATIVE
COMMUNITIES**

HEARING

BEFORE THE

COMMITTEE ON INDIAN AFFAIRS

UNITED STATES SENATE

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

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OCTOBER 29, 2025
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**IMPACTS OF GOVERNMENT SHUTDOWNS AND
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NATIVE COMMUNITIES**

WEDNESDAY, OCTOBER 29, 2025

U.S. SENATE,
COMMITTEE ON INDIAN AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 2:00 p.m. in room 628, Dirksen Senate Office Building, Hon. Lisa Murkowski, Chairman of the Committee, presiding.

**OPENING STATEMENT OF HON. LISA MURKOWSKI,
U.S. SENATOR FROM ALASKA**

The CHAIRMAN. Good afternoon. I call this oversight hearing to order.

Today marks day 29 of a full government shutdown. None of the 12 appropriations bills have been passed by Congress, and departments and agencies are restricted to essential functions while appropriations have lapsed. Congress' failure to do our work, in my view, is inexcusable.

We have got to come together, which means we have to talk to one another. And it can't be about who is winning, who is losing. Because right now, those who are losing are the American people, including the First Americans across the Country.

So today we are going to hear about how government shutdowns and agency reductions in force impact Native communities. When Federal employees are furloughed, the people responsible for carrying out the Government's trust and treaty obligations are unable to do their jobs. This disrupts Native communities' access to essential Federal resources and services.

Tribes and Native leaders are reaching out for help, and they are being told, well, we can't help you now, the government is not open. And all the while, Native parents who rely on SNAP are worrying about how to feed their families. Head Start renewal deadlines are approaching with no one to process them. Maintenance and repairs at health care facilities are stalled, and tribal governments are dipping into their limit savings, if they haven't used them up already.

We know how past government shutdowns have hurt Native communities. During the 2018 partial government shutdown, the Indian Health Service had no advance appropriations at the time, forcing tribes and tribal organizations to cut services, exhaust on-

hand medical supplies, and even consider temporarily closing health care facilities.

Funding for IHS isn't a luxury. I think we know well for many, it is a matter of life and death. That is why back in 2013, we were able to introduce legislation to provide advance appropriations for IHS. We knew then it was going to be a long haul. But it was the right thing to do.

And in the Fiscal Year 2023 appropriations bill, we finally secured advance appropriations for most of the IHS accounts. So today, as health care facilities across the Country continue operating with minimal disruption during the shutdown, I think we can see the real impacts that that had.

In 2025, we have also seen reductions in force, the RIFs, across many departments and agencies affecting the administration of Federal programs that Native communities rely on. The loss of employees with deep institutional knowledge and longstanding relationships with Native communities weakens the effectiveness of these crucial Federal programs.

On October 10th, additional RIF notices were issued. We are going to hear today about the impacts at the CDFI Fund, which supports Native CDFIs in expanding economic opportunities in Indian Country; at the Office of Indian Education and the Impact Aid Office, where cuts threaten education opportunities for Native students; and at HHS, where there are staff reductions to SAMHSA, HRSA, home programs that fill gaps left by IHS, especially when it comes to behavioral health.

Now, not all of these offices have Indian or Tribe in their names. But each plays a critical role in serving Native communities. And all are part of carrying out the Federal Government's trust and treaty responsibilities.

I have consistently reminded agencies of the unique government-to-government relationship and that these obligations must be upheld, even in times of challenge.

It is kind of a meeting under perhaps not the best circumstances right now. I do hope that today's hearing will be a productive one. We all want our government to work. We want our government to serve all the people of the United States, including our Native peoples.

As Senators, I think it is our responsibility to listen and understand the day-to-day impacts that communities are facing during this shutdown, and that is what we intend to do here today.

I will now turn to the Vice Chair for his opening statement.

**STATEMENT OF HON. BRIAN SCHATZ,
U.S. SENATOR FROM HAWAII**

Senator SCHATZ. Thank you, Chair Murkowski, and thank you to our witnesses for being here.

When the Federal Government shuts down, our trust and treaty and legal obligations do not vanish. But they are put at risk. Promises to provide health care, housing, education, and public safety, among so many other critical services, are all on the chopping block.

Communities are scrambling to secure alternate or reserve funding just in case their Federal funds fall through, and several tribes

have already declared states of emergency due to the funding and service shortfalls.

And it is not the first time. In 2018, we learned just how devastating a government shutdown is for Native communities. A few examples: general assistance payments for food, clothing, shelter and utility needs of low-income Native individuals and families were suspended. Funding for foster care and long-term care for children and elders, suspended. Funds for tribal operations, suspended.

During that shutdown, the president of the National Congress of American Indians, Jefferson Keel, warned us that “Indian Country cannot afford and America should not stand for another one.” But here we are again.

We are on day 29 of this government shutdown on track to being the longest on record. That is nothing to brag about, especially because it is no ordinary shutdown. This time, it is also on track to being the most damaging to Federal workers.

RIFs are happening right now across the Federal Government that are choking off funds and services promised to Native communities. As we speak, the Office of Indian Education staff of the Department of Education are receiving their RIF notices.

Without these Federal workers, Native education programs required by law could grind to a halt. It doesn’t have to be this way. Punishing Federal workers with pink slips is a choice. It is not a requirement under the Anti-Deficiency Act. It is not something that automatically occurs at the end of the Federal fiscal year. This is a choice that has nothing to do with the fact that we are in a shutdown.

This shutdown is robbing agencies of staff needed to carry out the trust obligations to American Indians, Native, and Alaska Natives. Native communities can’t put Federal funding to work or fully exercise their self-determination if their fiduciary, the United States Government, is out of the office.

Let me be clear what we are talking about here. Native programs are not DEI spending, they are not charity. They are the law. Attempting to cancel funds for Native programs, RIFing more than 4,200 Federal employees and eliminating tribal consultation policies, that is not the United States Government meeting its trust and legal obligations. It is this administration’s attempt to resuscitate failed policies of termination.

I look forward to this hearing and this discussion about how this is impacting Indian Country and Alaska Natives, and Native Hawaiians. I thank you again for being willing to testify.

The CHAIRMAN. Thank you to our Vice Chair.

We will now turn to our witnesses. We have today the Honorable Vice Chairwoman Sarah Harris, who is the Secretary for United South and Eastern Tribes. She will be followed by Mr. Ben Mallot, who is the President of the Alaska Federation of Natives; Mr. Kerry Bird, who is the Board President for the National Indian Education Association; Mr. Pete Upton, who is the CEO of the Native CDFI Network; and Mr. A.C. Locklear, who is the CEO of the National Indian Health Board.

I want to thank you all for taking the time to be before the Committee today. I want to single out my friend, Ben Mallot, who has

had a very busy week up in Alaska, actually busy weeks. We had a major disaster in western Alaska during this shutdown.

I also want to recognize Willie Nunn, all of the FEMA personnel who have surged up to the State working around the clock on recovery operations. Again, all without pay. I am very, very grateful for their dedication and for all the Federal employees who are coordinating with the tribes and the tribal organizations, the State. My team has been in there as we are all working to deliver services to those who have been displaced. So know that we continue to keep our attention there.

I want to remind the witnesses that we have your full written testimony. It will be made part of the official record. We would ask you to keep your oral testimony to no more than five minutes, so we have time for questions from members.

I have shared with some of you that we anticipate having a vote here somewhere in the 2:15, 2:30 period. So you will see movement back and forth. But we are going to try to keep the hearing moving.

Let's turn first to Vice Chairwoman Harris, with your testimony, please.

STATEMENT OF HON. SARAH E. HARRIS, VICE CHAIRWOMAN, MOHEGAN TRIBE; SECRETARY, UNITED SOUTH AND EASTERN TRIBES SOVEREIGNTY PROTECTION FUND

Ms. HARRIS. Chairman Murkowski, Vice Chairman Schatz, and members of the Committee, thank you for the opportunity to provide testimony. I am Sarah Harris, Vice Chairwoman of the Mohegan Tribe.

I am here today in my capacity as the Secretary of the United South and Eastern Tribes Sovereignty Protection Fund. This hearing is timely, as Indian Country is facing the impacts of what is on track to be the longest government shutdown in history. While we have experienced lengthy shutdowns in the past, including the 2018 through 2019 shutdown, we must also contend with the upheaval that the current administration's policies are bringing to the functioning and composition of the Federal Government, many of which appear to be implemented without regard to program, services, funding and contracts that tribal nations and our people are owed.

These changes, including reductions in force, are exacerbating the negative impacts of this shutdown for Indian nations, citizens and communities. It is critically important to underscore that allowing shutdowns caused by partisan disagreement to impact the delivery of trust and treaty obligations is unacceptable.

Although we celebrate the certainty that advance appropriations have brought to IHS at this time, tribal nations access funding and services throughout the Federal Government, the vast majority of which remains unprotected. Our tribal nations are working to ensure that citizens have continued access to food, as nutrition programs like SNAP and WIC are running out of funds.

For example, USET SPF's board president, Penobscot Chief Kirk Francis, was unable to testify today because he is currently working with his tribal council to reallocate over \$200,000 in other funding to bridge the gap in nutrition and funding for November alone.

This includes asking tribal hunters to donate moose meat so that elders can be fed.

As the temperature continues to drop this fall, at least 12 of our member nations are without Low Income Heating Assistance through the Department of Health and Human Services. The CDC is extremely delayed in sharing disease prevalence data with our tribal epidemiology center as South Carolina faces a measles outbreak and we enter flu season.

Finally, some tribal nations are being forced to consider taking out lines of credit to continue providing services to their citizens and communities.

Congress and the administration must work together to ensure the shutdown is lifted as soon as possible. The longer the shutdown continues, the greater the likelihood of compounding impacts to essential services in Indian Country, those that are the responsibility of the Federal Government.

We urge the administration to work with Indian Country to ensure its policies, including RIFs, do not affect the delivery of trust and treaty obligations. Beginning on January 20th, as we do with every administration, tribal nations have approached the White House, the Office of Management and Budget, and numerous Federal agencies and departments seeking partnership and to educate them on the unique legal and moral obligations the United States holds to Indian nations, tribal nation citizens and communities.

We have explained why these obligations supersede the administration's priorities relating to the scope and size of the Federal Government. This includes requests for exemptions from the administration's RIFs for tribal-serving positions, both through the Department of Government Efficiency, and now through OMB.

Despite this advocacy, many tribal-serving positions have been eliminated over the course of this year. Tribal organizations have also come together in response to the early actions of the administration, including USET SPF and our sister organizations here today.

Currently, a total of 37 member organizations, the Coalition of Tribal Sovereignty, is a non-partisan collaboration of local, regional, and national tribal organizations, working together to safeguard tribal sovereignty and uphold the United States' delivery of trust and treaty obligations. Since February, the coalition has sent over 50 letters to the Executive Branch.

Broadly, these communications offer the following messages. Indian Country is being unintentionally swept into the administration's broad implementation of its policy priorities. Because of trust and treaty obligations, tribal programs are not like other Federal programs, and must be treated differently.

Tribal nations and the Trump administration have important overlapping goals and we must focus our energies on pursuing those goals together. At present, however, our focus is being drawn to protecting Indian Country from collateral harm caused by imprecise implementation of the Trump administration's priorities.

It is critical that all branches of the Federal Government recognize that IHS, BIA, and BIE are not the sole agencies charged with delivering trust and treaty obligations. Tribal nations access funding and services throughout the Federal Government, for which we

have prepaid with our lands, resources and the lives of our ancestors.

It is simply not enough to only protect these agencies from the impacts of policy changes and position eliminations. All tribal-serving personnel, programs and agencies must be exempt from these actions.

Turning our attention back to this Committee and Congress more broadly, the shutdown and this year's Federal upheaval should inspire you to think differently about how trust and treaty obligations are funded and carried out. In the short term, all Federal Indian funding must be protected from shutdowns and continuing resolutions through advance appropriations. This would ensure that the Federal Government continues to meet its obligations regardless of politics and provides some certainty to our people, patients and employees each year.

In the long term, full and mandatory funding would better exemplify the obligations of the United States to tribal nations.

In closing, we urge this Congress to bring the destabilizing effects of its own inaction to an end for Indian Country. We thank the Committee for the opportunity to testify, and look forward to partnering as you seek to advance and improve the delivery of trust and treaty obligations.

Thank you.

[The prepared statement of Ms. Harris follows:]

PREPARED STATEMENT OF HON. SARAH E. HARRIS, VICE CHAIRWOMAN, MOHEGAN TRIBE; SECRETARY, UNITED SOUTH AND EASTERN TRIBES SOVEREIGNTY PROTECTION FUND

Chairman Murkowski, Vice Chairman Schatz, and Members of the Senate Committee on Indian Affairs, thank you for the opportunity to testify on the impacts that the federal government shutdown and reductions in force are having in Indian Country. My name is Sarah Harris and I serve as the Mohegan Tribe's Vice Chairwoman, as well as the Secretary for United South and Eastern Tribes and United South and Eastern Tribes Sovereignty Protection Fund (USET SPF).

USET SPF is a non-profit, inter-Tribal organization advocating on behalf of thirty-three (33) federally recognized Tribal Nations from the Northeastern Woodlands to the Everglades and across the Gulf of Turtle Island.¹ USET SPF is dedicated to promoting, protecting, and advancing the inherent sovereign rights and authorities of Tribal Nations and in assisting its membership in dealing effectively with public policy issues.

Introduction

As the Committee is already aware, this has been a challenging year of upheaval and uncertainty for the federal funding and programs due to Tribal Nations, citizens, and communities in fulfillment of trust and treaty obligations. Despite legal mandates for the provision of Tribal programs and funding, as well as Tribal consultation requirements, the Trump Administration continues to implement policy

¹USET SPF member Tribal Nations include: Alabama-Coushatta Tribe of Texas (TX), Catawba Indian Nation (SC), Cayuga Nation (NY), Chickahominy Indian Tribe (VA), Chickahominy Indian Tribe-Eastern Division (VA), Chitimacha Tribe of Louisiana (LA), Coushatta Tribe of Louisiana (LA), Eastern Band of Cherokee Indians (NC), Houlton Band of Maliseet Indians (ME), Jena Band of Choctaw Indians (LA), Mashantucket Pequot Indian Tribe (CT), Mashpee Wampanoag Tribe (MA), Miccosukee Tribe of Indians of Florida (FL), Mi'kmaq Nation (ME), Mississippi Band of Choctaw Indians (MS), Mohegan Tribe of Indians of Connecticut (CT), Monacan Indian Nation (VA), Nansemond Indian Nation (VA), Narragansett Indian Tribe (RI), Oneida Indian Nation (NY), Pamunkey Indian Tribe (VA), Passamaquoddy Tribe at Indian Township (ME), Passamaquoddy Tribe at Pleasant Point (ME), Penobscot Indian Nation (ME), Poarch Band of Creek Indians (AL), Rappahannock Tribe (VA), Saint Regis Mohawk Tribe (NY), Seminole Tribe of Florida (FL), Seneca Nation of Indians (NY), Shinnecock Indian Nation (NY), Tunica-Biloxi Tribe of Louisiana (LA), Upper Mattaponi Tribe (VA), and the Wampanoag Tribe of Gay Head (Aquinnah) (MA).

priorities without first insulating Indian Country from impacts. These actions have generated confusion, fear, and real consequences throughout Indian Country. This includes freezing and potentially reallocating vital federal funding, firing federal employees with vital expertise, and proposing changes to programs important to Indian Country. We have also been wrongly caught up in Administration efforts related to illegal immigration and diversity, equity, and inclusion and environmental justice programs.

From our perspective, these actions represent a misunderstanding of our unique political status under the law and the United States' legal requirement to deliver on its trust and treaty obligations. Each of the mandates issued by the Administration has acknowledged that it is not meant to affect ongoing legal requirements. Tribal-serving programs and funding are legally required by trust and treaty obligations and associated implementing statutes—they are not discretionary.

Now, we find ourselves impacted by what is currently on track to become the longest shutdown in history, the effects of which are intensified by the implementation of the Administration's policy priorities, including Reductions in Force. On top of ongoing chronic underfunding and its accordant challenges, Tribal Nations face the problem of discretionary funding that is almost always delayed. Since Fiscal Year (FY) 1998, there has only been one year (FY 2006) in which appropriated funds for the Indian Health Service (IHS) and Bureau of Indian Affairs (BIA) were released prior to the beginning of the new fiscal year. Due to Congressional inaction and gridlock resulting from unrelated issues, these delays in funding severely hinder the federal government's execution of its trust obligations to Tribal Nations—having destabilizing and disruptive effects on the provision of basic government services in Indian Country. This includes vital programs and services such as housing, law enforcement, road maintenance, social services, and health care—to name a few. Tribal Nations have long urged the federal government to insulate the federal fiduciary obligation from its own failures to enact appropriations legislation.

This is not a question about addressing poverty and needs across Indian Country. Our relationship is much more than this. This is ultimately a question about honor, about fulfilling commitments and promises. A nation's exceptionalism is grounded in these principles. Inadequate and unstable Indian Country funding needs to be viewed as unfilled treaty and trust obligations. This funding is not delivered on the basis of poverty or for social welfare purposes. The federal government's trust obligations are the result of the millions of acres of land and extensive resources ceded to the U.S., in exchange for which it is legally and morally obligated to provide benefits and services in perpetuity—a debt that must be paid regardless of political disagreement. At no point has the government fully delivered upon these obligations, but we are currently forced to confront the current shutdown during a period of remarkable uncertainty for Tribal Nations, citizens, and communities, and the future composition of the federal government.

Impacts of Federal Government Shutdown

As is becoming lamentably routine in Washington, the recent shutdown was precipitated by political disagreement that doesn't directly implicate Indian Country. Yet, because the majority of our funding appears on the discretionary side of the federal budget, year after year, the execution of the federal fiduciary trust obligation is held hostage to partisanship and gridlock. As you are likely well-aware, the 2018–2019 shutdown, given its historic length, nearly brought the funding and services the United States is obligated to provide to Tribal Nations to a halt.

The effects of the 35-day shutdown on the federal government's execution of its trust and treaty obligations to Tribal Nations rippled across Indian Country. More than 50 percent of BIA workers were furloughed. And while nearly 60 percent of IHS employees were forced to continue working without pay, as of late January, the agency had begun to deny specialty care. This, combined with chronic underfunding, resulted in tragic ends, up to and including loss of life in Indian Country—all due to the federal government's inaction.

The current shutdown is also having negative impacts on Indian Country, including USET SPF member Tribal Nations. While the IHS is largely protected, thanks to Advance Appropriations, this represents only one Tribal-serving agency within the federal government. With federal funding comprising large swaths of Tribal budgets, member Tribal Nations are beginning the fiscal year with additional uncertainty and upheaval.

USET SPF member Tribal Nations are grappling with how to ensure that citizens have access to federal nutrition programs—some are already experiencing the impacts of the Women, Infants, and Children (WIC) program exhausting state funds and now others are having to determine how to feed their citizens in the absence of the Supplemental Nutrition Assistance Program (SNAP). As the temperature con-

tinues to drop this fall, at least twelve USET SPF member Tribal Nations, including several in northern states, are without Low-Income Heating Assistance through the Department of Health and Human Services. The Centers for Disease Control and Prevention (CDC) is extremely delayed in sharing disease prevalence data with our Tribal epidemiology center, as South Carolina faces a measles outbreak and we enter influenza season. We understand that some Tribal Nations are concerned about the protection of ancestral remains and sacred sites when federal lead agency staff are furloughed. In addition, because the authority expired along with FY 2025 appropriations, member Tribal Nations cannot bill Medicare for telehealth services to our elders. Finally, some Tribal Nations are being forced to consider taking out lines of credit to continue providing services to their citizens and communities.

With this in mind, it is critical that Congress and the Administration work together to ensure the shutdown is lifted expeditiously. The longer the shutdown continues, the greater the likelihood of compounding impacts to essential services in Indian Country—those that are the responsibility of the federal government.

Reductions in Force Do Not Uphold Trust and Treaty Obligations

While Tribal Nations are no stranger to shutdowns due issues outside of our control, the Administration's policy decisions and efforts to radically change the composition and functioning of the federal government are compounding the shutdown's impact. At present, much of the execution of federal trust and treaty obligations due to Tribal Nations is reliant on personnel throughout the federal government. These federal personnel provide direct services and technical support, they oversee the provision of funding, including through contracting and compacting, they share information, including vital public health data, and engage in litigation on behalf of Tribal Nations, among many other responsibilities. Prior to this Administration taking office, Indian Country was keenly aware of staffing shortages throughout the federal government, including those at IHS and BIA with preexisting vacancy rate percentages in the double digits. These shortages contribute to chronic failures to fully execute upon trust and treaty obligations.

From the earliest days of this current Administration, as we do with any Administration, Tribal Nations have approached the White House, Office of Management and Budget (OMB), and numerous federal agencies and departments in partnership to educate them on the unique legal and moral obligations the United States holds to Tribal Nations, citizens, and communities, and why these obligations supersede the Administration's priorities related to the size and scope of the federal government. This includes requests for exemptions for Tribal-serving positions from the Administration's reductions in force—both through the Department of Government Efficiency and now through OMB. Despite this advocacy, many Tribal-serving positions have been eliminated over the course of this year.

While, once again, the IHS has largely been protected from reductions in force, we have seen numerous positions throughout the Department of Health and Human Services eliminated, including the CDC, National Institutes for Health, the Substance Abuse and Mental Health Services Administration, and the Administration on Children and Families. Over the course of this year, this has resulted in delays and, in some cases, the cession of critical funds, services, and data sharing for Tribal Nations.

In a recent filing in the American Federation of Government Employees, AFLCIO, et al. v. U.S. Office of Management and Budget, et al., and absent Tribal consultation, the Department of the Interior (DOI) revealed the intent to abolish 2,050 positions in this current round of Reductions in Force. This includes positions at the Bureau of Land Management, Bureau of Ocean Energy Management, Bureau of Reclamation, Bureau of Safety and Environmental Enforcement, Fish and Wildlife Service, National Park Service, Offices of Contracting and the Interior Business Center. Although the Bureaus of Indian Affairs and Indian Education are not included in this filing, all of the aforementioned agencies and departments are of importance to Tribal Nations and trust and treaty obligations. These proposed staffing eliminations are on top of Reductions in Force that took place within the Department earlier this year, including those achieved from Deferred Resignation and Voluntary Early Retirement, which were offered to Indian Affairs personnel in spite of a March 17th memo stating, "Indian Affairs programs and organizations are exempt from this [voluntary early retirement/voluntary separation] window pending the conduct of Tribal consultations."

It is critical that this Administration and all branches of the federal government recognize that IHS, BIA, and BIE are not the sole agencies charged with delivering upon trust and treaty obligations. Tribal Nations access funding and services throughout the federal government, for which we have prepaid with our lands, resources, and the lives of our ancestors. It is simply not enough to only protect these

agencies from the impacts of policy changes and position eliminations. All Tribal-serving personnel, programs, and agencies must be exempted and excepted from these actions in accordance with trust and treaty obligations.

Advocacy through the Coalition for Tribal Sovereignty

Coming together in response to the early actions of the Administration and currently at a total of 37 member organizations, including USET SPF and many of our sister organizations testifying today, the Coalition for Tribal Sovereignty² (CTS) is a nonpartisan collaboration of local, regional, and national inter-tribal policy-focused non-profit organizations working together to safeguard Tribal sovereignty and uphold the United States' delivery of trust and treaty obligations to Tribal Nations, Tribal citizens, and Tribal community members across the United States. As a coalition, the Tribal organizations of CTS engage collectively with federal policy makers regarding actions taken by Trump Administration and offers a framework that enables member Tribal organizations to build consensus on key messages, thereby allowing them to speak with one powerful, consistent voice.

Through this coalition, we have sent over 50 communications to the Executive Branch beginning in early February of this year. Broadly, these letters offer the following messages to the Administration:

- Indian Country is being unintentionally swept up in the Administration's broad implementation of its policy priorities; and
- Because of trust and treaty obligations, Tribal programs are not like other federal programs and should be treated differently; and
- Tribal Nations and the Trump Administration have important overlapping goals, and we must focus our energies on pursuing those goals together. We share a foundational understanding that local communities, such as Tribal Nations, are best suited to address their people's needs and to keep them safe. This translates into a desire for the federal government to remove barriers that prevent Tribal Nations from effectively caring for our people; and
- At present, however, our focus is being necessarily drawn to protecting Indian Country from collateral harm caused by imprecise implementation of Trump Administration priorities.

Our topline requests in these communications are:

- *Engage with us*—prior to taking action—so we can help the Administration understand how we fit into its carve-outs;
- *Affirmatively state* that programs and funding delivered to Tribal Nations and Tribal citizens and communities are delivered in recognition of our unique political status and trust and treaty obligations;
- *Exempt* us from any pauses or reductions to federal funding; and
- *Exempt* all Indian Country-serving positions and offices from any workforce reductions or hiring freezes.

We note and appreciate that several federal Departments have taken some steps to clarify that implementation of the Administration's Executive Orders and priorities should not impact the United States' delivery on trust and treaty obligations. However, it is not clear that this is resulting in appropriate action to protect federal Indian programs and funding or the federal employees who see that trust and treaty obligations are carried out. For example, in Department of Interior (DOI) Secretarial Order 3416 issued on January 30th, designed to implement the Administration's policy priorities related to elimination of Diversity Equity, Inclusion, and Accessibility (DEIA) initiatives, DOI said "[n]othing in this Order shall be construed to eliminate, rescind, hinder, impair, or otherwise affect activities that implement legal requirements independent of the rescinded equity-related EOs, including but not limited to . . . the statutory authorities, treaty, and/or trust obligations of the Department and its Bureaus/Offices to Tribal nations." Despite DOI's recognition that the federal government owes Indian Country trust obligations, including spelled out in statutory authorities and treaties, DOI continues to cut important Indian Affairs funding and reduce the number of federal employees serving Indian Country. This continues as DOI is engaged in Tribal consultation on workforce optimization.

²<https://coalitionfortribalsovereignty.org/coalition-action-center/about/>

More recently, CTS wrote to OMB³ to urge that it to promptly issue a directive to all federal agencies exempting federal employees serving Tribal Nations, Tribal citizens, or Tribal communities from any Reduction in Force (RIF) actions or furloughs. This directive would be consistent with trust and treaty obligations and the President's priorities, as well as authorized by the Anti-Deficiency Act. However, not only have we not seen a response to this letter from OMB or the White House, we also have not seen any directive that would protect the positions charged with executing on sacred trust and treaty obligations. We continue to seek a joint meeting with OMB in order to brief its leadership on its responsibilities to Indian Country.

Support for Codification and Expansion of Advance Appropriations

USET SPF continues to express its gratitude for the historic achievement of advance appropriations for IHS. Thanks to advance appropriations, the agency's clinical services have experienced budgetary certainty during this shutdown and in the face of several continuing resolutions. However, there remain opportunities to codify this practice for IHS and work to expand this mechanism to all Tribal offices, programs, and funding throughout the federal government.

The vast majority of funding for Indian programs, including IHS, appears on the discretionary side of the budget. That our funding is vulnerable to governmental inaction and partisanship is a failure of the federal government to honor its sacred duty to Tribal Nations. In the short-term, all federal Indian funding must be protected from shutdowns and continuing resolutions through advance appropriations legislation. This would ensure that the federal government continues to meet its obligations regardless of politics and provide some certainty to our people, patients, and employees each year. It would also bring our funding into parity with other discretionary programs that the federal government deems critical, including those at the Department of Education, Department of Housing and Urban Development, Department of Labor, and the Department of Veterans Affairs which are authorized for advance appropriations. Finally, it would represent a more complete recognition of the federal trust responsibility and obligations.

With this in mind, USET SPF lends its unequivocal support to legislation that would put an end to the instability of CRs and shutdowns for all federal Indian agencies, programs, and funding. This includes strong support for advance appropriations authority for both IHS and BIA. USET SPF strongly supports S. 2771, the Indian Programs Advance Appropriations Act (IPAAA), which would enshrine in statute advance appropriations for IHS, BIA, and BIE. Passage of this legislation, and the certainty it would bring, is long overdue.

Indian Country Funding Mechanisms Need Comprehensive Overhaul

While we strongly support advance appropriations as a vital mechanism to bring certainty in the short-term, in the long-term USET SPF is calling for a comprehensive reexamination of federal funding delivered to Indian Country across the federal government. Because of our history and unique relationship with the United States, the trust obligation of the federal government to Native peoples, as reflected in the federal budget, is fundamentally different from ordinary discretionary spending and should be considered mandatory in nature. Inadequate funding to Indian Country needs to be viewed as unfilled treaty and trust obligations and should not be vulnerable to year to year "discretionary" decisions by appropriators. Recently, some in Congress have called for mandatory funding for specific agencies serving Indian Country. USET SPF strongly supports this proposal, which is more consistent with the federal trust obligation, and urges that this be expanded to include all federal Indian programs. Notably, earlier this week, Brookings issued a report calling for advance appropriations in the short-term and mandatory funding in the long-term for Tribal-serving agencies and programs.

Further, with a renewed focus on domestic issues and putting America first, this focus must also include a commitment to rebuilding the sovereign Tribal Nations that exist within the domestic borders of the United States. Much like the U.S. investment in the rebuilding European nations following World War II via the Marshall Plan, the legislative and executive branches should commit to the same level of responsibility to assisting in the rebuilding of Tribal Nations, as our current circumstances are, in large part, directly attributable to the shameful acts and policies of the United States.

Further, USET SPF is urging the expansion of self-governance, along with P.L. 102-477 authority, to all federal agencies, programs, and funds. Much of the federal funding across Indian Country is delivered through the competitive grant process

³ <https://coalitionfortribalsovereignty.org/wp-content/uploads/2025/09/9.29.2025-CTS-Letter-to-OMB-re-Exemption-for-Federal-Employees-Serving-Tribal-Nations.pdf>

(and often through the states). Not only is this an abrogation of the federal trust responsibility to force Tribal Nations to compete for federal dollars, the competitive grant process often precludes Tribal Nations from having access to those dollars at all. Grant funding fails to reflect the unique nature of the federal trust obligation and Tribal sovereignty by treating Tribal Nations as non-profits rather than governments. Self-governance Contracting and Compacting should be an available option across the federal system.

In addition, USET SPF urges Congress to exercise its oversight authority in determining how much actual funding actually reaches Indian Country. The Office of Management and Budget (OMB) asserts that over \$30 billion in federal dollars is appropriated to Indian Country annually. From the perspective of Tribal advocates, including those who serve on budget formulation committees for federal agencies, this number seems to be widely inflated, with far less actually reaching Tribal Nations and Tribal citizens. We suspect that OMB arrives at this figure by tallying the amount for which Tribal Nations and entities are eligible, regardless of whether these dollars actually reach Indian Country. Both USET SPF and the Tribal Interior Budget Council (TIBC) have asked OMB for a full accounting of federal funding distributed to Indian Country. To date, OMB has not responded to this request. USET SPF firmly believes that this information is absolutely essential to the measurement of the federal government's own success in meeting its obligations and the work of Tribal Nations. More than ever, it is important to understand how OMB quantifies federal spending to Tribal Nations, citizens, and communities, including how it determines whether to continue supporting Tribal-serving funds, programs, and personnel.

Conclusion

USET SPF urges this Congress to act swiftly to bring the destabilizing effects of its own inaction to an end for Indian Country. It is critical that the federal government reopen and resume delivering upon trust and treaty obligations. We also ask that this body do more to protect the execution of trust and treaty obligations from the damaging effects of volatility in federal policy. One way to do this is to ensure we are insulated from continuing resolutions and government shutdowns. In the long-term, and in pursuit of a relationship more reflective of this obligation, USET SPF urges this Committee, Congress, and all branches of the federal government to ensure that full and mandatory funding for trust and treaty obligations is realized in our lifetimes. USET SPF thanks the Committee for the opportunity to testify and looks forward to partnering with its members to bring this to fruition.

The CHAIRMAN. Thank you so much, Vice Chairman.
Next we turn to Mr. Mallot. Welcome.

STATEMENT OF BEN MALLOT, PRESIDENT, ALASKA FEDERATION OF NATIVES

Mr. MALLOT. Thank you, Senator, and Vice Chair Schatz, members of the Committee.

Thank you for having this hearing today. It is really critical and timely for our tribal communities.

My name is Ben Mallot, as Senator Murkowski mentioned. I have the honor to serve as president of AFN. AFN is Alaska's largest statewide Native organization. Membership includes over 170 federally-recognized tribes, 154 regional corporations, 11 regional corporations and regional non-profits, over 160,000 Alaska Natives.

As I went through working on my testimony for today, I reached out to all of our member organizations. I am lucky to hear that most of our tribal organizations and communities prepared for the shutdown. But as we approach 30 days of shutdown, many of them did not prepare for that long of a shutdown.

As you mentioned, we are in day 29. A prolonged shutdown in Alaska becomes life-threatening for many of our communities. It also delays ability for our tribes who are very capacity strained to do reporting, and to also work on additional permits and grants. It is critical for Alaska, our construction season, it is summer right

now, is when our tribes have to get orders in for doing infrastructure and critical supplies for our communities.

Also, while many of our tribes and organizations planned for a shutdown, we cannot always plan for weather. As Senator Murkowski mentioned, on October 12th, we had a very serious typhoon that hit Alaska. It was no other typhoon that hit Alaska in our history, and over thousands of Alaska Natives were evacuated to Anchorage.

I want to thank the work of the Federal Government in the State of Alaska, and also our delegation, your team, Senator Murkowski, for responding to the storm. It is really critical that we have these employees responding.

It is also critical that they get paid for their work in responding to save our communities. I recognize that. I want to thank the many Federal employees who are working right now in response to the storm who are not getting paid right now.

Also, I recognize that during this storm event, IHS allowed organizations such as YKC to respond immediately to this storm. I want to thank and also highlight, so members of this panel will know, how important in this event IHS is for our communities.

Also, as we go into the impact of the shutdown, I cannot highlight enough just how food security is critical for us right now. As SNAP is about to end on Friday, we are looking at the ability for our communities to decide between heating and fuel. For example, right now, in Kotzebue, Alaska, a gallon of milk is \$12.99, a 24-count of eggs is \$13.19. A four-pack of bathroom tissue, just the single ply, is \$8. A loaf of bread is over \$6. Stove oil is \$7.79. Six cans of corned beef hash is \$39.89. Without SNAP and without LIHEAP, it is critical for our communities to decide between heating and fuel.

Right now, I looked up the weather and in Utqiagvik it is 3 degrees but it feels like minus 9. And Bethel is 17 degrees. Kotzebue is 15 degrees. My mom's home village of Rampart is 21 degrees with light snow, and my father's hometown of Yakutat, which is a lot further south is a balmy 35 degrees.

We are right now in November, or almost November. It is going to get colder. Without LIHEAP, without SNAP, our communities and tribal citizens will have to decide between fuel and food. In Anvik, 65 percent of the revenue from their store comes from SNAP. In Riaktat [phonetically], about \$2,000 a week comes from SNAP.

In these communities, such as Anvik and Riaktat, the villages store is often the most stable jobs in the community. It is critical for this to happen.

LIHEAP is also critical for our communities, as I mentioned, especially for elders. They are going to decide between heat and fuel. In some of our communities, elders are there alone and may not have family to help them with food security.

Also during this time, with the government shutdown, also that could cause cancellations more specifically around the Federal Subsistence Board, which is unable to meet right now.

During the pandemic, the Federal Assistance Board was able to open up mercy hunts to allow communities and tribal organizations

and tribes, to open up and get moose for food security during the pandemic. During this shutdown, they cannot meet.

Also delays in the ability for regional advisory committees to meet and also have no local voice in food security at this time. What this does also impacts our progress, as Alaska is a very large State with very difficult travel. To reschedule a meeting of FSB or reschedule a meeting takes a lot of coordination and could put these meetings back months.

I want to close right now, but right now the impact is still uncertain for many of the communities. The RIFs, we don't know what will happen until the government reopens. When that happens, we do not know.

Right now, the burden of many of our local communities is actually on the shoulders of our tribes and local ANCs. We don't know the impact until the government reopens and we are worried that as the government reopens there might be delays in getting funds necessary to our communities in a timely manner.

With this said, as members of this panel will say, we urge the Committee to be innovative, look at how we will reopen government and support our tribal communities.

With that said, I will close. Again, quyana, gunalchéesh, for this hearing today. And thank you for your leadership, Senator Murkowski.

[The prepared statement of Mr. Mallot follows:]

PREPARED STATEMENT OF BEN MALLOT, PRESIDENT, ALASKA FEDERATION OF NATIVES

I. Introduction

Chairman Murkowski, Vice Chairman Schatz, and members of the Committee:

Thank you for inviting me to speak with you today regarding the impacts of the ongoing federal government shutdown and agency reductions in force on our Alaska Native communities. I would like to offer a special thank you to Senator Murkowski for her leadership in advocating for Alaska and for the Alaska Native people.

My name is Ben Mallot, and I serve as the President of the Alaska Federation of Natives (AFN). AFN is the largest statewide Alaska Native organization. Our membership includes over 140,000 Alaska Natives and their institutions set up to serve our people. AFN's membership includes federally recognized tribes, regional tribal consortiums, regional non-profit organizations, and Alaska Native Claims Settlement Act (ANCSA) village and regional corporations.

Many of our tribal organizations have worked hard to position themselves to weather the impacts of a shutdown. Alaska Native entities receiving federal assistance engage in best practices to prepare for and utilize all available funding prior to a lapse in federal appropriations to keep our programs stable and our operations uninterrupted to the greatest extent possible during a shutdown. But when a shutdown drags on for a prolonged period, there is little we can do to keep the impacts to our organizations and communities at bay. Tomorrow we will hit the critical 30-day mark of the shutdown, and our organizations will be facing difficult realities and decisions about the ability to carry out certain programs and whether tribal staff must be laid off. A prolonged shutdown places many Alaska Native entities and communities in a difficult and potentially life-threatening position. So please keep in mind that the impacts I raise today will continue to grow until the shutdown ends.

II. Impacts of the Federal Government Shutdown and RIFs

a. Disaster Recovery for Western Alaska

I would be remiss if I did not start my remarks by acknowledging that our communities in Western Alaska's Yukon-Kuskokwim Delta are still reeling from the devastating impacts of Typhoon Halong, which struck our state on October 12. Disaster recovery in this region is unlike other regions in our country. These communities are remote with no access to roads and are hundreds of miles from cities to

where these residents must evacuate. Both short and long-term recovery efforts are complex, and reliable communication with federal agencies assisting in disaster recovery like FEMA is essential. While the federal government is working on immediate response to Typhoon Halong, the shutdown creates further complications and uncertainties for our communities in the region devastated by the Typhoon. Many of the people forced to evacuate the region now face a lengthy recovery process that will require substantial engagement with the federal government. Any delay or confusion caused by the shutdown adds a tremendous burden to our already hurting people in the region. Relief efforts are being supported by federal employees working without pay. We appreciate these workers' vital contributions, and we want to see them be paid for their work, including back pay for their unpaid work these past few weeks.

Threats to Food and Heat Availability and Assistance

We are deeply concerned about the impacts of the shutdown and its implications for food availability and assistance in Alaska. From the Federal Subsistence Board to SNAP benefits, the shutdown is threatening the availability of food in our Alaska Native communities. This is compounded by the fact that winter is upon us in Alaska. As temperatures approach 0 degrees up north, a gallon of milk is \$13. Our people are about to be in the very real situation of having to pick between food and heat.

Our people rely heavily on subsistence to feed our families and to fill freezers to get through the long, dark winters. Subsistence activities on federal lands are managed through the Interior Department's Federal Subsistence Board, which has canceled its Regional Advisory Committee meetings across the state in October. These meetings are critically important for governance of the subsistence system our rural Alaska Native communities depend on to survive.

SNAP benefits expire on Friday, and it will have a devastating impact in Alaska. SNAP serves approximately 66,000 Alaskans, including thousands of Alaska Native peoples who live in remote or economically disadvantaged regions. The State of Alaska has confirmed that due to the federal shutdown, November benefits will not be issued to SNAP recipients, removing a critical food security lifeline for families and individuals. The loss of SNAP benefits will deepen food insecurity and threaten the well-being of Alaska Native elders, children, and families. Further, the lack of SNAP benefits will overwhelm informal food assistance programs or organizations, such as food banks, in communities where they exist, to say nothing of the impacts for communities where they do not exist.

The shutdown will also pose a threat to vulnerable households across the state that rely on federal assistance for heating their homes, such as the Low Income Home Energy Assistance Program (LIHEAP). New funding for the LIHEAP program will be unavailable during the shutdown, undermining a critical support system for Alaska Native families and elders during harsh winter conditions. At least one Alaska Native housing authority had to tell their community members that while they will take new LIHEAP applications during the shutdown, payments are on hold until the shutdown ends.

A continued shutdown will force too many Alaska Native families, elders, and people to choose between basic human needs such as food or home heating during the winter months.

b. Lack of Consultation

Lack of federal employees carrying out federal agency actions and responsibilities compromises the government's legal requirements to engage in meaningful consultation with Tribes and Alaska Native Corporations. Internal agency training and education is an essential part of building the right agency talent and capacity to engage in meaningful consultation, especially in Alaska, where additional training is required to educate agency professionals about the unique status of Native land and the unique and diverse systems of Native governance in Alaska. It often takes years for the right relationships to be built. Simply put, reductions in workforce at both the regional and headquarters levels compromise the ability of federal agencies to meet their consultation obligations.

And during a shutdown—especially one as long as the current lapse in appropriations—there is essentially no path for our communities to engage in real discussions with agency personnel making key decisions affecting our livelihoods. For example, as mentioned above, the Federal Subsistence Board is canceling or delaying its Regional Advisory Committee meetings across the state in October, which are critically important for governance of the subsistence system our rural Alaska Native communities depend on to survive.

c. Impacts to Health Care

While other witnesses today will speak more on the impacts of the shutdown on Tribal health, I want to share with you concerns raised by Alaska Native health care providers.

We deeply appreciate Congress providing the Indian Health Service (IHS) advance appropriations. This has been very helpful to insulate IHS programs from the government shutdown. However, there are a number of Tribal health programs and services that are not included in the advance appropriations that are being affected. While Tribes have been paid health services and other related funding, they have not been paid contract support costs, 105(l) lease payments, or certain other facility services that are needed to support health operations. Contract support costs help fund the administrative and overhead costs associated with carrying out health services. The 105(l) lease payments help to fund maintenance and improvement activities for health facilities. These types of payments are not being processed during the shutdown under a lapse in appropriations.

The shutdown also impacts other aspects of Tribal health. For example, the Centers for Medicare & Medicaid Services Tribal Technical Advisory Group (CMS TTAG) may have to cancel its upcoming meeting if the shutdown is still in effect. The TTAG is an important advisory body to the CMS Administrator providing expertise on CMS policies, guidelines, and programmatic issues affecting IHS and Tribal health programs. Medicaid is one of these extremely important programs, which provides from 40–60 percent of funding for IHS and Tribal programs. This upcoming meeting is very important for the TTAG since they are working with CMS to develop operational guidance and recommendations to implement several Tribal provisions included in the One Big Beautiful Bill Act.

III. Conclusion

Thank you again for inviting me to speak today. I look forward to answering any questions you may have about our Alaska Native communities and the shutdown impacts discussed here today.

The CHAIRMAN. Gunalchéesh, Ben.
Mr. Bird, welcome.

**STATEMENT OF KERRY D. BIRD, PRESIDENT, NATIONAL
INDIAN EDUCATION ASSOCIATION**

Mr. BIRD. Thank you, Senator Murkowski. Good afternoon.

My name is Kerry Bird. I am the President of the National Indian Education Association. I am a citizen of the Sisseton Wahpeton Oyate of South Dakota, and a descendant of the Lumbee Tribe of North Carolina.

On behalf of the NIEA, the students, educators and tribal nations we serve, I am here today to share the distressing situation facing our Native youth, a situation which intensifies each day the shutdown continues.

Across the Country, the shutdown and reductions in force have crept into our classrooms, our early childhood programs and our homes. What began as a budget dispute in Washington has become a daily crisis in Indian Country.

When our ancestors signed treaties with the United States, they did so in exchange for certain guarantees. One of these was that our children and our children's children would be educated. This obligation is not a discretionary choice; it is a payment on a debt owed.

These promises are what every Native parent holds onto when they send their child to school each morning. It is what keeps a principal in Shiprock, New Mexico and a Head Start worker in Sisseton, South Dakota, showing up, even when the Federal Government is not.

At the Department of Education, the Office of Impact Aid, which provides \$1.6 billion annually to federally-impacted school districts, has come to a standstill. With the staff furloughed for over a month and no forward funding, essential payments have not arrived.

In South Dakota, Montana and New Mexico, school districts are burning through reserves just to meet payroll. For some schools, these dollars make up 50 percent of the budgets which keep them open.

The situation is just as severe at the Administration for Children and Families. Beginning on November 1st, 12 American Indian and Alaska Head Start grantees serving over 2,500 children will face an immediate funding shortfall.

The Cherokee Nation in Oklahoma has already prepared to step in to keep their centers open. But smaller tribes across the Country may not have the reserves. They are being forced to decide between keeping their early childhood classrooms open or feeding their communities, as SNAP and nutrition programs also face funding gaps.

This is not a choice tribal nations should ever have to make. These impacts show the fragility of the system. Programs that were designed to uphold the Federal Government's moral and legal promises are now being held hostage.

Thankfully, while other agencies have gone dark, BIE offices and schools have stayed open, not because the system is immune to the shutdown, but because the government understands that Federal employees within the BIE are unique and must be protected.

The administration has designated all BIE staff as excepted or exempted. Teachers are still in classrooms, bus drivers are still on their routes, dormitory staff are still caring for students far from home. That is how it should be. And how it would always be if the entire system were to receive advance appropriations.

Meanwhile, Native students outside of BIE schools are at unique risk. More than 90 percent of Native children attend public schools, many in rural reservation-adjacent districts which depend on Federal programs such as Title VI, Impact Aid, and Johnson-O'Malley. Like Impact Aid, JOM is not forward-funded. During a shutdown, payments to tribal contractors and Indian Parent committees are frozen. That means tutoring stops, after-school support is canceled while communities wait for Washington to act.

For many native families, JOM is one of the only visible signs that the Federal Government remembers its educational promise to their children. The Indian Programs Advance Appropriations Act would fix would this by ensuring all BIE accounts, not just school operations, are fully insulated from shutdowns. This Committee's leadership, combined with the support of appropriators, has already shown how this approach works by protecting IHS.

This Committee is critical to making that happen for the rest of our programs. We urge this Committee to educate your peers and protect tribal-serving offices and accounts from any future attempts to play politics with the Federal Government's solemn obligations.

At the Department of Education, the Office of Elementary and Secondary Education has been hollowed out. According to court filings earlier this month, more than 130 positions have been eliminated on top of staff reduction in the spring. Of the 282 employees who staffed the office just a year ago, fewer than 100 remain.

Twenty-nine days ago, the entire Office of Indian Education was furloughed. As of 15 minutes ago, we have official confirmation that seven of nine staff in the same office have been terminated. That means no one to process grants, approve budgets, or support tribal education departments and Indian Parent committees.

If these terminations are allowed to go into full effect, the Indian education programs as we know them would be functionally eliminated.

But it is not OIE alone that is at risk. The Office of Impact Aid, which supports 537 Indian land school districts, alongside millions of military connected students, has been almost entirely laid off. The United States trust obligations cannot be fulfilled if the Federal staff responsible for carrying it out no longer exist. If these workforce reductions continue, and if shutdowns are allowed to repeatedly disrupt the flow of education funding, the United States will be in direct violation of its trust and treaty obligations.

Education is a promise to our people as part of the guarantees this Nation made. It cannot be withheld because of political stalemates or administrative restructuring.

Today, I ask you to keep that promise. I ask Congress to reopen the Government. I ask you to work with the administration to rescind the RIFs that target tribal-serving staff, and to make sure that Native children will never again be caught in the crossfire of political shutdown.

Thank you for your attention to this urgent matter and for your continued commitment to upholding the promises made to tribal nations and Native students. Thank you.

[The prepared statement of Mr. Bird follows:]

PREPARED STATEMENT OF KERRY D. BIRD, PRESIDENT, NATIONAL INDIAN EDUCATION ASSOCIATION

On behalf of the National Indian Education Association (NIEA) and students, educators, and Tribal Nations we serve, thank you for this opportunity to provide testimony regarding the challenges we face in the ongoing federal government shutdown. NIEA was founded to advance comprehensive, culture-based educational opportunities for American Indians, Alaska Natives, and Native Hawaiians and to advocate for educational excellence by working to ensure that students receive high-quality academic and cultural education.

Rooted in treaties between Tribal Nations and the federal government, the U.S. Constitution, federal law, and U.S. Supreme Court decisions, the federal government has a direct fiduciary responsibility to Tribal Nations and their citizens. The trust and treaty responsibility is an acknowledgement that the debt paid for by our ancestors through the loss of life and land, is to be paid for, in part, with education. Currently, Tribal Nations, Native education, and the programs which serve them face an escalating crisis. The disruption of critical federal operations, delays in funding, and deteriorating capacity of federal offices due to Reductions in Force (RIF) are threatening the very core of educational obligations to Native children. The federal government is at risk of directly violating the United States' trust and treaty obligations to Tribal Nations by dismantling the very offices charged with carrying them out.

I. Department of Education

The Department of Education (ED)'s Office of Elementary and Secondary Education (OESE) has been hollowed out. According to the court documents filed on October 10th in the U.S. District Court for the Northern District of California, ED eliminated 132 positions within OESE. These RIFs follow an already thinned agency following the 47 percent reduction in staff on March 10, 2025. Of the 282 full-time employees who staffed OESE in 2024, fewer than 100 remain. Those who remain are largely political appointees, office directors, and staff whose roles align with the administration's priorities. As far as NIEA has been notified, the Office of Indian

Education (OIE) has not been exempted from these RIFs, and if they are carried out to their fullest, are at risk of being functionally eliminated. The entire OIE staff, including its director, were furloughed at the beginning of the shutdown and now face the potential that they will be formally terminated as soon as the government reopens, or as soon as they are legally allowed to access their emails.

The Office of Impact Aid, which primarily exists to care for school districts which serve military families and Native children on federal lands, has reportedly been entirely laid off except for its director. Nationwide, every school district which relies on Impact Aid, including the 537 Indian land school districts are feeling an extreme tightening of their budgets as Impact Aid is not forward funded. Annually, Impact Aid provides approximately \$895 million to school districts with federal Indian trust lands, most of which are in western and rural states. The National Indian Impacted Schools Association reports that there are school districts in Minnesota, Montana, and South Dakota who have reached out in frustration as they may reach a critical funding tipping point in the coming weeks. Without these payments, schools are now drawing down reserves and as the shutdown continues could face cutting essential staff and services, with many reporting a tipping point in the coming weeks. Further, the elimination of the Impact Aid staff means that payment calculations, reimbursements, and compliance reviews will not be processed in a timely manner and face not being processed at all. These schools not only need the federal government's help, they are owed it.

The United States' trust and treaty responsibility for education is not discretionary. Through binding treaties, statutes, and court decisions, the federal government promised to provide educational opportunities for Native children, obligations prepaid with Tribal lands and resources. The Office of Indian Education and other positions across ED, exist to uphold those promises. OIE administers Title VI of the Every Student Succeeds Act, providing over \$110 million in annual grants to more than 1,200 school districts and Tribal entities serving roughly 423,000 Native students nationwide. These programs sustain Native language and culture, academic enrichment, and community-driven educational priorities. With OIE staff furloughed or terminated, no one remains to process or disburse funding agreements, approve carryover budgets, or provide technical assistance. As a result, Tribal Education Departments, school districts, and Indian Parent Committees would be forced to suspend programs, cancel services, and delay hiring, placing schools and students in limbo across Indian Country.

The situation is equally dire for Alaska Native and Native Hawaiian Education programs, which together support roughly \$80 million in local education projects focused on Native language revitalization, cultural restoration, and STEM education in remote and rural areas. If program administrators are lost, there would be no one to monitor active grants or process new awards. The Office of Rural and Native Education, which includes the Alaska Native Education and Native Hawaiian Education programs, will at the very least feel the strain of significantly diminished staff across OESE, and at worse face the potential of also having their administrators terminated. For communities already grappling with difficulties in some of the most remote districts of the United States, this abrupt disruption undermines years of progress and the selfdetermination these programs were designed to support.

II. Administration for Children and Families

Beyond the Department of Education, the shutdown and related workforce reductions have also severely disrupted Tribal early childhood, child welfare, and family support systems administered through the Administration for Children and Families (ACF) within the Department of Health and Human Services (HHS). Head Start remains one of the most critical federal investments in Native communities, providing culturally grounded early childhood education, nutrition, and family support services that lay the foundation for lifelong learning and wellbeing—services which are irreplaceable, especially in rural Tribal areas where there are no alternatives. As the shutdown drags on, the already difficult situation for Head Start programs continues to worsen. On November 1st, 12 AIAN Head Start grantees, serving almost 2,500 students and employing almost 600 staff members, face a dire funding gap. Tribes across Arizona, California, Michigan, Minnesota, Montana, Oklahoma, and Washington are looking for contingencies to cover the gap the federal government has left them with. In the best case, Tribes which have the funding to cover the gap in the meantime are able to step in. The largest November 1 grantee, the Cherokee Nation, is prepared to do just that. However, if any Tribes are stretched too thin, covering these programs alongside nutrition and other critical services to their communities, these Head Start programs would face closure. At least one AIAN Head Start program in Michigan is facing such a situation. Tribal Nations should not be forced to choose between food for their communities and keeping edu-

cational and child care institutions open. The longer the shutdown continues, the more we will be forced to make impossible decisions.

ACF, alongside the Bureau of Indian Affairs, provide the primary federal funding that allows Tribal child welfare programs to keep children safe and families intact. If the shutdown extends beyond 30 days, those critical services face disruption, including the assistance that Tribes provide to state child welfare cases involving Native families. At ACF, continuing staff reductions, regional office closures, and now the shutdown have created an unrelenting cycle of disruption. According to the National Indian Child Welfare Association, Tribal Nations have been unable to access timely information on FY 2026 funding applications, reporting requirements, or technical assistance. The cancellation of two Tribal consultations on the Supporting America's Children and Families Act (P.L. 118-258), along with the cancellation of the November ACF Tribal Advisory Committee meeting, has further cut off communication. ACF had planned to share critical updates on technical assistance and the approval process for Tribal Title IV-B Child Welfare grant applications, but that information remains unavailable. The lack of communication, access, and timely funding has left Tribal Nations in an untenable position, while vulnerable Native children, families, and state partners are left wondering whether Tribal services and support will be available at all.

These impacts bleed across servings and are acutely felt in Tribal communities. All members of the ACF Tribal Engagement Team, the five Native staff who collectively advised all ACF divisions on how to better serve Tribal Nations, have been furloughed. Their absence leaves a critical void in agency coordination and cultural understanding across child welfare, early childhood, and family support programs. Meanwhile, we know that the US Department of Agriculture (USDA) and the Department of Justice (DOJ) are continuing forward with their consultations. Our children deserve the same.

III. Bureau of Indian Education

While we are deeply concerned about the effects of the shutdown across federal agencies, we are grateful that nearly all Bureau of Indian Education (BIE) staff have been designated as "excepted" or "exempted" employees and have continued reporting to work to sustain critical school operations. In direct contrast to the widespread furloughs and Reductions in Force (RIFs) now affecting the Department of Education and ACF, BIE staff have been rightfully protected. Their continued presence reflects the importance of education as a trust responsibility and ensures that instruction and student services continue uninterrupted across both BIE-operated and Tribally Controlled Schools.

However, the shutdown still reveals critical vulnerabilities within the BIE system. While core school operations are forward funded, ensuring that teachers and staff can be paid, Operations and Maintenance (O&M) appropriations are not forward funded and depend on annual appropriations which have now expired. These dollars pay for essential services such as heating, electricity, water, sanitation, safety inspections, and emergency repairs for more than 180 BIEfunded school facilities. Without new appropriations, O&M funds cannot be obligated or reimbursed, leaving superintendents and facilities managers scrambling to maintain safe and healthy learning environments. Many schools, especially in northern, rural states, rely on these funds for fuel deliveries and winterization contracts. A prolonged shutdown could delay those contracts, resulting in facility closures, unsafe conditions, or costly emergency responses later in the fiscal year.

The *Indian Programs Advance Appropriations Act* would directly address this issue by ensuring that the entirety of the BIE receives not only forward funding but advance appropriations, fully insulating Tribal schools from the disruptions of annual funding lapses. This measure represents the final step in safeguarding BIE schools and students from shutdowns and the political uncertainty of continuing resolutions.

As mentioned previously, changes and furloughs within the ED affecting Impact Aid and Title VI programs, have left Native-serving education programs and funding at public schools extremely vulnerable. As early as 1934, Congress recognized that the federal trust and treaty obligation to education must support all Native students, regardless of where they attend school. The Johnson-O'Malley (JOM) program was created to support students in public schools, and unlike the rest of the BIE program funds, JOM is not forward-funded. The JOM program supports supplemental academic, cultural, and youth programming for nearly 300,000 Native students nationwide. During a shutdown, payments and reimbursements to Tribal contractors and Indian Parent Committees are frozen, halting tutoring, after-school programs, and cultural activities that have already been planned and budgeted for the school year.

While the BIE is in the better of the scenarios of each of these agencies, it is by no means completely protected. BIE schools also receive funds from the Department of ED, funds which may be slowed or paused as the shutdown continues. BIE schools may struggle to pay for last minute maintenance costs. And public schools serving Native students may not receive funding from JOM or Impact Aid and even face the possibility of Title VI and related funding being severely diminished if RIFs are fully implemented in OIE. It is clear Indian education needs a path forward with an open and operational federal government.

IV. Conclusion

Across the board, it is clear that Indian Country needs support immediately. By issuing RIFs that may eliminate a department's primary Tribal liaison office, the federal government would effectively sever its own consultation channel. In another department, cancelling consultations amidst the moment which Tribal Nations most need to be heard is not only frustrating, it is failing their needs. The moral and legal implications could not be clearer. The United States' trust obligations to provide education to Native children were not negotiated as temporary or conditional. Congress must act immediately to reopen the government, and we urge this Committee to work with the Administration to walk back any planned or executed reductions to Tribal-serving staff as soon as possible. Thank you for your attention to this urgent matter and for your continued commitment to upholding the United States' obligations to Tribal Nations and Native students.

The CHAIRMAN. Thank you, Mr. Bird.
Mr. Upton, welcome.

STATEMENT OF PETE UPTON, CEO, NATIVE CDFI NETWORK, EXECUTIVE DIRECTOR, NATIVE360 LOAN FUND

Mr. UPTON. Thank you, Chair Murkowski and Vice Chair Schatz and the Committee for this opportunity to share today.

My name is Pete Upton. I am an enrolled member of the Ponca Tribe of Nebraska. I serve as the CEO for the Native CDFI Network, the only national membership organization dedicated to supporting Native Community Development Financial Institutions.

I also serve as the Executive Director of Native360 Loan Fund, a Native-certified CDFI serving Native people in Nebraska, South Dakota, Kansas, and Iowa.

On behalf of NCN and the nearly 100 certified and emerging Native CDFIs we serve, I express our grave concern regarding the reduction in force action on October 10th to terminate all CDFI Fund staff and abolish the CDFI Fund altogether. These actions will economically devastate tribal communities.

According to a recent Federal Reserve study, 46 percent of tribal communities are located in banking deserts. Native CDFIs are typically the only financial institution serving these communities, providing access to capital, credit, and financial education where no alternative exists.

Abolishing the Fund will cause severe, immediate and long-term harm to Native CDFIs' ability to serve the growing small business, homeownership, agriculture, and consumer lending needs of tribal communities, the needs long ignored by mainstream banking institutions.

We are already experiencing the impacts. The Fiscal Year 2025 appropriated funds for the Native American CDFI Assistance Program remain frozen with no Treasury staff at work to finalize these agreements or release the awards, choking off critical seed capital for the Native CDFIs whose average asset size is just \$5.8 million.

Meanwhile, dozens of Native CDFIs awaiting Treasury certification, recertification, remain in limbo with no one to process their applications.

The RIF and the looming abolishment of the Fund also spell a demise for the New Markets Tax Credits Program, a key financing tool that cultivates private investments in vital economic and community development projects on tribal lands. Without Fund staff to administer it, the latest double round of New Markets Tax Credits won't be allocated to Native Community Development entities or other CDEs serving Indian Country.

Also in danger is Congress' bipartisan push to expand and make permanent the successful USDA 502 Native Relending Program, which will enhance the Native CDFIs' proven ability to foster homeownership among Native people by issuing them mortgage loans on tribal lands.

Last and perhaps most troubling, abolishing the Fund will end the Federal process of certifying CDFIs, the official stamp of approval Native CDFIs use to secure investments from non-Federal sources. This will dramatically reduce the flow of capital for farm, ranch, and other business development, housing and homeownership, and community infrastructure projects when Indian Country's need for such capital increases substantially with each passing year.

In the CDFI Fund's own words, Native CDFIs are helping transform their communities, they are creating businesses and jobs in places that desperately need them. They are providing personal financial education and business training to persons who have been excluded from our Nation's economic mainstream. They are helping to change the lives of the people they serve.

The United States fulfills its trust and treaty obligations to tribal nations in part by providing funding to Native organizations like CDFIs that directly serve tribal nations and their citizens. The CDFI Fund and the NACA program are not handouts. They are practical fulfillment of those trust and treaty obligations, ensuring Native people have the same access to financial economic opportunities as all other Americans.

We thank and commend the 105 GOP members of Congress who sent a letter to the administration last week in support of CDFIs and the Fund, a resounding testament to the fact that CDFIs are not a partisan issue. They deserve the continued support of the Federal Government, so they can continue their vital work, which can only happen if the administration's RIF action and its plan to abolish the CDFI fund are abolished.

We stand ready to partner with you to achieve this goal. Thank you.

[The prepared statement of Mr. Upton follows:]

PREPARED STATEMENT OF PETE UPTON, CEO, NATIVE CDFI NETWORK, EXECUTIVE DIRECTOR, NATIVE360 LOAN FUND

On behalf of the Native CDFI Network (NCN) and the 65 Treasury-certified Native community development financial institutions (CDFIs) and nearly three dozen emerging Native CDFIs we serve across nearly 30 states, I welcome this opportunity to share with this Committee our grave concern regarding the Reduction in Force (RIF) action of October 10, 2025 to terminate all CDFI Fund staff in keeping with the Administration's plan to abolish the Fund altogether.

These Actions Will Economically Devastate Tribal Communities

According to a recent Federal Reserve Bank of Philadelphia study, 46 percent of Tribal communities are located in banking deserts, “over 12 times the national average of 3.8 percent.”¹ Established in large part to address these deserts, Native CDFIs are typically the only financial institutions serving these communities, providing access to capital, credit, and financial education where no alternatives exist.

If left to stand, the RIF action of October 10th and the ensuing abolishment of the CDFI Fund will cause severe immediate and long-term harm to Native CDFIs’ ability to serve the growing small business, homeownership, agricultural, and consumer lending needs of Tribal communities, needs that have long been ignored by mainstream banking institutions.

Native CDFIs and the Tribal communities we serve are already experiencing the impacts. Possessing an average asset size is just \$5.7 million dollars,² Native CDFIs rely heavily on Native American CDFI Assistance (NACA) Program Financial Assistance (FA) and Technical Assistance (TA) awards from the CDFI Fund to serve Tribal communities and scale their operations to meet their growing needs. Yet, FY 2025 Congressionally appropriated funding for the NACA Program remains frozen, with no Treasury staff at work to finalize agreements or release awards, choking off this critical “seed capital” for Native CDFIs. Meanwhile, dozens of Native CDFIs awaiting Treasury recertification remain stuck in limbo, with no one to process their applications.

The RIF and looming abolishment of the Fund also spell the demise of the New Markets Tax Credits Program, a key financing tool that cultivates private investment in vital economic and community development projects on tribal lands. Without Fund staff to administer it, the latest double round of New Markets Tax Credits won’t be allocated in part to Native Community Development Entities and other CDEs serving Indian Country.

Also in danger is Congress’s bipartisan push to expand and make permanent the highly successful USDA Section 502 Native Relending Program (see below), which will enhance Native CDFIs’ proven ability to foster homeownership among Native people by issuing them mortgage loans on tribal lands.

Last and perhaps most troubling, abolishing the Fund will end the federal process for certifying CDFIs—an official stamp of approval Native CDFIs use to secure significant investments from non-federal sources. This will create a cascading effect that dramatically reduces the flow of capital for farm, ranch, and other business development; housing and homeownership; and community infrastructure projects when Indian Country’s need for such capital increases substantially with each passing year.

Indian Country’s Acute Capital Access Gaps: A Longstanding Challenge

To understand the need to not only protect but strengthen the CDFI Fund and specifically the NACA Program, one must recognize the severe, longstanding lack of access to capital that Tribal communities—particularly those in rural areas—confront today. Consider:

- **Significant barriers to investment:** As the CDFI Fund explains, Native CDFIs’ origins can be traced to the 1994 Congressional legislation authorizing the Fund’s creation, which contained among its provisions the mandating of a study examining lending and investment practices in Tribal communities.³ Titled the *Native American Lending Study*, it identified 17 major barriers to investment in Indian Country, and “affirmed the importance of developing Native CDFIs to play a key role in the broader effort to lead Native Communities into the nation’s economic mainstream.”⁴
- **Few to no banking options:** According to the Board of Governors of the Federal Reserve, in 2020 the majority of American Indian/Alaska Native counties had an average of three bank branches, compared to an average of nine in other rural counties and an average of 26 nationally.⁵
- **Significantly more likely to live in banking deserts:** In 2024, the Federal Reserve Bank of Philadelphia released a new report titled “U.S. Bank Branch Closures and Banking Deserts,” which finds that banking deserts—defined as neighborhoods with no bank branches nearby—across U.S. communities are on the rise, evident in a decline in the total number of bank branches of 5.6 percent, an increase in the number of banking deserts of 217, and an increase in the number of Americans living in banking deserts of 760,000. Critically, the report found that “Majority-American Indian and Alaska Native tract populations are disproportionately represented in [banking] deserts” (see statistic shared on page 1).⁶

- **The Community Reinvestment Act—a failed approach:** Unfortunately, a growing body of research reveals that the Community Reinvestment Act (CRA) has failed to compel or effectively incentivize banking institutions' investment in Native nations and communities. As the CDFI Fund's landmark 2016 *Access to Capital and Credit in Native Communities* report points out, while the CRA "was not intended to exclude Native Communities living on tribal lands, in practice it often does," and banks under the Act's current regulations can easily satisfy CRA requirements without having to do business in or with Native nations and communities if they so choose (as most do), and they are not required to affirmatively disclose that they have failed to make CRA-qualified investments in and with Tribal Nations and communities.⁷
- **Homeownership costs Native people more:** In 2019, the Federal Reserve found that Native people living on reservations who want to buy homes are significantly more likely to have high-priced mortgages, and those mortgage rates average nearly two percentage points higher than for non-Native people outside reservations.⁸ According to the Federal Reserve, this means a Native family purchasing a \$140,000 home on a reservation could pay \$100,000 more over the course of a 30-year loan than a non-Native purchasing a home outside a reservation would pay.
- **Access to capital Indian Country remains elusive:** More recently, a 2023 *National Community Reinvestment Coalition study* found, for example, that: (1) "none of the three largest home lenders in the US issue federally guaranteed mortgages for the construction of new permanent homes within tribal lands"; (2) half of all home purchase loans on tribal lands are used to purchase manufactured mobile homes (which decrease in value rather than foster generational wealth-building), which is four times the rate elsewhere; and (3) just 0.004 percent of small business dollars loaned in Arizona and 0.012 percent in New Mexico went to borrowers on tribal lands.⁹

Native CDFIs' Unique and Proven Ability to Close Indian Country's Access to Capital Gap

Across Indian Country, Tribal communities establish CDFIs to target and close these capital access gaps so sustainable economic growth can take root and grow in those communities. Consider:

- **Native CDFIs epitomize the CDFI Fund's mission:** In the CDFI Fund's own words, Native CDFIs are "an important part of the CDFI Fund's mission to expand the capacity of financial institutions to provide credit, capital, and financial services to underserved populations and communities in the United States," and they are making a "considerable impact" by "helping to transform their communities. They are creating businesses and jobs in places that desperately need them. They are providing personal financial education and business training to persons who have been excluded from our nation's economic mainstream. They are helping to change the lives of the people they serve."¹⁰ In short, Native CDFIs epitomize what the CDFI Fund sees as the hallmark for CDFI certification: "those working at the margins and beyond to consciously and deliberately make impact."¹¹
- **The NACA Program—an engine for Indian Country community and economic development:** The nearly 100 Treasury-certified and emerging Native CDFIs across the country deploy NACA FA and TA awards to support and expand their capacity to meet the acute and rapidly growing capital access needs of Tribal communities. Since FY 2010, for example, NACA FA recipients have used their awards to originate nearly \$2.6 billion in total loans and investments in distressed and underserved communities, provide more than \$659 million in financing to nearly 4,340 businesses, and support the development of nearly 500 units of affordable housing.¹²
- **Native CDFIs—providing a range of critical supports:** According to the Center for Indian Country Development (CICD) at the Federal Reserve Bank of Minneapolis, to directly address the specific capital access gaps detailed above, as of 2025, 65 percent of Native CDFIs provide business loans and 73 percent provide micro loans for businesses, and many (69 percent) also provide consumer loans to foster financial inclusion and economic activity in local communities. In addition, 29 percent of Native CDFIs provide mortgage loans—including U.S. Department of Housing and Urban Development Section 184 loans, which are designed to facilitate homeownership in Native American communities—and 39 percent provide home improvement loans.¹³ Meanwhile, a 2021

CICD study revealed that Native CDFIs help to substantially increase the credit scores of Native people “in credit distress.”¹⁴

- **Uniquely positioned and equipped to cultivate Native homeownership:** In a compelling testament to the unique ability of Native CDFIs to help Native people become homeowners on tribal lands, in 2018 the USDA Section 502 Direct Home Loan Program’s demonstration project made two Native CDFIs eligible borrowers under the 502 Program and enabled them to relend to qualified families for the construction, acquisition, and rehabilitation of affordable housing on tribal trust land. The project resulted in those CDFIs doubling in one year the number of home loans that USDA had provided on two Indian reservations in South Dakota during the previous decade—which is why Congress is currently working in bipartisan fashion to make this program permanent and expand it nationally to enable all Native CDFIs to issue 502 loans.¹⁵
- **An extraordinary and reliable return on investment:** According to the Treasury Department, investments made in CDFIs produce an eight-fold return, with each \$1 creating \$8 in private sector investments.¹⁶ CDFIs also are safe investments, with a loan default rate of 0.36 percent in 2023, roughly half the rate of traditional banks.¹⁷
- **The resources don’t meet the growing demand:** Yet Native CDFIs remain significantly undercapitalized. For example, a 2024 NCN survey of 51 Native CDFIs found their projected three-year unmet loan capital needs collectively totaled \$8 billion.¹⁸ Meanwhile, in FY 2024, only 70 percent (\$43.2 million) of the total NACA Base-Financial Assistance (FA) funding requested by applicant Native CDFIs (\$61.6 million) was awarded by the CDFI Fund. Similarly, just 67 percent (\$3.7 million) of the total NACA Technical Assistance (TA) funding requested by applicant Native CDFIs (\$5.5 million) was awarded.¹⁹

Broad, Bipartisan Support for the CDFI Fund and Native CDFIs

The CDFI Fund and Native CDFIs specifically have long enjoyed the bipartisan support of Congress, which has long recognized the irreplaceable benefits that CDFIs generate for Americans who are looking to gain a toehold in our shared American economy. This is perhaps most strikingly evident in the Senate Community Development Finance Caucus, a growing bipartisan body of the upper chamber of Congress that now boasts 30 members—15 Republicans and 15 Democrats. In a recent and resounding testament to the fact that CDFIs are not a partisan issue, last week 105 GOP members of Congress sent a letter to the Administration last week in support of CDFIs and the CDFI Fund, which declared that CDFIs “play an important role in supporting economic development in rural and underserved communities in our states. They enhance the viability of community development projects, especially in rural areas, by offering flexible financing tools such as longer loan terms and interest-only repayment periods” (see letter attached).

Reinforcing this message, also last week the Federal Reserve Board of Governors publicly stated that “through flexible underwriting, tailored lending, and deep community development relationships, CDFIs meet credit needs through good times and bad,” and “help fuel the revitalization of neighborhoods, small businesses, and local economies.” These institutions also have a “strong track record” for performance and results, and the “demand for their services continues to grow.”²⁰

Action Needed to Sustain Federal Support for Native CDFIs

Native CDFIs in particular embody the founding intent of the CDFI Fund: to provide seed capital that grows local economies. They serve rural and underserved communities that often lack access to mainstream financial institutions and traditional sources of credit. With a proven record of performance and community impact, Native CDFIs represent the ideal investment for this kind of catalytic seed capital—turning limited federal resources into lasting economic opportunity across Indian Country and beyond.

NCN and the nearly 100 Native CDFIs serving Indian Country call on Congress, the White House, the Office of Management and Budget, and the Treasury Department to continue its longstanding bipartisan support of Native CDFIs and the proven benefits they bring to Tribal Nations and communities by:

- considering convening an oversight hearing with OMB and Treasury officials to examine the implications of the CDFI Fund staffing reductions and assess their potential impact on low-income Native and rural communities that rely on Native CDFIs;
- maintaining the \$35 million funding level for the NACA Program in the final FY 2026 Appropriations package and ensuring the final FY 2026 Appropriations package includes sufficient funding for the CDFI Fund to support adequate staff

to effectively administer the CDFI certification process and distribute NACA Program awards in a timely fashion; and

- supporting inclusion of Amendment #3732—which features four provisions designed to grow the work of CDFIs including the expansion of the USDA 502 Native CDFI relending program—in the final National Defense Authorization Act package.

Conclusion: Native CDFIs Represent a Practical Fulfillment of the Federal Government’s Trust and Treaty Obligations to Tribal Nations

In closing, the United States fulfills its trust and treaty obligations to Tribal Nations in part through the provision of federal funding to Tribal Nations and Native organizations such as Native CDFIs that directly serve Tribal Nations and their citizens. The CDFI Fund and the NACA Program are not handouts—they are a practical fulfillment of those trust and treaty obligations, ensuring Native people have the same access to financial and economic opportunities as all other Americans. Native CDFIs are among the most efficient and impactful financial institutions in the nation, stretching limited resources to drive economic growth in some of the country’s most economically distressed communities, especially across rural America (the vast majority of Native CDFIs are based in and serve rural communities). They deserve the continued support of the federal government so they can continue their vital work, which can only happen if the action of October 10, 2025 and its overall plan to abolish the CDFI Fund are reversed.

NCN and Native CDFIs remain committed to working collaboratively with all branches of the federal government to achieve this goal and ensure that Native CDFIs can continue to catalyze economic and community development and growth across Indian Country. Thank you.

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Attachment

OCTOBER 23, 2025

Hon. Scott Bessent,
Secretary of the Treasury,
U.S. Department of the Treasury,
Washington, D.C.

Hon. Russell Vought,
Director,
The Office of Management and Budget,
Washington, D.C.

Dear Secretary Bessent and Director Vought,

We write to affirm our continued support for the Community Development Financial Institutions (CDFI) Fund and the role it plays in supporting our shared goal of creating economic prosperity throughout the country. The Trump Administration has made bringing down the cost of housing, growing small businesses, and driving economic opportunity for all Americans key pillars of its agenda. We strongly urge the Administration to continue carrying out the statutory obligations of the CDFI Fund that are essential to ensuring private investments reach our states and districts.

CDFIs play an important role in supporting economic development in rural, tribal and other underserved communities in our states. They enhance the viability of community development projects, especially in rural areas, by offering flexible financing tools such as longer loan terms and interest-only repayment periods. Since its inception over 30 years ago, the CDFI Fund has awarded more than \$7.4 billion to CDFIs, community development organizations, and financial institutions through its funding programs, allocated \$76 billion in tax credits through the New Markets Tax Credit Program (NMTTC), and guaranteed nearly \$2.5 billion in bonds through

the CDFI Bond Guarantee Program. It is unclear how these programs will continue to operate if the CDFI Fund's obligations cease to function.

President Trump's first Administration worked with Congress to make historic investments into the CDFI community. Additionally, we have worked with the Trump Administration to improve the programs administered by the Fund. The President's signature legislation, the One Big Beautiful Bill Act (OBBBA), made the NMTC permanent at \$5 billion in annual allocation authority. Over the duration of the tax credit, NMTC has created over one million jobs, disproportionately in rural America. Most recently, the Senate-passed Fiscal Year 2026 National Defense Authorization Act includes language to improve transparency at the Fund and establish a secondary market to enable CDFIs to get more capital to small businesses.

The CDFIs and developers who rely on a functioning CDFI Fund are essential to expanding our nation's housing supply. Not only are CDFIs key drivers of development and preservation of affordable housing, but the Capital Magnet Fund (CMF) is a tool used by the CDFI Fund to scale housing investments to build new housing and bring down housing costs. CMF dollars often pair with the Low-Income Housing Tax Credit (LIHTC), which the OBBBA permanently expanded and strengthened. Stable delivery of CMF dollars will help LIHTC meet its full potential in addressing our nation's housing shortage and improving housing affordability for everyday Americans.

While we understand difficult decisions must be made amid the ongoing Democratic government shutdown and our nation's unsustainable fiscal trajectory, eliminating all work done by the CDFI Fund will negatively impact our economy long-term. We stand ready to work with the Administration to make additional improvements at the Fund to ensure it fulfills its purpose of serving communities left behind by the federal government and the traditional finance sector. Thank you for your consideration of our request. We look forward to your reply.

Sincerely,

Mike Crapo, U.S. Senator; Young Kim, Member of Congress; Susan M. Collins, U.S. Senator; Tom Cole, Member of Congress; Tom Cotton, U.S. Senator; Steve Daines, U.S. Senator; Tim Scott, U.S. Senator; Bill Cassidy, M.D., U.S. Senator; Bill Huizenga, Member of Congress; Mike Flood, Member of Congress; Cindy Hyde-Smith, U.S. Senator; Trent Kelly, Member of Congress; Roger F. Wicker, U.S. Senator; David G. Valadao, Member of Congress; Todd Young, U.S. Senator; Nicholas A. Langworthy, Member of Congress; Steve Womack, Member of Congress; Nathaniel Moran, Member of Congress; Eric A. "Rick" Crawford, Member of Congress; David P. Joyce, Member of Congress; Lisa Murkowski, U.S. Senator; Mike Ezell, Member of Congress; James C. Justice, U.S. Senator; Claudia Tenney, Member of Congress; M. Michael Rounds, U.S. Senator; John R. Moolenaar, Member of Congress; Tim Sheehy, U.S. Senator; Brian K. Fitzpatrick, Member of Congress; John Hoeven, U.S. Senator; Michael V. Lawler, Member of Congress; Thom Tillis, U.S. Senator; Troy Downing, Member of Congress; Kevin Cramer, U.S. Senator; Pete Sessions, Member of Congress; Deb Fischer, U.S. Senator; Andrew R. Garbarino, Member of Congress; Katie Boyd Britt, U.S. Senator; Earl L. "Buddy" Carter, Member of Congress; James E. Risch, U.S. Senator; Chuck Edwards, Member of Congress; Mitch McConnell, U.S. Senator; Michelle Fischbach, Member of Congress; David H. McCormick, U.S. Senator; Bruce Westerman, Member of Congress; John Cornyn, U.S. Senator; Mariannette J. Miller-Meeks, M.D., Member of Congress; Dan Sullivan, U.S. Senator; Michael Guest, Member of Congress; Jerry Moran, U.S. Senator; Tim Moore, Member of Congress; Blake D. Moore, Member of Congress; Jeff Hurd, Member of Congress; Nicole Malliotakis, Member of Congress; Rob Bresnahan, Jr., Member of Congress; Don Bacon, Member of Congress; Brad Finstad, Member of Congress; Lloyd Smucker, Member of Congress; Ryan K. Zinke, Member of Congress; Jack Bergman, Member of Congress; Dusty Johnson, Member of Congress; Pete Stauber, Member of Congress; Juan Ciscomani, Member of Congress; Marlin A. Stutzman, Member of Congress; Mark Alford, Member of Congress; Charles E. Grassley, U.S. Senator; Marjorie E. Salazar, Member of Congress; Doug LaMalfa, Member of Congress; Harold Rogers, Member of Congress; Robert B. Aderholt, Member of Congress; Max L. Miller, Member of Congress; Michael R. Turner, Member of Congress; Mike Collins, Member of Congress; Ashley Hinson, Member of Congress; Zach Nunn, Member of Congress; Bryan Steil, Member of Congress; Mike Carey, Member of Congress; Monica De La Cruz, Member of Congress; Mario Diaz-Balart, Member of Congress; Rich McCormick, MD, MBA, Member of Congress; Ryan Mackenzie, Member of Congress; Mike Rogers, Member of Congress; Pete Ricketts, U.S. Senator; Elise M. Stefanik, Member of Congress; Scott DesJarlais, M.D., Mem-

ber of Congress; John H. Rutherford, Member of Congress; David Kustoff, Member of Congress; Randy Feenstra, Member of Congress; Nicholas J. Begich III, Congressman for All Alaska; Carol D. Miller, Member of Congress; Pat Harrigan, Member of Congress; Jefferson Shreve, Member of Congress; Thomas H. Kean, Jr., Member of Congress; Dale W. Strong, Member of Congress; Gabe Evans, Member of Congress; Vern Buchanan, Member of Congress; Michael K. Simpson, Member of Congress; Addison P. McDowell, Member of Congress; Derek Schmidt, Member of Congress; John Rose, Member of Congress; Adrian Smith, Member of Congress; Cliff Bentz, Member of Congress; Erin Houchin, Member of Congress; Rudy Yakym III, Member of Congress; Darin LaHood, Member of Congress; Russ Fulcher, Member of Congress.

The CHAIRMAN. Thank you, Mr. Upton.
We will finally hear from Mr. Locklear. Welcome.

**STATEMENT OF ANTHONY LOCKLEAR, II., TRIBAL MEMBER,
LUMBEE TRIBE; CEO, NATIONAL INDIAN HEALTH BOARD**

Mr. LOCKLEAR. Chairwoman Murkowski, Vice Chairman Schatz and members of the Committee, on behalf of NIHB and the 574 federally-recognized tribal nations we serve, thank you for this opportunity to testify.

My name is A.C. Locklear. I am a member of the Lumbee Tribe of North Carolina, and serve as the Chief Executive Officer for the National Indian Health Board, the only national tribally-led organization dedicated to advancing the health of all tribal nations.

For more than 50 years, NIHB has worked to ensure that the United States meets its trust and treaty obligations to tribal nations, obligations affirmed in law that do not stop during government shutdowns.

While IHS plays a central role, the duty to provide for the health and well-being of American Indians and Alaska Natives extends across all of HHS. According to OMB's 2024 Native American funding crosscut, HHS administers over \$12 billion in Native related funding.

Yet HHS still lacks comprehensive department-wide crosscut on how these dollars and others reach tribal communities. Without it, it is difficult to show how RIFs and the shutdown disrupt services. Every day, the ITU system, including Federal, tribal and urban programs, relies on Federal appropriations to pay staff, keep clinics open and provide lifesaving care. When that funding stops, even briefly, the impact is immediate and severe.

Before advance appropriations, IHS was the only Federal health care agency without funding during shutdowns. Clinics reduced critical services, providers went unpaid, and tribes relied on emergency funds, even facing credit downgrades and real world impacts. In one tribal community, the inability to sustain operations led to the loss of 10 community members' lives.

Thanks to Congressional action and this Committee's leadership, IHS continues full operations during this shutdown. No closures, no furloughs, no missed payments.

When severe storms struck western Alaska earlier this month, the Yukon-Kuskokwim Health Corporation responded immediately because it was funded. That is what stability looks like in action.

But gaps remain. Roughly \$1.3 billion across six IHS accounts are not covered by advance appropriations. For now, IHS is covering those costs while also ensuring that commissioned Corps offi-

cers in tribal facilities continue to receive pay. But that stop-gap is unsustainable.

Similarly, the Special Diabetes Program for Indians is also affected. As the Nation's most effective initiative for combatting diabetes in Indian Country, SDPI is responsible for a 84 percent drop in uncontrolled diabetes-related hospitalizations, and estimates show it saved IHS between \$174 million and \$520 million in health care costs.

SDPI has had only minimal increases in recent years and lacks stable multi-year funding. This shutdown puts the program in jeopardy, forcing IHS to rely on unobligated balances to keep it running.

NIHB strongly supports the permanent reauthorization of SDPI in no less than \$20 million annually with automatic funding increases. Programs like SDPI prove that predictable and advance funding improves program outcomes, extends lives, and upholds the Federal trust responsibility.

Advance appropriations work. Now every tribal health program must be protected so tribes never face a lapse in care. Additionally, workforce reductions are eroding capacity across HHS. We are grateful that Secretary Kennedy is protecting IHS and Tribal Affairs staff from the deepest cuts. Still, IHS and other health program staff are not fully exempt from hiring freezes and workforce impacts.

The Voluntary Early Retirement Authority saw IHS lose over 1,000 employees through retirement attrition. Since then, over 500 positions have been filled, while the agency faces the lowest offer acceptance rate in its history and a 30 percent overall vacancy rate. Forty-three percent of IHS facilities are so thinly staffed that losing just one physician could force closure. These losses translate into preventable deaths in tribal communities.

Across the rest of HHS, RIFs and hiring freezes have further reduced workforce that tribes rely on for grant management and critical technical assistance. At the Administration for Community Living, regional administrators who once served as direct points of contact for tribes were eliminated earlier this year, leaving tribal programs navigating this complex system on their own.

Shutdowns and RIFs are not just fiscal events. They directly weaken the government's capacity to meet its trust and treaty obligations.

As Native communities confront the Nation's most severe health disparities, we need to strengthen, not weaken, the Federal health infrastructure that underpins tribal self-determination and the well-being of our people. We must extend protections to all IHS accounts, rebuild the workforce, permanently reauthorize SDPI, and improve coordination across HHS through a true crosscut of tribal health funding.

Our sovereignty does not shut down. The Federal trust responsibility cannot be reduced in force.

Thank you, and I welcome any questions you may have.
[The prepared statement of Mr. Locklear follows:]

PREPARED STATEMENT OF ANTHONY LOCKLEAR, II., TRIBAL MEMBER, LUMBEE TRIBE;
CEO, NATIONAL INDIAN HEALTH BOARD

Chairwoman Murkowski, Vice Chairman Schatz, and distinguished members of the Committee, on behalf of the National Indian Health Board (NIHB) and the 574+ sovereign federally recognized American Indian and Alaska Native Tribal Nations we serve, thank you for this opportunity to provide testimony on the Impacts of Government Shutdowns and Agency Reductions in Force on Native Communities. This partial government shutdown is not an administrative inconvenience for Native communities and the health-related services on which they rely. It is a direct test of the United States' ability to uphold its trust and treaty responsibilities to Tribal Nations. Every shutdown, every delay, and every reduction in the federal workforce has real and lasting consequences for Native communities. Consequences that are even more dire for our communities and Tribes because of the historical underfunding faced by Indian Tribes and the Indian health system, and are compounded by the unique and varying needs of Indian Tribes. My name is A.C. Locklear. I am a member of the Lumbee Tribe of North Carolina and serve as the Chief Executive Officer for the National Indian Health Board (NIHB).

Founded in 1972, the National Indian Health Board (NIHB) is the only national Tribal organization solely dedicated to advocating for the health and public health of all 574 federally recognized American Indian and Alaska Native Tribal Nations. Governed by a Board of Directors representing each of the twelve Indian Health Service Areas, NIHB serves as the unified voice of Tribal governments to reinforce Tribal sovereignty, strengthen Tribal health systems, secure resources, and build capacity to achieve the highest level of health and well-being for our People.

Trust and Treaty Obligation

Tribal Nations have a unique legal and political relationship with the United States. Over the course of a century, sovereign Tribal Nations and the United States entered more than 300 Treaties that required the federal government to assume specific, enduring, and legally enforceable fiduciary obligations to the Tribes. Through its acquisition of land and resources, the United States formed a fiduciary relationship with Tribal Nations, recognizing a trust relationship to safeguard Tribal rights, lands, and resources.¹ In fulfillment of this Tribal trust relationship, the United States "charged itself with moral obligations of the highest responsibility and trust" toward Tribal nations.² Congress affirmed this duty through the Indian Health Care Improvement Act (IHCIA),³ declaring it the policy of the United States "to ensure the highest possible health status for Indians and to provide all resources necessary to effect that policy."

In 1955, in partial fulfillment of its constitutional obligations, Congress established the Indian Health Service (IHS), one of three entities that comprise the Indian health system. The Indian health system is a three-part network that includes federally operated, Tribally operated, and urban Indian health programs, often referred to collectively as the "I/T/U system." Today, the Indian health system includes 43 Indian hospitals (51 percent of which are Tribally operated) and 650 Indian health centers, clinics, and health stations (86 percent of which are Tribally operated).⁴ Federally operated IHS hospitals range in size from six to 133 beds and are open 24 hours a day for emergency care. IHS-operated facilities offer a range of care, including primary care, pharmacy, laboratory, and x-ray services. However, when specialized services are not available at these sites, health services are purchased from public and private providers through the IHS-funded purchased/referred care (PRC) program. Additionally, 41 urban Indian programs offer services ranging from community health to comprehensive primary care.

Tribally operated facilities are managed by sovereign Tribal Nations through self-determination contracts and self-governance compacts authorized under the Indian Self-Determination and Education Assistance Act (ISDEAA). These Tribal health systems now deliver most care across Indian Country, managing hospitals, clinics, behavioral health centers, and public health departments. These entities are indistinguishable from their federal counterparts in scope and professionalism despite being funded primarily through IHS appropriations and third-party reimbursements. Urban Indian organizations (UIOs), authorized under Title V of the IHCIA, extend culturally grounded care to the American Indian and Alaska Native people

¹ *Worcester v. Georgia*, 31 U.S. 515 (1832).

² *Seminole Nation v. United States*, 316 U.S. 286, 296–97 (1942).

³ 25 U.S.C. § 1602

⁴ Indian Health Service. (2024). The Indian Health Care System—Fact Sheet. Retrieved from: https://www.ihs.gov/sites/newsroom/themes/responsive2017/display_objects/documents/factsheets/IHSProfile.pdf

who live in urban areas. Together, the I/T/U system forms the backbone of health care delivery for Native people. Each of the three components is essential, and each is dependent on predictable, equitable federal funding.

The federal obligation to provide health care to American Indians and Alaska Natives extends beyond the IHS. Congress and the courts have consistently affirmed that the federal trust responsibility encompasses all programs that affect the health and welfare of Tribal Nations, not only those that carry the word “Indian” in their title. Accordingly, the U.S. Department of Health and Human Services (HHS), through its various agencies and offices, shares in this duty. Each HHS division that funds, regulates, or delivers health, and public health, services to Tribal communities is acting in furtherance of that same trust and treaty responsibility.

While IHS serves as the primary federal agency charged with delivering direct health services to Tribes, the broader HHS plays an equally vital role in upholding the federal trust and treaty responsibility for Indian health. Programs housed across HHS agencies, such as the Health Resources and Services Administration’s (HRSA) maternal and child health grants, the Substance Abuse and Mental Health Services Administration’s (SAMSHA) behavioral health and substance-use prevention initiatives, the Centers for Disease Control and Prevention’s (CDC) Tribal public health infrastructure and disease prevention programs, the Centers for Medicare and Medicaid Services’ (CMS) administration of Medicaid and Medicare, as well as the Administration for Children and Families’ (ACF) long term supports and service programs, and the Administration for Community Living’s (ACL) Native American Caregivers Support program, all provide essential support to Tribal governments and health systems as part of the federal government’s trust responsibility. These investments strengthen the economies and health of Native communities by funding providers, expanding behavioral health capacity, supporting workforce development, and ensuring public health preparedness.

When coordinated effectively, these HHS programs act in concert with IHS to fulfill the United States’ fiduciary responsibility to provide for the health and well-being of Tribal Nations. Ensuring their stability through consistent appropriations and dedicated Tribal engagement is therefore not only good public health policy, but also a continuation of the federal government’s enduring legal and moral commitments to the first peoples of this nation. Although we know that Tribal health funding streams reach far beyond the Indian health system, it is often difficult to properly document and track the totality of Tribal health funding and the shortfalls without a proper Office of Management and Budget annual funding report, commonly referred to as a “crosscut.” When funding streams are not clearly identified, it becomes difficult to link financial resources to health-data infrastructure, staffing, or surveillance capacity in Tribal communities. Without a clear funding map, Tribal public health systems are under-resourced in staffing, data systems, or IT infrastructure because the link between funding and capability isn’t visible. Without a clear funding map, Tribal public health systems may be under-resourced in staffing, data systems, or IT infrastructure because the link between funding and capability isn’t visible.

The Indian Health Service Funding

This year, IHS will celebrate its 70th anniversary. However, at no point in the 70 years has Congress fully funded the agency at the level of need. Although NIHB is glad Congress has provided nominal increases to the IHS each year, these increases are insufficient to keep up with rising medical and non-medical inflation, population growth, and often geographically isolated communities that increase facility maintenance costs and other expenses. The result is that, year after year, the Indian health system is unable to make meaningful improvements in reducing the significant health disparities experienced by American Indian/Alaska Native (AI/AN) Peoples.

Year after year, the federal government has failed Native communities by drastically underfunding the IHS far below the demonstrated need. According to the IHS National Tribal Budget Formulation Workgroup, IHS appropriations must reach \$73 billion in FY 2027 to fully meet the current health needs. This amount includes full estimates for all services, facilities, and improvements needed to bring the Indian health system up to the same standards as the general U.S. population. In contrast, the FY 2024 enacted amount for IHS was \$7.22 billion. Similarly, in 2023, IHS spending on medical care per user was only \$4,078, while the national average was \$13,493. However, some IHS areas and Tribes are not even funded at the IHS national average of \$4,078 per user. This is despite years of statements to this effect from NIHB and Tribes across the country. In 2018, the U.S. Commission on Civil Rights found that, “Federal funding for Native American programs across the government remains grossly inadequate to meet the most basic needs the federal gov-

ernment is obligated to provide. Native American program budgets generally remain a barely perceptible and decreasing percentage of agency budgets.”⁵

Meanwhile, in FY 2024, IHS accounts were reduced to make room for growing Contract Support Costs (CSC) and Section 105(l) Lease Payments. With an already dramatically underfunded health system and the rising costs of providing health care nationwide, there is little room to crimp to accommodate these costs. The accounts that bore the brunt were the facilities and the electronic health record line items. This, of course, is compounded by years of sub-inflationary budget increases the agency has weathered, further diminishing IHS’ purchasing power.

According to the IHS and Tribal Health Care Facilities’ Needs Assessment Report to Congress, the need for facilities funding remains enormous. In 1992, the IHS established its current new construction priority list. Over 30 years later, of the original 27 facilities on the list, seven remain to be fully funded. IHS hospitals now average 39 years of age, more than three times the average age of U.S. not-for-profit hospitals (11.5 years). Aging facilities risk code non-compliance, lower productivity, and compromises for healthcare services. At the existing replacement rate, a new 2026 facility would not be replaced *for 290 years*.

IHS exists to serve the health care needs of AI/ANs. However, as a direct result of the continued underfunding of IHS, quality and comprehensive health services remain inaccessible across many Tribal communities. In 2023, the CDC reported that the life expectancy for AI/ANs declined by nearly seven years, to 65.2 years, the same as the total U.S. population in 1944. This difference is 11.2 years fewer than the life expectancy of 76.4 years for the non-Hispanic white population.

AI/ANs experience some of the worst health outcomes in the United States and are dramatically poorer compared with the rest of the U.S. population. Additionally, AI/ANs continue to experience historical trauma from damaging federal policies, including those from the boarding school era and the forced removal from Tribal lands, as well as continuing threats to culture, language, and access to traditional foods. These compounding events along with chronic underfunding and access in Native communities have resulted in AI/AN populations experiencing high rates of poverty, high unemployment rates, barriers to accessing higher education, poor housing, lack of transportation, geographic isolation, and insufficient economic mobility, which contribute to poor health outcomes. Historic and persistent underfunding of the Indian health system has resulted in problems with access to care and has limited the ability of the Indian health system to provide the full range of medications and services that could help prevent or reduce the complications of chronic diseases.

Tribal Impacts of the 2025 Government Shutdown

A federal government shutdown, even a partial shutdown, brings immense stress and uncertainty for Tribal Nations and the programs that serve Native communities. The I/T/U system relies directly on federal appropriations to sustain its day-to-day operations and to deliver culturally grounded, lifesaving care to AI/ANs. When that flow of funding halts, even briefly, the impact reverberates through every level of care, from clinic payroll to medication access to preventive health outreach.

While the 2025 shutdown has demonstrated progress for the Indian health system due to the availability of advance appropriations, persistent vulnerabilities remain. Through funding enacted in FY 2025, IHS clinical services and most operational accounts critical for front-line support remain funded, ensuring that hospitals, clinics, and pharmacies are open and care continues uninterrupted. This stability represents a historic success for Tribal advocacy and proves that advance appropriations work. This success should serve as a model for all federal programs serving Indian Country.

Vulnerable Tribal Health Funding Streams

However, not every IHS account was protected. Several key funding lines, including the Facilities Construction, Sanitation Facilities Construction, the Indian Health Care Improvement Act Fund, Electronic Health Records, Contract Support Costs (CSC), and Section 105(l) lease payments. These combined accounts represent more than \$1.3 billion of IHS’ FY 2025 budget, including approximately \$979 million for CSC and \$349 million for 105(l) leases.⁶ These resources are essential for sustaining the infrastructure and operations that make healthcare delivery possible: maintaining safe water systems, repairing aging facilities, funding administrative costs for Tribally operated programs, and reimbursing lease obligations required under self-

⁵ U.S. Commission on Civil Rights. “Broken Promises: Continuing Federal Funding Shortfall for Native Americans.” December 2018. Available at: <https://www.usccr.gov/files/pubs/2018/12-20-Broken-Promises.pdf>

⁶ Continuing Appropriations and Extensions Act, H.R. 9747, 118th Cong. (2024)

governance compacts. When funding for these lines lapses, Tribes face construction delays, halted sanitation projects, deferred maintenance, and gaps in lease payments that threaten operational stability. These shortfalls demonstrate that even within IHS, advance appropriations must be expanded to cover the full range of accounts that uphold patient safety, facility integrity, and Tribal self-determination.

The shutdown has also exposed vulnerabilities across other federal health agencies. HRSA and SAMHSA funds were delayed, jeopardizing behavioral health programs, maternal health initiatives, and suicide prevention services. The CDC and Environment Protection Agency (EPA) programs that fund Tribal public health infrastructure, environmental safety, and clean water projects were paused or slowed, disrupting vital community health operations. When their functions pause, the effects are immediate.

Supplemental Nutrition Assistance Program

The shutdown has also disrupted nutrition security, which is inseparable from health in Indian Country. The Supplemental Nutrition Assistance Program (SNAP) provides vital food assistance to roughly 170,000 to 500,000 Tribal citizens, including many who live outside areas eligible for the Food Distribution Program on Indian Reservations (FDPIR). With one in four Tribal citizens experiencing food insecurity, any lapse in SNAP benefits would devastate families and deepen existing health disparities. According to the U.S. Department of Agriculture (USDA), SNAP funding will expire on October 31, 2025, without congressional action. To prevent this, Senator Josh Hawley (R–MO) introduced the Keep SNAP Funded Act of 2025 (S. 3024), which would extend flat funding for FY 2026 and restore any missed payments retroactively. NIHB strongly supports this legislation and urges swift action to ensure uninterrupted benefits. Food security is health security, and ensuring stable access to SNAP is an essential part of the federal government's trust responsibility and treaty obligations to Tribal Nations.

The Special Diabetes Program for Indians

One of the most visible examples of how funding instability harms Tribal health is the Special Diabetes Program for Indians (SDPI). Established by Congress in 1997, SDPI remains the nation's most effective federal initiative for combating diabetes in Indian Country. Over nearly three decades, SDPI has achieved a 54 percent reduction in end-stage renal disease and a 50 percent decline in diabetic eye disease among American Indian and Alaska Native adults.⁷ From 2000 to 2015, hospitalizations for uncontrolled diabetes among AI/AN adults dropped 84 percent, due in large part to SDPI innovative initiatives.⁸ The program has also generated major federal savings, including saving Medicare an estimated \$52 million per year and reducing broader HHS healthcare costs by \$174-\$520 million annually.⁹

Despite its success, SDPI was flat-funded at \$150 million for more than 20 years before finally receiving a modest increase to \$159 million in FY 2024 and 2025. However, the 2025 government shutdown has placed this critical program in jeopardy. As of October 1, 2025, the IHS has relied on unobligated balances to sustain operations temporarily. Lapses in funding, like the lapse created by this shutdown, and the ongoing cycle of temporary extensions and yearly renewals create significant uncertainty for the programs. Additionally, it leaves program administrators and participants in limbo. This instability makes it difficult for Tribal and urban Indian health programs to plan long-term strategies, retain skilled staff, and sustain vital diabetes prevention and treatment initiatives.

The NIHB strongly supports the permanent reauthorization of the SDPI at a minimum of \$200 million annually, with automatic annual funding increases matched to the rate of medical inflation. Additionally, the NIHB supports amending the SDPI's authorizing statute, the Public Health Service Act, to permit Tribes and Tribal organizations to receive SDPI funds through self-determination and self-governance contracts and compacts. This change will establish the SDPI as an essential health service and remove the barriers of competitive grants, which do not honor

⁷ Indian Health Service. 2024 IHS Diabetes Care and Outcome Audit Results, available at https://www.ihs.gov/sites/sdpi/themes/responsive2017/display_objects/documents/factsheets/Audit2024FactSheet.pdf. Accessed on October 26, 2025.

⁸ Agency for Healthcare Research and Quality (AHRQ). Data Spotlight: Hospital admissions for uncontrolled diabetes improving among American Indians and Alaska Natives. AHRQ Publication No. 18(19)-0033-7-EF. December 2018. <https://www.ahrq.gov/sites/default/files/wysiwyg/research/findings/nhqdr/dataspotlight-aian-diabetes.pdf>. Accessed on October 27, 2025.

⁹ Department of Health and Human Service. *The Special Diabetes Program for Indians: Estimates of Medicare Savings*, ASPE Issue Brief, May 10, 2019, available at https://aspe.hhs.gov/sites/default/files/private/pdf/261741/SDPI_Paper_Final.pdf. Accessed on October 27, 2025.

the Trust and Treaty obligations to Tribal nations. Self-governance also removes unnecessary administrative burdens that leaves more funding available for direct patient care. Self-governance Supports Tribal sovereignty by transferring control of the program directly to Tribal governments.

Success of Advance Appropriations for the Indian Health Service

For decades, the IHS was subject to the devastating impacts of government shutdowns. In 2022, after years of advocacy by Indian Tribes and NIHB, Congress provided the IHS with advance appropriations for the first time, ending its status as the only federal healthcare provider without advance funding.

The continuity of services and normal operations provided by advance appropriations at IHS during this shutdown reveals the critical need for advanced funding for the I/T/U system. Before the enactment of advance appropriations, the IHS was subject to the full impact of government shutdowns, disrupting all levels of care delivery. During the 35-day government shutdown in 2019, the IHS was the only federal healthcare entity without funding. While direct care services remained exempt, providers did not receive pay. In addition, administrative and technical staff responsible for scheduling patient visits, processing referrals, and managing health records were furloughed. Contracts with vendors for sanitation services and facilities upgrades went weeks without payment, prompting many Tribes to exhaust alternative resources to stay current on these bills. Many Tribes reported losing physicians to other hospitals and health systems unaffected by the shutdown. At the height of the budget instability, some Tribal governments were forced to reconcile their budgets up to 21 times in a single fiscal year due to successive short-term continuing resolutions, each lasting anywhere from a single day to several months.¹⁰ This constant uncertainty strained cash flow and, in some cases, triggered credit downgrades for Tribes financing critical health facilities.

While it is impossible to measure the full scope of adversity brought on by the 35-day government shutdown, one reality remains clear: Indian Country was both unequivocally and disproportionately impacted. Through advance appropriations, the difference is clear. Advance appropriations have helped maintain stability during uncertain times. While Native communities are still affected, the IHS remains functional and responsive during the second-longest shutdown in US history. The IHS remains open thanks to the members of this Committee, as advance appropriations allow clinics to stay open, payroll to continue, and patients to receive care today. These advance funds have directly allowed IHS direct service facilities to maintain services and critical programs, while also planning for the future.

Advance appropriations also helped Tribal health systems respond to unexpected emergencies. On October 11, 2025, eleven days into the federal shutdown, Western Alaska was slammed by remnants of Typhoon Halong, which brought hurricane-force winds and life-threatening floods. In southwestern Alaska, the Yukon-Kuskokwim Health Corporation (YKHC) assisted in coordinating response efforts and aiding in the rescue mission. Initial reports from YKHC indicated that Tribal leaders requested that medical providers and prescription medications be provided to Kwigillingok, Kipnuk, Tuntutuliak, and Chefornak. YKHC immediately coordinated with medical teams to assist these remote locations. Through available funds, YKHC provided services for community members in need and funded other relief efforts.

Impacts of the Reductions in Force

Ongoing RIFs, early retirements, and hiring freezes across the HHS have created serious instability for Tribal Nations and the federal programs that serve them. These are not abstract bureaucratic changes; they directly weaken the government's capacity to fulfill its trust and treaty obligations to Tribal Nations. Since early 2025, workforce reductions and hiring freezes within HHS, particularly at the IHS, HRSA, SAMHSA, and CDC, have significantly reduced the personnel supporting Tribal programs. The uncertainty surrounding these actions has devastated morale, driving experienced staff and clinicians to leave the Indian health system altogether.

The IHS already operates with severe shortages, including a 30 percent overall provider vacancy rate and a 36 percent physician vacancy rate. Many facilities are so thinly staffed that losing just one physician-level provider could force closure; 43 percent of IHS facilities would have to shut their doors if that occurred. These shortages are not new. A 2018 Government Accountability Office report found that IHS

¹⁰US Senate Permanent Subcommittee on Investigations. "The True Cost of Government Shutdowns." February 2019. Available at: <https://www.hsgac.senate.gov/wp-content/uploads/imo/media/doc/2019-09-17%20PSI%20Staff%20Report%20-%20Government%20Shutdowns.pdf>. Accessed on October 27, 2025.

clinics often lack enough doctors and nurses to deliver timely, quality care.¹¹ Staffing is not a bureaucratic detail—it is literally a matter of life and death in many Tribal communities.

When workforce reductions intersect with funding instability, it means lives are at risk. These losses of personnel and capacity translate into preventable deaths in Tribal communities, from precipitous births, cardiac events, untreated diabetes complications, and preventable suicides. We know these impacts because we have lived them. Before IHS had advance appropriations, during previous government shut-downs, members of our families died from exactly these kinds of emergencies.

The ripple effects extend throughout the IHS system. Area and Service Unit offices report bottlenecks in supply orders, personnel actions, and reimbursements for CSCs and Section 105(l) leases, forcing Tribes to deplete reserves or reduce services. As remaining staff shoulder impossible workloads, burnout and attrition accelerate. These reductions are especially damaging for Direct Service Tribes, who rely on IHS-operated care as an expression of sovereignty and trust responsibility. When federal staffing cuts eliminate positions or defer replacements, those Tribes are unfairly penalized, deprived of resources that would otherwise be available through self-governance contracts or compacts.

Beyond the clinical impact, RIFs have also eroded institutional knowledge and broken coordination and communication channels critical to Tribal consultation and intergovernmental collaboration. While NIHB appreciates Secretary Kennedy's efforts to protect Tribal Affairs offices, countless other federal staff—grant managers, liaisons, and technical assistance providers—play indispensable roles in connecting agencies to Tribal governments. Their departures have delayed grant awards, slowed decision-making, and disrupted key programs like HRSA's Rural Tribal Maternal Health Initiative, SAMHSA's Tribal Behavioral Health Grants, and CDC's various public health programs.

Impacts on the Administration for Community Living

When the 2025 HHS reductions went into effect, Tribes lost the bridge between federal policy and community well-being. The Regional Administrators (RAs) within the Administration for Community Living and Administration on Aging served as the direct point of contact for all 574 federally recognized Tribes. The RAs provided application guidance, training, and consistent support that enabled Tribal programs to connect resources with real people—ensuring Elders received meals, caregivers had help, and communities could prevent unnecessary institutional care. Their removal has left Tribal programs, especially smaller and under-resourced ones, to navigate complex systems alone.

The result is not administrative efficiency, but a loss of access to quality of life and positive healthcare outcomes, as Elders and people with disabilities are unable to receive meals, caregiving, and other community-based services that keep them independent in the places they call home. People who once remained safely in our communities are now at higher risk of institutional placement. The financial impact is significant considering the national average cost of nursing home care is \$111,324 per year compared to \$49,900 for home- and community-based care.¹² When Tribes administer these programs, these costs are often reduced further yet the outcomes remain positive with reported high rates of care satisfaction.

Title VI of the Older Americans Act remains the only federal funding stream dedicated exclusively to Tribal aging and disability services. Yet, only about half of Tribes are current grantees, and the absence of ACL technical assistance has made access increasingly fragile. These programs are vital—according to the National Resource Center on Native American Aging (NRCNAA), 42.5 percent of Elders rely on Title VI food programs for nutrition support¹³ or would otherwise go hungry.

Across Indian Country, more than 945,000 Elders age 60 and older now depend on these programs. The “Baby Boomer” generation's aging will triple the number of Elders 65 and older in the coming years. Among them, 36.7 percent report a disability, including Veterans with service-related disabilities. Locally administered, tribally operated programs remain the most efficient and fiscally responsible model. Every dollar invested in these home- and community-based services stays in the community, supports local jobs, and reduces downstream costs to Medicare and Medicaid. Yet coordination between ACL/AoA and Tribal health programs has been

¹¹ U.S. Government Accountability Office, Indian Health Service: Agency Faces Ongoing Challenges Filling Provider Vacancies, GAO-18-580, published August 15, 2018, available at: <https://www.gao.gov/products/gao-18-580>, accessed on: January 27, 2025.

¹² Genworth Financials Care Scout “Cost of Care” calculator, accessed at <https://www.carescout.com/cost-of-care>

¹³ NRCNAA triennial survey of Title VI Elders, Cycle VII 2020-2023, accessed at <https://www.nrcnaa.org/assets/5727-27214/cycle-8-data-book.pdf>

hindered by staff reductions that have slowed communication, impeded program operations, and increased administrative burdens.

To restore function and strengthen partnerships, the NIHB supports reinstating ACL/AoA Regional Administrators to restore technical assistance, training, and communication with Tribal grantees. Additionally, the NIHB recommends extending HHS deadlines for Tribal Title VI applications to prevent service interruptions and avoid more costly nursing-home spending, as well as engaging Tribal Leaders in consultation before any further changes to staff or programs impacting Native communities.

Impacts on the Health Resources and Services Administration

HRSA's maternal health funding and corresponding programs provide critical public health funding to Tribal nations across the US. However, the current government shutdown and the resulting RIFs have exacerbated HRSA's inability to properly provide technical assistance to grantees, leaving many Tribal nations struggling to implement grant programs. For example, Healthy Start, the nation's longest-running federal program dedicated to infant and maternal health, has been severely disrupted, with major staffing and funding impacts. The Healthy Start initiative enrolls pregnant women, partners, and infants up to 18 months of age for care coordination, education, health referrals, and social supports. This is a critical program for Tribal nations as AI/AN mothers experience some of the highest maternal death rates in the US while also facing numerous barriers to accessing care. The chronic underfunding of the IHS and lack of care access across rural settings, leave many AI/AN mothers and infants in care deserts.

Additionally, administrative bottlenecks have also emerged within HRSA's regional offices, where staff reductions have limited the agency's ability to provide technical assistance and monitor grantee performance. Tribal programs that depend on HRSA's guidance, such as health workforce development and health clinic support, are now experiencing gaps in oversight, communication, and program evaluation. These disruptions have real consequences for Tribal populations. Fewer HRSA staff mean fewer resources to recruit and retain clinicians in shortage areas, less support for maternal and child health programs, and reduced capacity to respond to public health emergencies. For Tribal Nations that already face workforce shortages and infrastructure challenges, the cumulative effect is a decline in access to timely, quality care. Moreover, uncertainty surrounding future funding and staffing has weakened morale across HRSA's workforce. Experienced grant officers and program specialists have departed, taking with them years of institutional knowledge that are not easily replaced. This loss of expertise undermines HRSA's long-standing ability to provide technical assistance to Tribal Nations as Tribes seek to improve the health of their people.

Ultimately, the RIFs have triggered a crisis of confidence in the federal commitment to Indian Country. Every lost or unfilled position represents diminished capacity to uphold treaty and trust obligations. At a time when Native communities continue to experience some of the nation's most severe health disparities—from suicide and overdose to chronic disease—weakening the federal health infrastructure that supports them is not only short-sighted; it is a retreat from decades of bipartisan progress toward Tribal self-determination and improving the health and well-being of American Indian and Alaska Native people.

Conclusion

Government shutdowns and reductions in force are not administrative inconveniences; they are breaches of the United States' trust and treaty obligations to Tribal Nations. Every time federal operations are halted, or federal positions are eliminated, it forces Tribal Nations to bear the cost of broken promises. According to the Senate Permanent Subcommittee on Investigations, the last three shutdowns alone cost the federal government \$3.7 billion in back pay and at least \$338 million in lost revenue, late fees, and administrative waste. Those figures capture not only the fiscal waste but the human cost to Indian Country is far greater.

When the federal government shuts down or sheds its workforce, the consequences are immediate. Clinics lose providers, programs lose oversight, and communities lose lifelines. The recent RIFs, early retirements, and hiring freezes across HHS and IHS have compounded this instability, hollowing out the very systems that sustain Tribal health and safety. In small, rural communities, the loss of even one provider, grant manager, or emergency responder can mean the difference between stability and crisis—or between life and death.

Even after funding is restored or staffing plans are rewritten, the damage lingers. The uncertainty erodes trust, drives away skilled staff, and disrupts essential services that cannot easily be restarted. The trust responsibility is not subject to polit-

ical cycles or budget impasse—it is a binding and moral duty that must be honored in both policy and practice.

As Congress and the Administration work to restore stability to the federal budget and workforce, they must ensure that the federal commitment to Tribal Nations is protected from disruption. The federal government's trust and treaty obligations do not shut down, and they cannot be reduced in force. Tribal Nations deserve consistency, respect, and a government that keeps its word. Our sovereignty does not shut down. Our people cannot wait.

Thank you for your time, and for this opportunity to address the committee and answer your questions.

Senator SCHATZ. [Presiding.] Thank you very much, and thanks to all the testifiers.

Senator Cortez Masto?

**STATEMENT OF HON. CATHERINE CORTEZ MASTO,
U.S. SENATOR FROM NEVADA**

Senator CORTEZ MASTO. Thank you. Thank you all for being here.

Mr. Locklear, let me start with you. As we know, November 1st, funds for the Supplemental Nutrition Assistance Program, SNAP, will run out. For my tribe in Death Valley, the loss of SNAP funding means that 200 families, or 50 to 60 percent of their tribe, would lose access to essential food support.

In response, the tribe is preparing to rely on traditional practices, such as hunting elk to feed their members. It is important to highlight how serious of an issue this will become. This Saturday, tribes all across our Country will lose access to essential food services.

Mr. Locklear, can you specify what actions or emergency measures the Indian Health Board is planning to take to address the health impacts of the loss of SNAP support for our tribal communities?

Mr. LOCKLEAR. Sure, absolutely. We are working with our partners across Indian Country, including the Coalition for Tribal Sovereignty, to ensure that we are providing the most resources for tribes to understand what their options are during this time. There are tribes who are, as we mentioned earlier, who have already issued state of emergencies who are going to really access their own funding.

Ultimately, tribes are going to have to tap into their funding to provide for their resources for their people. That is funding that may run out, that they have on reserve.

Senator CORTEZ MASTO. So can I ask you, let's talk specifically Death Valley. If they were to reach out to you, what would you tell them where they could go for assistance?

Mr. LOCKLEAR. I would probably coordinate, so in the National Indian Health Board, we work with our partners who work with SNAP. We don't directly work with SNAP at the National Indian Health Board.

Senator CORTEZ MASTO. Right.

Mr. LOCKLEAR. But we do support those who do. We ultimately will help with any issues that come out of it related to health in any way that we can.

Senator CORTEZ MASTO. And is that something you obviously normally do, but are you putting additional staff dedicated to addressing this during this period?

Mr. LOCKLEAR. That is a wonderful question. Unfortunately, due to funding restraints and also that most of the national organizations such as NIHB, non-profits, rely heavily on Federal funding to support a lot of their programs, which are also being restricted at this time.

Senator CORTEZ MASTO. Outside of the government shutdown that restriction has occurred?

Mr. LOCKLEAR. Yes.

Senator CORTEZ MASTO. Limitations to funding, losing staff.

Mr. LOCKLEAR. Limitations to funding have consistently occurred. So we are looking at other partners, philanthropy, to help bolster that. But we are putting our own resources and our own reserves to make sure that we are supporting Indian Country in this moment the best that we can.

Senator CORTEZ MASTO. Thank you. I appreciate that.

Mr. Upton, in Indian Country where access to homeownership is already limited, the Community Development Financial Institutions have been a critical resource in helping our tribal families access financing, especially after natural disasters.

Can you talk a little about, with the proposed elimination of the CDFI Fund, how do you see this impacting the ability of tribal communities to make long-term housing decisions and recover from natural disasters?

Mr. UPTON. Thank you for that question. The elimination of the CDFI fund would be detrimental to all the hard work, especially getting the USDA 502 relending program, the momentum going for that. Because that program proved to support two Native CDFIs in 2019, did more home loans in one year than the USDA did in 10 years.

Senator CORTEZ MASTO. Right.

Mr. UPTON. The fact of the matter is, Native CDFIs, we are in our communities. We know our communities and we are there working every day in our communities to get homeowners into a home.

The elimination of these funds, the way that we capital stack any more and the way that we bring deals together, it is Native communities helping Native communities. I can see the—we have had the biggest struggle in getting low-interest, long-term capital. And finally with the USDA 502 relending program, it is finally in sight that we could do that. It is potentially a \$50 million annual allotment for housing. And it would put us back 10, 15 years of all the hard work that our Native CDFIs have done.

If the fund is eliminated, our work would stop. And we are going to have to find another avenue. But the CDFI fund itself, it is a stamp for investors to say that, you are investable. So we bring in private capital at a rate of eight to one.

So to answer your question, it would be devastating for our tribal communities. Right now, Native CDFIs are playing a big, big part of it and bringing other partners in on a daily basis to supply housing for our tribal communities.

Senator CORTEZ MASTO. Thank you.

Senator SCHATZ. Senator Smith?

**STATEMENT OF HON. TINA SMITH,
U.S. SENATOR FROM MINNESOTA**

Senator SMITH. Thank you so much, Vice Chair Schatz. And thanks to all of you for being here today. This is such a useful opportunity for us to hear about what is happening, the real-life impacts, as we struggle through this administration, this shutdown.

I am really glad to see Mr. Upton here. You have been such a great friend and advocate and helped my office in many ways, as we have done all the work on CDFIs and Native CDFIs.

So maybe I will start by following up a bit on Senator Cortez Masto's questions. I am trying to get at what are kind of the actual, on-the-ground impacts of the way in which the mass firing of the CDFI Fund at Treasury, what impact that is really having.

In your testimony you write about how none of the three largest home lenders in the U.S. issue federally-guaranteed mortgages for the construction of new permanent homes on tribal lands. So, like zero. This is where CDFIs have played such an integral role, as you said, because you know your communities.

I want to pause on that for a minute and see if there is any additional information you think would be useful for the Committee to understand when we think about that kind of financial desert on tribal lands when it comes to home mortgages without CDFIs.

Mr. UPTON. Without CDFIs, the greatest challenge that we have is being able to bring in, I spoke with the CDFIs up in Alaska yesterday. It is an ecosystem that we have.

Senator SMITH. Right.

Mr. UPTON. And it is bringing in all the Federal programs to support the capital needs to home mortgages. Whether it be new market tax credits, the USDA, there is a number of leveraging tools that we use to fulfill our long-term capital needs.

I think more than anything, the shutdown currently, what it is doing, when you think about this, the CDFI fund itself, there is about \$6 billion of funding that they roll out annually.

I just ran the numbers through a couple of colleagues, there are about 81 employees currently at the CDFI Fund before the RIF. With that \$6 billion, they administer the policy, they review the applications, they word process the compliance, the monitoring, the data analysis, the reporting, the cross-agency coordination. But more than anything, they oversee the certification.

So there is so much that those staff members do that is not happening right now. And without the 2025 awards that should be rolled out as we speak here, the TA awards were announced, but there is no one to process those awards.

More than anything, it is causing maybe, I wouldn't say a lot of fear, but it is that golden stamp that philanthropy sees that you are a certified Native CDFI and you are investable. So maybe there might be some treading back a little bit. It is going to slow the process down if we don't get the staff reversed and get them back to work.

Senator SMITH. Get those RIF'ed people back on the ground, right, exactly.

Mr. UPTON. Yes.

Senator SMITH. Well, there is so much to talk about here. I appreciate very much your being here.

I want to turn to Ms. Harris. Thank you so much for being here. Though I was not here for opening statements, I understand that you spoke about how the president of USET is not able to be here because they are busy trying to figure out how to cover the gaps, huge gaps that are being left in the nutrition program because of this looming, the refusal by the President to spend money that he is authorized to spend to pay for SNAP programs.

And of course, tribal lands have this kind of, the nutrition assistance programs are extremely important, SNAP, but then you also have the FDPIR program which is really important. I am hearing from Minnesota tribes that there is a kind of switching happening right now, as people are trying to figure out, where is the best place to be able to get stable sources of nutrition assistance for folks on tribal lands. People are in the midst of trying to figure out how to change their benefits.

And all of this on top of all these massive cuts to SNAP that happened in the One Big Beautiful Bill, so-called.

So I would love to just hear you comment on this and say a bit more about what you are hearing from members of the communities that you represent.

Ms. HARRIS. Certainly. I think that one of the things that has been incredibly challenging for tribes during shutdown and with the RIFs is just the complete lack of transparency.

Senator SMITH. Yes. You don't know what to do, where to go.

Ms. HARRIS. No one knows what to do or what is going on, and they also can't get in touch with any of their agency partners at this point in time. So everyone is just sort of flying in the dark and trying to do the best that they can at this moment in time.

I think it is important to recognize, too, that tribal nations, we already face longstanding and continuing challenges with providing access to healthy and nutritious food for our citizens. And the challenges contribute to health and educational and overall wellness disparities across all of our tribal communities.

The current situation with SNAP and WIC only further exacerbates the situation. We must further subsidize to provide for the failure of our Federal partners to meet their trust and treaty obligations.

Senator SMITH. Yes.

Ms. HARRIS. Tribal nations are having to, my own tribal nation is having to monetarily subsidize for the WIC and SNAP benefits that some of our citizens are not providing. And given the emergent nature of all this crisis, tribes are scrambling. So they are spending their own time and resources to provide the most basic of human needs, food, for their citizens.

Senator SMITH. I note that I am out of time, and so I am so sorry to cut you off, but I want to respect the Chair and Vice Chair.

I really want to put a point on what you said about how the Federal Government has a trust and treaty responsibility to provide nutrition assistance, housing, other fundamental basics as part of the treaties that we signed. This is not a "nice to," it is not a "may," it is a "shall." And that is the difference here.

Ms. HARRIS. Yes.

Senator SMITH. Thank you.

The CHAIRMAN. [Presiding.] Thank you, Senator Smith.

Thank you all for your testimony that you have shared. I think particularly as we are going into the winter in Alaska, and I know that in many parts of Indian Country, it is very real up in Minnesota, maybe not so much in Hawaii or Nevada, but the concerns about food versus fuel that you have referenced, Mr. Mallot, I think they are very real, when we talk about food insecurity.

We have heard and seen the pictures of the loss from Typhoon Halong, and you see devastation within the village. The part of it that is really heartrending is when you see freezers that had been stocked with subsistence foods, the seal, the berries, all that had been gathered that would take these families through the winter that now is lost because there is no power in these villages.

So their food source for the winter is gone. And then the reliance on SNAP, as you have pointed out, in so many of these communities.

So this is a point that for many in Alaska is tangibly real and tangibly frightening. So everything that we can do to make sure that that SNAP and WIC funding is able to proceed I think has to be a priority for us.

I appreciate the comment that you made, Vice Chairman Harris, in recognizing that it is not just IHS, BIE, BIA that are tribal programs that we need to focus on, that this is where the trust and treaty responsibility is. It is through so many tribal-serving programs. And that is what we are talking about here, across so many of these accounts, and how our Native people are impacted.

I think it is somewhat timely, apparently there is an analysis that has been released by the Brookings Institute about what they call structural flaws in how the Federal Government finances its obligations to Native nations, Native American people, actually suggesting that this might, the impact of the shutdown and the real-world consequences on what it means for food, for fuel, for access to financing, for healthcare, for education, that maybe this is that moment for reform.

So rather than kind of reverting to business as usual, we kind of reevaluate how the Federal Government is meeting its funding obligations to our tribes and Native citizens.

I wanted to ask you, Mr. Bird, because in your comment about the impact of the RIFs on Office of Indian Education, you said that seven of nine have been terminated as of today, is that correct?

Mr. BIRD. Yes, that is correct.

The CHAIRMAN. So, seven out of nine are terminated. We have the office, we have the director of the office in place, right?

Mr. BIRD. Correct.

The CHAIRMAN. And then this is an office that administers millions of dollars in formulae and discretionary grants. I am told that last month, 28 grants were awarded from the Office for Alaska Native education.

So, effectively, you have nobody at home to award these grants, administer these grants, is that a fair summation of where we are right now?

Mr. BIRD. Yes, that is pretty fair. They basically have no contact within the office to handle their drawdowns for their funds, to

relay technical assistance, to help with their data collection that they need to process for their school districts. So really they have basically no help in the D.C. office, in the Office of Indian Education.

And it is so important for students to get the academic support, tutoring, assistance for the Indian Parent committees. So the lack of resources in D.C., in the Office of Indian Education, is lacking. That really leaves the communities struggling in their school districts to understand what is happening.

The CHAIRMAN. And then you also touched on Tribal Head Start, and I am hearing from grantees in my State that are concerned about the impact effective November 1 in terms of these grantees. But also not being able to access technical assistance. There is a stop work order that was received.

What impact will that have on our Tribal Head Starts, if there is nobody there to help with technical assistance?

Mr. BIRD. In some communities, obviously, they have to prepare for their next round or request for funding. So they don't really have the information in place to provide for their auditing purposes as far as getting ready to submit their next level of funding sources.

So they are behind the eight-ball, basically, because they need the assistance up front before they even apply for their next round of funding.

The CHAIRMAN. Mr. Upton, I want to turn to you about CDFIs and the certifications by Treasury. You basically said that there is no Treasury staff to process these certifications.

So if you can't process them, tell me what happens? Tell me what happens in terms of the inability of Treasury to move forward with any certifications when you are talking about access to capital markets.

Mr. UPTON. Without certification, it really gives, certification gives investors, philanthropy partners, Federal agencies, confidence that the funds they deploy to us, whether it be through the form of a grant, it is that golden stamp that we are going to deploy that money with integrity, accountability, and measurable impact.

The CHAIRMAN. So you are saying it is a stamp of approval. So if you don't have the stamp, does that mean that you are less likely to be able to access that loan?

Mr. UPTON. You are going to be less likely to have a philanthropy—philanthropy already, Native-led organizations, are less than 2 percent of total philanthropy giving. With the Native CDFIs especially it is so important that we have that certification.

Because without it, I fear that philanthropy isn't going to as giving and as open, too. There is no guarantee, it is the certification, it is the golden stamp that you are what you say you are. And the CDFI Fund has certified that all of your accountability, you are doing what you said you were going to do with the money that they gave you.

And that is probably the most important when it comes to bringing in private investors and private capital to the work that we do, is that it builds the trust, it builds a trusting relationship with our funders.

Without it, there are many programs that you are required to have that CDFI certification to even apply. And I know there are a lot of investments through, whether it be investment from a bank also, they are going to require some sort of certification. So I think that is my fear, that those types of investments will disappear, and they will disappear quickly.

The CHAIRMAN. Let me turn to Vice Chair Schatz.

Senator SCHATZ. Thank you, Chair Murkowski.

Secretary Harris, thanks for being here. We have seen tribes furlough some of their own staff and have to take loans out. Can you just drill down for me on some of the scenarios that certain tribes are going through with this lack of funding? Tell us what is happening.

Ms. HARRIS. We are hearing from different member tribes of USET. One of the things we have heard anecdotally that tribes are looking at is securing lines of credit. Because right now, there were grants that they anticipated would be coming, but there is no information about whether or not they will be coming or not.

And when we are taking out lines of credit, we are also incurring interest payments on those lines of credit. Then that later pulls tribal funding away from things that could be going to programs. Then at the end of the day, there is no guarantee that those will even come through.

My own tribe is having to supplement SNAP assistance and also our day care facility is due to have a grant. We just recently opened that, and now we are having to supplement that and pay for the day care facility on our own.

I know that many of our tribal members are setting up food banks and trying to work with State and local governments in order to supplement that. Others, as I mentioned in my opening remarks, are trying to supplement with their own hunting and traditional foods.

I think overall, the biggest thing is just that there is no transparency, there is no end in sight. And there is no information, tribal governments are resilient and resourceful and we are problem solvers. But it is difficult to know what you are even solving for, if it is short term, or if it is long term.

So I think everyone right now is just dealing with what is in front of them and trying to find stop-gap measures to provide for our tribal citizens until there is more clarity. I guess at this point, starting to anticipate that this may be a lot longer, and that will require more thinking and more measures on how to deal with it.

Senator SCHATZ. You may not be able to answer this question, because I am not sure any of us quite know, but it seems to me there are at least two things going on. There is the expiration of the appropriations bill, and that has pretty direct impacts on tribes. But then there is also these RIFs that are not really required under the Anti-Deficiency Act.

Can you figure out what is causing what?

Ms. HARRIS. The RIFs, I know I can speak from my own experience, the RIFs are causing us to not be able to even know, in some cases, I mean, we don't know if the person is furloughed or we don't know if the person has been permanently let go.

Historically speaking, I can say that I worked during the Obama administration as the Chief of Staff for Indian Affairs. At that point in time, and I checked this today, we had around 8,000 employees when we went through the 2013 shutdown. Currently, there are about 6,000 employees as identified in the September 2025 contingency planning. Even at that point in time, we were struggling to meet the need.

The fact is that RIFs violate the trust and treaty obligations, and no one is arguing that Indian Affairs or the BIA were ever overstaffed or overfunded, and no one argues that other Federal agencies don't have the same trust and treaty obligations as the BIA and BIE. It is the opposite.

And Congress has again and again, on a bipartisan basis, sought to ameliorate this inequality. But the RIFs are basically taking a hatchet to the progress that we have made in the delivery of trust obligations. It is really taking the authority of Congress away to provide for the trust and treaty obligations.

But I think it is, really, in essence it just a lack of information about what is actually going on, who is actually still at the department, if this is a temporary shutdown thing or if it going to be a permanent RIF situation. I think it is leaving our members confused and without the ability to even properly confront the problem that is in front of us.

Senator SCHATZ. Yes, I think obviously we have some policy disagreements related to the shutdown and even related to Indian Country. But I think it is at least fair if this administration is going to sort of execute a rolling series of RIFs, and because of my relationship with the Chair, I am trying to avoid any sort of partisan vibe here.

But it is at least fair to try to figure out what is related to the shutdown and what is not. Because I am quite worried that we could end up on the other side of this shutdown in a short-term continuing resolution while we work on the rest of the appropriations process. And then we find that, hmm, turns out two-thirds of the problems were just a lack of human beings to push out grants, to communicate with Tribes and Tribal leaders, and programs that serve Native people across the country.

So I actually think we as a committee need to sort out, to the extent that it is possible, what is what. And I understand that in the politics of it all, it is part of a piece, right? It is a point that one party is trying to make to the other, and then the other party, and then it is just partisan warfare.

But you need to know, if this thing is over at some point next month, are your problems over? Or are you still suffering through 30 percent of it? 90 percent of it? 2 percent of it?

And the fact that we don't know the answer to that, that we don't know and you don't know, I think is a problem. We need to at least ground ourselves in the same set of facts.

The CHAIRMAN. Yes, thank you for sharing that, Senator Schatz.

I would agree. I think we need that kind of information. I don't remember how early it was in this session that we had a hearing here in Indian Affairs to look at the impact of some of the reductions in force, with the layoffs, the impact that the layoffs were having on, again, so many of these tribal-serving programs, where

we had the Secretary of HHS say very clearly, I am going to hold IHS harmless in this, and when it came to those layoffs, we saw that.

But I think it was important for the administration to see, it is not just in, again, IHS, BIA, BIE. It is in so many of these other programs where again, tribal citizens are being served.

So understanding the implications of all of this is part of where we are today.

I want to ask a couple of really quick follow-ons. Mr. Mallot, this one is directed to you. I was asked earlier in the hallway by a reporter about LIHEAP. Because they know for us in the north and those in the east this time of year, LIHEAP is important to our colder-weather places.

I was asked, do I have any idea how long LIHEAP funds are going to be available? And I am told that there was supposed to be a new round of funding supposed to go out to the States and the tribes by the 1st of November. That is apparently not going to happen. Some tribes may have leftover funds.

Are you hearing from folks back home about LIHEAP?

Mr. MALLOT. Thank you, Senator, for that question. In my oral remarks, I also wanted to thank you for sponsoring Senate Bill 3024, the Keep SNAP Funded Act. Thank you for that.

Regarding LIHEAP, I was able to talk to Jackie Pata this morning, and she mentioned LEAP for Southeast. You are right, the funding that hits November 1st might not happen. Right now, LIHEAP is administered by tribes or tribal organizations in each region of Alaska. They usually start elders first, so I believe they are taking applications right now in the hopes that the government will open in time.

If November 1 doesn't hit, they don't have any funds to give out assistance. And with SNAP, especially for our elders, who are first in line for LIHEAP, it is going to have them figuring out between medication, food, or heat for their homes.

As I went through and got comments from the communities, a lot of our rural Alaska communities don't have local food banks. It is up to the tribe that does that service. And LIHEAP is a big one of that. So for our elders especially, they might have an application in. There is no guarantee when they will get that funding. So yes, it is going to be crunch as we hit November with SNAP and LIHEAP.

With that said, we also know about the RIFs or furloughs. If the government reopens next week, how long would it take them to get the money out, and any delays that are going to further exacerbate the system, the process.

The CHAIRMAN. There is so much uncertainty that is at play here. We can't figure out the path forward right now on our spending bills. Although I am a little bit more optimistic on that today.

But it just seems that there is more and more concerns that are coming up, whether it is the general funds, the smaller tribes talking about, we don't have very much left in our available funds here, the potential that some of our tribal employees are going to have to start working without pay or being laid off, challenges that come with paying banks when 105(l) and contract support cost payments aren't coming in.

So there is all of this that is at play that is just so challenging, so difficult, so worrisome. And in my view, so unnecessary. There is no good reason for a shutdown ever. And yet we are in the midst of the second longest. And I have no desire in wanting to beat the goal of the longest government shutdown.

So my hope is that not only will we get the government open quickly, we will get a move on with our appropriations bills that need to be resolved now. But also, going forward, a more certain process. And again, given the comments that we have heard from the Vice Chair and what I said earlier about maybe looking at this as a moment for critical review about how we, the Federal Government, meet the trust responsibilities and obligations to our tribes, to American Indians, Alaska Natives, and Native Hawaiians. This might be the kick in the fanny that we need to look a little more critically at that.

Ladies and gentlemen, thank you for making the effort to be here today. Thank you for your testimony. For those who would ask for follow-up questions for the record, we are going to hold it open for a couple of weeks now.

Again, thank you for being part of our very important hearing today and allowing these issues to come forward.

With that, the Committee stands adjourned.

[Whereupon, at 3:14 p.m., the hearing was adjourned.]

A P P E N D I X

PREPARED STATEMENT OF ALBERTA UNOK, PRESIDENT/CEO, ALASKA NATIVE HEALTH BOARD

Chairman Murkowski, Vice Chairman Schatz, and Members of the Senate Committee on Indian Affairs, thank you for the opportunity to provide written testimony on the impacts that the federal government shutdown and reductions in force are having in Indian Country. The Alaska Native Health Board (ANHB) provides the following comments regarding the impacts of the government shutdown on the Alaska Tribal Health System (ATHS). ANHB was established in 1968 with the purpose of promoting the spiritual, physical, mental, social, and cultural well-being and pride of Alaska Native people. ANHB is the statewide voice on Alaska Native health issues and is the advocacy organization for the ATHS, which is comprised of Tribal health programs that serve all 229 tribes and over 234,000 Alaska Native and American Indian people throughout the state.

The ongoing government shutdown is having significant impacts on the ATHS and the communities that we serve. ANHB urges the members of the Senate Committee on Indian Affairs to work with Congressional leadership to institute systems to protect all Tribal-serving programs from future lapses in appropriations.

I. Advance appropriations for the Indian Health Service (IHS) are crucial to the continued functioning of the Tribal health system and must be approved for FY 2027 and future years

Solely because IHS received advance appropriations for fiscal year (FY) 2026, IHS's staff and funding have not been as impacted by the current government shutdown as many other agencies. This means they can continue transferring funds to Tribal programs and responding to Tribal health provider needs. The ATHS has received about seventy percent of its IHS funding for FY 2026, allowing us to continue to provide services to beneficiaries and to keep clinic doors open. And of course, around the country, advance appropriations have allowed IHS to keep its own hospitals and clinics open and to continue providing essential life-saving services.

Advance appropriations are also providing significant benefits outside of the shutdown context. Tribal contractors under the Indian Self-Determination and Education Assistance Act (ISDEAA) can improve their financial stability, better plan for services, and retain qualified health professionals with increased job security for providers—all because they have a reliable source of funds that does not lapse at year end. This improves the care that the ATHS is able to provide to beneficiaries. For example, when providers have more security, they are more likely to continue working in the Tribal health system, rather than seeking out more stable employment opportunities in the private sector. This allows doctors to know their patients better, to spot changes over time, and to provide better care.

Tribes have long called for permanent advance appropriations for IHS and for moving the entire IHS budget to mandatory appropriations, and the current shutdown has only further highlighted the importance of taking such actions. We are deeply concerned about the possible harms to the Tribal health system if IHS does not receive an advance appropriation for FY 2027.

II. Despite IHS's advance appropriation, the government shutdown has still delayed payments to Tribes and Tribal Health Organizations and stalled certain agency activities

Although IHS's advance appropriations have insulated the ATHS and other Tribal health providers from some of the harms of the shutdown, there are several categories of IHS spending that do not receive advance appropriations and where funding has therefore lapsed. These funds support facilities construction, sanitation facilities construction (including water and sewer installation in rural Alaskan communities), Contract Support Costs, and 105(l) leases. Tribes have not received FY 2026 funds for these categories.

While some Tribal contractors may be able to rely on reserves to continue normal operations for a while, not all contractors are in such a position. And even those with reserve funds will eventually need to tap into their program funds to cover fixed administrative and facilities costs if the shutdown continues. This is particularly concerning in Alaska as the winter season begins. As the weather becomes colder and the days grow shorter, Tribes and Tribal health organizations cannot let rural clinics and hospitals freeze or go dark, or decide not to turn on their heating systems. We will be forced to divert other funds to cover the high costs of fuel and electricity in order to keep our facilities open in communities where they are the only source of health care, for beneficiaries and non-beneficiaries alike.

In addition, although IHS staff are largely in place, all attorneys serving IHS with the Department of Health and Human Services Office of General Counsel have been furloughed. This has resulted in a complete halt to many routine agency activities. Meetings have been cancelled, and long-scheduled negotiations have been indefinitely postponed. Amendments to Annual Funding Agreements cannot be approved or finalized without the involvement of IHS's attorneys. And efforts to settle significant agency underpayments that the Supreme Court decreed are statutorily due to Tribal ISDEAA contractors in *Becerra v. San Carlos Apache Tribe* have stalled. Almost all Tribes are still waiting to be made whole, nearly eighteen months after that decision was handed down.

In order to avoid similar harms in future shutdowns, we urge Congress to move Contract Support Costs and section 105(l) lease payments to mandatory spending (if not the whole IHS budget) to reflect their obligatory nature and ensure further stability. We also ask Congress to expand IHS's advance appropriations to all remaining IHS budget line items.

III. Funding from the Special Diabetes Program for Indians has lapsed

When the FY 2025 Continuing Resolution expired, this also marked the expiration of funding for the Special Diabetes Program for Indians (SDPI). The SDPI has been a resounding success over the past three decades, causing the trajectory of diabetes in Indian country to change and lowering the prevalence of diabetes among Alaska Native and American Indian people during the same time when diabetes prevalence rose in the general population. Although IHS has stated that it will use remaining unobligated balances to keep this program running for as long as possible, the uncertainty around this funding is deeply concerning to ANHB and the entire ATHS and threatens to undo these three decades of progress.

IV. Furloughs at SAMHSA have led to significant communication gaps and halted important activities

Cuts and furloughs at the Substance Abuse and Mental Health Services Administration (SAMHSA) have harmed the ATHS. SAMHSA's Grant Project Officers (GPOs) were furloughed when the shutdown began, and Tribes have had no communications with them since October 1. Many ATHS Tribal health providers have staff that work on grant-funded programs; their questions are going unanswered and activities that require approval from the GPO have been left pending. For example, SAMHSA switched to a new client-level evaluation tool on October 1. A training session on this new tool and related-data submission activities was scheduled for that week and was cancelled. Although a guide to data submission in the new tool was provided, no SAMHSA staff are available to answer questions or clarify issues raised by the guide. Reopening the government, and ensuring that these staff return to their jobs, is necessary to help continue this important work.

V. A lapse in funding for SNAP and WIC will harm tens of thousands of Alaskans and create gaps that the State, community organizations, and the Tribal health system simply cannot fill

ANHB is also deeply concerned about the decision by the federal government not to provide full benefits to households under the Supplemental Nutrition Assistance Program (SNAP) starting on November 1. The status of these payments has been in flux, amidst litigation and an emergency declaration by the State of Alaska. But in the meantime, the delay in making these payments is hurting Alaskans. And the impact of missed or partial payments, or even delayed payments, is enormous. Alaska's food pantries and food banks simply do not have the resources to fill the gap that the federal government is leaving. They are already strained by the increased need among federal workers who have been furloughed or are currently working without pay, and among evacuees of the massive flooding and damage caused by Typhoon Halong. This comes on top of a collapse in many of our State's fisheries, leaving few subsistence resources to fill the gap.

Relatedly, ANHB is monitoring the status of the Special Supplemental Nutrition Assistance Program for Women, Infants, and Children (WIC). The State of Alaska

has communicated that their federal funding for WIC is running out. They have reported that they have funding for State staff until November 19 and funding for food vouchers until December 1. Tribal health organizations will have to pull from other resources to support the staff working in the WIC program during the second half of November if the shutdown continues in order to keep this program operational until December 1. After that, this benefit will lapse as well. In Interior Alaska alone, over 650 Alaska Native/American Indian households are receiving WIC services. A lapse in this funding will harm these families, leaving the most vulnerable Alaskans without adequate food as we head into the long winter months. This situation cannot be normalized—we must do better by our next generation.

JOINT PREPARED STATEMENT OF ROBERT MAXIM AND GLENCORA HASKINS,
BROOKINGS INSTITUTION

Dear Committee Members,

Thank you, Chairman Lisa Murkowski, Vice Chairman Brian Schatz, and members of the Committee for the opportunity to provide this written statement for the record. We are authors of a Brookings Institution report, “The government shutdown shows the need to reform how the federal government funds Native American Tribes and communities,” which we co-authored with our colleague Danika Grieser and Liz Malerba of the United South and Eastern Tribes Sovereignty Protection Fund. Our report, which Chairman Murkowski referenced during the hearing, assesses the Tribal-serving federal agencies most impacted by the ongoing federal government shutdown, and recommends far-reaching reforms to federal funding to Tribal Nations, citizens, and communities. We have enclosed a copy of the report for the Congressional Record.* We are writing this statement in our personal capacity and the views expressed in this written statement are our own.

We are responding to Chairman Murkowski’s call to view this government shutdown as a “moment for critical review about how we, the federal government, meet the trust responsibilities and obligations to our Tribes, to American Indians, Alaska Natives, and Native Hawaiians.” Our report offers several approaches to achieve this goal.

One option would be for Congress to greatly expand the share of funding to Indian Country that is covered by advance appropriations. Currently, the Indian Health Service is the only major Tribal-serving agency that is funded by advance appropriations. The positive impacts of advance appropriations have been evident throughout the shutdown, with IHS, Tribally operated healthcare programs, and urban Indian health programs able to continue offering critical, at times lifesaving, care. This is a stark contrast with the 2019 federal government shutdown, when IHS, Tribal healthcare programs, and urban Indian health programs were forced to limit services and close facilities.

In contrast, other federal agencies serving Indian Country have been forced to furlough a significant number of workers during the shutdown. For example, nearly 37 percent of the Bureau of Indian Affairs, over 87 percent of the Substance Abuse and Mental Health Services Administration, and nearly 92 percent of the Food and Nutrition Service were furloughed. In addition, other workers at agencies serving Indian Country have been forced to work without pay since October 1.

Congress has introduced bipartisan *legislation to provide advance appropriations* to several agencies and funding lines beyond IHS, and to confirm IHS’s authority for advance appropriations. However, the scope of the bill has been limited to funding at IHS, BIA, and BIE. The *FY 2024 Native American Funding Crosscut* shows that a total of 32 different federal departments and agencies are currently providing funding and services to Indian Country, in fulfillment of trust and treaty obligations. In our report we propose expanding advance appropriations beyond just IHS, BIA, and BIE by providing all programs that serve Tribal nations, citizens, and communities, as accounted for in the Native American Funding Crosscut, with advance appropriations equal to, at a minimum, their FY 2025-enacted discretionary spending. Doing so would ensure that critical programs across the federal government serving Tribal Nations, citizens, and communities can continue to operate in the event of a future shutdown.

Although advance appropriations would help mitigate issues related to government shutdowns, they would not solve every funding challenge. Multiple previous reports published by Native organizations and the U.S. federal government have highlighted the need for more significant use of mandatory funding in supporting Tribes and Native people, as well as the need to remove restrictions around the uti-

*The information referred to has been retained in the Committee files.

lization of funding. Increasing the share of programs for Tribes and Native American people that are financed by direct mandatory spending would have at least two additional benefits. First, it would protect funding to Tribes from being targeted for funding rescissions, such as those that Congress passed earlier in 2025. Second, converting existing discretionary appropriations to mandatory spending could allow more programs to meet the full needs of all eligible program participants, rather than having to cap eligibility, benefits, or services due to funding restrictions.

To start, Congress could move discretionary funding lines for Tribal administrative costs and facilities leases to mandatory funding. These are two natural first items, as *federal courts* have *affirmed* across multiple cases that these costs must be paid in full, regardless of the appropriations process.

From there, our report provides further guidance on how Congress could go about moving more funding for Indian Country to mandatory funding. We would be happy to provide additional information to the Committee as needed to support your legislative responsibilities.

Both the federal government shutdown and the continuing resolution to reopen the government underscore the urgent need to reform funding for Tribal Nations, citizens, and communities. The continuing resolution passed by Congress only funds the government through January 30, 2026. This means that Tribes and federal agencies can only plan for less than three months of government operations. In addition, a short-term CR leaves open the risk of another shutdown in just a few months. In the spirit of Chairman Murkowski's call-to-action, now is the moment to reform federal funding to Tribal Nations, citizens, and communities.

We thank you for your continued attention to the critical issue of federal funding for Indian Country, and welcome the opportunity to work further with the Committee on this topic.

PREPARED STATEMENT OF FAYE BLUEEYES, ADMINISTRATIVE ADVISOR, DINÉ GRANT SCHOOLS ASSOCIATION (DGSA)

Dear Chairman Murkowski, Vice Chair Schatz, and Members of the Senate Committee on Indian Affairs:

Ya'át'ééh, my name is Faye BlueEyes and I serve as the Administrative Advisor for the Diné Grant Schools Association (DGSA). Established in 2016, the DGSA represents 13 schools on the Navajo Nation reservation which operate as Tribally Controlled Schools Act, P.L. 100-297 (TCSA) grantees. DGSA appreciates the opportunity to provide information to the Senate Committee on Indian Affairs (SCIA) regarding the impacts of the government shutdown and agency reductions in force on DGSA's member schools.

As discussed below, my testimony covers impacts on our member schools including:

- The need for full forward funding for all education related accounts and programs across federal agencies, including, but not limited to, Facilities Operations and Maintenance funds, Education Construction funds, and Johnson O'Malley (JOM) funds; and
- The need to except from furlough all staff who service Indian education programs, including Bureau of Indian Affairs (BIA) staff and staff at the Department of Education's Office of Indian Education (OIE); and
- Teacher shortages and the Presidential Proclamation on H-1B Visas.

TCSA grants are forward funded, but funds are often still delayed

Fortunately, TCS and Bureau of Indian Education (BIE) operated schools are forward funded. The 2025-2026 K-12 school year was funded in the FY 2025 appropriations bill, and those funds will remain available to support continued instructional and related educational services at our member schools throughout the school year and into 2026. The TCSA requires BIE to transfer eighty percent of schools' education funds by July 1, 2025, and the balance of twenty percent funds is due on December 1, 2025. However, the BIE is chronically late in transferring funds to DGSA schools, despite these statutory deadlines, which prevents schools from budget planning and providing adequate services to students.

TCSA grantees are still impacted by non-forward funded programs and agency furloughs

Although our schools have already received a significant portion of their BIE funds for this school year, and it therefore may appear that they are not impacted by the government shutdown, we are still impacted with respect to non-forward

funded programs. Facilities Operations and Maintenance (O&M) funds, and Education Construction funds,—meaning that during a government shutdown, their appropriations lapse and the funds are not available to our schools until Congress acts to fund the government. Organizations such as DGSA have been advocating for O&M funding to be forward funded for many years.

O&M funding is vital to the health, safety, and learning environment of our students and staff. These funds support critical services such as:

- Custodial and janitorial operations; and
- Electrical power, water, gas, and propane utilities; and
- Routine and emergency maintenance—including repairs to water systems, ventilation, and fire safety infrastructure.

O&M accounts are already underfunded and not forward funded, creating major challenges during federal government shutdowns or when Congress operates under Continuing Resolutions. Funds are often delayed until late in the year or after the school year ends, forcing schools to borrow from instructional budgets (such as the Indian School Equalization Program (ISEP)). This disrupts financial planning, delays TCSA Grant Support Cost calculations, and ultimately reduces resources available for student learning.

Currently, school construction projects and requests for assistance from BIA Facilities and Maintenance staff are at a standstill amidst shutdown furloughs and the lapse in funding. Forward funding these accounts would:

- Allow schools to plan budgets from the start of the school year
- Ensure educational programs are not disrupted by facility budget shortfalls
- Prevent costly emergency repairs through timely repairs
- Ensure safe, functional facilities for our students and staff

Early and predictable access to O&M funding would allow our schools to focus on education, not financial uncertainty.

While all BIE personnel is exempt during the shutdown, vital non-BIE personnel is not

Even though all 2,961 employees of the BIE are exempt personnel under the 2025 BIE contingency plan, only 37 percent of BIA staff are considered exempt, including staff in the Facilities and Maintenance offices, and the entire staff at the OIE have received reduction-in-force notices. Our schools are still impacted by these furloughs and RIFs of non-BIE personnel. We strongly encourage Congress to work with federal agencies to ensure these vital positions remain exempt during furlough and fully funded.

Impact of the Supplemental Nutrition Assistance Program

The Supplemental Nutrition Assistance Program—known as SNAP—ended on November 1, 2025. This change will have a serious impact on families across our Nation, and especially on our children. For many Navajo families, SNAP has not just been a benefit—it has been a lifeline.

It has helped parents put food on the table and ensured that our children have been fed and come to school ready to learn.

We know that a hungry child cannot focus on lessons or thrive academically. Their energy, attention, and motivation are all affected when they do not have enough to eat. This situation will not only affect students' ability to learn, but also their overall health and wellbeing.

Our schools will also feel the burden. When students come to school hungry, the responsibility often falls on the schools to provide more meals, more snacks, and more support. This will strain already limited budgets and resources. Schools may be forced to cut from other essential programs to meet the growing need for food.

Teacher Shortages and impact of Presidential Proclamation on H-1B visas

The absence of certified teachers reaches beyond our classrooms. It touches the entire Navajo Nation. Without strong education, we lose future leaders, skilled workers, and engaged citizens. We see fewer Navajo professionals in healthcare, law, engineering, and education. The result is a weakened workforce and increased dependency on systems outside our control. This undermines our journey toward educational sovereignty and self-sufficiency.

At this moment, the national teacher shortage crisis is so severe across BIE-funded schools on the Navajo Nation that our schools have been hiring international graduates authorized to work under an H-1B Visa. On September 21, 2025, a Presidential Proclamation entitled "Restriction on Entry of Certain Nonimmigrant Work-

ers” came into effect which introduced a \$100,000 annual fee for employers sponsoring technically skilled foreign workers on H-1B visas. The President’s announcement specifically identified highpaying tech jobs filled by foreign workers as an area of concern, but the Proclamation will have a significant impact on schools and educators, including educators on the Navajo Nation.

This Proclamation did not include an exemption for TCSA grantees and will likely create additional vacancies for teachers. It is not feasible for Tribally Controlled Schools to sponsor the new H-1B fee or for our teachers to be able to front the \$100,000 cost—a cost greater than our teacher’s yearly salaries. The severity of teacher shortages across schools on the Navajo Nation is compounded by the fact that many schools are in remote, high-elevation regions with:

- Unpaved or poorly maintained access roads
- Harsh weather conditions (heavy snow, muddy terrain)
- Limited access to essential services such as grocery stores, medical care, and vehicle repair

These factors make recruitment and retention extremely difficult, particularly when schools lack adequate employee housing.

While federal law mandates that BIE teachers and counselors receive salaries comparable to Department of Defense educators, local public schools in states like New Mexico are now offering higher salaries, outpacing what BIE-funded schools can provide. This disparity makes it nearly impossible to attract and retain high-quality educators. DGSA has continued to advocate that Congressional appropriators require the BIE to clearly display funding amounts required to comply with Defense Department-equivalent pay rates and to include sufficient funding in its budget request to comply with these requirements.

In addition to ensuring that BIE educators are paid at rates required by federal law, ensuring that all employees of BIE-funded schools receive Federal Employee Retirement System (FERS) benefits would significantly bolster the ability of BIE-funded schools to attract and retain quality teachers. Thank you for your continued support of Tribally Controlled Schools and Native students and educators.

PREPARED STATEMENT OF THE FORT BELKNAP INDIAN COMMUNITY (FBIC)

Introduction

The Fort Belknap Indian Community (FBIC) submits this testimony for the record in response to the U.S. Senate Committee on Indian Affairs hearing on “Impacts of Government Shutdowns and Agency Reductions in Force on Native Communities.” The Fort Belknap Reservation is the homeland to the Assiniboine (Nakoda) and Gros Ventre (Aaniiih) Tribes. Our Reservation is in north central Montana and is rural and remote. Our Reservation includes about 652,000 acres and is almost as large as the State of Rhode Island. We have nearly 7,000 members living on or near our Reservation.

Like many other large land base tribes, we ceded vast lands and resources and reserved a permanent homeland in exchange for the support and protection of the United States. Our Reservation was established through a series of treaties beginning in 1855, as well as Congressional Acts, Executive Orders, and an 1888 Agreement and Act of Congress. As set out in Article VI, Clause 2 of the U.S. Constitution, our Treaties are the Supreme Law of the Land.

The services and programs the United States provides FBIC are not optional obligations, they are formal commitments made through Treaties ratified by the United States and upheld by the Constitution. Every day the Federal government shutdown continues, our essential services, healthcare, social programs, housing, education, and law enforcement, are put in jeopardy. The United States must keep its word and honor the solemn Treaties entered with FBIC and other Indian tribes. Funding to fulfill the United States’ Treaty and trust responsibilities to Indian tribes should be mandatory funding. Treaty programs and services should not be subject to partisan Congressional politics.

Federal Funding Lapse Jeopardizes Tribal Liheap and Child Welfare

FBIC provides social and welfare services in five areas: Social Services, Indian Child Welfare, Child Welfare, Meth Initiative, and Domestic Violence. Social Services play an important role in preventing child abuse and neglect, investigating and prosecuting abuse and neglect, and providing treatment for children and families. In 2021, Social Services had 166 FBIC children placed in foster care off-Reservation and 92 Indian children placed in foster care on the Reservation. Our budget is severely underfunded for foster care services. For the past 23 years, FBIC has carried

out its contract with the Bureau of Indian Affairs (BIA) with little to no increases in funding.

The Fort Belknap Head Start Program provides essential child welfare services to children from FBIC and surrounding counties. FBIC recognizes that the closure of this vital program would have devastating community impacts. While FBIC agreed to cover November expenses during the appropriations lapse, using our limited Tribal funding to underwrite the Federal government's lapse in funding fundamentally violates the trust and Treaty responsibilities owed to our Tribe and future generations. Therefore, immediate action is required to restore federal appropriations so that FBIC can redirect its limited resources back to the priorities it was established to serve.

FBIC is also extremely concerned about the potential lapse in funding for Supplemental Nutrition Assistance Program (SNAP) benefits. FBIC serves a Tribal membership of 7,000 members, a significant portion of whom rely on SNAP benefits to maintain basic food security. The interruption or exhaustion of these funds would trigger a food crisis within our community, immediately impacting the most vulnerable, including children and elders. To help mitigate this lapse in funding for November benefits, the Island Mountain Development Group (IMDG), an autonomous economic development corporation established by the Fort Belknap Indian Community Council, is providing a \$250 gift card to Fort Belknap enrolled Tribal members who live on the Reservation or in the towns of Dodson or Harlem, Montana.

We are grateful we can act, but forcing IMDG to divert funds from established scholarship opportunities and community improvement grants places a severe strain on our operational capacity. Covering essential federal nutrition gaps with Tribal resources is a clear and profound violation of the federal trust and Treaty responsibilities ensuring our community's welfare.

Furthermore, we are extremely concerned about the pending expiration of Low Income Home Energy Assistance Program (LIHEAP) funding. The continuing resolution passed in May 2025 provided only \$41,036 to FBIC. These funds are critical to our operations: 40 percent supports heating (propane assistance), 5 percent supports cooling for elderly or handicapped members at risk of heat-related illness, and the remainder covers year-round and weatherization needs. As winter weather approaches, any lapse in this funding can directly lead to life-or-death situations for our Tribal members. The threat of life-or-death situations for our most vulnerable members due to a Federal funding lapse is a direct breach of the trust and Treaty responsibilities that guarantee FBIC's well-being.

Federal Funding Lapses Undermine Tribal Law Enforcement

The failure to adequately fund Tribal law enforcement is a glaring example of the Department of the Interior's failure to fulfill its Treaty and trust obligations, underscoring the critical need for Indian Affairs to secure more resources. Our Reservation is the size of a small state, yet we are grossly under-resourced, operating with only seven patrol officers and two temporary officers when we need at least 12. This crisis stems from chronic underfunding.

In 1997, the Bureau of Indian Affairs provided \$1.2 million for law enforcement, and 27 years later in 2023, this has only increased to \$1.3 million. Our officers are overworked, stressed, and often work without backup due to high turnover. This is directly tied to the fact that our BIA contract provides some of the lowest officer pay in Montana, making competitive recruitment and retention exceptionally difficult. We requested at least \$5.194 million per year for our contract last year and demand significant and immediate increases in base funding, starting with an essential Cost-of-Living Adjustment (COLA), as the last base funding increase was in FY 2020. Reorganizing existing, insufficient staff and resources—such as consolidating administrative functions—will fail to address increased drug trafficking and violent crime; these changes will not result in competitive wages or improve officer retention.

This systemic failure is made worse by the federal shutdown. The lapse takes a particularly severe and immediate toll on our officers when they are forced to work without pay, which is unacceptable and demoralizing. This creates an impossible financial hardship for our officers and their families, diverting their attention from essential community safety concerns. Furthermore, the crisis extends to our justice system, our BIA Correctional Programs lack funding for effective rehabilitation, leading to the expensive and disruptive shipping of incarcerated members far from home. For example, a BIA facility near us in Hardin, Montana, can hold over 400 inmates but is only staffed for about 20, forcing most of our members to be sent to distant locations like Oklahoma. Finally, to truly improve conditions, local officials must be granted decisionmaking authority, as every regional or national refer-

ral causes us to lose a crucial opportunity to improve the administration of justice and protect our people.

Conclusion

The burden of the Federal government shutdown is adding up. From forcing our law enforcement to work without pay to jeopardizing winter heating and basic nutrition, the federal funding lapses will push the Fort Belknap Indian Community toward a financial and humanitarian crisis. Each day the lapse continues, the Federal government is in direct breach of its trust and Treaty responsibilities, which were established when our Tribe ceded our permanent homeland. These are not discretionary programs; they are non-negotiable commitments. We will not stand by while our people face the loss of food security and safety because of political gridlock. Congress must act immediately to restore full appropriations and establish mandatory, stable funding for all Tribal services and uphold the legal obligations owed to the FBIC and future generations.

PREPARED STATEMENT OF KARI JO LAWRENCE, CEO, INTERTRIBAL AGRICULTURE COUNCIL

Dear Chairman Murkowski and Vice Chairman Schatz:

Thank you for holding a Senate Committee on Indian Affairs hearing on the “Impacts of Government Shutdowns and Agency Reductions in Force on Native Communities” on Oct. 29, 2025. The Intertribal Agriculture Council (IAC) is a national non-profit organization founded by a coalition of federally recognized Tribes in 1987 to pursue and promote the conservation, development, and use of Tribes’ agricultural resources. We offer the following comment letter on the impacts of government shutdowns and reductions in force (RIFs) on Indian agriculture, food systems, and local economies.

Summary of key Tribal agricultural impacts of the government shutdown

USDA and BIA are responsible for core functions required before Tribes or individual Tribal producers can access key credit programs, agreed upon payments for conservation practices, trust land management resources, leases, probate files, and more. The prolonged government shutdown has resulted in Tribes and individual Tribal producers’:

- Inability to access new lines of credit through Farm Loan Programs at the Farm Service Agency (FSA), leading to delays in purchasing forage, seeds, livestock, and other essential inputs for new and experienced producers alike
- Inability to immediately access payment for cattle and other agricultural products sold (Producers who received checks that required FSA endorsement—two-party checks—were unable to obtain the FSA endorsement required to cash the check)
- Inability to get conservation payments from the Natural Resources Conservation Service (NRCS), despite fulfilling agreed-upon practices, threatening the financial stability of individual Tribal producers’ farms and ranches that operate on millions of acres of Tribal lands (and in worse case scenarios, leading some producers to taking out exorbitant interest, pay-day style loans to navigate the over extension on their operating lines of credit that these delayed conservation payments would have otherwise covered)
- Inability to receive Title Status Reports (TSRs) or appraisals of trust land from BIA, documents that are often necessary to access USDA programs
- Inability to pay leases or obtain new leases through BIA, preventing Tribal producers from accessing lands needed for farming or ranching
- Inability to obtain probate services at BIA, keeping valuable agricultural land away from heirs and out of production

Impact of government shutdowns

Lack of access to new lines of credit at FSA

Individual Tribal producers¹ nationwide utilize farm ownership and operating loans available through USDA’s Farm Service Agency (FSA). Access to financing is essential for agriculture operations which often include high upfront costs for land, equipment, inputs, and labor needed to remain competitive and sustain production.

¹In Indian Country, the term Tribal producer can extend to individual, enrolled Tribal members who own their agricultural operations, as well as Tribes that own agricultural operations.

A study on agricultural financing in Indian Country found that 73 percent of Tribal producers polled were limited by lack of access to capital, and that overall unmet financing need in Indian agriculture exceeds \$42 billion. With 86 percent of Tribal communities lacking even a single lending institution, FSA plays a critical role in financing Tribal producers who cannot access other forms of financing (in many instances because commercial lenders refuse to collateralize Tribal trust lands). That is, back-up capital options are few and far between, even in the form of short-term bridge loans.

The government shutdown has throttled this critical source of credit for Tribal producers. While IAC appreciates the partial reopening of county FSA offices, many of the programs that Tribal producers utilize, such as Farm Operating Loans and Farm Ownership Loans, remain closed to new loan applications. Delays in accessing these programs have compounding impacts: In an IAC survey of the shutdown impacts, a Tribal producer reported they are unable to move forward with purchases for forage—hay feed for livestock to supplement or replace grass and other plants that die off during the winter weather. Because of the shutdown, this producer will have to make difficult choices between waiting for the government to reopen and process his loan, which may drive up the cost of forage later in the season; seeking an alternative source of credit such as a friends and family or a payday loan; or going without.

Beginning Tribal producers are also being impacted. In the IAC survey, two beginning producers reported that they are unable to utilize Beginning Farmer and Rancher Loans at FSA, delaying their operations.

Delays in receiving farm income from two-party checks

For the three weeks that FSA county offices were fully closed, Tribal producers with FSA operating loans were unable to receive payments from the sale of their livestock, as the payment was in the form of a two-party check that requires both FSA and the producer to endorse. Many producers' entire year's income comes from this sale, and any encumbrances from an FSA Operating or Farm Ownership Loan means they cannot access the proceeds from this sale until an FSA Farm Loan Programs Staff endorses the check.

The partial reopening of FSA county offices has enabled some producers to get their checks endorsed, but inconsistent policies, staffing, and office hours across offices has created unnecessary uncertainty and confusion.

Delays in receiving conservation payments from NRCS

Many Tribal producers continue to wait on over-due payments from NRCS for agreed upon conservation practices the Tribal producers have either fulfilled or are in the process of fulfilling, most critically from the Conservation Stewardship Program (CSP) and the Environmental Quality Incentives Program (EQIP). These programs provide technical and financial assistance for producers to integrate conservation into working lands. EQIP payments are typically made on a reimbursement basis, meaning during the shutdown, producers are waiting for promised reimbursements of often tens of thousands of dollars many had already budgeted for operational expenses. CSP offers an annual payment, so delays of over a month due to a government shutdown may seriously jeopardize a producer's operation.

Delays in Title Status Reports (TSRs), appraisals, probate, and other administrative processes at BIA

Tribal producers operating on trust lands must often obtain additional documentation and complete additional processes at the Bureau of Indian Affairs. To secure an FSA Farm Operating Loan on Tribal trust land, a producer must first obtain a title status report (TSR) and appraisal from BIA. Producers and loan officers—at both commercial banks and the FSA—report that TSRs can take 90+ days to process, and appraisals may take 6 to 9 months. With the government shutdown, the backlog for appraisals and TSRs will only be worsened.

Tribal producers are also reporting that because BIA is closed, probate cases are being resolved, locking land up from heirs and out of production. According to the Congressional Research Service, BIA already has a backlog of more than 32,000 cases, and resolving a case can take multiple years.² This backlog and these delays will only worsen the longer the government shutdown continues.

Delays in renewing or obtaining new leases

Tribal producers are also unable to obtain new leases or renew agricultural leases from BIA to operate on trust lands. Without these leases, Tribal producers lack the

² CRS. Jan. 2024. <https://www.congress.gov/crs-product/R47908#—Toc157517867>

authority to begin or continue agricultural operations on these lands—and delays of even a few weeks can lead to missing key windows for fall or winter planting or losing time for grazing livestock. In addition, Tribal producers often need leases to access key FSA and NRCS programs.

Impact of Reductions in Force (RIFs) and other staff departures

Current workforce shortages have led to profound inefficiencies that delay critical responses and approvals for Tribes and Tribal producers, directly leading to lost income, financial instability, and missed economic opportunities in Indian agriculture, as well as significant degradation and loss of financial value to trust lands. The failure to maintain adequate staffing to meet Tribal needs is an abrogation of the federal government's trust and treaty obligations to Tribes.

Staff shortages at USDA

According to USDA's own numbers, over 15,000 employees have left USDA since the start of the year—a loss of approximately 15 percent of the USDA workforce.³ As a result, the USDA workforce is the smallest it has been in at least 27 years.⁴ According to the National Association of Farmer Elected Committees, which represents FSA county committees, there are fewer than 6,000 FSA County Office employees,⁵ a loss of several thousand staff from just a few years ago, across 2,300 county offices. These workforce have exacerbated challenges Tribal producers face obtaining loans, enrolling in conservation programs, receiving payments, getting checks endorsed, and other essential services.

Staff shortages at BIA

Tribes and Tribal producers have long expressed concerns with staff shortages at the BIA. The lack of sufficient staffing at BIA's Division of Real Estate Services and Division of Natural Resources has led to significant inefficiencies in the management of agricultural trust assets, land inventories and surveys, and management of feral horses, leading to land degradation and financial losses for Tribal landowners and lessees alike. Inadequate staffing has led directly to:

- Failure to fully implement the American Indian Agricultural Resource Management Act of 1993 (AIARMA) and to assist Tribes with establishing Agricultural Resource Management Plans (ARMPs).
- Inadequate inventorying and monitoring of Tribal agricultural resources, which are the basis for land use planning and allocation decisions by BIA and Tribal landowners. Tribal landowners cannot make informed, financially- and ecologically-sound decisions without complete, up-to-date data and assessments.
- Inadequate management of feral horses, an invasive species that been linked to degradation of rangeland ecosystems, including severe soil erosion and trampling that leads to destruction of native plants, traditional medicinal plants, natural springs, fishery habitats, and food resources for native wildlife such as moose, elk, and deer
- Inadequate processing, monitoring, and enforcement of leases and grazing permits
- Inadequate enforcement of trespass regulations, leading to damage and/or depletion of agricultural trust resources.

The consequences of government shutdowns and staff reductions are severe and far-reaching for Tribes and Tribal producers. We urge you to prioritize solutions that safeguard the vital agricultural resources and economic well-being of Tribal producers. Thank you for your commitment to this urgent issue.

PREPARED STATEMENT OF CORY BLANKENSHIP, EXECUTIVE DIRECTOR, NATIVE
AMERICAN FINANCE OFFICERS ASSOCIATION

Introduction

Chairwoman Murkowski, Vice Chair Schatz, and Members of the Senate Committee on Indian Affairs (SCIA). Thank you for the opportunity to submit testimony on behalf of NAFOA, founded as the Native American Finance Officers Association,

³ Secretary Memorandum: SM 1078-015. July 2025. <https://www.usda.gov/sites/default/files/documents/sm-1078-015.pdf>

⁴ CalCAN. August 2025. <https://calclimateag.org/usda-staffing-crisis-mass-departures-undermine-local-ag-support/>

⁵ NAFEC. Sept. 2025. https://www.nafecfsa.com/—files/ugd/af9f1b_4966d99317ee456e809944a3ff74a4fd.pdf

to be included in the record for the SCIA Oversight Hearing on “Impacts of Government Shutdowns and Agency Reductions in Force on Native Communities”, which took place on October 29, 2025. For over 40 years, NAFOA has worked to grow Tribal economies and strengthen Tribal finance through advocacy, education, and policy development. Rooted in self-determination, our member Tribes and their enterprises represent the diverse economic landscape of Indian Country.

We know that any pause in federal operations, and particularly a prolonged shutdown, negatively impacts Tribes, Tribal Communities, and their neighbors. A federal shutdown prohibits the federal government from fulfilling its trust and treaty obligations to Tribal Nations. While we appreciate the work the Committee is doing to both understand the impact of the shutdown and work to ensure that Native Communities around the country aren’t disproportionately impacted, the unfortunate fact is that Tribal communities are especially vulnerable to the consequences of a government shutdown. The week after the Committee held this oversight hearing, NAFOA hosted a roundtable for member Tribes, and between the roundtable and other direct member outreach, we know that Tribes are facing incredible economic challenges resulting from both the shutdown and recent Reduction in Force (RIF) announcements. At NAFOA, we remain committed to collecting and sharing stories of impact and helping our member Tribes with tools and resources to navigate federal funding and operational pauses.

TTAC, Treasury, and the Administration

This year, NAFOA has worked diligently to build a strong working relationship with the Administration and with the Department of the Treasury in particular. As an advisor to the Treasury Tribal Advisory Committee (TTAC), we value the work and significant progress of the Treasury this year on critical and long-overdue Tribal issues like the proposed rules regarding wholly-owned Tribally chartered corporate entities and the Tribal General Welfare Exclusion (GWE) Act. We appreciate the Administration’s efforts to correct decades of delays and reduce government overreach with the proposed final rules on these two critical issues, which have hindered economic growth and prosperity in Tribal communities and rural America. We are also eager to work with the new leadership at Treasury, including the new IRS CEO Frank Bisignano and Deputy Secretary Derek Theurer. We also greatly value Treasurer Brandon Beach and Assistant Secretary of Tax Policy Ken Kies’ engagement on Tribal issues supporting the President’s pro-growth agenda for Tribal Nations.

Economic Development: The Shutdown and Reduction in Force

In addition to the strains of the government shutdown, Tribal Nations are concerned about ongoing Reductions In Force in critical positions across the federal government serving Tribal Nations. The Administration has made a number of RIF announcements that will negatively impact Tribal Nations and their abilities to grow and maintain robust Tribal economies and provide for the basic needs of their citizens. Tribes across the country have informed us of challenges with accessing critical systems, a lack of information from federal agencies, and considerable uncertainty about the potential impact of such actions. RIFs place additional hardships on already strained Tribal support programs and services. RIFs during a federal government shutdown only exacerbates the problem, increasing the damage done to communities that are already struggling with a decreased, or entirely lacking, amount of federal aid and/or responsiveness.

One example of a program impacted by the RIF, and which NAFOA has received numerous instances of feedback regarding, is the Community Development Financial Institution (CDFI) and the related Native American CDFI Assistance (NACA) program. Through the NACA Program, competitive awards are made to Native CDFIs in the form of loans, grants, equity investments, deposits, and credit union shares. This multiplies the impact of federal investments and allows Native CDFIs to pursue a variety of goals, from small business creation to affordable housing development, as well as other community development pursuits. However, on October 11th the entire staff of the CDFI Fund received RIF notices with termination date effective December 13th. This action would have severe and lasting impacts on the nearly 100 Native community development financial institutions serving Tribal Nations and communities across Indian Country.

As members of this Committee are aware, the CDFI program has broad, bipartisan support and has been an important engine for economic development where financing might not otherwise be available. This was exemplified earlier this year when Senators from both sides of the aisle requested the allocation of more than \$300m in Congressionally appropriated funding. In a bipartisan letter signed by more than twenty Senators, they outlined why the program is critical:

“Since its inception over three decades ago, the CDFI Fund has proven critical to the CDFI sector’s success and has met the mission to create a public-private partnership to promote access to capital in our most underserved rural and urban communities. Each year CDFIs leverage federal dollars from the CDFI Fund with private-sector investment to boost small business formation, increase housing production, and deliver new capital to America’s forgotten communities.”

The NACA program has been an especially successful part of the CDFI program overall. The nearly 100 Treasury-certified and emerging Native CDFIs across the country—who have an average asset size of just \$5.7 million—rely heavily on NACA Financial Assistance (FA) and Technical Assistance (TA) awards to support and expand their capacity to meet the acute and rapidly growing capital access needs of Native communities—needs that mainstream banking institutions have long ignored. Last month, NAFOA sent a letter to the Administration and Congress, encouraging them to maintain the \$35 million funding level for the NACA Program in the final FY 2026 Appropriations package and ensuring the final FY 2026 Appropriations package includes sufficient funding for the CDFI Fund to support adequate staff to effectively administer the CDFI certification process and distribute NACA Program awards in a timely fashion.

These RIFs directly contradict the intent of Congress and statutorily authorized and appropriated funds. The impact of such action, if allowed, will likely be felt for years and any attempt to restart this critical program will likely result in significant delays and continued challenges for Tribal Nations. In the meantime, what staff remains would be hard-pressed to provide necessary technical assistance that might make or break the success of a given program or initiative.

Advanced Appropriations

Lastly, the shutdown illustrates some of the issues Tribes face when it comes to budget forecasting and financial planning, as the inconsistency of funding from the government puts an incredible strain on Tribal accounting offices. The day before the hearing, the Brookings Institute, with Tribal partners, released a research paper on the impact of the shutdown on Tribes and how it shows the need for reform. The paper’s conclusion echoes what NAFOA has been hearing from members nationwide:

“The impacts are likely to be particularly severe for many Tribes and Native communities, some of which are among the least-resourced places in the country, and many of whom are dependent upon federal funding to provide services to their people.”

To address this issue, for the past few years NAFOA has recommended changing Tribally funded programs under the discretionary classification to the mandatory classification. Reclassifying programs would help Tribes with financial planning and make budget forecasting far more accurate, something that is very important to the business development of Tribes that have an oversized reliance on federal programs and funds. One of the programs that NAFOA strongly supports for reclassification is the Contract Support Costs and Payments for Tribal Leases. Previous President’s Budgets have also called for reclassification of these programs, as did the recent Congressional S. Rept. 118–83. Now is the time to make these changes and help ensure that Tribal

Closing

Thank you all again for the opportunity to submit testimony on this critical issue. Congress must take steps to ensure the federal government upholds its trust and treaty obligations to Tribal Nations without disruption, delay, or compromise. We urge Congress and the Administration to ensure all Tribal programs and federal offices serving Tribal Nations remain fully operational, adequately staffed, and receive their full, Congressionally authorized funds.

PREPARED STATEMENT OF LARRY WRIGHT, JR., EXECUTIVE DIRECTOR, NATIONAL
CONGRESS OF AMERICAN INDIANS

The National Congress of American Indians (NCAI), founded in 1944 and based in Washington, D.C., is the oldest, largest, and most representative national organization comprised of American Indian and Alaska Native Tribal governments and their citizens. NCAI advises and educates the public, state governments, and the federal government on a broad range of issues involving Tribal sovereignty, self-government, treaty rights, and policies affecting Tribal Nations. NCAI’s primary focus is protecting the inherent sovereign legal rights of Tribal Nations through positions

dictated by consensus-based resolutions. These resolutions are promulgated at NCAI's national conventions by the organization's membership, representing approximately 300 Tribal Nations that renew membership annually.

Through policy resolutions and other processes, NCAI also serves the broad policy interests of Tribal governments by working daily to promote strong Tribal and federal government-to-government policies. Below is an overview of a few of the many Tribal-specific programs impacted by the shutdown, agency reductions-in-force (RIFs), deregulation, and reorganization efforts that have impacted Tribal Nations and their members during this uncertain time.

I. Overview of Impacts of Shutdown on Tribal Nations

When it was clear that the necessary appropriations would not be made for Fiscal Year 2026, NCAI moved with urgency and purpose to prepare Tribal Nations with facts, tools, and a plan of action.

NCAI convened a specialized webinar, *Understanding Federal Government Shutdown Impacts on Tribal Nations*, for Tribal leaders and communities to walk through what a lapse in appropriations means for core services. We covered agency guidance, answered questions live, and shared resources that leaders could use to brief councils and communities the same day.

NCAI launched a *centralized online hub* so Tribal governments had resources and guidance in one place, including the Office of Management and Budget (OMB) and agency shutdown guidance, a list of funded accounts, a comprehensive FAQ, a template letter to OMB, and draft talking points with a call script for congressional outreach and constituent updates. These materials were designed for immediate download and use at the department level. NCAI, in coordination with the *Coalition for Tribal Sovereignty*, urged and continues to urge Congress to provide advance appropriations for all Tribal funding—including Bureau of Indian Affairs (BIA) and pressing OMB to exempt Tribal funding lines and Tribal-serving positions from cuts or reductions in force.

Finally, NCAI released a *short survey for Tribal leaders and advocates* to report impacts in real time. The survey asks two core questions:

1. What impact is the federal government shutdown having on your program or community? Help us bring programs and accounts to life for Congress.
2. What have you, your organization, or your community been doing to lessen the impacts of a government shutdown?

A. Impacts of the Federal Government Shutdown

Tribal leaders and advocates reported that their communities and programs were facing funding disruptions, operational challenges, and community-level impacts as a direct result of the shutdown, as well as cascading ripple effects. This shutdown undermines Tribal self-governance, a priority of this Administration, and strains the government-to-government relationship. Further, it causes secondary economic impacts—such as job losses, reduced childcare, and halted projects—which will have negative impacts on Tribal Nations and surrounding communities that will continue long after funding flows again.

Critical services, like policing, family protection, social services, elder care, and emergency management, are either stopped or delayed as a result of a lack of funding and Tribal Nations having to prioritize one critical service over another. Projects dependent on federal grants or loan guarantees are stalled, jeopardizing the financial stability of Tribal Nations. Tribal governments and programs (e.g., senior meal sites, elder nutrition, cultural preservation) have shut down or reduced hours, leading to furloughs. Agencies like BIA and United States Department of Agriculture (USDA) have been largely unresponsive, preventing reporting, compliance checks, and drawdowns.

B. Tribal Actions to Lessen Impacts of Federal Government Shutdown

Tribal Nations are resorting to a variety of strategies to minimize the significant and negative impacts on Tribal Nations caused by the lack of appropriations. Many Tribal Nations and organizations are drawing from reserves or contingency funds to maintain essential services and staff. Tribal Nations are cutting spending, reducing hours, furloughing staff, and delaying noncritical projects. Some are prioritizing essential services and using limited reserves to maintain operations temporarily. Emergency declarations and contingency planning are being activated to mitigate impacts. Tribal Nations are also increasing community support efforts, such as food drives, mutual aid, and reliance on traditional practices. Tribal Nations and Tribal citizens also are relying on emotional and cultural coping strategies, such as prayer and returning to traditional healing.

II. Tribal Specific Programs and Concerns

A. Access to Food: SNAP, WIC, and FDPIR

One in four Tribal citizens experiences food insecurity.¹ An estimated 170,000–500,000 Tribal members participate in the Supplemental Nutrition Assistance Program (SNAP),² and 81,600 Tribal women, children, and infants participate in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).³ When Congress allows these essential food benefits to lapse, we see devastating impacts on Tribal communities. Tribal members and families are already struggling with the increased cost of food—especially on reservations, where the cost of basic staples comes at an even higher price. According to one study, a gallon of milk costs 40 percent more in Indian Country. A loaf of bread is 85 percent more expensive, and chicken is 71 percent more.

NCAI—as one of the original co-founders of the Native Farm Bill Coalition (NFBC or Coalition)—endorsed the Coalition’s October 27, 2025, letter to Congress urging immediate action to prevent the imminent lapse of benefits provided through SNAP and WIC. NCAI encourages Congress to continue ensuring SNAP and WIC remains fully funded and that USDA uses the SNAP contingency reserve and tariff revenue to ensure SNAP and WIC enrollees receive full benefits for November 2025 as outlined earlier this month by the White House.⁴ Federal feeding programs are not welfare programs for Tribal Nations: Tribal Nations prepaid for these benefits through the ceding of millions of acres of land and other concessions made in treaties. Tribal Nations cannot afford a lapse in food benefits.

In addition to our concerns about access to SNAP and WIC, we are concerned about unintended consequences to the Food Distribution Program on Indian Reservations (FDPIR) for three reasons. First, NCAI has heard reports of increased enrollment in FDPIR, a program that may not be prepared for an influx of new enrollments for November and into the future, as Tribal members worry about their access to SNAP and WIC. USDA and Congress should provide oversight of FDPIR operations, including monitoring increased enrollment, adequate purchasing, warehousing, and distribution of food. Additionally, we encourage Congress to support increased appropriations for FDPIR sites that experience significant unexpected increases, ensuring that Tribal members maintain access to food.

Second, as you know, dual enrollment in SNAP and FDPIR is prohibited. Due to the uncertainty of receiving SNAP benefits coupled with the USDA’s November 8, 2025, guidance only allowing the distribution of partial benefits for the month of November,⁵ many Tribal members are scrambling to close their SNAP cases and switch to FDPIR. While USDA issued guidance to provide flexibility to FDPIR sites about the certification of closed SNAP cases on October 31, 2025, significant uncertainty remains for these members caught in the flux. Congress must work in a bipartisan manner to remove the unnecessary prohibition on the dual use of SNAP and FDPIR in the same month. This barrier prevents Tribal members from accessing food when they need it most, including during federal government shutdowns.

Third, NCAI is concerned that USDA is transitioning FDPIR storage and distribution contracts to new vendors during such an uncertain period. Tribal Nations cannot afford another FDPIR warehouse crisis, especially during a potential lapse of SNAP benefits. Congress should provide oversight of the transition to the new storage and distribution vendors.

In the long term, we urge Congress to support the 638 Authority for Tribal Nations to assume administration of both SNAP and FDPIR. This expanded authority will transform food systems in Native communities by bolstering local agricultural economies, increasing access to healthy and traditional foods, and creating new opportunities for Tribal workforce development and local producers who desperately need access to reliable food markets.

B. CDFI Fund

The National Congress of American Indians endorses the oral and written testimony submitted by the Native CDFI Network (NCN) to the Senate Committee on

¹ Feeding America, 2021, https://www.feedingamerica.org/sites/default/files/2021-03/National%20Projections%20Brief_3.9.2021_0.pdf.

² Center on Budget and Policy Priorities, 2022, <https://www.cbpp.org/research/food-assistance/the-historical-determinants-of-food-insecurity-in-native-communities>.

³ FNS, 2025, <https://www.fns.usda.gov/research/wic/participant-program-characteristics-2020-charts>.

⁴ USDA, 2025, <https://web.archive.org/web/20251001155705/https://www.usda.gov/sites/default/files/documents/fy2026-usda-lapse-plan.pdf>.

⁵ FNS, 2025, <https://www.fns.usda.gov/snap/updated-supplemental-nutrition-assistance-program-snap-november-benefit-issuance11-8>

Indian Affairs and joins NCN in urgently calling on Congress to reverse the October 10, 2025, Reduction in Force (RIF) action that terminated all CDFI Fund staff and to halt the Administration’s plan to abolish the Fund altogether. According to a Federal Reserve Bank of Philadelphia study, 46 percent of Tribal communities are located in banking deserts—over 12 times the national average of 3.8 percent.⁶ The 65 Treasury-certified Native CDFIs and recently emerging Native CDFIs that NCN represents are typically the only financial institutions serving our Tribal Nations, citizens, and their communities, providing access to capital, credit, and financial education where no alternatives exist. The RIF action and looming abolishment of the CDFI Fund will economically devastate our Tribal communities and severely harm Native CDFIs’ ability to serve the growing small business, homeownership, agricultural, and consumer lending needs that mainstream banking institutions have long ignored in Indian Country.

Tribal Nations are already experiencing devastating impacts from this action. With an average asset size of just \$5.7 million,⁷ Native CDFIs rely heavily on Native American CDFI Assistance (NACA) Program awards to serve our communities and scale their operations. So far, the FY 2025 congressionally-appropriated NACA funding remains frozen, and no Treasury staff remain to finalize agreements or release awards—essentially choking off critical seed capital that Tribal communities depend on for economic development. Many of Indian Country’s Native CDFIs awaiting recertification remain uncertain, with no one to process applications. The abolishment will also end the New Markets Tax Credits Program that brings private investment to Tribal lands, jeopardize Congress’s bipartisan push to expand the USDA Section 502 Native Relending Program, and eliminate the federal CDFI certification process that Native CDFIs use to secure significant non-federal investments for projects in Indian Country.

The CDFI Fund and the NACA Program are not charity; they are a practical fulfillment of the federal government’s trust and treaty obligations to Tribal Nations ensuring American Indian and Alaskan Native (AI/AN) people have the same access to financial and economic opportunities as all other Americans. Since FY 2010, NACA recipients have originated nearly \$2.6 billion in total loans and investments in Tribal communities, provided more than \$659 million in financing to nearly 4,340 Native-owned businesses, and supported the development of nearly 500 units of affordable housing in Indian Country.⁸ Treasury Department data shows that investments in CDFIs produce an eight-fold return, with each \$1 creating \$8 in private sector investments,⁹ while CDFIs maintain a loan default rate of just 0.36%—roughly half the rate of traditional banks.¹⁰ The consequences of inaction are severe: Native people living on reservations face mortgage rates nearly two percentage points higher than non-Native people outside reservations, meaning a Native family purchasing a \$140,000 home could pay \$100,000 more over a 30-year loan.¹¹

NCAI urges Congress to take immediate action to protect this critical infrastructure for Indian Country’s economic development by:

- Convening an oversight hearing with OMB and U.S. Treasury officials to examine the implications of CDFI Fund staffing reductions and assess their impact on Tribal Nations;
- Maintaining the \$35 million funding level for the NACA Program in the final FY 2026 Appropriations package and ensuring sufficient funding for adequate CDFI Fund staff to effectively administer the certification process and distribute awards in a timely fashion;
- Supporting inclusion of Amendment #3732 in the final FY26 National Defense Authorization Act package, which features provisions to expand the USDA 502 Native CDFI relending program.

Tribal Nations cannot afford the economic devastation that will result from the elimination of the CDFI Fund and the freezing of NACA Program funding.

⁶Federal Reserve Bank of Philadelphia, *U.S. Bank Branch Closures and Banking Deserts*, February 2024, p. 9.

⁷Center for Indian Country Development, *Understanding the Native CDFI landscape*, Federal Reserve Bank of Minneapolis, September 4, 2025.

⁸CDFI Fund, *Native American CDFI Assistance Program Award Book FY 2024*, p. 1.

⁹Treasury Secretary Janet Yellen (Native CDFI Network, *Native CDFIs: Stepping Up to Serve Indian Country Through the Pandemic and Beyond*, July 2021, p. 1)

¹⁰America’s Credit Unions, “STATEMENT from America’s Credit Unions on Secretary Bessent’s Clarification on the CDFI Fund,” March 18, 2025.

¹¹Laura Cattaneo and Donna Feir, *The Higher Price of Mortgage Financing for Native Americans*, Working Paper Series No. 1906, Federal Reserve Bank of Minneapolis, September 17, 2019, p. 1.

C. Housing

The National Congress of American Indians urges Congress to address the severe operational breakdown at BIA realty offices nationwide, which is creating unprecedented barriers to Tribal homeownership and economic development. Staff reductions across BIA realty offices—through retirements and position eliminations—have occurred without any internal or external notification protocols. Lenders attempting to secure Title Status Reports (TSR) for home loans on trust land are receiving no response to emails and phone calls, with no out-of-office notifications or contact information for alternative staff. It has been shared with NCAI that lenders have waited six weeks or longer to discover that their point of contact was no longer employed, leaving loan applications in limbo and Tribal borrowers unable to access homeownership opportunities. This lack of basic institutional communication represents a fundamental failure in the federal government’s trust responsibility to facilitate Tribal housing development.

The impact of these staffing failures extends beyond administrative inconvenience—it actively inhibits Tribal families from purchasing homes and blocks Tribal housing programs from accessing critical capital. The ongoing shutdown is further compounding these challenges by slowing the processing of USDA Rural Development Section 502 direct loans to Tribal borrowers and Section 502 relending loans to Native CDFIs. These programs are essential tools for Tribal homeownership and community development, particularly in areas where conventional financing is unavailable due to trust land status. At the same time, the U.S. Department of Housing and Urban Development’s (HUD) Office of Native American Programs has active competitive funding opportunities—including the Indian Housing Block Grant Competitive and Indian Community Development Block Grant programs—that require HUD staff to manage deadlines, process applications, and award funds. The absence of HUD employees to provide technical assistance, process requests, or oversee these competitive grant programs could halt critical housing services and construction projects across Indian Country. While some Tribal Nations can draw down existing funds or rely on reserves, many do not have that cushion. For those programs, delayed disbursements or lack of federal support means immediate disruption to housing stability for Native families.

We urge Congress to take immediate action to restore functionality to Tribal housing operations and ensure continuity of all programs serving Indian Country. Specifically, Congress must:

- Maintain USDA Rural Development operations during the shutdown, ensuring Section 502 loans continue to reach Tribal borrowers and Native CDFIs.
- Ensure the HUD’s Office of Native American Programs has the staffing and resources necessary to manage active competitive grant deadlines and provide technical assistance to Tribal housing programs. Tribal housing programs are not optional—they are grounded in solemn trust and treaty commitments, which were prepaid with millions of acres of land and other concessions made in treaties.
- Exempt all federal employees serving Tribal Nations, Tribal citizens, and Tribal communities from any shutdown-related furloughs or reductions in force, citing federal trust and treaty obligations as well as the critical need to preserve essential public safety, housing, and health services in Indian Country.
- Support the immediate passage of the Native American Housing Assistance and Self-Determination Act (NAHASDA) Reauthorization.
- Support passage of S.723/H.R.2130, the Tribal Trust Land Homeownership Act of 2025, which attempts to expand Tribal homeownership opportunities by transforming the BIA mortgage approval process through enforceable processing deadlines, mandatory communication protocols, Trust Asset and Accounting Management System data access for Tribal Nations and lenders, and enhanced accountability.

III. Conclusion

The ongoing government shutdown has deeply undermined the federal government’s trust and treaty responsibilities to Tribal Nations, threatening essential services, economic stability, and the health and safety of Native communities. From halted housing and public safety programs to frozen food assistance and economic development funds, the impacts are immediate and compounding. Tribal Nations have demonstrated resilience by deploying emergency measures, drawing down limited reserves, and supporting one another—but these efforts are not sustainable.

NCAI strongly urges Congress and the Administration to act without delay to reopen the federal government and restore full operations for all agencies serving In-

dian Country. Tribal programs are not discretionary; they are the tangible expressions of the United States' solemn commitments to Tribal Nations. To prevent future disruptions to critical services, we further call on Congress to work in a bipartisan manner with Tribal governments to enact advance or mandatory appropriations for all Indian Country funding lines across the federal government.

Only through bipartisan collaboration and sustained consultation with Tribal Nations can we ensure that the federal trust and treaty obligations are met and that Tribal communities are no longer held hostage to political gridlock. NCAI stands ready to work with Congress and the Administration to secure these commitments and safeguard the well-being and sovereignty of Tribal Nations now and for generations to come.

PREPARED STATEMENT OF THE STANDING ROCK SIOUX TRIBE

Introduction

The Standing Rock Sioux Tribe (Tribe) submits this testimony for the record in response to the U.S. Senate Committee on Indian Affairs "Oversight Hearing Impacts of Government Shutdowns and Agency Reductions In Force on Native Communities." Our Standing Rock Reservation encompasses 2.3 million acres in North and South Dakota. We have over 16,000 enrolled members with over half residing on the Reservation. Our infrastructure needs stretch across an area the size of the States of Delaware and Rhode Island combined.

The programs and services the United States committed to provide in our 1851 and 1868 Treaties should not be subject to partisan politics over funding the Federal government. We paid upfront for the services and programs guaranteed in our Treaties by ceding vast and priceless lands, waters, and resources to the United States. Since making those solemn agreements and signing those Treaties, the United States has repeatedly failed to secure our lands, waters, and resources and has chronically underfunded the programs and services owed to the Tribe.

As a large land base Tribe, the area we govern and the programs and services owed to our members are stretched over a large area. This increases pressure on our limited resources like social services, law enforcement, health care, roads, and more. When you compound this existing strain with a Federal government shutdown and federal agency reductions in force (RIF), our already limited resources become dangerously strained.

Congress' inability to fund the government impacts large land base tribes like our Tribe more than most. The unemployment rate on our Reservation is above 50 percent and 40 percent of our families live in poverty. Our Reservation is rural and remote. Our primary economic resources are cattle ranching and farming, our rural casinos, and government programs. Much of our economy relies on federal funding for programs and services that are owed to us for the lands and resources that we ceded to the United States in Treaties.

For these reasons, on October 23, 2025, the Standing Rock Sioux Tribe declared a state of emergency in response to the escalating impacts of the Federal government shutdown. This declaration reflects the immediate threat the shutdown poses to the health, safety, and welfare of our citizens and addresses the importance of reinstating operations and fulfilling their trust and treaty obligations to Indian Tribes. Our biggest and most immediate concern is the effect the government shutdown will have on our social services programs.

Critical Social Services at Risk

The economic reality in our territories highlights this hardship. Our Tribal communities continue to struggle with high unemployment rates stemming from a chronic lack of sustainable job opportunities. The Tribe administers vital programs, including the Supplemental Nutrition Assistant Program (SNAP) benefits, Women Infant Children (WIC) program, Low Income Home Energy Assistance Program (LIHEAP), and the Food Distribution Program on Indian Reservations (FDPIR). Our SNAP program has 20,341 recipients with over 50 percent being children, totaling over \$1.4 million for the last three months alone. Our WIC Program has 203 monthly participants averaging \$20,163 per month, and LIHEAP has 902 participants with an average of \$125,000 per month for fuel assistance. FDPIR supports 4,403 participants with a total retail value of \$891,607.50. These numbers reflect families, elderly, and children who rely on these programs to meet their most basic needs. Any disruption has an immediate and harmful impact on the health and stability of our community.

Despite a recent court order requiring the U.S. Department of Agriculture to pay SNAP benefits, participants will only receive a partial payment and be forced to

make difficult decisions on groceries. This is why we issued a letter to our Congressional Delegation requesting an exemption for Tribal members to be able to participate in both SNAP and FDPIR during states of emergency like Federal government shutdowns. If Tribal members are unable to receive SNAP benefits for an extended period, it is extremely important the Tribe has the ability to feed our people with the FDPIR program. Forcing Indian tribes to only feed certain individuals is inhumane and violates our inherent right to protect our people. We paid in land, let us feed our people.

The stability of our community also relies on our Child Protection Services (CPS). Our CPS are severely underfunded and alarmingly understaffed, with only a couple of investigators assigned to protect hundreds of vulnerable children. With Indian children comprising a staggering 40–50 percent of foster care in North and South Dakota, Indian Affairs lack of resources tragically forces us to place children off-Reservation, undermining family bonds. RIFs to achieve “workforce optimization” and “efficiency” come at the cost of protecting our youth.

Community Safety and Stability Also at Risk

The protection of our community is also affected by the Federal government shutdown, and the Bureau of Indian Affairs (BIA) law enforcement is a glaring example of the Federal government’s failure to fulfill its Treaty and trust obligations. Our BIA law enforcement program operates with only seven patrol officers covering the area of two small states. This is a bleak and dangerous contrast to the minimum of 20 officers needed. This severe shortage directly leads to dangerous situations, unacceptable response times, and rampant officer burnout. Couple the lack of resources with no pay due to a Federal government shutdown will continue to wear down the physical and mental health of BIA law enforcement.

In addition, the pervasive lack of officer housing, forcing most to commute 70 miles from Bismarck, North Dakota, severely impacts effective patrol hours. Compounding this, hiring bottlenecks within BIA critically delays the law enforcement hiring process, causing qualified candidates to seek employment elsewhere and perpetuating this life-threatening law enforcement shortage. Any restructuring of Indian Affairs must prioritize a drastic increase in public safety personnel, coupled with competitive pay, housing solutions, and efficient hiring processes.

Similar to the Federal government shutdown, the planned closure and consolidation of numerous BIA Regional Offices across the country present a significant threat to the timely administration of grazing permits on tribal and individually owned Indian lands. BIA Regional Offices are responsible for managing and protecting the trust lands, assets, and natural resources held in trust by the United States for Tribes and individuals. The elimination of local BIA field offices, many of which provide essential, localized, in-person support in rural areas with limited Internet access, would force Tribal members and ranchers to travel significant distances to access these vital services. This reduction will create substantial administrative delays, hindering the ability of ranchers to secure or renew permits promptly, and jeopardizing the economic stability of tribes.

Advance Appropriations for Essential Tribal Services

To address the funding issues that tribes experience during shutdowns of the Federal government, we support legislation like S. 2771, the Indian Programs Advance Appropriations Act of 2025. S. 2771 authorizes advanced appropriations for certain BIA, Bureau of Indian Education (BIE), and Indian Health Service (IHS) accounts. BIA covered accounts include the Operations of Indian Programs which encompass Road Maintenance and Public Safety and Justice.

This bill would provide stable, long-term funding for federal Indian programs that are guaranteed to us in our Treaties. This approach is already working well for the Indian Health Service (IHS) during this current shutdown. Because of advance funding, there are no service interruptions or uncertainty for the delivery of healthcare. This proven approach must be applied to all federal Indian programs to ensure our communities continue to receive the critical services they are owed.

In 2023, Congress provided IHS with advance funding for the first time, a historic achievement. However, current law does not require IHS to continue receiving advance appropriations, nor does it provide similar authority for the BIE and BIA. S. 2771 would provide the statutory authority to safeguard this financial security for our trust and Treaty responsibilities at these agencies going forward.

Conclusion

The crisis we face, from food insecurity to endangering our community, is a direct result of the United States’ failure to honor its trust and Treaty obligations to our Tribe. The solution is clear and proven by the advance appropriations that Congress provides to IHS. We need advanced appropriations across Indian programs and

services to ensure the partisan political budget battles never threaten the health, stability, and safety of the Standing Rock Sioux Tribe and the commitments that the United States made in Treaties.

We call on Congress to recognize that this is not a budget issue; it is a moral and legal obligation. We demand passage of legislation that protects our essential services, guaranteeing that political gridlock in the capital never again compromises the health, stability, and safety of the Standing Rock Sioux Tribe.

PREPARED STATEMENT OF GJERMUNDSON C. JAKE, PRESIDENT, RAMAH NAVAJO
SCHOOL BOARD, INC.

Dear Chairman Murkowski, Vice Chair Schatz, and Members of the Senate Committee on Indian Affairs:

Yá'át'ééh my name is Gjermundson C. Jake and I serve as the President of the Ramah Navajo School Board, Inc. (RNSB). RNSB operates a complex of Head Start, Early Intervention, Family and Child Education (FACE), Elementary, Junior High, and High Schools, the Pine Hill Health Center, and several social services programs on the Ramah Navajo Reservation in New Mexico. In 1970, RNSB established the Ramah Navajo High School, the first Indian community school governed by an all-Indian, locally controlled school board. Our efforts were a model for the groundbreaking 1975 Indian Self-Determination and Education Assistance Act, PL 93-638 (ISDEAA). Today, RNSB provides quality services and programs to address our community's needs and uplift their economic conditions.

RNSB's FACE-12 programs are primarily forward funded through the Bureau of Indian Education (BIE) and have therefore been relatively insulated from immediate funding disruptions. However, certain Indian Education accounts are not forward funded, such as Facilities Operations and Maintenance, which disrupts our ability to maintain a quality learning environment for our students. We also appreciate the opportunity to provide information to the Senate Committee on Indian Affairs (SCIA) regarding the impacts of the government shutdown and agency reductions in force on all of our programs, particularly those that are not forward funded, but still provide critical services to our community.

Because of the shutdown, RNSB has stepped into the role of the federal government as trustee for the wellbeing of its people. RNSB's Head Start grant renews annually on November 1, and many RNSB families rely on the Supplemental Nutrition Assistance Program (SNAP) and the Women, Infants, and Children (WIC) program for meals. With nothing appropriated for the Head Start program in Fiscal Year 2026 and SNAP and WIC benefits in a tenuous state, RNSB is grateful to be in a position to use its own investment funds to ensure continuity of its Head Start program, which provides essential health, education, nutrition, and family services to the community. During a government shutdown when families have fewer resources to rely on, Head Start becomes an even more critical program. It is paramount, therefore, that Congress insulate Head Start from the effects of government shutdowns. For these reasons and as described in my testimony herein, RNSB respectfully requests that SCIA support the following legislative priorities to ease the burden on Tribal Nations during government shutdowns:

- Ensure a statutory reimbursement mechanism for RNSB's operation of programs with lapsed appropriations in the reopening bill;
- Secure forward funding for Head Start and all education related accounts and programs across federal agencies, including, but not limited to, Facilities Operations and Maintenance funds, Education Construction funds, and Johnson O'Malley (JOM) funds;
- Except or exempt from furlough all staff who service Indian education programs, including Bureau of Indian Affairs (BIA) staff, staff at the Department of Education's Office of Indian Education (OIE), and staff in Region XI of the Office of Head Start.

1. The RNSB Board of Directors has authorized use of investment income to cover RNSB Head Start's fixed costs through December and continues to provide vital care to our community in this time of need

The ongoing shutdown coincided with RNSB's Head Start grant renewal date of November 1, 2025. RNSB's Head Start Program is funded to serve 60 students with 17 staff members who are impacted by a lapse in funding. The timing of the grant renewal created significant uncertainty regarding the continuity of critical early childhood services in our community. While the Administration has been able to divert funds to pay partial SNAP benefits and military salaries, no alternative fund-

ing sources exist for Head Start besides Congressional appropriations. Under the Antideficiency Act (31 U.S.C. § 1341), agencies generally cannot obligate funds during a lapse in appropriations; without an explicit reimbursement mechanism from Congress, Tribal grantees who advance non-federal funds do so at significant financial risk.

Not only does the lapse in funding affect our Head Start services, the government shutdown has prevented RNSB from accessing the technical assistance and federal mechanisms necessary to renew its grants prior to its expiration date. With little to no preparation, RNSB will experience even further delays in receiving our new fiscal year funds once the government reopens.

In exercising its fiduciary duties, the Board of Directors chose to utilize RNSB 's investment income to cover Head Start's fixed costs (GSA leases, salaries, utilities, etc.) through December 2025. If the shutdown does not end before January 1, 2026, the Board of Directors will re-evaluate the use of investment funds and our Head Start program may be forced to close.

RNSB also continues to provide essential care to all members of the Ramah Navajo community, including families of our students. Due to the lapse in SNAP and WIC funds, many in our community were left with uncertainty over how to provide meals for their families. RNSB continues to check in on families in our community (beyond students served by our K-12 and Head Start programs) and provide essential resources, including meals for those in need. In addition, the state of New Mexico has stepped in to cover reimbursements for nutritious meals and snacks provided to our Head Start families through the Child and Adult Care Food Program, which has experienced delays in federal reimbursements due to the shutdown. While RNSB is grateful for the supplemental resources that enable us to continue to provide meals to our neediest families, these are only temporary measures, and we remain concerned about the food insecurity of our community if the shutdown drags on.

2. Congress must provide assurance that there will be a statutory reimbursement mechanism in the reopening bill that would enable RNSB to re-coup expenses for operating its Head Start program during the shutdown with investment funds

The RNSB Board of Directors urges Congress to provide a statutory mechanism to reimburse RNSB for use of its investment income to keep its Head Start program operational during the government shutdown. The Board of Directors takes its fiduciary responsibility seriously and made the crucial decision to provide continuity of early childhood services to our community with investment income. This use of funds was on an emergency basis, and RNSB will need to re-evaluate its use of investment funds if the shutdown continues past December. A crucial factor in RNSB's decision will be whether Congress provides assurance that there will be a reimbursement of expended investment income.

RNSB urges Congress to include language in the reopening bill which mirrors the Further Additional Continuing Appropriations Act of 2019:

SEC 139. (a) If a State (or another Federal grantee) used State funds (or the grantee's nonFederalfund) to continue carrying out a Federal program or furloughed State employees (or the grantee's employees) whose compensation is advanced or reimbursed in whole or in part by the Federal Government-

(1) such furloughed employees shall be compensated at their standard rate of compensation for such period;

(2) the State (or such other grantee) shall be reimbursed for expenses that would have been paid by the Federal Government during such period had appropriations been available, including the cost of compensating such. furloughed employees, together with interest thereon calculated under section 6503(d) of title 31, United States Code; and

(3) the State (or such other grantee) may use funds available to the State (or the grantee) under such Federal program to reimburse such State (or the grantee), together with interest thereon calculated under section 6503(d) of title 31, United States Code.

(b) For purposes of this section, the term "State" and the term "grantee" shall have the meaning as such term is defined under the applicable Federal program under subsection (a). In addition, 'to continue carrying out a Federal program' means the continued performance by a State or other Federal grantee, during the period of a lapse in appropriations, of a Federal program that the State or such other grantee had been carrying out prior to the period of the lapse in appropriations.

(c) The authority under this section applies with respect to any period in fiscal year 2019 (not limited to periods beginning or ending after the date of the enactment of this Act) during which there occurs a lapse in appropriations with respect to any department or agency of the Federal Government which, but for such lapse in appropriations, would have paid, or made reimbursement relating to, any of the expenses referred to in this section with respect to the program involved. Payments and reimbursements under this authority shall be made only to the extent and in amounts provided in advance in appropriations Acts.¹

3. Congress must forward-fund Head Start to ensure stability during government shutdowns

The 2025 shutdown has caused uncertainty in our community regarding funding for the Head Start program, salaries, and reimbursements because it is not forward funded. The potential for temporary closure of our program has on-the-ground impacts that have the potential to lead to reduced enrollment and cutbacks in transportation and meals. Forward funding is a mechanism by which some of the harmful impacts of a government shutdown could be mitigated in the future. AI/AN Head Start programs and the children, families, and communities they serve stand to benefit greatly from the clarity and certainty that forward funding for the program would provide. RNSB would be happy to work with SCIA on legislative language and strategy to secure forward funding for Head Start.

4. Congress must forward fund all Indian Education accounts, including Facilities Operations and Facilities Maintenance, or enact the Indian Programs Advance Appropriations Act

Although our schools have already received a significant portion of their BIE funds for this school year, and it therefore may appear that they are not impacted by the government shutdown, we are still impacted with respect to non-forward funded programs. Facilities Operations and Maintenance (O&M) funds are not forward-funded—meaning that during a government shutdown, their appropriations lapse and the funds are not available to our schools until Congress acts to fund the government.

Operations and Maintenance funding is essential for the health and safety of students and staff at RNSB. It supports vital services like janitorial staff, electrical power, potable water, pest control, and other utilities. Maintenance funding covers routine and emergency repairs, ensuring proper infrastructure for facilities such as water towers, ventilation systems, and fire safety equipment. By ensuring that school facilities are regularly assessed and maintained, schools are able to prevent smaller issues from evolving into larger, costly, and time-consuming emergencies and ensure the safety and comfort of our students and staff to engage in productive learning.

The Facilities Operations and Maintenance accounts are crucial for school budgets but remain underfunded and are not forward-funded. As a result, during government shutdowns or when operating on a Continuing Resolution, schools often cannot access these funds until late in the school year or even after the school year ends. This forces schools to borrow from forward-funded accounts like the Indian School Equalization Program (ISEP), creating accounting issues and potentially leading to service cuts. Additionally, delayed funding affects the timely calculation of Tribal Grant Support Costs. Forward funding these accounts would enhance efficiency and lead to long-term cost savings by helping address maintenance needs before they escalate into costly construction projects.

The Indian Programs Advance Appropriations Act (S. 2771/H.R. 5328) would also directly address this issue by ensuring that the entirety of the BIE receives not only forward funding, but advance appropriations, fully insulating Tribal schools from the disruptions of annual funding lapses. This measure represents the final step in safeguarding BIE schools and students from shutdowns and the political uncertainty of continuing resolutions.

5. Congress must except or exempt from furlough all federal staff that administer Indian Education programs, including AI/AN Head Start

Even though all 2,961 employees of the BIE are exempt personnel under the 2025 BIE contingency plan, only 37 percent of BIA staff are considered exempt, including staff in the Facilities and Maintenance offices, and the entire staff at the OIE have received reduction-in-force notices. Our schools are still impacted by these furloughs and RIFs of non-BIE personnel. When inadequate staff are working to support BIE school facilities, our maintenance needs go unaddressed. In addition, RNSB has lost

¹Pub. L. No. 116-5, 132 Stat. 3124 (2019).

contact with the Office of Head Start while its Head Start grant has expired and it awaits approval on a facilities funding application that was submitted long ago.

RIFs and furloughs during the government shutdown have only exacerbated an existing problem for federal offices serving Indian Education programs. When the White House launched its reorganization of the Executive Branch, the BIE dipped to an over 50 percent vacancy rate. Further, when the Office of Head Start closed five Head Start regional offices, Region XI, the region dedicated to AI/AN Head Start grantees, was not closed, but at least half the staff in Region XI were diverted to other regions that suddenly found themselves with exponentially larger caseloads due to regional office consolidation. The redirecting of Region XI staff to other regions merely exacerbated a problem that already existed in Region XI: high rates of staff turnover and chronic vacancies. RNSB has been assigned at least seven different program specialists and grants management specialists since 2020. This high rate of turnover requires RNSB to restart the process of building rapport with the specialist, educating the specialist on the unique needs of Tribal Head Start programs and RNSB specifically, and reiterating outstanding requests. As a result, projects stall and RNSB is prevented from effectively partnering with the Office of Head Start to administer the best Head Start services for the Ramah Navajo community.

Like the BIE, the Office of Head Start would be considered exempt from furlough if its programs were forward funded. We strongly encourage Congress to work with federal agencies to ensure vital positions serving Indian Education programs remain exempt or excepted during furlough and fully funded.

Conclusion

Thank you for your continued support of Tribally Controlled Schools and Native students and educators.

PREPARED STATEMENT OF ANDREA PESINA, PRESIDENT, NATIONAL INDIAN HEAD START DIRECTORS ASSOCIATION

Chairman Murkowski, Vice Chairman Schatz, and Members of the Committee:

Thank you for the opportunity to submit testimony on behalf of the National Indian Head Start Directors Association (NIHSDA) regarding the impacts of the government shutdown and agency reductions in force (RIFs) on American Indian/Alaska Native (AI/AN) Head Start programs. We deeply appreciate the Committee's commitment to upholding the United States' trust and treaty obligations to Tribal Nations, which do not lapse alongside appropriations, and ensuring continuity of effective, quality programs and services to Native people despite Congressional stalemates.

About NIHSDA and AI/AN Head Start

NIHSDA represents over 150 Tribal Head Start and Early Head Start programs across the United States, serving more than 20,000 Native children annually. These programs are not only early education services—they are comprehensive, community-driven systems of care that provide critical health screenings, nutrition support, mental health services, and family engagement in a culturally rooted and sovereign framework. They are essential public health and social service providers, uniquely situated to meet the needs of Native children and families in Tribal communities. Core services include:

- *Comprehensive Health Screenings:* Including vision, hearing, developmental, dental, behavioral, and immunization checks, ensuring early detection and follow-up care.
- *Preventive Health and Nutrition Services:* Programs provide healthy meals, growth monitoring, and nutrition education tailored to local and cultural dietary needs.
- *Mental and Behavioral Health Services:* On-site mental health consultation, trauma-informed supports, and social-emotional learning integrated into the classroom environment.
- *Family Services and Case Management:* Programs conduct family needs assessments and provide referrals to housing, food assistance, substance abuse recovery, and domestic violence services.
- *Parent and Caregiver Support:* Services include parenting education, goal setting, and advocacy to promote self-sufficiency and strengthen family well-being.
- *Emergency and Wraparound Support:* Assistance with transportation, clothing, and other urgent needs, especially in crisis situations.

- *Culturally Responsive and Sovereignty-Driven Approaches:* AI/AN programs partner with Tribal health departments, incorporate traditional practices and healing, and reflect the values, governance, and priorities of their communities.

These essential services not only support children’s immediate development, but also address long-standing disparities in health access, educational outcomes, and economic opportunity. AI/AN Head Start programs are often one of the few consistent providers of preventive health and social services in Tribal communities.

When the government shuts down, the essential services that AI/AN Head Start programs provide are put in jeopardy. When Head Start goes unfunded, Tribes are forced to divert resources to keep their Head Start programs open, and if a Tribe lacks access to those resources, it may be forced to shut down until the government reopens. Tribes are unable to access the technical assistance necessary to renew their Head Start grants, which will further delay their receipt of new fiscal year funds. These serious problems only compound existing issues involving staff turnover, regional office closures, and RIFs at the Office of Head Start, which prevent Tribes from effectively administering quality and compliant Head Start programs.

NIHSDA surveyed AI/AN Head Start directors to assess how the federal government shutdown and related federal workforce reductions have affected their programs. Respondents represent Tribal Head Start and Early Head Start programs across multiple regions and funding cycles. The findings reveal severe disruption of program operations, communication, and compliance—compounded by the recent reduction of Region XI (AI/AN) Office of Head Start staff by half earlier this year. The combined impact of the shutdown, staffing cuts, and Training/Technical Assistance (TTA) stop-work order has left programs without critical federal guidance or support during active grant and review cycles.

Government Shutdown and RIF Impacts on AI/AN Head Start Programs

1. Funding Expiration and Program Closures

481 AI/AN Head Start centers operate in 26 states, providing vital services to children and families and employing thousands—teachers, family service workers, bus drivers, cooks, and more. These programs serve as economic engines in Tribal communities, enabling 73 percent of participating families to work, attend school, or complete job training. Without sustained federal investment, these families risk losing both child care and jobs—further weakening Tribal economies. This would have devastating consequences, not only for the children and families directly impacted but also for the broader community and economy.

On October 31, 2025, 12 AI/AN Head Start grants serving nearly 2,500 children and employing nearly 600 staff members expired. While the Administration has been able to divert funds to pay partial benefits under the Supplemental Nutrition Assistance Program and military salaries, no alternative funding sources exist for Head Start besides Congressional appropriations. Therefore, these twelve AI/AN Head Start programs have been forced to turn to non-federal resources to keep their doors open and continue providing critical services to their communities. Some Tribes, such as the Fort Belknap Indian Community and the Cherokee Nation, have been able to rely on Tribal funds to support Head Start operations, but Tribes may be unable to sustain programming if the shutdown drags on much longer. Other programs, such as the Ramah Navajo School Board (RNSB), have used Tribal funds to support essential Head Start operations and staffing costs, but require a statutory mechanism for federal reimbursement of those funds. If these Tribes did not have the resources to continue operating Head Start without federal appropriations, they may have been forced to shut down their programs entirely.

On November 30, 2025, 13 additional AI/AN Head Start grants will expire. That’s \$27 million funding over 2,000 enrollment slots in 9 states. If the shutdown drags on, these grantees will also be forced to create contingency plans, divert funds to cover costs, and potentially reduce services or even close their doors entirely. *These communities cannot afford to go without these services.*

2. Furloughs, Reductions in Force, and Lack of Contact with the Office of Head Start

Not only does the lapse in funding affect AI/AN Head Start services, the government shutdown has prevented Tribes whose grants have expired from accessing the technical assistance and federal mechanisms necessary to renew their grants prior to their expiration date. With little to no preparation, these Tribes will experience even further delays in receiving their new fiscal year funds once the government reopens.

Staff furloughs affect more than just grantees whose grants have expired. Many NIHSDA members have reported that they have not had contact with the Office of Head Start since August, leaving critical questions regarding upcoming grant re-

newals, Change of Scope requests, carryover requests, low-cost extensions, monitoring reviews, facility improvement and construction applications, and new requirements unanswered. Monthly program specialist calls have been suspended without notice or status updates from staff. Tribes that have submitted final reports, corrective actions, or appeals have received no response, leaving programs in “unknown status.” The lack of technical assistance and support from the Office of Head Start has stalled Tribal operations, created uncertainty and confusion, and prevented Tribes from budget, compliance, and project planning for their programs. When Tribes are unable to obtain guidance on governance, reporting, and policy interpretation, it creates uncertainty around the correctness of pending submissions and upcoming FA1 and FA2 reviews, which can affect funding continuity. Additionally, Tribes may be unable to complete required reports and submissions without guidance and are uncertain whether missed deadlines will be forgiven when federal operations resume.

Head Start is a complex and heavily regulated program. Every day, hardworking Tribal employees dedicate substantial time and resources toward reporting, oversight, and monitoring to ensure compliance with program requirements and avoid disruptions in funding. *When Tribes are held accountable to a complex set of federal standards, it is the responsibility of the United States to provide a federal support system to help Tribes succeed.* The shutdown has effectively eliminated that federal support system, while Tribes continue to be held to account.

The lost contact during the shutdown has only exacerbated a dire staffing situation at the Office of Head Start due to reorganization efforts earlier in the year. On April 1, 2025, the Office of Head Start abruptly closed and laid off all staff in five of its regional offices. Region XI, the region dedicated to AI/AN Head Start grantees, was not closed, but at least half the staff in Region XI were diverted to other regions that suddenly found themselves with exponentially larger caseloads due to regional office consolidation. The redirecting of Region XI staff to other regions merely exacerbated a problem that already existed in Region XI: high rates of staff turnover and chronic vacancies. One NIHSDA member has been assigned at least seven different grants management specialists since 2020. This high rate of turnover requires the Tribal grantee to restart the process of building rapport with the specialist, educating the specialist on the unique needs of Tribal Head Start programs and the specific Tribe, and reiterating outstanding requests. As a result, projects stall and Tribes are prevented from effectively partnering with the Office of Head Start to administer the best Head Start services for their communities.

Finally, the shutdown has coincided with the integration of seven AI/AN Head Start grants into the Public Law 102–477, as amended (PL 477) program, which began in the summer of 2024. NIHSDA supports Tribes’ sovereign authority to exercise their right under the PL 477 law to propose integration of Head Start into their PL 477 plans, as well as the Bureau of Indian Affairs’ (BIA) exclusive authority to approve or disapprove integration of federal programs into PL 477 plans. Head Start is a program with numerous statutory, regulatory, and administrative requirements, while the purpose of the PL 477 law is to “reduc[e] administrative, reporting, and accounting costs.”¹ To ensure the smooth implementation of Head Start integration into PL 477 plans in compliance with all applicable federal laws, NIHSDA has convened monthly meetings with the BIA, the Office of Head Start, and the PL 477 Tribes to collaborate on implementation matters.

The shutdown and lack of federal staff at both the BIA and the Office of Head Start to support Tribes administering Head Start through a brand new mechanism has brought all progress implementing PL 477 integration to a halt. PL 477 Tribes with upcoming FA1 reviews have no guidance (or ability to obtain guidance) around protocol or the roles of the BIA and the Office of Head Start in conducting these reviews. Therefore, Tribes risk being unprepared for these upcoming reviews and falling out of compliance. Additionally, while non-PL 477 Tribes have been able to access the Payment Management System to draw down Head Start funds as normal, PL 477 integration requires an extra step in the funds transfer process in which the Office of Head Start must transfer funds to the BIA within 30 days of apportionment.² The BIA then transfers the funds to the PL 477 Tribe via the Tribe’s 638 agreement. The lack of staff at the BIA and Office of Head Start have left PL 477 Tribes unable to access their Head Start funds.

3. Impact of the Training and Technical Assistance Stop Work Order

Not only did the Office of Head Start place most staff on furlough during the government shutdown, it also issued a stop work order to the Training and Technical

¹ 25 U.S.C. § 3401.

² *Id.* § 3412(a).

Assistance (TTA) System, which is contracted out to improve the knowledge, skills, and practices of Head Start grant recipient staff to implement quality programs. The suspension of all TTA services has had an extreme negative effect on program quality, compliance, and staff development. Programs have been unable to access assistance for facility applications, budget revisions, and fiscal reviews, leaving Head Start directors unable to confirm compliance with Office of Head Start fiscal protocols. There has been no access to education specialists for curriculum guidance, CLASS³ preparation, or teacher coaching. Therefore, programs may not align instruction with the Head Start Early Learning Outcomes Framework or cultural curriculum standards, threatening program quality. Health and safety staff have not received health and mental health guidance or information on updated immunization requirements or inspection compliance. Even when updated health standards have been communicated to Tribal staff, there is no guidance or clarity on how to implement them during the shutdown. Head Start Policy Council and Tribal Council trainings have been cancelled or postponed, leaving new directors and governing bodies without required orientations and compliance trainings. Finally, reviews and corrective actions are delayed, while required TTA-linked activities for CLASS, enrollment, and leadership transitions cannot proceed.

Some programs have been forced to hire outside consultants at an additional cost to replace lost TTA services. This gap in support greatly affects AI/AN Head Start programs' ability to ensure compliance while delivering high-quality services to families.

4. Collateral Impacts of Nutrition Funding Delays

NIHSDA members have reported increased food insecurity among families due to reductions and delays in benefits under the Supplemental Nutrition Assistance Program (SNAP) and delayed reimbursements under the Child and Adult Care Food Program (CACFP). As holistic programs providing nutrition services, Head Start agencies fill the increased gap in meal and nutrition services left by SNAP and CACFP shortages, but without any additional funds. Federal funding for SNAP ran out on November 1, and SNAP payments have been left in limbo due to the high-stakes legal battle that has fluctuated significantly over a matter of days. CACFP reimbursements have also been delayed, forcing some states to step in to cover reimbursements. Head Start grantees already stretch their federal funding as far as possible to meet community needs, and increased food insecurity can make costs skyrocket and strain AI/AN Head Start vendor relationships with food providers. Shortages in other federal programs significantly impact Head Start, making protecting Head Start during government shutdowns all the more imperative.

How Congress Can Insulate Tribal Head Start Programs from the Impacts of Government Shutdowns and Agency Reductions in Force

1. Congress must include a statutory reimbursement mechanism in the reopening bill that would enable AI/AN Head Start programs that have used their own funds to recoup expenses for operating Head Start during the shutdown

As mentioned above, NIHSDA members whose Head Start grants have expired have turned to Tribal funds to supplement the lapse in federal funds and keep their program doors open. These Tribes may need to continue relying on their own funds even after the government reopens while the Office of Head Start takes time to send out Notices of Award and initiate the grant renewal process. *Therefore, NIHSDA requests that SCIA support the inclusion of language in the reopening bill that would reimburse grantees for funds expended to support the continuation of federal programs during the lapse in appropriations.* Language accomplishing this was included in the Further Continuing Appropriations Act of 2019, which reopened the government after the 2018–2019 government shutdown:

SEC. 139. (a) If a State (or another Federal grantee) used State funds (or the grantee's non-Federal funds) to continue carrying out a Federal program or furloughed State employees (or the grantee's employees) whose compensation is advanced or reimbursed in whole or in part by the Federal Government—

- (1) such furloughed employees shall be compensated at their standard rate of compensation for such period;
- (2) the State (or such other grantee) shall be reimbursed for expenses that would have been paid by the Federal Government during such period had appropriations been available, including the cost of compensating such fur-

³The Classroom Assessment Scoring System® (CLASS) is an observation instrument that assesses the quality of teacher-child interactions in center-based preschool classrooms.

loughed employees, together with interest thereon calculated under section 6503(d) of title 31, United States Code; and

(3) the State (or such other grantee) may use funds available to the State (or the grantee) under such Federal program to reimburse such State (or the grantee), together with interest thereon calculated under section 6503(d) of title 31, United States Code.

(b) For purposes of this section, the term “State” and the term “grantee” shall have the meaning as such term is defined under the applicable Federal program under subsection (a). In addition, “to continue carrying out a Federal program” means the continued performance by a State or other Federal grantee, during the period of a lapse in appropriations, of a Federal program that the State or such other grantee had been carrying out prior to the period of the lapse in appropriations.

(c) The authority under this section applies with respect to any period in fiscal year 2019 (not limited to periods beginning or ending after the date of the enactment of this Act) during which there occurs a lapse in appropriations with respect to any department or agency of the Federal Government which, but for such lapse in appropriations, would have paid, or made reimbursement relating to, any of the expenses referred to in this section with respect to the program involved. Payments and reimbursements under this authority shall be made only to the extent and in amounts provided in advance in appropriations Acts.⁴

NIHSDA urges Congress to include a similar provision in the upcoming reopening bill.

2. Congress must forward-fund Head Start to ensure stability during government shutdowns

Forward funding for Head Start could mitigate many of the harmful impacts of the government shutdown described in this testimony. Forward funds become available during the last quarter of the budget year and continue into at least the following fiscal year. By making funds available for a period of more than 12 months, forward funded programs are able to conduct long-term budget planning, create contingency plans and safety nets, and ensure a continuity of programming for recipients. The vast majority of Indian education accounts, including Elementary and Secondary Education Act funds and the Indian School Equalization Program, are forward funded for these very reasons, as well as to accommodate programs with significant budgetary obligations during the summer and fall in alignment with the academic school year. *NIHSDA would be happy to work with SCIA on legislative language and strategy to secure forward funding for Head Start.*

3. Congress must direct the Office of Head Start to restore staffing levels in Region XI to adequately and efficiently administer all AI/AN Head Start programs and “except” or “exempt” all Tribal-serving employees of the Office of Head Start

As extensively detailed in this testimony, the Office of Head Start has been hit hard by furloughs during the government shutdown, as well as the reduction in force efforts conducted by the Department of Health and Human Services earlier this year. Such severe staffing shortages prevent AI/AN Head Start agencies from accessing the critical federal support necessary to maintain compliance with Head Start requirements and provide quality services to families. Therefore, NIHSDA seeks SCIA’s support in working with the Department of Health and Human Services to (1) ensure Region XI is fully staffed, and (2) ensure vital positions serving Tribal Head Start programs remain excepted or exempt during furlough.

Conclusion

For 60 years, Tribal Head Start and Early Head Start programs have served as foundational systems of care and opportunity for Native children and families. These programs honor cultural identity, promote educational success, and strengthen Tribal communities. The federal government must uphold its trust responsibility by ensuring equitable, stable, and culturally grounded support for these services, even during government shutdowns.

We thank SCIA for its commitment to oversight and for recognizing the vital role of Tribal Head Start in delivering essential health, education, and social services to Native children and families.

⁴Pub. L. No. 116–5, 132 Stat. 3124 (2019).

PREPARED STATEMENT OF JENNIFER RACKLIFF, EXECUTIVE DIRECTOR, NATIONAL
INDIAN CHILD CARE ASSOCIATION

Introduction

On behalf of the National Indian Child Care Association (NICCA), I am submitting the following comments regarding the impacts of the recent federal shutdown on Tribal early childhood programs—specifically Tribal Child Care and Development Fund (CCDF) grantees and other Tribal early learning programs. These comments reflect both organizational observations and direct feedback from Tribal program leaders.

Disruptions in Federal Support and Regional Infrastructure

The shutdown magnified existing challenges stemming from the elimination of five ACF Regional Offices earlier this year. These regions collectively serve approximately 80 percent of Tribal governments. Their closure resulted in:

- Loss of long-serving federal staff with extensive institutional knowledge of Tribal child care.
- Significant gaps in assigned federal points of contact, with some programs going months without a designated OCC representative.
- Newly assigned federal staff who, through no fault of their own, often lack adequate training or experience with Tribal CCDF programs and Tribal governance structures.

Recent layoffs of additional regional staff—including those supporting Tribes in Region VIII—have further reduced federal capacity at a time when programs need more guidance, not less.

Federal Staffing Reductions Affecting Technical Assistance

Staff reductions have also affected the Tribal Child Care Capacity Building Center (TCC CBC), the national technical assistance provider for Tribal CCDF. Several senior staff members with long-standing relationships across Indian Country were laid off, resulting in:

- Slower response times for TA requests;
- Interrupted continuity of training; and
- Reduced support for new Tribal staff and smaller programs.

In addition, the Office of Early Childhood Development (ECD) has reportedly eliminated its cross-office staff who previously coordinated work between the Office of Child Care (OCC) and the Office of Head Start (OHS). This change will impede collaboration across early childhood programs and create further challenges for Tribal communities working to strengthen integrated early learning systems.

Financial Implications for Tribal Programs

Tribal CCDF

Because Tribal CCDF is forward funded, programs have been partially protected from immediate shutdown effects. However, reduced staffing, communication gaps, and uncertainty within OCC have slowed implementation of essential activities—including quality improvements, facility projects, and planned service expansions.

Tribes have also reported delays in Tribal CCDF Plan approvals and funding distribution. Some have received only partial mandatory funding, while others have not yet received discretionary funds or full Notices of Award.

Tribal Head Start

The shutdown poses a direct and urgent threat to Tribal Head Start operations. Approximately 12 Tribal Head Start programs—nearly 10 percent of all Tribal grantees serving 2,400 children and employing 600 staff—have November 1 grant start dates. Many may not receive timely grant awards or drawdown authority.

Several Tribes have reported that they are temporarily covering program costs to avoid classroom closures, but this is not sustainable.

Delays in Tribal Ccdf Plan Approval and Funding

The 2025–2027 Tribal CCDF Plans were submitted in July 2025. As of this submission:

- Many programs have not received official approval or feedback.
- Several programs have been told their plans were accepted but have not received full Notices of Award.

- Funding has been inconsistent, with some Tribes receiving only partial mandatory funds and no discretionary funds.
- Some grantees can draw down limited preliminary amounts but have not received their full allocation or award letters.

These delays directly affect staffing decisions, provider payments, and the capacity to maintain or expand child care services.

Direct Tribal Program Feedback

Tribal CCDF Administrators shared the following real-time impacts:

“Our plan was accepted, and we only received partial mandatory funding and nothing for discretionary as of this text.”

“Our plan was accepted and approved. We can draw down money. We have not received an award letter with the total amount.”

“My plan was accepted and approved but funding and NOA has not been received as of yet.”

“Another Tribal Regional contact laid off. The Tribal Technical Assistance Center has had layoffs.”

These statements underscore widespread delays and inconsistent communication across multiple regions.

Broad Programmatic Impacts

Tribal CCDF Plans

Despite timely submissions, many Tribes have not received approval or formal feedback on their 2025–2027 plans. Programs are continuing operations with the assumption that approval will eventually be granted.

Regional Staffing

Ongoing regional staff layoffs—most recently in Region VIII—have further diminished federal capacity, compounding the impact of earlier office closures.

Technical Assistance

The national TA infrastructure supporting Tribal CCDF has been weakened by staff reductions within the Tribal Child Care Capacity Building Center, including the loss of senior staff uniquely experienced in Tribal early childhood systems.

Additional Tribal Program Impacts

In one reported case, a Tribe has been forced to completely restructure its education, learning, and human services departments due to shutdown-related disruptions and ongoing OCC structural issues. This has included laying off long-term employees and eliminating entire program areas. These decisions do not align with the Tribe’s priorities but were made necessary by prolonged federal delays, lack of communication, and uncertainty surrounding funding and plan approvals.

Cross-Office Coordination

The removal of ECD’s cross-office team has impeded alignment between OCC and OHS. This creates further barriers to system integration in Tribal communities that rely on coordinated approaches across child care, Head Start, home visiting, and other early learning supports.

Cumulative Impacts

The combined effects of office closures, staff layoffs, TA reductions, and award delays have resulted in:

- Slower federal response times for Tribal inquiries;
- Lack of clarity on plan approvals and compliance expectations;
- Delayed guidance on allowable uses of CCDF and Head Start funds;
- Uncertainty around reporting timelines and grant modifications; and
- Increased administrative burden, especially for smaller Tribes with limited staff.

This environment of uncertainty undermines Tribal governments’ ability to deliver stable, high-quality services for children and families.

Consequences for Tribal Communities and Families

The cumulative impact of shutdown delays, federal staffing shortages, and disrupted technical assistance affects far more than administrative operations. These challenges directly influence:

- Children’s cultural, social-emotional, and early learning development.
- The availability and stability of child care for Tribal families.
- Continuity of early learning services.
- Tribal governments’ ability to build and sustain culturally grounded early childhood systems.
- Workforce participation and economic stability within Tribal communities.
- Tribal governments’ broader economic stability.

For many Tribal communities—especially rural and remote ones—child care options are already scarce. Federal instability compounds these existing barriers.

Recommendations

NICCA urges the federal government to:

1. **Provide immediate written updates** to all Tribal CCDF and Tribal Head Start programs regarding award status, plan approval, and expected timelines.
2. **Restore or replace lost federal and TA staff capacity** with individuals trained in Tribal early childhood systems.
3. **Rebuild cross-office coordination** between OCC and OHS to support integrated Tribal early childhood systems.
4. **Protect Tribal child care and early learning programs** from future shutdown impacts through advanced obligational authority or alternative funding mechanisms.
5. **Consult directly with Tribes and Tribal organizations** to identify long-term solutions for federal staffing and communication structures.

PREPARED STATEMENT OF FRANCYS CREVIER, CEO, NATIONAL COUNCIL OF URBAN INDIAN HEALTH

My name is Francys Crevier, I am Algonquin and the Chief Executive Officer of the National Council of Urban Indian Health (NCUIH), a national representative advocating for the 41 Urban Indian Organizations (UIOs) contracting with the Indian Health Service (IHS) under the Indian Health Care Improvement Act (IHCIA) and the American Indians and Alaska Native patients they serve. On behalf of NCUIH and these 41 UIOs, I would like to thank Chairman Murkowski, Vice Chairman Schatz, and Members of the Committee for your leadership to improve health outcomes for urban Indians and for the opportunity to provide testimony on the current impacts of the government shutdown. We respectfully request the following:

- Extend Advance Appropriations to All Indian Country Serving Programs
- Request Reduction in Force Exemptions for All Federal Employees Serving Indian Country

A Brief History on Urban Indian Organizations

As a preliminary issue, “urban Indian” refers to any American Indian or Alaska Native (AI/AN) person who is living in an urban area, either permanently or temporarily. UIOs were created by urban AI/AN people with the support of Tribes, starting in the 1950s in response to severe problems with health, education, employment, and housing.¹ Congress formally incorporated UIOs into the Indian Health System in 1976 with the passage of the Indian Health Care Improvement Act (IHCIA). Today, over 70 percent of AI/AN people live in urban areas. UIOs are an integral part of the Indian health system, comprised of the Indian Health Service, Tribes, and UIOs (collectively I/T/U), and provide essential healthcare services, including primary care, behavioral health, and social and community services, to patients from over 500 Tribes in 38 urban areas across the United States.

Advance Appropriations for the Indian Health Service Critical to Maintaining Services in the Shutdown

The historic inclusion of advance appropriations for IHS in the FY23 appropriations bill and its subsequent continuation in following FY spending packages has proved to be critical during the current government shutdown. Previously, the I/T/U system was the only major federal health care provider funded through annual

¹Relocation, National Council for Urban Indian Health, 2018. [2018_0519_Relocation.pdf](#)(Shared) Adobe cloud storage

appropriations. As such, in previous shutdowns, clinic staff had to go without pay, some UIOs reduced services, while others had to shutdown completely. These impacts were severe and long lasting in our communities.

With IHS currently receiving advance appropriations, funding has been able to flow to UIOs without delay during the current shutdown, ensuring that services are maintained for the community. As one UIO leader said, “The last government shutdown impacted our ability to provide full services, which resulted in 10 members of our community losing their lives. Advance Appropriations has allowed us to stay open and continue serving our people, and that stability has truly saved lives.” Advance appropriations has been a crucial step towards ensuring long-term, stable funding for IHS, which improves accountability and increases staff recruitment and retention at IHS.

Unfortunately, not all line items within the IHS budget are protected under advance appropriations, notably, Sanitation Facilities Construction, the Indian Health Care Improvement Act Fund, Facilities Construction, Contract Support Costs (CSC), Section 105(l) lease payments, and Electronic Health Records. These accounts account for more than \$1.3 billion in the IHS budget.²

Additionally, the Bureau of Indian Affairs (BIA) and the Bureau of Indian Education (BIE) do not receive any advance appropriations. While not related to health, these departments have a significant importance to the many functions in Indian Country. One Montana UIO has informed us that they have completed and submitted their application for the BIA’s loan guarantee for their \$21 million capital project. However, the shutdown has stalled communication with federal staff, making it impossible to confirm if or when the loan guarantee will be approved. As a result, their ability to move forward with vital renovations and begin construction has been delayed, placing both the project and its anticipated benefits to their community at risk. This situation highlights how the disruption to federal processes is threatening essential infrastructure and jeopardizing much-needed investment in Indian Country.

The success of advance appropriations for IHS demonstrates that now more than ever Congress should pass S. 2771, the *Indian Programs Advance Appropriations Act of 2025*, which would extend advance appropriations to BIA and BIE.

Proposed Reduction in Force Threatens Trust Obligations

The current Office of Management and Budget (OMB) proposed Reduction in Force (RIFs) represent a serious threat to programs and staff within the Department of Health and Human Services (HHS) that serve Indian country. While portions of the process have been temporarily paused following a Temporary Restraining Order (TRO) issued in response to legal challenges, the threat of these RIFs has created significant fear about the potential instability that would arise from these actions.

The federal government owes a trust obligation to provide adequate healthcare to American Indian and Alaska Native people. It is the policy of the United States “to ensure the highest possible health status for Indians and urban Indians and to provide all resources necessary to effect that policy.”³ This trust obligation is fulfilled, in part, through direct delivery of programs and services and through the provision of federal funding to Tribal programs and UIOs. Using the government shutdown as pretext to RIF federal employees, with no exemption for federal employees serving Indian Country, decimates the ability of the United States to carry out its sacred obligations to American Indian and Alaska Native communities.

We request that the Committee request that OMB issue guidance to exempt Indian Country programs and federal employees serving Indian Country from RIFs in order to uphold United States’ delivery on trust and treaty obligations.

Conclusion

While the inclusion of advance appropriations for IHS has been a lifesaving step forward, the current shutdown and threat of RIFs underscore the urgent need for further Congressional and Administrative action. Extending advance appropriations to all Indian Country-serving programs and protecting the federal workforce that upholds the trust and treaty responsibilities of the United States are essential to ensuring continuity of care and stability in our communities. We thank the Committee for its steadfast leadership and urge continued bipartisan collaboration to safeguard the health and well-being of all American Indian and Alaska Native people, no matter where they live.

² Continuing Appropriations and Extensions Act, H.R. 9747, 118th Cong. (2024)

³ 25 U.S.C. § 1602(1).

TERESA SARABIA, JUNEAU, AK
October 29, 2025

Hon. Lisa Murkowski
 Senate Committee on Indian Affairs,
 Hart Senate Office Building,
 Washington, DC 20510

SUBJECT: IMPACTS OF THE GOVERNMENT SHUTDOWN ON TRIBAL CITIZENS AND
 COMMUNITIES

Dear Senator Murkowski:

In response to the Senate Committee on Indian Affairs' recent request for information on how the federal government shutdown is impacting Tribal Nations, I am writing to share the experiences and challenges being felt by citizens of the Central Council of the Tlingit & Haida Indian Tribes of Alaska.

The shutdown threatens to halt or delay essential services that our families rely on, including healthcare, housing, education, social services, and food assistance. These programs are far more than government initiatives—they are lifelines that sustain the well-being of our Elders, children, and working families, and help preserve the health, stability, and resilience of our tribal communities. Each day the shutdown continues deepens uncertainty and hardship, putting our people at risk.

In Southeast Alaska, where the cost of living is high and access to resources is already limited, interruptions to federal funding has immediate and lasting impacts. Programs such as Head Start, Supplemental Nutrition Assistance, Tribal Temporary Assistance for Needy Families, housing and energy assistance, and health services are particularly vulnerable.

Beyond the direct impacts on families, the shutdown strains tribal governments and employees who work tirelessly to deliver services under self-governance compacts and grants. When federal funds are withheld, tribes are forced to make impossible choices: suspend services that support tribal citizens, lay off employees (also our tribal citizens), or deplete limited trust funds—actions that weaken long-term sustainability and self-determination.

As tribal citizens, we deserve stability, dignity and respect. Federal funding is not a favor; it represents the United States' trust and treaty obligations to tribal nations. When that commitment falters, the ripple effects are felt in every corner of our communities—in our homes, our schools, and our ability to care for one another.

Gunalchéesh, Háw'aa (Thank You) for your attention and for seeking input directly from tribes and tribal citizens. We appreciate the Senate Committee's commitment to Indian Country and urge these lived experiences translate into meaningful federal action that ensures the continuity of tribal services and strengthens the federal government's fulfillment of its trust and treaty obligations.

Sincerely,

TERESA SARABIA, TLINGIT & HAIDA EMPLOYEE

OCTOBER 24, 2025
Juneau, AK

Hon. Lisa Murkowski,
 Hart Senate Office Building,
 Washington DC.

SUBJECT: IMPACTS OF THE GOVERNMENT SHUTDOWN ON TRIBAL CITIZENS AND
 COMMUNITIES

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Sincerely,

PAULA M. PHILLIPS, TLINGIT & HAIDA EMPLOYEE

WESTERN GOVERNORS' ASSOCIATION
October 30, 2025

Hon. Lisa Murkowski;
Hon. Brian Schatz,
Hart Senate Office Building,
Washington DC.

Dear Chairman Murkowski and Vice Chairman Schatz:

Attached please find Western Governors' Association (WGA) policy resolutions 2023–09, Missing and Murdered Indigenous Persons, and 2025–05, Physical and Behavioral Health Care in Western States.

The resolutions contain Western Governors' recommendations addressing the need to maintain essential services for tribal communities during lapses in federal funding.

I request that you include this document in the permanent record of the hearing, as it articulates Western Governors' collective and bipartisan policy on this important issue.

Thank you for your consideration of this request.

Sincerely,

JACK WALDORF, EXECUTIVE DIRECTOR

Attachments

POLICY RESOLUTION 2023–09—MISSING AND MURDERED INDIGENOUS PERSONS

A. BACKGROUND

American Indian and Alaska Native people, particularly women, are disproportionately likely to experience violence, murder, or to go missing. This disproportionate risk is encapsulated as the Missing and Murdered Indigenous Persons (MMIP) crisis. The MMIP crisis is fueled by complex and historic underlying factors impacting indigenous communities, including: insufficient law enforcement resources, funding, and cultural understanding among non-tribal law enforcement agencies; lack of non-tribal and tribal collaboration; a shortage of personnel on historic tribal lands; substance abuse issues; historic lack of trust of non-tribal entities; and deficient housing and infrastructure. Additionally, tribal nations receive a variety of funding that can vary by state and status, including Pub. L. 280 tribes, treaty tribes, and tribes that have administrative control through Pub. L. 93–638. The Governors and states represented herein do not intend for language used to be legally binding or to be viewed as a reflection or concession of any Governor or state's position related to the reservation status of any specific tribe.

B. GOVERNORS' POLICY STATEMENT

Addressing Law Enforcement Shortages

1. Having sufficient law enforcement personnel is important to ensure timely response and adequate resources for MMIP cases. Western Governors urge the Bureau of Indian Affairs (BIA) to increase the number of tribal officers on lands under tribal and federal jurisdiction and increase the pace of hiring officers.

2. Tribal officers employed by BIA or tribes use the 638 process to self-administer federal funds to support their tribal police forces. Western Governors recommend that BIA ensure that 638 tribes receive funding equivalent to the BIA tribal police pay scale to allow 638 tribes to support officers at an equivalent level to BIA-administered tribal police forces.

3. Tribal courts and justice systems provide critical infrastructure to process and prosecute MMIP cases. Western Governors recommend appropriate, ample funding for tribal courts and justice systems.

4. While MMIP cases occur across both urban and rural Native populations, Western Governors recognize that there are specific limitations for law enforcement in rural communities. Western Governors encourage creative solutions to support the recruitment and retention of tribal officers, particularly housing programs to ensure that tribal officers can remain within their communities.

5. Currently, tribal officers can receive training from the BIA's Indian Policy Academy in New Mexico and the Indian Policy Academy Advanced Training Center in North Dakota, both of which can be a significant distance for recruits to travel for basic training. Western Governors urge BIA to expand beyond the single tribal officer training program and create regionalized law enforcement training programs that reduce the burden of training for officers.

6. Western Governors recognize diverse agreement opportunities exist, such as cross deputization, joint powers agreements, and mutual aid agreements, to assist with the speed of law enforcement response and suit the variety of systems and scenarios across the West, and support efforts to share best practices.

7. The AMBER Alert system is the only nationwide alert system for those who are missing or abducted. Across the West, states have also implemented state-specific MMIP alert systems. Western Governors support efforts to create MMIP alert systems and increase inclusion of state level systems into federal alert systems.

Support Systems

8. BIA victim services advocates provide direct services to victims and crucial assistance for victims navigating complex bureaucratic systems. Western Governors request federal funding for victim services advocates.

9. Ensuring federal staff receive cultural sensitivity training provides staff with the ability to effectively work with survivors. Western Governors urge federal agencies to implement culturally sensitive training and response courses for new employees working on all aspects of MMIP.

10. Western Governors call for greater transparency on how federal funding is allocated among tribes with 638 status and BIA administered services. Specifically, Western Governors implore the federal government to coordinate and collaborate with survivor support services at the state and tribal level so that survivors and their communities receive the maximum amount of resources.

11. To ensure wrap around services, Western Governors urge Congress to increase funding for mental and behavioral health services for survivors and their communities.

Collaboration

12. MMIP cases span across many jurisdictions, which can complicate response times. Western Governors urge federal partners to streamline emergency response communications across related federal agencies, including BIA and the Federal Bureau of Investigation.

13. The consistent collection of data across jurisdictions and each level of government is necessary to understand the scope and scale of MMIP cases. Western Governors support sharing best practices for data sharing agreements to allow for a more comprehensive view of the crisis.

14. Several western states have created their own MMIP offices to act as liaisons between tribal, state, and federal partners. Western Governors support federal efforts to develop and strengthen MMIP state-level offices and other state-level MMIP initiatives.

15. During any lapse in funding, Western Governors recommend that the federal government work collaboratively with states and tribes to ensure continuity of essential services with discretionary funding.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA staff to work with Congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.

2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in June 2026. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <http://www.westgov.org/resolutions> for the most current copy of a resolution and a list of all current WGA policy resolutions.

POLICY RESOLUTION 2025-05—PHYSICAL AND BEHAVIORAL HEALTH CARE IN WESTERN STATES

A. BACKGROUND

Ensuring access to high-quality, affordable health care is critical to enhancing the quality of life in western states for our growing populations and serves as a foundation for building and maintaining healthy, vibrant communities and robust economies. However, western states face unique health care challenges, many of which have been compounded by the COVID-19 pandemic. The West experiences a high prevalence of behavioral health conditions compared to other regions, with rates increasing at an alarming pace in recent years, particularly among young adults. The fourteen states with the highest suicide rates in the country are in our footprint. Overdose deaths are down nationally, but on the rise in many western states. Low population densities and the vast distances between population centers in the West pose distinct barriers to care, making it difficult for providers to establish economically sustainable health care practices. Factors such as acute provider shortages, especially in rural and underserved areas, and limited access to broadband and telehealth services have further hindered the ability to provide comprehensive care to western residents.

B. GOVERNORS' POLICY STATEMENT

1. Western Governors envision a health care system in which everyone has equal access to quality health care services. Federal efforts to address health care workforce and access needs should reflect early, meaningful, and substantive input from Governors, who are best positioned to assess the needs of their states and territories and help develop solutions to meet these needs. State-federal collaboration and coordination are integral to addressing these health care challenges. Wherever possible, and where appropriate, the federal government should respect state and territorial authority and maximize flexibility granted to states and Governors.

2. Western Governors believe patients should have the same access to behavioral health care as they have for physical health care, including prevention and early intervention services and supports for chronic conditions like mental illness.

3. Western Governors support efforts to improve the quality and quantity of behavioral health services and supports available to our residents, as these services and supports are essential to reducing suicide rates and treating a range of behavioral health conditions, including mental illness and substance use disorders (SUDs).

4. Western Governors recognize and support efforts at the federal, state, and local levels to promote the integration of physical and behavioral health services. The Governors encourage Congress to adopt legislation and the Administration to implement policies that support states' integration efforts and encourage health care providers to better integrate behavioral and physical health into their practice of care.

5. Despite efforts by Western Governors to address the shortage of qualified health care workers, significant challenges remain. Governors urge the federal government to examine and implement programs to ensure states have an adequate health care workforce—including in primary care, maternal health, behavioral health, and oral health, as well as other in-demand specialties—that is prepared to serve diverse populations in urban, suburban, and rural communities. For example, the federal government should consider expanding the availability of visas for foreign health care workers and increasing funding for programs that incentivize health care workers practicing in high-need areas. Additionally, the federal government should consider funding new types of personnel, such as community health workers or promotores, to further extend the health care team and ensure that patients are connected to resources. Understanding that there remain significant disparities in access and treatment for many populations, the Governors support efforts to increase diversity and representation in the health care workforce to improve health outcomes for all.

6. Western Governors also support innovation within the behavioral health workforce to create new classifications and address gaps in the continuum of care professionals.

7. Rural and frontier communities in the West face unique challenges in accessing the full range of health care services. Western Governors urge the federal government to consider payment models that recognize the critical role of community

health centers and other rural health care providers and their position as the only access point for health care services in many areas. In addition, Western Governors urge the Centers for Medicare and Medicaid Services (CMS) to adjust Medicare reimbursement rates to support the viability of rural Emergency Medical Services (EMS) and more accurately reflect the ways in which personnel provide care in these communities, including by offering coverage for code A0998, Ambulance Response and Treatment, No Transport, and making community paramedicine eligible for reimbursement under code 99600. These changes would allow EMS personnel to treat patients on site and provide critical health care services while they wait to respond to emergencies.

8. Western Governors recognize the critical role of the Indian Health Service (IHS) in providing health care services to tribal nations across the West and urge Congress to continue to appropriate advance funding for IHS to avoid the undue hardship associated with lapses in federal funding. Western Governors believe additional support for IHS is needed to combat the opioid crisis, which disproportionately affects tribal nations. We request adequate resources for treatment and behavioral health centers to help stop opioid related deaths, including support for tribal law enforcement efforts to combat drug related offenses.

9. The federal government should work with states and territories to facilitate the deployment of broadband to underserved and rural areas, recognizing that adequate broadband access has a direct correlation to rural populations' ability to access telehealth and telemedicine.

10. Western Governors urge the federal government to make permanent certain waivers and authorizations granted during the COVID-19 public health crisis to provide flexibility and increase access to telehealth and remote monitoring. We propose actions to create an environment conducive to the expansion of telehealth beyond the pandemic, including but not limited to permanently changing provisions of 42 CFR and Section 1834(m) of the Social Security Act (SSA) such as:

- a. Waiving interactive telecommunications systems requirements and permitting audio-only visits for certain services (42 CFR 410.78(a)(3));
- b. Increasing flexibility in the types of practitioners that may bill for their services when furnished as Medicare telehealth services from the distant site, which expands the type of practitioner that can provide services through telehealth and allows all practitioners eligible to bill Medicare for services to deliver those services via telehealth (Section 1834(m)(4)(E) of the SSA);
- c. Making Federally Qualified Health Centers and Rural Health Clinics qualified distant site providers of telehealth services for services beyond behavioral health, when appropriate (1834(m) of the SSA);
- d. Granting clinicians the ability to provide remote patient monitoring services to new and established patients for both acute and chronic disease management and for patients with only one disease condition (1834(m) of the SSA);
- e. Eliminating originating site requirements to allow patients to take visits from their homes for services beyond behavioral health (42 CFR 409.46(e)); and
- f. Expanding geographies to include all counties, not just those located outside metropolitan statistical areas or in health professional shortage areas, for services beyond behavioral health (1834(m) of the SSA).

Any changes to federal telehealth policy should ensure that patient needs are at the center of those changes. Any changes should also ensure that patient choice to receive in-person services is preserved and only clinically appropriate services are provided via telehealth.

11. Western Governors acknowledge the importance of improving our nation's public health preparedness and response systems. The federal government must examine the lessons learned from COVID-19 in collaboration with states and territories, and ensure that we have the capability and necessary public health infrastructure investment to effectively confront future public health challenges. We recommend that the federal government clarify pandemic response roles and build operational capacity within the appropriate health-related agencies. The federal government should also consider how to expand our international health surveillance and public health threat detection mechanisms.

12. Western Governors recognize the role that social determinants of health (SDOH) have on the health outcomes and well-being of our citizens, and the effect that social determinants—including economic stability, education, social and community context, and neighborhood and built environment—have on an individual's health status. Western Governors support efforts to identify risks facing high utilizers of health care services, including food insecurity, domestic violence risk,

unmet transportation needs, lack of housing and housing instability, utility, and other essential supports and services, and to develop innovative models designed to improve coordination of medical and non-medical services and use of evidence-based interventions. These models can provide valuable information on how meeting non-health needs and addressing other social determinants can improve overall health status and decrease health spending.

13. Western Governors encourage Congress to adopt legislation that would empower states and local governments to address persistent economic and social conditions—like limited access to health care providers, stable housing, reliable transportation, healthy foods, and high-quality education—that often hinder health outcomes. Such legislation would assist states and territories in developing plans to target social determinants that negatively affect health outcomes for western populations.

14. Western Governors recognize that the United States has higher infant and maternal mortality compared to other high-income countries. While western states and territories are taking steps to reduce these rates, we urge the federal government to consider additional steps in collaboration with state efforts to improve maternal health outcomes. The closure of birthing hospitals in both urban and rural areas, limited access to prenatal and postnatal health care services, including home visiting programs and related support structures, and supportive medical services addressing medical and behavioral issues should be considered in efforts to reduce infant and maternal mortality rates.

15. Western states have implemented a wide range of innovative health care interventions through Medicaid waivers offered under Section 1115 of the Social Security Act. For example, some states are enrolling individuals in Medicaid prior to their release from prison to prevent disruptions in behavioral health treatment, promote successful reentry, and reduce recidivism. Others are expanding access to supportive housing with coordinated health and social services to better support and sustain recovery for individuals with behavioral health conditions. Western Governors support these and other state-led approaches to solving systemic health care challenges and urge CMS to review and approve state 1115 waivers swiftly. Further, Western Governors urge Congress to provide the resources needed to support prompt approval of state plans while considering scaling up state proposals that are found to be effective.

16. The 988 Suicide and Crisis Lifeline, which was implemented in 2022, offers 24/7 call, text, and chat access to crisis counselors by connecting callers to a network of over 200 state- and local-funded crisis contact centers. Western Governors recognize that 988 is a critical aspect of a broader crisis care system that must have the capacity to prevent, recognize, respond, de-escalate, and follow up from crises across a continuum, from crisis planning to early stages of support and respite, crisis stabilization and intervention, and post-crisis follow-up and support for individuals and their families. As Western Governors continue strengthening 988 and the crisis care systems across our states, we request sustained funding from Congress for these efforts.

17. Western Governors urge the federal government to recognize the importance of school-based mental health services in allowing youth to learn problem-solving and coping skills, engage and connect with peers and others in their community, and be successful in school. CMS has provided federal guidance on ways in which states can elevate and encourage the expansion of school health services; however, without additional funding to support such recommendations, many schools, particularly those in rural and frontier areas, are challenged to implement these practices due to a lack of resources to invest in workforce, behavioral health services, and telehealth infrastructure.

18. Western Governors urge the federal government to develop an evidence-based, culturally competent national education and awareness campaign to reduce the stigma associated with mental health and SUDs and encourage individuals to seek help for these health conditions.

19. Western Governors believe the federal government should work toward treating addiction as a chronic illness and work with Western Governors to develop strategies for addressing SUD that work in concert with state and territorial efforts and recognize regional variations in SUD patterns.

20. Many barriers still exist for people to receive medications for opioid use disorder (MOUD) and lifesaving interventions. Western Governors support legislative action to increase access to MOUD for patients with SUD. Western Governors also request that the Drug Enforcement Administration (DEA) allow buprenorphine to be dispensed in the field by appropriately licensed and DEA-registered practitioners.

21. Western Governors support legislation to address the so-called Institutions for Mental Diseases (IMD) exclusion to improve access to SUD treatment and recovery

services at residential and inpatient facilities with more than 16 beds, as well as to the full continuum of community-based behavioral health care. While changes made in the 2024 Consolidated Appropriations Act (Pub. L. 118–42) are a significant step forward, states still face barriers to providing appropriate treatment in residential and inpatient settings. Until a robust legislative solution is enacted, the federal government should continue working with states to provide IMD waivers that offer important flexibility and improve access to treatment for patients with SUD. Implementation of these waivers must also occur in connection with the expansion and maintenance of the community-based continuum of behavioral health care to ensure individuals receive services at the lowest level of clinically appropriate care.

22. Continued support and investment for the Office of the National Coordinator for Health Information Technology (ONC) and Centers for Disease Control and Prevention (CDC) data modernization efforts will allow western states and territories to update and maintain their data systems, leading to a better understanding of health concerns affecting communities. Federal support for these programs should include sustainable, ongoing funding to states that is flexible to allow for new initiatives and to support ongoing operations of existing work supporting data modernization efforts. ONC and CDC should provide frameworks to ensure consistency of data collected across states and territories for ease of monitoring and partnership across jurisdictions.

23. The exchange of health information is fragmented and often does not occur, limiting the ability of a provider or team of providers to understand the complete needs of a patient and provide whole-of-person care. Western Governors believe the federal government should take steps to support and help sustain states' administration of Prescription Drug Monitoring Programs (PDMPs) and ensure that electronic health records and PDMPs are fully interoperable between states and the federal government, accessible to relevant health care providers, including opioid treatment providers, and include adequate protections for patients from stigmatization and discrimination.

24. Congress passed the Radiation Exposure Compensation Act and the Energy Employees Occupational Illness Compensation Program Act to compensate individuals who contracted certain cancers and other diseases following radiation exposures due to nuclear weapons testing and production activities. Western Governors support maintaining and funding these programs, expanding them to more accurately include the affected populations of downwind states and defense production workers, and extending them to ensure that individuals receive compensation for the effects of these national security radiation exposures.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA staff to work with congressional committees of jurisdiction, the Executive Branch, and other entities, where appropriate, to achieve the objectives of this resolution.

2. Furthermore, the Governors direct WGA staff to consult with the Staff Advisory Council regarding its efforts to realize the objectives of this resolution and to keep the Governors apprised of its progress in this regard.

This resolution will expire in December 2027. Western Governors enact new policy resolutions and amend existing resolutions on a semiannual basis. Please consult <http://www.westgov.org/resolutions> for the most current copy of a resolution and a list of all current WGA policy resolutions.

GILA RIVER INDIAN COMMUNITY
October 27, 2025

Hon. Lisa Murkowski;
Hon. Brian Schatz,
Hart Senate Office Building,
Washington DC.

Dear Chairman Murkowski and Vice Chairman Schatz,

I am writing on behalf of the Gila River Indian Community (“Community”) to express concerns regarding the impacts of the federal shutdown on important programs within the Community.

I want to highlight our Community’s immediate concerns with the impacts of the shutdown and ongoing reductions in force at federal agencies.

As a governmental entity, tribal governments are reliant on our federal and state governmental partners to fulfill their side of the government-to-government relationship. When one side of the relationship ceases operations, it has a direct, and outsized, impact on our tribal communities. In the case of a governmental shutdown,

it brings uncertainty to both programmatic funding and also to the ability of federal employees to carry out functions that tribes rely on functions that are necessary to meet the needs of our members.

With Congress unable to agree on a path forward on appropriations bills, we are still operating under fiscal year 2024 funding levels. In the House and Senate fiscal year 2026 Interior Appropriations bills, Congress rejected the Administration's proposed cuts to Department of the Interior and Indian Health Service programs and provided funding increases where appropriate for important programs used to secure the health and safety of our communities and our members. With this funding impasse in place, it becomes less likely that funding bills will be able to be enacted by the end of this year—leaving our programs chronically underfunded.

In addition to tribal programs, our members are also significantly impacted by other federal programs such as SNAP. In the State of Arizona alone, approximately 900,000 citizens utilize SNAP benefits. Included in this number are members of the Community—both on and off the Reservation—who rely on the SNAP program to meet daily nutritional needs. Our members who rely on the SNAP program are most often our elders, those with disabilities, or those whose employment salaries are insufficient to provide the daily nutritional needs for their families. A disruption in this federally-funded, and state-run program will create food insecurity for our most vulnerable members who rely on this program. To date, the federal government has indicated that a SNAP contingency fund will not be utilized to supplement funding shortages—and the majority of states have not planned for this lapse in funding.

If the shutdown persists for several more weeks, other programs that serve our most vulnerable members could also be cut—including the Special Supplement Nutrition Program for Women, Infants, and Children.

As Congress continues its discussions and negotiations around reopening the federal government, I ask that you keep in mind the tribal programs being impacted, and those federal programs that may not be funded—simply because negotiations are not occurring between the parties.

Our tribal leadership within the Community understands that elected leaders need to make difficult funding decisions. However, these decisions should not come at the expense of programs that support our tribal members, our most vulnerable members, and at the expense of the government-to-government relationship that is reliant on both of us—federal and tribal governments—to uphold our end of the relationship.

Thank you for your attention to the impacts of the shutdown on Indian Country, our tribal members, our members who are federal employees, and our communities.

Sincerely,

HON. STEPHEN ROE LEWIS, GOVERNOR

YUKON-KUSKOKWIM DELTA REGIONAL TRIBAL GOVERNMENT
October 29, 2025

Hon. Lisa Murkowski;
Hon. Brian Schatz,
Hart Senate Office Building,
Washington DC.

Dear Chairman Murkowski and Vice Chairman Schatz,

On behalf of the Yukon-Kuskokwim Delta Regional Tribal Government (Y-K RTG), representing various federally recognized Tribes across southwest Alaska, I write this letter in response to the October 29, 2025, Oversight Hearing titled, "Impacts of Government Shutdowns and Agency Reductions in Force on Native Communities". Our Villages are urging an end to this federal government shutdown.

Typhoon Halong

The timing of this shutdown could not be more catastrophic. On October 8, 2025, Typhoon Halong brought hurricane-force winds and record flooding to our region. The storm claimed the lives of three elders. More than 1,500 residents have been displaced to Bethel or Anchorage. Over a dozen villages report substantial damage and nearly 50 have reported impacts. Kipnuk and Kwigillingok have evacuated almost their entire communities. The Delta's extreme remoteness, air and water access only, and high cost of living magnifies our struggles. Winter is closing in while our water, sewer, and power systems are in poor conditions.

The Shutdown Hits Us Harder

Smaller, rural Tribal governments like ours rely heavily on federal dollars and agency action to operate. We do not have casinos, oil and gas revenues, or a local

tax base to float months of operations. This dependency was not chosen; it is the result of federal policies that disrupted our traditional ways of life, dismantled our traditional economies, and imposed governance structures without providing sustainable tools for Tribal government economic self-sufficiency and self-governance.

When the federal government shuts down funds and reimbursements stall, agencies go dark, and reaching important staff and decision-makers by phone or email becomes nearly impossible. We are forced to front-load scarce dollars or strip other Tribal programs just to keep essentials running, all at significant financial risk with long-term impact to our planning and staffing. Government shutdowns are inefficient and impose significant costs.

Federal Responsibilities

The shutdown is not a mere inconvenience, it interrupts the United States' trust and statutory responsibilities to Alaska Native federally recognized Tribes. Our programs are not political bargaining chips; they are commitments arising from decades of federal direction and control that changed where and how our Tribes live and govern. Those responsibilities should not pause for continuing resolutions or debt-limit debates.

Many of our Villages were sited in low-lying, erosion-prone areas in part because of federal schooling and settlement policies. Kipnuk, for example, was settled in the 1920s so children could attend the mandatory federal Indian school. Families were told that their children would otherwise be taken away to distant boarding schools if they did not settle in what is now Kipnuk. Today, Kipnuk and neighboring Kwigillingok are no longer safe to inhabit. The locations federal policy pressured our people to occupy are now among the most climate-exposed places in Alaska.

Federal Recognition

The Y-K RTG is following the model of Alaska's two other regional tribal governments (*i.e.* Inupiat Community of the Arctic Slope and Central Council Tlingit and Haida Indian Tribes of Alaska) pooling resources and capacity across our 56 Tribes to coordinate emergency response. We hope to provide essential services that are not currently being provided, and to improve long-term resilience. We are doing our part to stand up regional solutions despite structural disadvantages we did not create.

Many of our Tribes face significant administrative capacity challenges due to their remote locations, limited infrastructure, and resource constraints. Yet each Tribe carries important responsibilities for its citizens and communities. To improve efficiency and advance Tribal self-governance, we are seeking recognition and support for regional governance structures, where Tribes choose to organize collectively. Regional approaches can help reduce administrative duplication and create stronger coordination around key issues such as public safety, infrastructure development, and emergency response.

Federal support for regionally led, tribally driven governance models, where multiple federally recognized Tribes voluntarily collaborate, can alleviate burdens on both Tribal and federal systems. These models should be grounded in self-determination, guided by democratic processes among participating Tribes, and designed to supplement, not replace, individual Tribal sovereignty. We urge you to consider legislation to recognize regional governance. Vast geographic scale and logistical challenges demand innovative solutions.

Immediate Requests to Congress:

1. **End the shutdown immediately.** Our people (mourning loved ones, displaced from homes, and facing ongoing disaster conditions) cannot bear additional harm from suspended federal functions.
2. **Designate tribal programs as "essential" during any future shutdowns.** The trust responsibility and core tribal programs must continue without interruption, just as other critical federal obligations do. Federal commitments to Alaska Native and American Indian Tribes must not be contingent on continuing resolutions or debt-limit negotiations.

We ask for immediate action as noted above, and a long-term fix such as federal recognition. The tribes we represent have a political, government-to-government relationship with the United States, and on their behalf, we ask for support to stabilize and improve the Y-K Delta. Our Tribes will continue to struggle until our self-determination is truly recognized.

Sincerely,

JAMES AKERELREA, PRESIDENT

NATIONAL ASSOCIATION OF FEDERALLY IMPACTED SCHOOLS (NAFIS);
 NATIONAL INDIAN IMPACTED SCHOOLS ASSOCIATION (NIISA)
October 27, 2025

Hon. Lisa Murkowski;
 Hon. Brian Schatz,
 Hart Senate Office Building,
 Washington DC.

Hon. Bruce Westerman;
 Hon. Jared Huffman,
 U.S. House of Representatives Washington, DC.

Dear Chair Murkowski, Chair Westerman, Ranking Member Schatz, and Ranking Member Huffman:

On behalf of the National Association of Federally Impacted Schools (NAFIS) and the National Indian Impacted Schools Association (NIISA), we write to express our deep concern about the recent reduction-in-force (RIF) of nearly all staff within the U.S. Department of Education's Impact Aid Program Office. We recognize that the Senate Committee on Indian Affairs and the House Committee on Natural Resources do not have direct jurisdiction over the Department of Education or the Impact Aid Program. However, given your leadership on issues affecting Native communities, we respectfully request that you express to the Department and the Office of Management and Budget your concern about how these staffing losses threaten the timely and effective delivery of Impact Aid funds to school districts serving Native students.

Over 90 percent of Native American students attend local public schools, many of which rely on Impact Aid to provide essential educational services. Impact Aid compensates districts for the loss of local tax revenue due to the presence of federal and tribal lands and for the additional costs associated with educating federally connected children, including those residing on or near Indian lands.

Impact Aid is a federal obligation, born of treaties, trust responsibility, and the unique status of tribal lands as non-taxable. In the United States Code, Impact Aid's statutory purpose acknowledges a need to provide financial assistance to local school districts to, in part, "fulfill the responsibilities of the Federal Government with respect to Indian tribes" (20 U.S.C. 7701). The program is a critical lifeline for Native communities, ensuring that schools serving their students have the resources to provide equitable, high-quality education that honors and supports their cultural and community connections.

The combined effects of the government shutdown and the RIF have left the Impact Aid Program's ability to process applications, issue payments, and communicate with districts in jeopardy. Many school districts serving Native students depend on timely Impact Aid payments to meet payroll, maintain operations, and support programs that reflect and sustain Native languages, traditions, and values. They were anticipating initial payments in October that they have not received and urgently need. Once the government reopens, it is critical that they get payments as soon as possible—but without the Impact Aid staff in place, it is unclear how the program will function. Any further delay in payments or breakdown in communication threatens to harm students, families, and communities that already face unique educational and economic challenges.

Your voices carry significant weight in ensuring that federal agencies understand the implications of these actions on Native students and communities. We urge you to communicate to the Department of Education and OMB the importance of restoring staffing capacity in the Impact Aid Office and ensuring the continued functioning of this critical program, particularly during this period of federal disruption.

We appreciate your commitment to improving educational opportunities for Native students and families, and we thank you for your attention to this urgent matter.

Sincerely,

CHERISE IMAI, EXECUTIVE DIRECTOR, (NAFIS)
 BRENT GISH, EXECUTIVE DIRECTOR, (NIISA)

NAVAJO NATION WASHINGTON OFFICE
October 27, 2025

Hon. Ben Ray Lujá,

Russell Senate Office Building,
Washington, DC.

OVERSIGHT HEARING “IMPACTS OF GOVERNMENT SHUTDOWNS AND AGENCY
REDUCTIONS IN FORCE ON NATIVE COMMUNITIES”

Dear Senator Luján,

On behalf of the Navajo Nation (“Nation”), thank you for the opportunity submit information for the Senate Committee on Indian Affairs’ upcoming hearing regarding the impacts of the government shutdown and reductions in force on tribes.

The Navajo Nation is the largest land-based American Indian tribe in the United States, encompassing over 27,000 square miles—an area larger than the state of West Virginia—with portions of three states—Arizona, New Mexico, and Utah—spanning into our boundaries. We have nearly 420,000 citizens and approximately half of our citizens reside on our reservation making the Nation’s on-reservation Indian populations nearly one-third of the total on-reservation Indian population in the United States. The federal government has a long-standing obligation to provide education to the Navajo people and to promote our general welfare under the Treaty of 1868.

The Nation has experienced a myriad of woes resulting from the federal government shutdown. As a cruel irony, because of the confusion, insecurity, and strain created by the shutdown, it has been difficult to measure its full impact. Below are examples of issues and concerns we are currently aware of and we will provide a more detailed accounting for the record after the hearing.

The largest looming concern is the expected loss of the Supplemental Nutrition Assistance Program (SNAP) benefits on November 1, 2025. SNAP is delivered to our members through our state partners. It was reported by the Center for Indigenous Resilience at the University of Arizona in 2021 that approximately one-third of Navajo households relied on SNAP benefits. Because of the shutdown and lack of funding for SNAP, all three of our state partners have issued statements that they will not be providing SNAP benefits beginning November 1, 2025.

Another area where the shutdown is having an impact is in education. Across our Bureau of Indian Education (BIE) schools, our public schools, and our Tribally Controlled Universities (TCU), delays in funding are hurting our students.

For many of our schools the furloughs at the agency are preventing funds from being released that are needed for the day-to-day operations. There is a growing concern, too, that as the shutdown drags on that notice of funding opportunities will not be released and grant applications will not be processed leading to substantial cuts at our programs. One of our Head Start schools has already reported that it will run out of funds on October 31, 2025, and have to close its doors because of the lack of staff at the Office of Head Start to process funding.

We learned from one of our TCUs, Diné College, that Pell Grant disbursements that were delayed prior to the shutdown have still not been processed. Over 500 of their college students rely on those funds for basic education and housing expenses. As a result, Diné College is acting as promisor to its cafeteria vendor to make sure that those students living on campus are still able to eat and is providing vouchers for the students for books and other education expenses. While the school is able to make exceptions for the students to continue in their studies should the shutdown continue, there is a reasonable concern that the funding may never come and that these students and the institution may end up saddled in crippling debt through no fault of their own.

Despite forward funding, we have received reports that some of our schools have yet to receive their Indian School Equalization Program funds and their Impact Aid funds. Our schools rely heavily on these sources of funding for basic educational programs and operations. In Arizona alone, the Nation has eight public school districts who provide services to approximately 16,500 students with an average of 80 percent of their funding (or an estimated \$98 million total) coming from Impact Aid. The schools in these districts often serve as the lifeline of their communities, providing not only education but also meals, cultural programs, and access to services that extend beyond the classroom. Further, the proposed reductions in force at the Office of Indian Education and Impact Aid Office has our educators concerned that the funding will never come, and that the long-rumored rescissions in Indian education may be coming next. Without Impact Aid, many of our districts would struggle to maintain basic operations, hire and retain qualified teachers, or meet the growing needs of their students.

Education is not the only area where we have been impacted by delays. Just prior to the shutdown, the Nation reached an agreement to take over the Padres Mesa Demonstration Ranch under the Office of Navajo Hopi Indian Relocation (ONHIR). Our goal, however, was to work with the Department of the Interior (DOI) to coordi-

nate taking on more of ONHIR's operations or to ensure that those services were appropriately carried out by DOI. Unfortunately, the DOI solicitor that was working with us was furloughed thereby halting all conversations. As a result, there are still nearly 20 Navajo relocatees with applications pending final determination or appeals over the rights promised to them in the 1974 Navajo Hopi Indian Land Settlement Act, which created the largest federally-mandated removal of U.S. citizens since the internment of Japanese-Americans during World War II. All in all, approximately 16,000 Navajos and 100 Hopis were relocated.

Across the Nation furloughs at the Bureau of Indian Affairs (BIA) are causing delays, as well. All business site lease transactions that require federal authorization or participation through the BIA have been suspended. This includes approvals for new leases, renewals, terminations, and compliance enforcement actions. The Regional Business Development Offices report multiple lease cases pending BIA review, including expirations, sublease renewals, and enforcement matters. Without federal participation, these transactions cannot move forward, halting both small and large-scale development projects. The backlog that will result from this shutdown is expected to create lasting delays in economic activity, investor confidence, and revenue generation.

Multiple land withdrawal proposals remain pending due to the unavailability of BIA review and action. These proposals are critical for advancing economic development zones, retail expansions, and infrastructure projects, including ongoing initiatives in the Chinle region. The inability to move these forward slows long-term economic planning and limits opportunities for new commercial growth and land use development.

Federal procurement and contracting activities have been suspended, affecting Navajo vendors and service providers that rely on federal contracts for operations and revenue. This disruption directly impacts cash flow and employment stability among businesses engaged in federal projects within Navajo communities. A protracted suspension could erode confidence among contractors and reduce opportunities for Navajo-owned enterprises to participate in federal procurement.

For our Indian Health Service (IHS) facilities, the shutdown presents a different problem. We are grateful that Congress provided advance appropriations to the IHS for FY26—and we are hopeful that this shutdown will alert all members of Congress to the need for advance appropriations across Indian Country and to support your legislation doing that. However, for IHS advance appropriations do not resolve everything. At the end of this year, it is possible that the Affordable Care Act's enhanced premium tax credits will expire. If that happens, health care premiums will likely increase and many Americans will forgo enrollment. Should that happen the IHS—which is considered as a payer of last resort and relies heavily on reimbursements—will receive an influx of uninsured patients that neither it nor Congress planned for. Currently, information provided to use by the National Indian Health Board estimated that 126,000 American Indian or Alaskan Natives would lose their health care if the tax credits expire. The result of this is that an already strained and underfunded health care system will be strained even further causing a reduction in services and staff across IHS facilities, and possibly even the closure of entire IHS facilities. However Congress resolves its differences with these tax credits, it is imperative that Indian Country have a seat at the discussions so we are not ignored in the solution.

The matters raised here only represent a portion of the concerns and consequences created by the federal government shutdown. While we will supplement the information in this letter with comments for the hearing record, it is likely that a full accounting of the impacts of this shutdown will be something the Nation will be reckoning with for years to come.

Respectfully,

VINCENT P. REDHOUSE, EXECUTIVE DIRECTOR

OCTOBER 27, 2025

Dear Senator Luján,

I hope this message finds you well. I am writing on behalf of the Pueblo of Picuris, one of the smallest and most rural of the New Mexico Pueblos, to share how government shutdowns and ongoing federal instability are devastating our people, our programs, and our progress.

As a direct-service tribe, we rely heavily on the Bureau of Indian Affairs, Indian Health Service, and other federal partners to deliver essential services. When these agencies close or reduce staff during shutdowns, our operations are immediately disrupted. Programs stop midstream, critical reimbursements are delayed, and commu-

nication channels with our federal partners go silent. Our small administrative team is left struggling to maintain health, safety, and infrastructure needs with no outside support.

When funding interruptions hit IHS or Medicaid reimbursements, our Health Station and pharmacy are forced to stretch limited resources just to keep the doors open. Referrals, dental care, and preventative services are delayed, leaving our members without consistent access to medical care.

At the same time, critical BIA infrastructure and public works projects, such as maintenance of BIA Road 201 and forestry or wildfire mitigation work, come to a halt when federal personnel are furloughed. These aren't abstract delays they are safety and access issues for our families, emergency responders, and school buses.

Picuris is at a crucial point in our economic development. We are building new enterprises our health station, travel center, renewable energy projects, and others to achieve economic independence and self-sufficiency. But even our private vendors and lenders lose confidence when federal operations pause, creating barriers to credit, contracting, and payroll stability. The combination of shutdowns and new executive orders that increase federal processing timelines and review requirements compounds these challenges. What once took weeks now takes months, and every added layer of delay has a magnified impact on small, rural tribes like ours.

Worse still, with no cash reserves to sustain operations during prolonged shutdowns, we cannot continue essential services without federal support. Unlike larger or self-governance tribes, we have no financial cushion to float payroll or advance program costs. When reimbursements stop, we are forced to suspend programs, lay off staff, or shut down entirely—without any guarantee of reimbursement once the government reopens. We are simply left to absorb the losses.

In addition, recent executive actions and shifting federal priorities have already cost us key funding streams. Living under this constant unpredictability is like living with a rattlesnake—you don't know when it will strike, but you know it will. The uncertainty surrounding federal "2025 plans" and proposed reductions intensifies this anxiety. For small, direct-service tribes with little economic cushion, every unexpected policy change or funding delay inflicts real harm.

Beyond the immediate service impacts, our tribal housing projects under NAHASDA, community safety and victim support initiatives, and education programs are also at risk. When grant drawdowns are frozen or agency staff are furloughed, even programs that technically remain funded become inaccessible in practice. Each day of delay makes it harder for us to sustain operations, meet payroll, and serve our families.

Every shutdown, every rescinded award, and every missed payment erodes what little progress we've built. It weakens community trust, drains staff morale, and damages long-term partnerships. The erosion of the federal trust responsibility—a legally recognized obligation under 25 U.S.C. §5301 et seq.—is not just disappointing; it is unacceptable. When the federal government fails to uphold consistent, reliable funding for essential tribal services, it is failing its own law and breaching that trust.

Even though it has sadly become too common for tribes like ours to be disregarded or treated as afterthoughts, I am asking you—please—to support the creation of an advance appropriation mechanism for tribal programs, similar to what exists for the Indian Health Service. We also urge Congress to extend that same protection to all essential tribal services—public safety, education, infrastructure, and natural resource programs—so that they remain operational regardless of a federal shutdown.

The continued disregard for tribal obligations is slowly killing our ability to sustain our communities. We have the will, the people, and the plans—but we need the government we partner with to keep its promises.

We deeply appreciate your ongoing advocacy and understanding of what tribes like Picuris face daily. We stand ready to provide further information or testimony for the record at your convenience.

Respectfully,

LT. GOV. CRAIG QUANCHELLO

OCTOBER 29, 2025

Dear Senator Luján,

I am writing to express deep concern over the potential lapse of the Supplemental Nutrition Assistance Program (SNAP) beginning November 1. For the Pueblo of Picuris and the surrounding Peñasco Valley communities, this would have devastating consequences. We live in one of the poorest regions of Taos County, where

a large portion of families Native and non-Native alike rely on SNAP to meet their most basic nutritional needs.

Here, many of our elders, single parents, and working families already live on the edge. If SNAP benefits stop, our community will face immediate food insecurity. There are no large grocery chains nearby, and the small local stores already struggle to stay stocked and affordable. When benefits pause, they lose revenue, which in turn means fewer deliveries, less inventory, and higher prices for everyone. This becomes a spiral that hurts every household in the valley—not just those receiving assistance.

Food should be recognized as an essential service in this country. We can send billions overseas to support other nations, yet we fail to protect the most basic human need of our own people. Rural families, especially those like ours who quietly do their best to survive, are too often forgotten. They are the ones who work hard, follow the rules, and rarely ask for help, yet they end up paying the highest price when government systems fail.

It's true that some people may misuse or abuse food assistance programs, but the majority of recipients in communities like ours are honest, hardworking families who simply cannot make ends meet in an economy where the cost of living rises faster than wages. They don't complain they simply adapt, make sacrifices, and keep moving forward. But there's only so much a family or a community can endure before it breaks.

Beyond continuing SNAP, we urge Congress and the Administration to take immediate, lawful actions during this shutdown to protect tribal and rural communities: Authorize the use of existing carryover and unobligated funds within BIA, IHS, and USDA to sustain food, healthcare, and safety programs. Establish a Tribal Continuity Fund to provide short term, interest free bridge support to tribes that must continue payroll and essential services. Expand advance appropriations beyond IHS to include BIA, HUD, and USDA tribal programs. Direct OMB and agency leadership to classify food, healthcare, housing, and emergency response as essential services under the Antideficiency Act, allowing them to continue during funding lapses. Require a Tribal Continuity Task Force of BIA, IHS, HUD, and Treasury to coordinate emergency responses for tribes within 48 hours of a shutdown. These actions can be taken without new legislation or additional spending only the will to honor the commitments already made.

Senator, I want to thank you and your team sincerely for reaching out to our tribal leaders and asking for real stories from the ground. We know every office, every agency, and every person has their own challenges and priorities but these steps can save lives. In a time when unity and compassion are needed most, we ask that you continue to be our voice in Washington and help make these solutions a reality.

This is not a new request or a new law it is part of the federal trust responsibility, promised long ago and reaffirmed in 25 U.S.C. § 5301. We should not have to stand here asking for the most basic necessities of life: food, safety, and dignity. For us, survival is not an event that happens during a shutdown it's what we do every single day.

We thank you and everyone involved for hearing us, for caring, and for taking these stories forward. Our hope is that by standing together as tribes, as rural communities, as New Mexicans we can remind the nation that strength begins with compassion and that unity is not a luxury it's a necessity for survival.

Respectfully,

CRAIG QUANCHELLO

SANTA ANA AGRICULTURAL ENTERPRISE—MEMORANDUM

October 27, 2025

Myron Armijo, Governor
Kevin C. Montoya, Lieutenant Governor

SUBJECT: IMPACT OF GOVERNMENT SHUTDOWN ON SANTA ANA AGRICULTURAL
ENTERPRISE

Overview

This summary provides an update on the potential impacts of the federal government shutdown on the Santa Ana Agricultural Enterprise (SAAE), including its four operating sectors: the Vineyard, Nursery, Grain Mill, and Farm Operations.

Current Status

At this time, the government shutdown has no direct operational or financial impact on the Santa Ana Agricultural Enterprise as a whole. All sectors, with the exception of the Nursery, continue to operate under normal conditions and budgets.

Nursery Program Impact

The Nursery has identified minor delays and uncertainties related to federally funded partnership programs. These include collaborations with:

- The Institute of Applied Ecology
- Partners for Fish and Wildlife
- The Lincoln National Forest Service

Current grant-funded activities remain unaffected; however, new proposals for contractual work under the FY 2026 programs are temporarily on hold. These proposals include three key initiatives:

1. Seedling propagation contracts (\$6,000 revenue source)
2. On-site projects involving raised bed installations for soil and sample testing (\$3,500 revenue)
3. Shrub and pollinator habitat development projects (\$7,200 revenue source)
4. Total, (\$16,700 contractual revenue)

Summary

In summary, the federal government shutdown currently poses no financial or operational threat to the SAAE's ongoing functions. Only the Nursery sectors federally supported future proposals may experience administrative or timeline delays until federal operations resume.

Conclusion

This concludes the white page report for the Santa Ana Agricultural Enterprise as of October 27, 2025.

RYAN GARCIA, DIRECTOR OF AGRICULTURAL

SANTA ANA TRIBAL POLICE DEPARTMENT
October 27, 2025

Governor Myron Armijo; Lt. Governor Kevin C. Montoya,
Pueblo of Santa Ana Leadership,
Santa Ana Pueblo, NM

RE: SAPD OPERATIONS STATUS DURING FEDERAL SHUTDOWN

Governor Armijo and Lt. Governor Montoya,

Santa Ana Tribal Police remains fully operational. We are not directly affected by the current federal shutdown because our BIA P.L. 93-638 contract funds for this year were drawn down in advance. The five officer positions supported by that contract are covered, and—by design—those same five positions are also built into our Tribal Police Department budget. This resilience step, informed by prior shutdown experience, ensures no gap in staffing or public-safety services for our community.

The only outstanding item is our DOJ CTAS grant application. We have not yet received an award decision, and routine federal grant actions are often delayed during a shutdown. In short: services continue, staffing is stable, and we will notify you the moment we receive CTAS news.

Respectfully,

BENNETT LEON, CHIEF OF POLICE

WHITE PAPER ON FEDERAL SHUTDOWN EFFECTS ON PUEBLO OF SANTA ANA-DEPARTMENT OF NATURAL RESOURCES (DNR), DATED OCTOBER 28, 2025, BY DOUG MCKENNA, DNR DIRECTOR

The Pueblo of Santa Ana, Department of Natural Resources is responsible for the protection, preservation, and conservation of natural resources for current and future generations of tribal community members. There are six (6) divisions under DNR including Water Resources, Conservation Enforcement, Range and Wildlife, Environmental, GIS and Restoration. The department consists of forty-two (42) employees with many tribal members working in each of the divisions. These programs are supported by tribal leadership and tribal council for the benefit of the tribal community,

Many projects and programs are supported by federal grants administrated by several federal agencies. These programs enhance traditional values through the protection of the tribe's natural and cultural resources.

Synopsis

- There are no project/program managers overseeing federal grants available for updates, questions and direction with US Department of Interior (USDOI) agencies including the BIA and USFWS and Environmental Protection Agency (EPA). Misinformation and not knowing any answers causing confusion with tribal managers from their federal partners.
- Meetings cancelled by federal partners with re-occurring scheduling with the US Army Corp of Engineers (USACE), EPA, BIA and USFWS, these activities were for coordination of many projects and discuss areas of concern.
- Grants that are classified as reimbursables have been suspended by the DNR Director until monies are obtained, through drawdowns, from federal government agencies before initiating any contracts. This jeopardizes tribal commitments on ongoing projects.
- Legal obligations with contractors and other entries with signed 638 Contracts that are paused by the current administration which may force litigation in federal courts.
- Attending workshops were federal project managers and employees participate on their own as volunteers and not representing their agencies, they attend because of their dedication to the tribal communities on a personal level.
- Tribal managers don't know what to expect in the future with current administration and congressional delegation in reference to natural resources, conservation, fish and wildlife, environmental and water resources for tribal communities.

Reported by Divisions under DNR, see the following comments

Water Resources Division

Currently for the Water Resources Division the government shutdown hasn't influenced the water grants. The concern will be if the shutdown continues then we will see the impact of not having access to EPA and BIA's resources. One of the biggest effects is that we will not be able to make drawdowns from the committed money that we were awarded from these federal agencies. Another effect of the shutdown is the absence of communication with the federal agencies. Communication is key, without the federal agencies present the Pueblo will not be able to progress and move forward in decisionmaking of water issues and matters.

Conservation Enforcement Division

The Pueblo of Santa Ana Conservation Enforcement Division (Division) is responsible for enforcing the Pueblo's natural resource laws, and regulations to include fish and wildlife, cultural resources, environmental protection and to pursue violations on Pueblo lands. It is comprised of ten Conservation Officers who patrol remote areas, repair infrastructure, manage hunting and fishing activities on the Pueblo and conduct public outreach activities. The Division is primarily funded through Tribal Resources and has an annual operating budget of approximately \$1.2 million.

For FY 2026 the Division applied for the Coordinated Tribal Assistance Solicitation (CTAS) Grant in coordination with the Santa Ana Police Department. In its application, the division requested approximately \$330K to be used for the acquisition of law enforcement equipment including training, vehicles and ruggedized laptop computers compatible with the County's new Dispatch Center. The grant recipients were originally scheduled to be notified on October 1, 2025, but the announcement has been postponed due to the Government shutdown and subsequent lack of appropriated funding. Although this grant was never awarded, the division was hopeful that these funds would be allocated to help defray the cost of replacing aging equipment and improve dispatch capabilities for the division.

Indirectly, the division may be negatively impacted if the Santa Ana Tribal Council funds other programs within the Department of Natural Resources in lieu of federal resources. In such a case, it is anticipated that all divisions may be negatively impacted due to scarcity of funds and fiscal tightening measures.

Range and Wildlife Division

The Endangered Species Program under BIA Parks, Wildlife, and Recreation has stalled because of shutdown as well as PL-638 contract modifications to existing contracting.

Also, Conservation Stewardship Program and Environmental Quality Incentives Program under USDA-NRCS have been affected by shutdown as there is no one available to accept/review contract proposals.

Environmental Division

BIA Tribal Electrification Program (TEP):

BIA has not been able to respond to inquiries and furloughed. Since the Trump Administration took office, and the shutdown, this has led to an unsettling thought of renewable energy projects being threatened.

Our AOR is an essential employee for DOT and confused if she can work on our contract. We are waiting for guidance from the BIA Regional Director Brian Bald Eagle.

Also, once we sign a contract for the Engineering Procurement and Construction (EPC), we are not sure if BIA will approve drawdown requests ASAP due to staff not being present to approve. This is also unsettling on how to move forward once we get to the EPC contract (about a month out).

EPA:

Some EPA project officers have been furloughed, but our workplan deliverables are progressing. Our EPA Regional Tribal Operations Committee (RTOC) tribal caucus and meeting have been cancelled; this is an important meeting between tribes and EPA in the Region.

USACE NALEMP:

Points of contact with the USACE have been furloughed; however, we are able to work with USACE consultants.

GIS Division

Impacts of the current shut down create a lingering effect of the most recent budget cuts experienced by several federal government agencies.

In particular, the GIS Division has the need for infrequent contact with BIA mainly to access land records and the need for GPS needs. A continuing government shutdown impairs our ability to access records and respond to the needs of tribal members.

Direct impacts due to the government shutdown include a shuttered BIA BOGS (Branch of Geospatial Support). BOGS grants federally recognized tribes' access to several GIS programs through the DOI BPA. In addition, they regularly hold training on GIS topics to deepen the capacity of tribal governments.

Right now, there has not been an issue with licensing and use of our main GIS program (ESRI ArcPro). However, if there is a prolonged shutdown, issues may arise since the GIS Division is required to submit an annual renewal of the Enterprise License Agreement (ELA) to BOGS which is typically completed near the end of the year. The ELA becomes the basis of our ability to access free or reduce cost licenses.

Restoration Division

1. We don't have contacts on the fed side. Meetings canceled.
2. Funding freeze. All our money to operate comes from fed dollars. So, no real directive on applying or receiving funding.
3. Our fish survey this week will be conducted without a fish biologist. So, lack of expertise that we used in the past.
4. No interest in natural resources by current administration.

EXECUTIVE SUMMARY: SANTA ANA DEPARTMENT OF EDUCATION (SADE)

The federal government entered a lapse of appropriations beginning October 1, 2025, after Congress failed to pass full-year funding for FY 2026. As a result, many federal agencies, including the U.S. Department of Education (ED), are operating under contingency plans, with new grant awards suspended and many discretionary functions halted or delayed.

For the Santa Ana Department of education (SADE), the key considerations are:

- Although Santa Ana has state-driven grants and allocations from the New Mexico Public Education Department (NMPED) are not federal, the Johnson O'Malley (JOM) and Administration for Children & Families (ACF) offer grant program federal grants to tribes and tribal organizations, so it is potentially vulnerable to the shutdown.
- The immediate risk appears moderate the JOM and ACF award has already been obligated to The Pueblo of Santa Ana, and some funds are disbursed; however, if new funds, reimbursements, or administrative approvals are pending (or if the program year overlaps into FY 2026), SADE will monitor for disruptions.

- The Pueblo's NMPED state grants remain intact (state-funded and outside the federal appropriation lapse), the state side of our operations remains stable.
- Proactive contingency planning is advisable, ensuring continuity of critical educational services to SADE students.

Background

The Johnson O'Malley (JOM) Program

- The JOM program provides federal funds to assist with the educational needs of eligible Indian students attending public schools, and to support tribal education entities.
- Because it is federally administered (via ED or sometimes the Bureau of Indian Education depending on implementation) it is subject to federal appropriation processes.

Santa Ana Department of Education Funding Mix

- SADE receives funding from state allocations via the NMPED (for example state grants, allocations, and assistance) which are not dependent on the federal government shutdown.
- The JOM program funds are federal, so they are the portion of your educational funding mix that carries shutdown risk.
- It is important to isolate which part of our budget is Tribal and state-funded vs federal-funded and track the JOM component carefully.

Potential Impacts to Santa Ana Department of Education

1. Impact on Tamaya Learning Center (Child Care and Development Fund) & SADE (JOM Funded Programs)

The Tamaya Learning Center receives CCDF funding through the ACF to support early childhood services for Santa Ana Pueblo families. During the current federal funding lapse:

- New awards and reimbursements under CCDF may be delayed or suspended, depending on ACF's contingency operations.
- Due to the furlough of Child Care and Development Fund staff, communication with the Pueblo of Santa Ana has been minimal.
- Reimbursement-based expenditures (such as staffing (overtime), tutoring services, supplies, and training costs) may face processing backlogs, potentially straining program continuity.
- Administrative approvals or modifications (e.g., budget revisions, carry-over requests, and reporting deadlines) may not be processed until appropriations resume.
- If the shutdown persists, the continuity of childcare services-particularly federally supported slots or staff funded under CCDF-could be impacted.
 1. Delayed Payments or Reimbursement Requests
 - If the JOM program has a reimbursement-based model (tribe submits costs and is reimbursed), delays at ED could slow the processing of those reimbursements.
 - If a new JOM award or extension is pending for FY 2026 (or the next program year) and ED cannot execute award documents due to the shutdown, new funding may be delayed or frozen.
 - While the immediate award may have been made, any carry-forward or supplemental could be at risk.
 2. Administrative/Regulatory Support Delays
 - Even if funds continue to flow, slower responses may hamper program management.
 3. Service Interruptions for Students (Indirectly)
 - Although your NMPED-funded programs remain stable, any disruption in JOM funding might force temporary scaling back of JOM-funded services (e.g., supplemental tutoring, higher education scholarships, and enrichment activities) that rely exclusively on those funds.
 - If the shutdown is prolonged, and if the tribe depends on JOM funds for staffing or programs, continuity of those services could be compromised.
 4. Program Planning & New Award Risks

—If the program year transitions into FY 2026 and ED is unable to allocate funds, there may be a gap.

Specific Considerations for SADE

- Interactions with NMPED (state funding) are not impacted by the shutdown—SADE’s core state-funded operations are stable.
- SADE’s risk comes from the federal JOM and ACF funding stream.
 - The grant is partially awarded and obligated for the current program year.
 - What is the scheduled timing of payments and reimbursements?
- SADE will coordinate with SA finance/grants offices to ensure tribal funds in our budget can cover any short-term delay in JOM and ACF payments, to avoid disruption of JOM-funded services to tribal students.
- As soon as possible, SADE will communicate with our JOM and ACF program officer at ED (or the appropriate federal contact) to confirm status of award and any expected delays due to the shutdown.

Recommendations & Action Steps

Short-Term (Immediate: next 1–3 months)

- Inventory JOM funding: Create a summary of your current JOM award(s), including amount, period of performance, obligated amount, reimbursement status, pending proposals or modifications, and cash flow timing.
- Monitor federal contact status: SADE will contact our federal JOM program officer and reach out (in writing) to request status confirmation of the current award and whether the shutdown is affecting processing of payments or modifications.
- Program-priority ranking: SADE will rank our JOM-funded activities in order of priority so that if funds are momentarily interrupted, we will know which services to sustain, and which might temporarily slow.

Medium-Term (3–12 months)

- Scenario planning: SADE will develop scenarios for varying durations of the shutdown. For each scenario, SADE will identify which components of JOM and ACF-funded programs could be delayed, frozen, or reduced, and what mitigation strategies you would enact.
- Budget flexibility: Revise future JOM/ACF budgets (for upcoming fiscal/program year) to include contingency buffer lines or flexibility (deferring non-essential expenditures) until full award certainty is obtained.
- Coordination with state funding: SADE will consider whether state funds (from NMPED) might temporarily cover critical services typically supported by JOM funds, if delays occur, to ensure no service disruption to students.
- Documentation and compliance readiness: SADE will ensure all current JOM/ACF grant documentation (budget modifications, reimbursements, program reports) is up to date, so that when the federal processes resume, we are ready to submit without additional delay.
- Advocacy readiness: SADE will coordinate with other tribes/education organizations receiving JOM/ACF funds to monitor developments at the federal level and be prepared for joint advocacy if needed.

Long-Term (Beyond 12 months)

- Policy-level engagement: SADE will stay abreast of federal policy regarding the JOM program and any changes in its funding, authorization, or administration, especially given the larger federal education landscape disruptions.

Key Risk Factors & Mitigating Considerations

Risk Factor	Impact on Santa Ana Pueblo’s Education Dept	Mitigation Approach
Delay in JOM/ACF reimbursements or new award	Could force temporary suspension of JOM-funded services, cause cash-flow stress	Cash modeling, use of bridging Tribal higher education funds, prioritizing critical services

Risk Factor	Impact on Santa Ana Pueblo's Education Dept	Mitigation Approach
Pending budget modifications or expansions in JOM/ACF grant	If federal approval is delayed, we cannot expand services.	Maintain flexible budget
Federal administrative delays (monitoring, approvals)	Slows program modifications, reporting, compliance actions	Ensure all documentation is current, maintain contact with federal officer
Shutdown prolongation or repeat occurrence	Longer disruption could affect award for new fiscal year or carry-forward funds	Scenario planning, reserves, alternative funding fallback
Stakeholder expectations (tribal students, parents)	If services are scaled back, community might be disappointed or trust impacted	Transparent communication, set realistic expectations, maintain core services

Important mitigating factor: Because our state-funded grants via NMPED are not affected by the federal shutdown, our base operations remain stable.

Conclusion

The Santa Ana Department of Education will send the Director of Education and the Education Program Manager to attend the Johnson O'Malley (JOM) Conference in Denver, Colorado, from November 8th through November 10th.

This conference provides an important opportunity to collaborate with other tribal education departments, federal representatives, and program administrators to strengthen educational services for our students.

Our primary concern during this time is the potential impact of the federal government shutdown on existing and upcoming federal grants. We will be seeking updates and guidance at the conference to understand any implications for current funding cycles, new grant applications, and program continuity.

While the 2025 federal government shutdown does introduce risk to the federal portion of our education funding (specifically the JOM/ACF grant program), it does not jeopardize our state grants from NMPED. That provides a solid foundation.

The key vulnerabilities lie in whether the JOM/ACF award is fully obligated, whether reimbursements or approvals are pending, and how long the federal shutdown continues. By taking proactive steps now (inventorying funds, prioritizing services, and building contingency plans), the Santa Ana Department of Education will mitigate disruption and continue delivering critical services to Santa Ana students.

EXECUTIVE SUMMARY—IMPACTS OF THE FEDERAL SHUTDOWN ON THE PUEBLO OF SANTA ANA'S HEALTH & HUMAN SERVICES DEPARTMENT (POSA HHS) PREPARED BY: DR. MARIAM CAMPOS-MARQUETTI, DIRECTOR OF HEALTH & HUMAN SERVICES—OCTOBER 27, 2025

Overview

The federal government shutdown that began on October 1, 2025, is disrupting essential health and social services at the Pueblo of Santa Ana. Although some Indian Health Service (IHS) activities remain operational through advance appropriations, most grantfunded programs, technical assistance, and interagency coordination are delayed or paused.

The POSA Health & Human Services Department oversees multiple programs that directly support community health, safety, and elder wellbeing. The shutdown's impacts are widespread across:

- IHS-funded Community Health Representative (CHR) Program
- IHS-funded Substance Abuse & Behavioral Health Program
- Older Americans Act Title VI Programs for Elders (Senior Center congregate meals, home-delivered meals, transportation, caregiver support)
- BIA Indian Child Welfare Act (ICWA) Program
- Office for Victims of Crime (OVC)/Social Services Program
- Adult Day Program (ADP)
- Public & Population Health Initiatives
- Community Health Council (NM DOH-supported)
- Administrative & Finance Division

Immediate Operational Impacts

- Federal grant drawdowns, reimbursements, and approvals are delayed.
- Technical advisors and regional contacts are largely unreachable.
- Procurement and vendor payments tied to federal funding are stalled.
- Elders, families, and survivors face disruptions in meal delivery, crisis response, and case timelines.

The Senior Center, which operates on a \$187,000 state grant (NM ALTSD) supplemented by Title VI federal and tribal funds, remains open but faces pressure due to delayed reporting, reimbursements, and technical assistance.

Financial & Programmatic Risks

- Short-term: slowdowns in outreach, procurement, and training.
- Mid-term: cash-flow stress from delayed reimbursements; increased client demand in behavioral health and OVC services.
- Long-term: potential service reductions, staffing freezes, and risks to continuation funding if reporting and proposal deadlines cannot be met.

Actions Underway

POSA HHS has initiated mitigation strategies to sustain core services, including:

- Prioritizing essential operations: home-delivered meals, CHR outreach, behavioral health crisis response, and victim advocacy.
- Conducting cash-flow modeling to anticipate 60–90-day reimbursement delays.
- Establishing redundant contacts across federal agencies and documenting all unanswered inquiries.
- Preparing extension letters and early report submissions to minimize compliance risk.
- Standing up a Shutdown Working Group to coordinate contingency planning across programs.

Requests for Congressional Action

The Pueblo of Santa Ana respectfully requests the Senator's support for:

1. Immediate passage of a clean funding resolution to restore operations and clear backlogs.
2. Advance appropriations or mandatory funding across all major tribal-serving programs (IHS, BIA, OVC, Title VI).
3. Automatic deadline relief for tribal reports, RFPs, and continuation grants during shutdowns.
4. Rapid technical assistance restoration and accelerated reimbursements within 30–45 days of reopening.
5. Permanent structural protections for tribal nations, including data collection on shutdown impacts.

Conclusion

The current shutdown threatens the health, safety, and wellbeing of Santa Ana's most vulnerable members—our elders, families, and survivors. The Department of Health & Human Services continues to operate with resilience and contingency measures, but sustained federal action is critical to prevent service disruption and long-term harm. Support from our Senators for funding continuity, deadline relief, and durable tribal protections will safeguard essential health and human services at the Pueblo of Santa Ana and across Indian Country.

WHITE PAPER: IMPACTS OF THE FEDERAL SHUTDOWN ON THE PUEBLO OF SANTA ANA'S HEALTH & HUMAN SERVICES DEPARTMENT—FROM: DR. MARIAM CAMPOS-MARQUETTI, DIRECTOR, HEALTH & HUMAN SERVICES (HHS), PUEBLO OF SANTA ANA (POSA)

Executive Summary

The federal government shutdown that began on October 1, 2025, is materially affecting the Pueblo of Santa Ana's Health & Human Services (HHS) operations. While certain federal agencies (e.g., the Indian Health Service, IHS) have partial insulation through advance appropriations, many of our grant-funded activities, technical assistance, new RFPs, amendments, and interagency coordination are delayed or paused.

For POSA HHS, the interruption threatens the following core programs and services:

- I HS-funded Community Health Representative (CHR) Program
- I HS-funded Substance Abuse & Behavioral Health Program
- Older Americans Act Title VI Programs for Elders (Senior Center congregate meals, home-delivered meals, caregiver support, transportation, wellness/health screening, social engagement)
- BIA Indian Child Welfare Act (ICWA) Program
- Office for Victims of Crime (OVC)/Social Services
- Adult Day Program (ADP), tribally administered
- Public Health & Population Health initiatives (screenings, prevention, community education)
- Community Health Council (NM DOH-supported coordination)
- Administrative & Finance Division (grants, reporting, procurement, compliance)

Compounding these risks, we have been unable to reach several federal technical advisors, and deadlines for reports, drawdowns, RFPs, and proposals are at risk. This paper (1) identifies operational vulnerabilities, (2) assesses short-, mid-, and long-term impacts, (3) outlines mitigation and contingency measures now underway, and (4) presents concrete legislative and administrative requests for our U.S. Senator.

Context: Shutdown & Tribal Programs

- Congress did not enact full FY–2026 appropriations or a continuing resolution by Oct 1, triggering a lapse in funding.
- Advance appropriations lessen but do not eliminate exposure: core operations may continue in places, yet grant actions, modifications, reimbursements, and technical assistance are frequently delayed.
- Tribal programs historically experience disproportionate harm during shutdowns due to reliance on federal approvals, cost reimbursements, and technical guidance that pause or slow substantially.

POSA HHS Program Overview & Risk Points

1) *IHS-Funded Community Health Representative (CHR) Program What it does: Home and community outreach to elders and high-risk members; health education; navigation; screenings; linkage to meals and services.*

Shutdown risks:

- Delays in contract support cost (CSC) payments and grant modifications.
- Training/TA pauses; Area/HQ approvals and email responsiveness degraded.
- Activities dependent on new or discretionary funds are vulnerable.

Operational impacts at POSA:

- Scheduling, outreach intensity, and home-based coordination may slow especially critical for homebound elders.
- Heightened staff uncertainty around budgets and timelines; hiring/onboarding delays.
- Compliance/reporting compression increases audit and continuation-funding risks.

2) *IHS-Funded Substance Abuse & Behavioral Health Program*

What it does: SUD treatment, behavioral health counseling, case management, crisis response, and referral coordination.

Shutdown risks:

- Delays in new awards, amendments, and drawdowns (including SAMHSA/IHS discretionary streams).
- Reduced TA/oversight; evaluation and monitoring time lines slip. Operational impacts at POSA:
- Essential care continues, but expansions and new initiatives are at risk.
- Rising demand (shutdown stressors) may collide with constrained capacity.
- Training and data/report deadlines at risk, impacting future eligibility.

3) *Title VI Programs for Elders (Senior Center & Related Services)*

What it funds: Congregate Meals (Senior Center), Home-Delivered Meals, Supportive Services (transportation, homemaker, chore), Caregiver Support (respite, training, counseling), Health Screening/Wellness, Socialization & Cultural Activities.

Funding profile: The Senior Center currently operates on a \$187,000 state grant from the New Mexico Aging & Long-Term Services Department (ALTSD), supplemented by Title VI federal funds and tribal funds.

Shutdown risks:

- Delays in report acceptances, technical assistance, amendments, and cash disbursements tied to federal processing.
- Vendor/contractor payments and purchase orders slowed.

Operational impacts at POSA:

- Senior Center reopening scale-up could slip due to vendor and staffing uncertainties.
- Home-delivered meals face supply and invoicing friction.
- Caregiver supports and screenings may delay ramp-up, reducing preventive touchpoints.

4) *BIA ICWA Program*

What it does: ICWA casework; court coordination; family reunification; foster/kinship placement; compliance and training.

Shutdown risks: BIA contracts/agreements and discretionary items delayed; training/TA unavailable or minimal.

Operational impacts at POSA:

- Case timelines and court coordination can slip; training and placement approvals slow.
- Staff face higher administrative burden without federal guidance; continuation cycles may bunch up.

5) *Office for Victims of Crime (OVC)/Social Services*

What it does: Trauma-informed advocacy; crisis response; safety planning; referrals; coordination with law enforcement/courts.

Shutdown risks: OVC grant actions (reimbursements, modifications, continuation) delayed; TA intermittent.

Operational impacts at POSA:

- Time-critical services risk responsiveness gaps; staff safety/training supports lag.
- Proposal/reporting time lines may compress, threatening continuation funding.

6) *Adult Day Program (ADP)*

What it does: Provides supervised daily care, socialization, and support services for elders and adults with disabilities.

Shutdown risks: Federal grant review delays for any linked facility, staffing, or services expansions.

Operational impacts at POSA: Paused service enrollment and contractor payment uncertainty.

7) *Public Health & Population Health*

What it does: Community health education, screenings, prevention campaigns, immunization events, and health literacy initiatives.

Shutdown risks: Delayed communication with federal partners (IHS/CDC) on training, reporting, and coordination.

Operational impacts at POSA: Interrupted coordination for screenings and outreach; potential delays in planned events.

8) *Community Health Council*

What it does: NM DOH-supported multi-sector coordination on priority health needs. Shutdown risks: State coordination continues, but federal data sharing and guidance are limited during the lapse.

Operational impacts at POSA: Reduced alignment with federal initiatives and delayed applications that depend on federal coordination.

9) *Administrative & Finance Division*

What it does: Grants management, reporting, procurement, and compliance across all HHS programs.

Shutdown risks: Federal approval for contracts and reimbursements delayed; staff time diverted to contingency processes.

Operational impacts at POSA: Cash-flow pressure and audit vulnerability as reporting windows tighten post-shutdown.

Cross-Cutting Risks Now Evident

- Technical advisors unreachable or significantly delayed; approvals and guidance stalled.
- Grant reporting and proposal/RFP time lines jeopardized by system and staffing slowdowns.
- Procurement and vendor payments delayed where federal approvals/reimbursements are involved.
- Equity risks: elders, victims of crime, children/families in ICWA cases, and members with SUD/MH needs face heightened harm from even short disruptions.

Impact Assessment for POSA HHS

Short Term (less than or equal to 30 days)

- Core I HS-supported operations continue, but training, hiring, procurement, and expansions are delayed.
- Senior Center ramp-up vulnerable to PO/vendor slowdowns; home-delivered meals supply/invoicing friction.
- Technical assistance is intermittent; approvals and clarifications lag.
- Reports/proposals may be submitted into a queue with delayed federal action; risk of deadline collisions later.

Mid Term (30–90 days)

- Contract support cost and vendor reimbursements delays create cash-flow stress.
- Behavioral health and OVC see demand up, capacity constrained; ICWA coordination lags.
- Staff morale/retention pressure; cautious approach to hiring and program buildouts.
- Grant reviews shift; competitive windows may compress or slip unpredictably.
- Potential need to tap tribal reserves, postpone non-critical capital and expansions.

Long Term (greater than 90 days)

- Extended shutdown could force service reductions, hiring freezes, and project deferrals.
- Health and safety outcomes degrade: elder nutrition/social isolation, relapse risk, victim safety, child welfare timelines.
- Community trust erodes if reopenings slip and services pause.
- Future funding jeopardized by missed/stacked deadlines and compliance compression.

Mitigation & Contingency Measures (In Progress/Planned)

A) Immediate (Initiated/Ready to Initiate)

1. Map every award, deadline, and cash-flow dependency (6–12 months); flag discretionary/new-award exposure.

2. Establish redundant points of contact at IHS/BIA/DOJ; log unanswered inquiries to support extension requests.

3. Sustain staff and community communication: what continues vs. what may shift; reassure elders and high-risk members.

4. Protect core services: home-delivered meals, CHR outreach, BH crisis response, OVC advocacy; pre-stage vendor contracts.

5. Procurement review: identify federal-dependent approvals; plan tribal bridging where critical.

6. Cash-flow modeling: 60–90-day reimbursement delay scenario; define trigger points for tribal reserves.

7. Reporting/proposals: submit early when possible; document federal system/TA delays; pre-draft extension letters.

B) Medium Term (If Shutdown Persists)

1. Flex program management: pause non-essential enhancements (e.g., phased ADP build-out) to protect essentials.

2. Leverage partnerships: temporary state/county supports; regional tribal cooperation for training and shared resources.

3. Advocacy documentation: quantify missed visits, meals, case delays, and cost impacts; prepare a weekly one-pager.

4. Recovery planning: anticipate backlog (payments, on boarding, audits) and build a 60-day catch-up plan.

C) Long-Term Structural

1. Adopt a tribal bridge-fund policy for elder nutrition, BH/OVC crisis services, and ICWA case continuity.

2. Diversify funding: state, philanthropic, and academic partners for evaluation/training and gap services.

3. Modernize grants & procurement: live tracker, deadline buffers, and a “shutdownrisk” check in all RFPs.

4. Advocate for reform: support advance appropriations and automatic CR mechanisms to avoid future shutdown harm.

Specific Requests for Our U.S. Senator

1. Pass an immediate, clean funding vehicle (CR or omnibus) to restore agency operations and clear reimbursement backlogs.

2. Enact universal advance appropriations (or mandatory funding) across key tribalserving programs (I HS-including CSC and construction, BIA social services/ICWA, OVC tribal set-asides, and OAA Title VI).

3. Authorize automatic deadline relief (reporting, continuation applications, postaward actions) during shutdowns, with no penalty to tribes.

4. Direct agencies to prioritize elder nutrition, ICWA timelines, BH/OVC crisis services, and CHR outreach in emergency operations.

5. Require rapid TA restoration: maintain skeleton TA/grants staff or publish singlepoint hotlines for tribal governments during lapses.

6. Accelerate reimbursements after reopening (e.g., surge teams) to clear tribal backlogs within 30–45 days.

7. Fund data and evaluation to document shutdown harms in Indian Country and support permanent protections.

Next Steps for POSA Leadership

1. Stand up a Shutdown Working Group (program leads, Grants/Finance/Procurement) to deliver a 30-day contingency plan this week.

2. Activate cash-flow safeguards per the delay scenario; pre-authorize limited draws from tribal reserves if triggers are met.

3. Transmit the Senator Packet: this white paper, a one-page executive brief, the program impact dashboard, and time-sensitive deadlines needing extensions.

4. Hold weekly leadership huddles until federal operations normalize; maintain a shared log of disruptions and costs.

Conclusion

Even with partial insulation, the shutdown is degrading the reliability of core health and human services relied upon by our elders, families, and survivors. The most acute nearterm risks involve elder nutrition and social connection, behavioral-health/OVC crisis response, and ICWA timelines—areas where delays convert quickly into measurable harm.

POSA HHS is executing contingency steps to protect essential services, but sustained federal action is needed. Support for immediate funding, durable advance appropriations across tribal-serving programs, automatic deadline relief, and rapid

TA/reimbursement resumption will directly safeguard lives and health in our community and across Indian Country.

PUEBLO OF TESUQUE—EXISTING IMPACTS FROM 2025 FALL SHUTDOWN

The Pueblo of Tesuque is a sovereign Native American nation located in the foothills of the Sangre de Cristo Mountains, just north of Santa Fe, New Mexico. It is one of the state's smallest Pueblos, with a population of about 800, but the Pueblo encompasses more than 17,000 acres, including Aspen Ranch and the Vigil Land Grant high in the Santa Fe National Forest near the Santa Fe ski area.

Tesuque is one of the more traditional and conservative pueblos, with a strong focus on cultural preservation, environmental protection, and economic self-sufficiency. The Pueblo's efforts in cultural and language preservation are a top priority, often through education and the protection of sacred sites.

The government shutdown generally has a broad, disproportionate impact on Native American communities, including the Pueblo of Tesuque, due to the nation-to-nation relationship and reliance on federal funding to fulfill trust obligations. There will be financial strain on our tribal government resources.

For the Pueblo of Tesuque, services affected during this shutdown are not immediately public, the impacts typically fall into the following critical areas:

- The Pueblo may have to use its own reserve funds to maintain essential services, which can strain tribal finances.
- Delays or freezes in the disbursement of federal grants and contracts can halt or slow down tribal operations and projects.
- The suspension of key farm and food assistance programs threatens the financial stability of producers and the food security of families.

—Supplemental Nutrition Assistance Program (SNAP) and WIC. If the shutdown prolongs, federal funding for programs like SNAP and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) could lapse, leading to food insecurity for tribal members.

TRIBAL HISTORIC PRESERVATION OFFICE—DIRECTOR LARRY SAMUEL

A core priority is the preservation of Tesuque's unique culture and language. This includes protecting ancestral lands and traditional practices. The Pueblo is actively involved in efforts to repatriate historical artifacts and maintain its traditional way of life. The Pueblo's government and related entities work to uphold the Pueblo's sovereignty and protect its cultural heritage.

The Pueblo of Tesuque is deeply concerned about the increase threat to our ancestral and irreplaceable cultural sites and historic lands resulting from the ongoing federal government shutdown.

Due to the lapse in appropriations, critical federal employees including archaeologists, land managers, rangers, and law enforcement officers responsible for protecting cultural resources on federal lands surrounding the Pueblo and areas of cultural significance have been furloughed or are operating with severely diminished capacity. This situation creates a dangerous void in oversight that directly jeopardizes our sacred sites and cultural heritage.

The government shutdown leaves our ancestral resources vulnerable to:

- **Vandalism and Irreparable Damage:**
 - Unstaffed federal lands are susceptible to illegal entry, vandalism, and the defacing of ancient petroglyphs, archaeological sites, and historic structures. Such damage to these sites, which hold the history and spirit of our people, is often irreversible.
- **Looting and Theft:**
 - The lack of patrol and security on cultural resource lands increases the risk of archaeological artifacts being looted and removed, a direct violation of federal law and a devastating loss to our cultural patrimony.
- **Halted Preservation Work:**
 - Essential cultural resource management activities, environmental monitoring, and consultations required under the National Historic Preservation Act (NHPA) are suspended, stalling critical preservation and protection efforts.
- **Failure of Trust Responsibility:**

—The federal government’s inability to maintain sufficient protection for these lands constitutes a failure to uphold its treaty and trust responsibilities to the Pueblo of Tesuque and other Tribal Nations, whose history is deeply tied to these ancestral landscapes.

The Pueblo of Tesuque urges Congress to immediately end this political stalemate and restore full funding to the agencies charged with protecting these cultural heritage sites, ensuring that our sacred sites, which belong to all future generations, are safe from harm. The permanent damage to a cultural site cannot be compensated with back pay; once destroyed, it is lost forever.

TRANSPORTATION DEPARTMENT—DIRECTOR: ROBERT FRENIER

The Pueblo of Tesuque’s Transportation Department is responsible for the planning, maintenance, and development of the Pueblo’s transportation infrastructure. The department is tasked with the planning, design, construction, and maintenance of the Pueblo’s road network, often in collaboration with federal partners like the Bureau of Indian Affairs (BIA). This includes the continual assessment of the roadway system to identify and implement improvements.

The Pueblo of Tesuque acknowledges that the BIA Transportation Program is generally one of the few tribal services that continues to operate during a federal government shutdown. This continued function is due to its funding source being largely non-lapsing funds from the Department of Transportation’s Highway Trust Fund, which makes it exempt from the annual appropriations lapse.

The following are possible significant risks and challenges to the Pueblo’s infrastructure and community due to the shutdown:

- Risk to Project Approvals:
 - Although the funding source is protected, furloughs within the BIA and the Federal Highway Administration (FHWA) it can cause a severe slowdown or halt to the administrative process.
 - Essential approvals for new road construction, maintenance contracts, and the processing of Tribal Transportation Improvement Program (TIP) plans may be delayed, preventing upcoming work from starting.
- Maintenance of Existing Infrastructure:
 - The continued operation relies on the minimal staff deemed “essential,” who are often working without pay and currently understaffed. This undermines the effectiveness of the BIA’s responsibility for emergency road maintenance, snow removal due to upcoming weather or flooding issues, bridge inspections, and safety improvements on the pueblo roads.

AGRICULTURAL SERVICES DEPARTMENT—INTERIM DIRECTOR: CESAR BARRIONUEVO

The Pueblo of Tesuque’s Farms Department is an integral part of its commitment to cultural preservation, food sovereignty, and community health. Its primary mission is to revive traditional farming practices while also integrating modern, low-tech, and sustainable techniques to provide healthy food for the Pueblo community. In recent year, the pueblo has faced surface water depletions for irrigating and will utilize ground water to supplement.

The federal government shutdown is creating an immediate and profound crisis for agricultural producers and vulnerable citizens, especially within Tribal communities, as the U.S. Department of Agriculture (USDA) is forced to furlough approximately half of its workforce.

The shutdown severely compromises the services for farmers:

- USDA
 - Offices Closed—No word on Congressional Direct Spending Fund award
- Conservation Programs Frozen:
 - The Natural Resources Conservation Service (NRCS) has furloughed the vast majority of its staff.
 - Stops technical assistance and contact for new and ongoing conservation projects.

The Pueblo of Tesuque urges Congress to prioritize not only funding restoration but also a long-term solution, such as mandatory forward-funding for all critical Tribal programs, to shield our essential services from future political crises.

UTILITY DEPARTMENT—DIRECTOR: CARLOS CASIAS

The Pueblo of Tesuque's Utility Department work is vital for the Pueblo's self-governance and its ability to provide essential, modern services to its citizens. It works to secure and protect the Pueblo's water resources and manage infrastructure in a way that is sustainable and in compliance with federal regulations. The department is responsible for ensuring the Pueblo has a supply of safe drinking water. The department operates and maintains the Pueblo's wastewater treatment systems. The Utility Authority oversees solid waste disposal services. Key issues include aging infrastructure, capacity limitations, and inefficiencies in sludge management.

- Permitting Delays:
 - BIA staff responsible for approving rights-of-way, leases, and permits necessary for utility line installation across trust lands are furloughed, bringing new infrastructure and maintenance projects to a standstill.

REALTY DEPARTMENT—DIRECTOR: BRENDA M. ATENCIO

The Pueblo of Tesuque's Realty Department is a critical governmental entity responsible for the management, preservation, and protection of the Pueblo's land and real estate assets. The department provides technical assistance to the Pueblo's Governor, Tribal Council, and community members on a range of land and real estate issues. They are responsible for creating and maintaining essential documents, such as easements, rights-of-way, and utility service line agreements.

The following are issues the Realty Department is dealing with due to the shutdown:

- Bureau of Indian Affairs (BIA) Operations:
 - No Contact
 - No access to Trust Asset Accounting Management System (TAAMS); which is the system of record for trust land management for the Department of the Interior. The division provides user training, maintains documentation,
 - Staff on Furlough cannot respond to emails
 - No documents processed
 - Permitting Delays:
 - *BIA staff responsible for approving rights-of-way, leases, and permits.

INFORMATION TECHNOLOGY DEPARTMENT—NETWORK AND COMMUNICATIONS ADMINISTRATOR: JEREMY YEPA

IT Department determines information services requirements for the Pueblo of Tesuque, establishing priorities for systems development and data processing requirements, evaluating and projecting hardware and software needs, and developing budget work programs to provide the staff equipment necessary to implement required computer operating systems, information and communication services.

The following are issues the IT Department is dealing with due to the shutdown:

- Telecommunications:
 - While many programs funded by the Bipartisan Infrastructure Law, such as the Tribal Broadband Connectivity Grant, continue to be funded, the technical assistance and administrative staff needed to manage and implement these projects may be furloughed, leading to operational bottlenecks.
- Possible slow down in ordering equipment for upcoming projects.

DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (DENR)—DENR DIRECTOR: RYAN SWAZO-HINDS

The Pueblo of Tesuque is a leader in environmental stewardship and currently the Environmental Protection Agency (EPA) Region 6 Regional Tribal Operations Committee (RTOC) Co-Chair. DENR focuses on watershed management, wildland restoration, and the removal of invasive species to protect its lands from wildfires and improve ecosystem health. The Pueblo actively works to secure and protect its aboriginal and immemorial water rights, which are essential for traditional agriculture and the long-term well-being of the community. Tesuque often collaborates with federal agencies like the Bureau of Indian Affairs, Bureau of Land Management and

USDA Forest Service on co-stewardship agreements to manage and protect culturally significant lands.

The ongoing federal government shutdown critically undermines the Pueblo's inherent sovereign right and the federal trust responsibility to manage and protect our ancestral lands, water, and cultural resources. Essential environmental and natural resource functions within the Department of the Interior (DOI) and the BIA are being severely curtailed, with a direct and immediate impact on our community's well-being and long-term economic stability. With key staff at the BIA and other regulatory agencies furloughed, the ability of the Pueblo to engage meaningfully on federal actions-including resource development, permitting, and regulatory changes-has been frozen.

The following are issues the DENR is dealing with due to the shutdown:

- Environmental Protection Agency (EPA)
 - DENR's EPA Performance Partnership Grant (PPG) \$311,552.00 was not awarded on time, due to the Water Program still working through their budgets. Due to staff furlough, the award has not been awarded.
 - No contact with EPA Project Officers.
 - Fall Region 6 EPA Tribal Caucus and RTOC Meeting canceled due to no EPA employees able to travel.

The near complete closure of the EPA severely limits the Pueblo's ability to access technical assistance and grant support for managing local air and water quality and responding to localized environmental hazards.

- Bureau of Indian Affairs (BIA) Operations:
 - No Contact

Wildland Fire Management: The BIA's Wildland Fire Program is largely continuing using non-lapsing funds, but the overall coordination and preparatory work for fire season are compromised by a scaled-back federal presence.

- USDA Forest Service, Santa Fe National Forest.
 - Canceled out government to government consultation set up on October 1, 2025. Environmental Review and Permitting: All non-emergency processing of permits, leases, and environmental reviews under the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) has ceased.

HOUSING DEPARTMENT—SAGE MOUNTAINFLOWER

Housing at Tesuque Pueblo blends deep-rooted indigenous architectural styles with modern, tribally-managed programs are working to provide affordable, safe, and culturally appropriate homes for its members. Due to limited availability of new affordable units, some households may experience overcrowding. A portion of the housing stock may be older, leading to issues with incomplete plumbing, incomplete kitchens, structural needs, and other substandard conditions requiring rehabilitation. The goal is utilizes federal funding, such as the Indian Housing Block Grant (IHBG), to plan and execute projects, include new housing construction by building new affordable homes for Tribal members.

The U.S. Department of Housing and Urban Development (HUD) Office of Native American Programs (ONAP) is operating at a near-complete standstill, directly cutting off vital financial arteries:

- Indian Housing Block Grant (IHBG)
 - No ability to contact staff for assistance to current grant.
 - While Tribally Designated Housing Entities (TDHEs) may draw down previously obligated funds, the shutdown freezes all new competitive IHBG and Indian Community Development Block Grant (ICDBG) awards
- Administrative Freeze: The large-scale furlough of HUD/ONAP staff prevents the processing of grant agreements, submission of financial reports, and the provision of essential technical assistance and oversight necessary to keep housing projects on track.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
HON. SARAH E. HARRIS

Question 1. The 2025 federal government shutdown and the concurrent agency Reductions in Force (RIFs) are creating unprecedented strains on Tribes, compounding challenges that existed before the shutdown. These strains include cancelled or frozen funds, hiring freezes, staffing gaps from voluntary separations (including early retirements and “fork-in-the-road” offers), and breakdowns in communication with agencies. What specific disruptions or harms (*e.g.*, delayed program funding, paused contracts, delayed consultations, halted services, *etc.*) stem directly from the lapse in appropriations?

Answer. Numerous challenges for Tribal Nations stem from this and previous federal shutdowns and the subsequent lapse in appropriations. These include the abrupt loss of access to funding delivered to Tribal Nations, citizens, and communities in fulfillment of trust and treaty obligations. Many Tribal Nations rely on this funding to support critical government operations and have little or no other funding in reserve to bridge the gap during a shutdown. The longer a shutdown persists, the more precarious the situation becomes for the governmental operations of many Tribal Nations. Tribal Nations are obligated to continue providing essential services to our citizens and communities, like nutrition, public safety, and social services—regardless of whether the federal government is functional. During this shutdown, some USET SPF member Tribal Nations considered taking out loans to cover costs and others were forced to reallocate funding earmarked for other purposes.

As the Committee knows, Tribal Nations should not be made to subsidize federal trust and treaty obligations, but this is a regular occurrence, both during and outside of shutdowns. There was a time when some Tribal governments were labeled dysfunctional. Now Tribal Nations are forced to fill the gap created by a dysfunctional federal government. The cost of dysfunction is borne by our children, communities, and elders.

Relatedly, shutdowns often result in the furlough of Tribal staff along with federal staff, along with delays in program funding. The uncertainty and economic impacts of protracted shutdowns can cause permanent loss of Tribal staff (as well as federal staff) in possession of key expertise that cannot easily be replaced. This compounds and exacerbates existing workforce attraction and retention challenges across Indian Country and within the federal government. It also jeopardizes program growth, development, and continuity at the Tribal level.

Question 1a. What additional or distinct challenges are Tribes experiencing as a result of the agency RIFs occurring during the shutdown (*e.g.*, permanent loss of key staff, reduced points of contact, diminished institutional knowledge)?

Answer. The RIFs during and prior to the shutdown have caused considerable confusion and uncertainty for Indian Country. For example, during the shutdown, it was particularly difficult to determine whether federal staff had been furloughed or RIF’d. Even federal staff were reporting that they did not have clarity from agency leadership on their employment status. Beyond RIFs at the CDFI Fund, it was particularly difficult to determine whether RIFs at other agencies, such as HHS, affected Tribal-serving positions and programs.

More broadly, permanent RIFs of Tribal-serving positions are uniquely damaging to the execution of trust and treaty obligations. Indian Country is extremely diverse and the laws and policy governing the Tribal-federal relationship are complex and multilayered. The loss of expert personnel creates gaps in knowledge that cannot easily be filled—with new personnel or with technology.

A helpful analogy is US international diplomacy. In that context, it is considered axiomatic that diplomats serving a particular nation must have a deep understanding of that nation’s history, people and government which all inform its current circumstances, challenges and opportunities. It is this deep knowledge that strengths and informs the nation-to-nation relationship and is essential to effective diplomacy and positive outcomes for all.

Tribal Nations expect and deserve the same consideration, as the Tribal-federal relationship is diplomatic in nature. Agency staff are most effective when they have deep knowledge and relationships within Indian Country and federal Indian policy. Appointees, who come and go with each administration, do not necessarily have this knowledge and, therefore, must rely on seasoned agency staff. Indiscriminate RIFs and other actions, including relocations and reassignments, deprive decision makers of this expertise, which is damaging to the execution of trust and treaty obligations, as well as the Tribal-federal relationship.

Question 1b. Of the challenges facing Native communities during this period, what proportion would you attribute primarily to the shutdown versus the agency RIFs?

Answer. During the shutdown, it was extremely difficult to determine which disruptions were caused by the lapse in appropriations and which had another cause, such as the RIFs. Over the course of 2025, there has been a distinct lack of transparency and communication from the Executive Branch regarding RIFs, reorganizations, and other restructuring. While the impacts of a federal government shutdown are always destabilizing, this disruption was intensified by RIFs and other issues, such as the Administration's resistance to utilizing the SNAP contingency fund.

Question 1c. In what ways are the shutdown and the RIFs interacting to intensify or prolong disruptions in federal-Tribal relations and service delivery?

Answer. Historically, there have always been challenges with Tribal-serving staffing levels at federal agencies. When I served at Interior, I know that Indian affairs had around 8,000 employees. Even then, we faced challenges which had compounded from many years of inadequate staffing.

The fact is that RIFs violate trust and treaty obligations. No one argues that Indian Affairs or BIE are overstaffed or overfunded. No one argues that other federal agencies do not have the same trust and treaty obligations as BIA, BIE, and IHS. Quite the opposite—Congress has time and again on a bi-partisan basis took action to ameliorate this generational inequity.

The RIFs take a hatchet to that progress, breaking the delivery of obligations from the inside out and at the same time undermining Congress. Those resources are not reallocated to Tribal Nations, but rechanneled for purposes completely unrelated to trust and treaty obligations.

An awareness and understanding of the bedrock principles of the Tribal-federal relationship is essential to this work. Add on top of that the fact that every Tribal Nation's relationship is impacted by many factors. For example, historical context, particular provisions of treaties and land claims settlements, the composition and structure of each Tribal government, can all widely differ. There is not a one-size-fits-all approach to this work.

Question 2. The Office of Management and Budget (OMB) Office of Information and Regulatory Affairs (OIRA) memorandum issued on October 21, 2025, "Streamlining the Review of Deregulatory Actions," directs agencies to bypass Tribal consultation required by executive orders and laws even when such deregulation involves Tribes. Combined with RIFs and limited agency communication during the shutdown, the OIRA memorandum further strains the federal-Tribal relationship by undermining required consultations. Please describe how the OIRA memorandum's directive to bypass Tribal consultation despite Executive Order 13175 and longstanding trust and treaty obligations could impact Tribal equities. Please also include specific examples of potential harm and any legal or policy concerns.

Answer. Although there are examples of burdensome regulations that Indian Country would like to see streamlined, modified, or eased in ways that promote and advance the exercise of Tribal sovereignty, Tribal consultation must always occur when the federal government takes action that affects us—whether through prospective regulation or deregulation. Executive Order 13175 and other Tribal consultation requirements serve critical purposes: to ensure that we are not harmed by federal actions and that we are able to provide guidance on how best to execute these actions in accordance with trust and treaty obligations. Federal policy and the Tribal-federal relationship benefits considerably when Tribal input is meaningfully and thoroughly solicited and acted upon. Moreover, the federal government is legally and morally obligated to engage in consultation.

We are concerned that the OIRA memorandum will result in deregulation without notice or the benefit of Tribal guidance. This could affect our ability to protect sacred sites and cultural resources, public health, or our natural environment. It could also complicate efforts to promote the exercise of Tribal sovereignty or other positive deregulatory action, given the great diversity of circumstance, tradition, and history found throughout Indian Country. Tribal consultation is always required when a federal action with potential impacts on Tribal Nations, citizens, or communities.

Question 3. Tribes are reporting that staff furloughs at the Department of the Interior are delaying critical real estate activities at the Bureau of Indian Affairs (BIA) needed for economic development, housing, and infrastructure and energy projects, and suspending federal procurement and contracting activities. What impacts will the backlog of, for example, lease transactions, land withdrawals, real estate documentation requests, and right-of-way approvals that result from this extended shutdown, have on Tribes and Tribal organizations?

Answer. The shutdown will further compound challenging facing real estate processes at Interior. The lengthy backlogs at real estate services are well known. It is not unusual for delays in these processes to be so protracted that component steps need to be repeated. One cause of delays is inadequate staffing. There are opportu-

nities to address these backlogs by recognizing Tribal Nation authority to assume parts of the process, such as the provisions outlined in the UNLOCKED Act, real estate appraisals, or other components.

Question 3a. How will suspension of federal procurement and contracting activities impact businesses and industry on Tribal lands, and what are the direct impacts of these disrupted activities on Tribal employment and economies during the shutdown? Please provide data, if available, on the share of businesses/industry that rely on federal procurement and contracting on Tribal lands in your answer.

Answer. All Tribal Nations have positive economic impacts on their surrounding communities and businesses. We hire non-Native employees, make purchases from community businesses, and create circumstances that bring additional economic development to our regions.

Approximately 3/4 of USET member Tribal Nations are currently engaging in or developing federal contracting economic activities, and a majority of those firms are 8(a) and HUBZone certified. A 2022 study by The Center for Indian Country Development (CICD) found that Federal contracting revenue for Tribal Nations has grown faster than revenue from gaming and natural resources development. Outside gaming, contractual services generate the most revenue for USET Tribal Nations and our communities.

The revenue from these enterprises supports Tribal community programs that are underfunded by the federal government. Native entity enterprises adapt traditional corporate models to benefit their communities, and, in a few cases, with USET membership even expand to have a global reach.

Question 4. Despite the IHS, BIA, and BIE being exempted from furloughs and RIFs, many federally-funded staff must work without pay during the shutdown, such as BIA and Tribal police officers. How has the shutdown affected staffing recruitment, retention, and morale challenges for federal and Tribal programs, especially in the public safety space?

Answer. As previously stated, protracted shutdowns are highly destabilizing for Tribal and federal personnel. Many of these personnel cannot afford to go without regular paychecks. The uncertainty and economic impacts from lengthy shutdowns often result in staff turnover at the Tribal level. Tribal Law enforcement agencies routinely operate without proper staffing, requiring officers to work long hours without time off, creating enormous safety and wellness issues for those officers who serve our Tribal communities. These shortages are mostly the result of the long-standing shortfalls in federal funding for Tribal public safety programs, with harmful consequences that include an inability to hire sufficient numbers of police officers and many existing police officers leaving Tribal Nations for better wages and benefits in non-Tribal employment. Shutdowns only exacerbate these inequities. USET SPF Resolution 2025:001 calls Tribal consultation on this issue, the ability for Tribal Nations to reprogram funding to address officer shortages, and supports federal retirement and benefit parity for Tribal law enforcement.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
ANTHONY LOCKLEAR, II

Question 1. The 2025 federal government shutdown and the concurrent agency Reductions in Force (RIFs) are creating unprecedented strains on Tribes, compounding challenges that existed before the shutdown. These strains include cancelled or frozen funds, hiring freezes, staffing gaps from voluntary separations (including early retirements and “fork-in-the-road” offers), and breakdowns in communication with agency staff. What specific disruptions or harms (e.g., delayed program funding, paused contracts, delayed consultations, halted services, etc.) stem directly from the lapse in appropriations?

Answer. The shutdown has exposed numerous vulnerabilities across many federal health agencies. First and foremost, all work at the Department of Health and Human Services, outside of the Indian Health Service was disrupted from the lapse in appropriations. Health Resources and Services Administration (HRSA) and Substance Abuse and Mental Health Services Administration (SAMHSA) funds were delayed, jeopardizing behavioral health programs, maternal health initiatives, and suicide prevention services. The CDC and Environment Protection Agency (EPA) programs that fund Tribal public health infrastructure, environmental safety, and clean water projects were paused or slowed, disrupting vital community health operations. Additionally, Tribal Advisory Committees, including the Centers for Medicare and Medicaid Services (CMS) Tribal Technical Advisory Group (TTAG), were unable to meet, directly disrupting communication channels between CMS and Tribal leaders. When these functions pause, the effects are immediate.

Question 1a. What additional or distinct challenges are Tribes experiencing as a result of the agency RIFs occurring during the shutdown (*e.g.*, permanent loss of key staff, reduced points of contact, diminished institutional knowledge)?

Answer. The Reductions in Force at the Department of Health and Human Services have resulted in numerous challenges for Tribes. Since early 2025, workforce reductions and hiring freezes within HHS, particularly at the IHS, HRSA, SAMHSA, and CDC, have significantly reduced the personnel supporting Tribal programs. The uncertainty surrounding these actions has devastated morale, driving experienced staff and clinicians to leave the Indian health system altogether. Additionally, administrative bottlenecks have also emerged, where staff reductions have limited the ability to provide technical assistance, monitor grantee performance, and eroded institutional knowledge. The result of these actions is not administrative efficiency, but a loss of access to quality of life and positive healthcare outcomes.

Question 1b. Of the challenges facing Native communities during this period, what proportion would you attribute primarily to the shutdown versus the agency RIFs?

Answer. While the shutdown has been harmful for Indian Country, advance appropriations for the Indian Health Service has shielded the Tribal health system from the most harmful and damaging impacts. However, ongoing reductions in force, early retirements, and hiring freezes across HHS have created serious instability for Tribal Nations and the federal programs that serve them.

Question 1c. In what ways are the shutdown and the RIFs interacting to intensify or prolong disruptions in federal-Tribal relations and service delivery?

Answer. While the Indian Health Service has been sheltered from the most damaging impacts of the shutdown, the impacts beyond IHS at the Department of Health and Human Services have had a direct impact on Tribal relations and care delivery. For instance, Tribes who choose to exercise their right to self-determination under the Indian Self-Determination and Education Assistance Act enter negotiations with IHS through a process led by attorneys at the Office of General Counsel. The OGC office has seen severe cuts from the reductions in force, as well as placed on furlough during the shutdown. This means that all ISDEAA negotiations, already delayed by staffing challenges at OGC, are completely on pause until after the shutdown. This directly impacts Tribal sovereignty and disrupts Tribal self-determination under ISDEAA.

Question 2. The Office of Management and Budget (OMB) Office of Information and Regulatory Affairs (OIRA) memorandum issued on October 21, 2025, titled, "Streamlining the Review of Deregulatory Actions" directs agencies to bypass Tribal consultation required by executive orders and laws, even when such deregulation involves Tribes. Combined with RIFs and limited agency communication during the shutdown, the OIRA memorandum further strains the federal-Tribal relationship by undermining required consultations. Please describe how the OIRA memorandum's directive to bypass Tribal consultation despite Executive Order 13175 and long-standing trust and treaty obligations could impact Tribal equities. Please also include specific examples of potential harm and any legal or policy concerns.

Answer. The OIRA memorandum directing agencies to bypass Tribal consultation for deregulatory actions raises serious concerns for Tribal health and directly conflicts with Executive Order 13175 as well as upholding the federal trust responsibility. When combined with agency reductions in force and limited communication during government shutdowns, this directive increases the risk that health-related federal decisions affecting Tribal communities will be made without Tribal input or awareness. Many federal regulations are foundational to protecting public health and ensuring access to care in Indian Country. Deregulation without Tribal consultation risks weakening or removing safeguards that directly affect Tribal health systems and community wellbeing.

For example, Deregulatory actions affecting Indian Health Service operations, Medicaid, Medicare, or related federal health programs may disrupt care delivery, reimbursement, and workforce stability at Tribal and IHS facilities. Without consultation, agencies may overlook how regulatory changes affect Tribes that rely on these programs as their primary source of health care. Additionally, rollbacks of public health preparedness requirements, surveillance, data-sharing, or interagency coordination may reduce Tribes' ability to respond effectively to public health emergencies, including infectious disease outbreaks and environmental exposures. These risks are heightened when agencies lack staffing or capacity due to RIFs or shutdowns.

Government shutdowns and agency RIFs reduce federal capacity for consultation, technical assistance, and timely communication. When deregulation proceeds without consultation under these conditions, Tribes are more likely to learn of changes

after implementation, limiting their ability to mitigate harm or adjust health service delivery.

In addition to direct harms to Tribal communities, there are also legal and policy concerns with the memorandum. First and foremost, OMB guidance cannot override an Executive Order. Presuming that Tribal consultation is unnecessary for deregulatory actions is inconsistent with EO 13175. Many health-related regulations implement the federal government's obligation to protect Tribal health and fulfill the federal trust responsibility. Removing them without Tribal consultation risks undermining that obligation. Finally, excluding Tribes from deregulation decisions increases the likelihood of poorly informed policy changes, service disruptions, and legal challenges. By encouraging agencies to bypass Tribal consultation for deregulatory actions, the OIRA memorandum risks undermining Tribal health protections at a time when federal capacity is already strained. Ensuring that Executive Order 13175 applies to all federal actions, including deregulation, is essential to protecting Tribal health and maintaining effective federal-Tribal coordination.

Question 3. You testified that more than 1,000 IHS employees accepted early retirement offers in early 2025 and that IHS is facing its lowest offer acceptance rate in history. While Secretary Kennedy has exempted clinical staff from some administrative decisions, including hiring freezes, not all IHS positions have received these exemptions. During the shutdown, can IHS hire new employees, including administrative staff, even with advance appropriations for Fiscal Year 2026 in place? If not, how does this impact the existing recruitment and retention challenges at IHS, *i.e.*, what is the real impact of these employee losses and poor recruitment rates on IHS' ability to serve Indian Country? Also, please specify how the inability to hire administrative and other non-clinical positions impacts IHS facilities' ability to serve patients.

Answer. During the shutdown, the Indian Health Service is allowed to hire new employees. However, the already excruciatingly slow process has been delayed even more by administrative staff at HHS who have been furloughed. Also, although the IHS has continued hiring during the shutdown, the rate of employee loss compared to new hires has created severe challenges. Many facilities are so thinly staffed that losing just one physician-level provider could force closure. Other facilities are concerned they may be forced to reduce service offerings due to lack of adequate staffing. Any impact to services, including facility closure, has prohibits the federal government from fulfilling its obligation to provide high-quality healthcare to all American Indians and Alaska Natives.

Question 3a. Even with exemptions in place for some IHS positions (*i.e.* clinical), how are funding and job stability uncertainty impacting recruitment?

Answer. Since early 2025, workforce reductions and hiring freezes within HHS, particularly at the Indian Health Service (IHS), have significantly reduced the personnel supporting Tribal programs. The uncertainty surrounding these actions has devastated morale, driving experienced staff and clinicians to leave the Indian health system altogether. Additionally, the IHS already operates with severe shortages, including a 30 percent overall provider vacancy rate and a 36 percent physician vacancy rate at any given time. However, directly due to reductions in force, added hiring challenges, and unprecedented low rates of job acceptance, the IHS is currently operating at an overall 35 percent vacancy rate. Many facilities are so thinly staffed that losing just one physician-level provider could force closure; 43 percent of IHS facilities would have to shut their doors if that occurred. The IHS has also been forced to move providers across the country and mobilize more than 70 Public Health Service Officers to keep facilities from closure. While staffing shortages are not a new concept for the IHS, senior leadership has reported unprecedented rates of providers not accepting offers, which only complicates an already long hiring process.

Question 3b. How are IHS staffing levels impacting grant administration and Tribes' ability to access timely awards?

Answer. The Indian Health Service is experiencing issues related to staffing levels across the board, including grant administration. High vacancy rates reduce the agency's ability to process applications, issue awards, and provide critical technical assistance. Tribes often rely on the IHS to provide technical assistance and administrative infrastructure for grant management and administration. The Indian Health Service Division of Grants Management is critical to upholding the federal government's trust responsibility.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BEN RAY LUJÁN TO
ANTHONY LOCKLEAR, II

Question 1. You highlighted that advance appropriations for IHS have provided stability during shutdowns. Can you describe specific ways in which Tribal health services have remained operational this year due to advance appropriations?

Answer. The continuity of services and normal operations provided by advance appropriations at IHS during this shutdown reveals the critical need for advanced funding for the I/T/U system. Before the enactment of advance appropriations, the IHS was subject to the full impact of government shutdowns, disrupting all levels of care delivery. During the 35-day government shutdown in 2019, direct care services remained non-exempt, but providers did not receive pay. In addition, administrative and technical staff responsible for scheduling patient visits, processing referrals, and managing health records were furloughed. Contracts with vendors for sanitation services and facilities upgrades went weeks without payment, prompting many Tribes to exhaust alternative resources to stay current on these bills. Many Tribes reported losing physicians to other hospitals and health systems unaffected by the shutdown. At the height of the budget instability, some Tribal governments were forced to reconcile their budgets up to 21 times in a single fiscal year due to successive short-term continuing resolutions, each lasting anywhere from a single day to several months. This constant uncertainty strained cash flow and, in some cases, triggered credit downgrades for Tribes financing critical health facilities. However, thanks to advance appropriations for FY26, the difference is clear. The IHS remains open thanks to the members of this Committee, as advance appropriations allow clinics to stay open, payroll to continue, and patients to receive care today. These advance funds have directly allowed IHS direct service facilities to maintain services and critical programs, while also planning for the future.

Advance appropriations also helped Tribal health systems respond to unexpected emergencies. On October 11, 2025, eleven days into the federal shutdown, Western Alaska was slammed by remnants of Typhoon Halong, which brought hurricane-force winds and life-threatening floods. In southwestern Alaska, the Yukon-Kuskokwim Health Corporation (YKHC) assisted in coordinating response efforts and aiding in the rescue mission. Initial reports from YKHC indicated that Tribal leaders requested that medical providers and prescription medications be provided to Kwigillingok, Kipnuk, Tuntutuliak, and Chefornak. YKHC immediately coordinated with medical teams to assist these remote locations. Through available funds, YKHC provided services for community members in need and funded other relief efforts.

Question 2. What has the impact of the shutdown on IHS accounts that do not receive advance appropriations?

Answer. Although the Indian Health Service is mainly funded by advance appropriations, there are six accounts that are not covered by the advance. These include, healthcare facilities construction, sanitation facilities construction, contract support costs, 105(l) lease payments, electronic health records, and the Indian Health Care Improvement Act fund. Therefore, the Indian Health Service has relied on Fiscal Year 2025 carry-over and third-party revenue to fund these accounts. Thankfully, the Indian Health Service has been able to remain fully open, functional, and not missed a single payment throughout the entire shutdown. With that said, one of the largest impacts has been contract support costs and Tribal 105(l) lease payments. While some Tribal providers may be able to remain afloat for a while without receiving these payments, at some point they will have to dig into program funds to pay fixed administrative and facility costs if appropriations do not come through. Additionally, there are other Tribal providers reporting fear about how they are going to keep the lights on without these appropriations.

Question 3. How would advance appropriations for all IHS accounts help the IHS to better deliver on the trust responsibility to provide health care to American Indians and Alaska Natives?

Answer. The 2025 government shutdown has proven that advance appropriations for the Indian Health Service are lifesaving, efficient, and highly successful. The IHS has been able to continue providing high-quality services to all of Indian Country, without missing a single paycheck or payment. Additionally, even though the IHS was able to cover remaining accounts without advance appropriations with third-party revenue and carry-over funds during this shutdown, it is not a guarantee that the IHS will always have the funds available to fund these accounts in a shutdown. Therefore, it is imperative advance appropriations is expanded for all IHS accounts ensure the Indian Health Service can always remain 100 percent open and functional during federal government shutdowns.

Question 4. How are staffing reductions and the government shutdown impacting IHS's ability to fill vacancies, both in terms of recruitment and completing the lengthy hiring process?

Answer. Ongoing RIFs, early retirements, and hiring freezes across HHS have created serious instability for Tribal Nations and the federal programs that serve them. These are not abstract bureaucratic changes; they directly weaken the government's capacity to fulfill its trust and treaty obligations to Tribal Nations. Since early 2025, workforce reductions and hiring freezes within HHS, particularly at the Indian Health Service (IHS), have significantly reduced the personnel supporting Tribal programs. The uncertainty surrounding these actions has devastated morale, driving experienced staff and clinicians to leave the Indian health system altogether.

Additionally, the IHS already operates with severe shortages, including a 30 percent overall provider vacancy rate and a 36 percent physician vacancy rate at any given time. However, directly due to reductions in force, added hiring challenges, and unprecedented low rates of job acceptance, the IHS is currently operating at an overall 35 percent vacancy rate. Many facilities are so thinly staffed that losing just one physician-level provider could force closure; 43 percent of IHS facilities would have to shut their doors if that occurred. The IHS has also been forced to move providers across the country and mobilize more than 70 Public Health Service Officers to keep facilities from closure. While staffing shortages are not a new concept for the IHS, senior leadership has reported unprecedented rates of providers not accepting offers, which only complicates an already excruciatingly long hiring process. Staffing is not a bureaucratic detail, it is literally a matter of life and death in many Tribal communities.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
BEN MALLOTT

Question 1. The 2025 federal government shutdown and the concurrent agency Reductions in Force (RIFs) are creating unprecedented strains on Tribes, compounding challenges that existed before the shutdown. These strains include cancelled or frozen funds, hiring freezes, staffing gaps from voluntary separations (including early retirements and "fork-in-the-road" offers), and breakdowns in communication with agency staff. What specific disruptions or harms (*e.g.*, delayed program funding, paused contracts, delayed consultations, halted services, *etc.*) stem directly from the lapse in appropriations?

Answer. The specific disruptions and harms that stem directly from the lapse in appropriations are too numerous to list. Just from loss of SNAP and WIC benefits alone, there was a 20–30 percent increase in need at the available food banks. There are over 25,000 Alaska Native households statewide that depend on SNAP benefits. There was lack of funding for families depending on energy assistance through LIHEAP, forcing many families to go without heat during the coldest time of the year in Alaska. Multiple village tribes reported that they could not process grants, access project officers, amend budgets, or get reimbursed for work already performed. This puts tribal jobs and services at risk and threatens the health and welfare of tribal citizens and families.

While the Indian Health Service (IHS) operations had the benefit of advance appropriations, some of the IHS programs are not included. These include Facilities construction, facilities sanitation construction, the 501(l) lease program, and contract support costs (which supports third party services that cannot be provided by tribal health contractors directly). There are at least 300 participants in the IHS 501(l) lease program in Alaska. Without advance appropriations for these critical programs, the Alaska Native health care providers have to pull from other resources and sources of funds—overall this impacts the services and efficiencies of Native healthcare.

The Tribes, Tribal Health entities, and Tribal Housing entities will definitely face cashflow issues and delays in services. Ultimately, this could lead to a stop in some services, which will be detrimental to our people in so many ways—lack of food, healthcare, heat, education support, mental health support, job security and more.

Question 1a. What additional or distinct challenges are Tribes experiencing as a result of the agency RIFs occurring during the shutdown (*e.g.*, permanent loss of key staff, reduced points of contact, diminished institutional knowledge)?

Answer. There were many challenges and impacts, too many to list. Here are a few specific examples of impacts from RIFs:

- All employees administering the Low-Income Heat and Energy Assistance Program (LIHEAP) were terminated which completely stopped the application process and delivery of those grants, which also prompted the Administration to then zero out the budget for FY26. This impacts thousands of Alaska Native households dependent upon these programs.
- Department of Justice terminated the Office of Environmental Justice and has lost 70 percent of its Attorneys, which will impact the civil, voting, environmental justice rights of many socially, economically, racially and politically disadvantaged groups, including Alaska Natives.
- National Oceanic and Atmospheric Administration (NOAA) weather monitoring and research staff RIFs and site closures affect the health and safety of many tribes and villages in Alaska that rely immensely on the weather monitoring and reporting provided by NOAA. Our rural and remote communities can be very impacted by devastating weather conditions, as we saw recently with Typhoon Halong, but even by the common weather conditions in Alaska.
- RIFs at the Federal Emergency Management Agency (FEMA) and funding reductions overall at the Agency have and will impact the emergency assistance needs of our communities during and after disasters, such as Typhoon Halong, flooding in Juneau related to the glacial lake outbursts, earthquakes, and other coastal storm and erosion disasters.

Question 1b. Of the challenges facing Native communities during this period, what proportion would you attribute primarily to the shutdown versus the agency RIFs?

Answer. While both are quite impactful to our Native communities, the government shutdown and furloughs were disproportionately more impactful during this period. If I am forced to put a number on it, I would say at least 75 percent more impactful, but it is hard to quantify the extreme impact and insecurity that this provided. You cannot function when an entire agency that is critical to the Native community is completely shut down. For example:

- All IHS attorneys were furloughed, which caused delays in contract negotiations, routine agency activities, and canceled meetings.
- The Substance Abuse and Mental Health Services Administration (SAMHSA) furloughed all grant officers, leaving questions unanswered, approvals pending, and required use of a new reporting portal with no training or guidance.
- Bureau of Indian Affairs furloughed staff resulted in lack of access to project offices, unprocessed grants, lack of reimbursement for work already performed, and reporting portals were closed. Without these funds, tribal jobs and services are at risk.
- Office of Subsistence Management and Federal Subsistence Board canceled meetings and its regulatory and management obligations were on hold. Accordingly, they were not available to address any emergency hunting or fishing requests if made, which would have been critical during loss of SNAP and WIC.

Question 1c. In what ways are the shutdown and the RIFs interacting to intensify or prolong disruptions in federal-Tribal relations and service delivery?

Answer. This is like a perfect storm of consequential impacts to our Native communities. Essentially life and death impacts for some rural communities and tribal citizens. For example, in the Interior of Alaska, SNAP is a lifeline for at least two villages—Alatna and Anvik—which rely almost exclusively on SNAP to feed their families. Without SNAP resources, the village residents who need it will turn to the Tribe. If the Tribe is in a deficiency due to lack of grant payment and contract support from the BIA and IHS, then there is no one else to turn to. There are no food banks available in rural villages. While our people are resilient and will find a way to survive, it is an unfair disruption in the obligations of the Federal Government's trust responsibility to Native people.

If you are seeking a specific example, at the IHS, with the lawyers at the Agency on furlough, meetings were canceled to complete settlement of underpayments to Tribes because of the San Carlos court decision on contract support costs. This prolonged the ability of the Tribes to be made whole, after carrying the burden of costs that were supposed to be borne by the Federal Government. This is a clear example of the prolonged disruption in federal-Tribal relations and service delivery.

All of this causes stress and a sense of instability and uncertainty in our Native communities. There is fear that with the RIFs and future government shutdowns, we will continue to face these challenges. Additionally, the IHS advanced appropriations were recently put into question, and we fear that they are in danger in future appropriations cycles. If advanced appropriations were not in place for Indian

Health care services, the circumstances discussed above would have been far worse and indescribable.

Question 2. The Office of Management and Budget (OMB) Office of Information and Regulatory Affairs (OIRA) memorandum issued on October 21, 2025, titled, “Streamlining the Review of Deregulatory Actions” directs agencies to bypass Tribal consultation required by executive orders and laws, even when such deregulation involves Tribes. Combined with RIFs and limited agency communication during the shutdown, the OIRA memorandum further strains the federal-Tribal relationship by undermining required consultations. Please describe how the OIRA memorandum’s directive to bypass Tribal consultation despite Executive Order 13175 and longstanding trust and treaty obligations could impact Tribal equities. Please also include specific examples of potential harm and any legal or policy concerns.

Answer. The purpose behind the Executive Order 13175, in our view, was to describe another means by which the Federal Government could exercise its longstanding trust and treaty obligations to tribes and all indigenous peoples of the United States. It was not creating a new right but rather spelling out another process by which the Federal government ensures that it respects and protects the rights of Tribes and exercises its government-to-government obligations. Therefore, bypassing the Executive Order 13175 does not remove those obligations of the Federal Government towards Tribes and Native peoples. Those obligations remain and precede any Executive Order. These rights exist inherently and are recognized in the Constitution of the United States and through longstanding federal law and jurisprudence.

This OIRA memorandum merely provides the agencies with an excuse to potential violate those rights and to potentially harm important resources of Tribes and Alaska Natives. This will certainly provide a strain on the federal-tribal relationship now and in the immediate future if actual applied to circumvent tribal and Alaska Native consultation on federal actions that impact tribal and Alaska Native lands, resources, and rights. I see this resulting in litigation, legislation, and other legal and political harm that will take many decades to overcome.

Question 3. Tribes are reporting delays to critical federal activities needed for disaster relief, economic development, housing, and infrastructure and energy projects, as well as suspending federal procurement and contracting activities. What are the immediate impacts of suspended agency activities on relief efforts in western Alaska?

Answer. The RIFs at FEMA and the ongoing government shutdown have certainly slowed the response time of FEMA in providing disaster relief in Alaska related to relief efforts in Western Alaska. These RIFs were in place before the disaster, and we knew that they could be potentially disastrous and impactful for our State and our rural communities. This proved to be correct. Adding the government shutdown only furthered these delays. As a result, the local nonprofits, communities, and individuals had to step in as best as they could to fill the void. This helped but was not where near the level that was needed for the impact. Especially when two communities were completely destroyed and thousands of people were displaced and homeless. There was a need for housing, food, clothing, search and rescue, clean-up, infrastructure and energy restoration, none of which was possible without FEMA and other federal agency emergency relief and support. Sadly, the need remains for many of the community members displaced by these tragic events.

Question 3a. What impacts will the backlog of agency actions that result from this extended shutdown have on Alaska Native Tribes, Alaska Native Corporations, and Alaska Tribal organizations? For some of our Tribes, Alaska Native Corporations, and Alaska Tribal organizations, we lost contracts and construction opportunities for the year. Our construction and infrastructure seasons are short. If grants or permits are not approved on time, and payments are not made, then activities related to projects or construction have to be delayed for another year in many instances.

Answer. All of this causes such a sense of instability and uncertainty in our Tribes, Alaska Native Corporations, Alaska Native Organizations, and Native communities. There is fear that we will continue to face these challenges with RIFs, eliminated agencies, and future government shutdowns. Additionally, the IHS advanced appropriations were recently put into question, and we fear that they are in danger in future appropriations cycles, as discussed above. Ultimately, this also makes it difficult for long-term planning and hopes for the future.

Question 3b. What share of businesses and industry in Alaska Native villages rely on federal procurement and contracting activities, and what are the direct impacts of these disrupted activities on Tribal employment and economies during the shutdown?

Answer. A significant portion of our Tribal governments exercise self-governance through 638 compacts with the Federal government. The same is true of the services that were formerly provided by the Indian Health Service (IHS) in Alaska. These are nearly all provided through compact or contract in Alaska. The impact of RIFs and government shutdowns at the agencies that are supposed to implement these compacts and contracts are difficult to measure. We survived this shutdown. If we continually operate with such uncertainty, our Tribes, Tribal Members, and Alaska Native people will suffer from diminished and inefficient services and lost employment opportunities.

In terms of economic development, Alaska Native Corporations and Tribes are reliant on the 8(a) and small business contracting opportunities, some more than others. I do not have a percentage or share of industry available that is recent, but I am aware that in 2021, Alaska Native Corporations received \$11 billion in contracting revenue, employed over 8,000 Alaskans, and supported more than \$6 billion in economic activity in the State. Lack of available procurement and contracting staff at the Small Business Administration, Department of Defense, or other agencies, would have a direct impact on these activities and disrupt the economic opportunities of Alaska Native Corporations and Tribes in Alaska, as well as employment opportunities.

Thank you for the opportunity to provide answers to these follow-up questions. Please do not hesitate to reach out to me if you have further questions or require further clarification.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BEN RAY LUJÁN TO
BEN MALLOTT

Question 1. You discussed that certain Tribal health programs, such as contract support costs and 105(l) lease payments, are still vulnerable. How does the lack of advance appropriations for these accounts affect day-to-day operations at Tribal health facilities in Alaska?

Answer. As I stated in my testimony, while the Indian Health Service (IHS) operations had the benefit of advance appropriations, some of the IHS programs are not included and therefore not shielded or protected during government shutdowns. These include Facilities construction, facilities sanitation construction, the 501(l) lease program, and contract support costs (which supports third party services that cannot be provided by tribal health contractors directly). There are at least 300 participants in the IHS 501(l) lease program in Alaska. Without advance appropriations for these critical programs, the Alaska Native health care providers must pull from other resources and sources of funds—overall this impacts the services and efficiencies of Native healthcare.

The IHS is legally and statutorily required to pay Contract Support Costs (CSC) and 105(l) lease to Tribes and Tribal organizations carrying out agreements under the Indian Self-Determination and Education Assistance Act (ISDEAA). These payments are essential for Tribes and Tribal Organizations (T/TOs) to operate the programs, services, functions, and activities that have been compacted or contracted from the federal government. Without advance appropriations, these accounts remain vulnerable to federal funding lapses. As binding obligations that IHS must pay to T/THOs carrying out ISDEAA agreements, the Administration and Congress should include CSC and 105(l) lease payments in the Advance Appropriation or the Office of Management and Budget should be allowed to pay them under an “exceptional apportionment” to ensure compliance with the law.

When CSC or 105(l) payments are delayed, T/TOs are forced to shift funding from other programmatic areas that do receive advance appropriations to cover mandatory administrative expenses. This shifts away funding from important patient services and from facility maintenance and utilities that are important for life-safety compliance requirements. Timely and predictable CSC and 105(l) funding is especially important for smaller T/TOs that have smaller economies of scale and lack sufficient financial reserves to utilize during funding gaps.

In sum, Tribal health programs will face cashflow issues and delays in services, despite the advance appropriations, due to critical IHS programs that are not included in such advance appropriations. Ultimately, this could lead to a stop or delay in some services, which will be detrimental to our people in so many ways, including lack of efficient, safe, sanitary, and fully-operational health care and facilities.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
PETE UPTON

Question 1. The 2025 federal government shutdown and the concurrent agency Reductions in Force (RIFs) are creating unprecedented strains on Tribes, compounding challenges that existed before the shutdown. These strains include cancelled or frozen funds, hiring freezes, staffing gaps from voluntary separations (including early retirements and “fork-in-the-road” offers), and breakdowns in communication with agency staff.

a. What specific disruptions or harms (e.g., delayed program funding, paused contracts, delayed consultations, halted services, *etc.*) stem directly from the lapse in appropriations?

b. What additional or distinct challenges are Tribes experiencing as a result of the agency RIFs occurring during the shutdown (e.g., permanent loss of key staff, reduced points of contact, diminished institutional knowledge)?

c. Of the challenges facing Native communities during this period, what proportion would you attribute primarily to the shutdown versus the agency RIFs?

d. In what ways are the shutdown and the RIFs interacting to intensify or prolong disruptions in federal-Tribal relations and service delivery?

Answer. An organizational member of the newly-formed Coalition for Tribal Sovereignty (CTS), the Native CDFI Network (NCN) has played a key role—along with its CTS partners—in capturing and highlighting the various impacts that RIFs and the government shutdown have had and will have on Tribal Nations and communities. The permanent and temporary loss of experienced staff across key federal agencies has resulted in: abrupt endings to long-term relationships between staff and specific Tribal Nations and Native-serving entities such as CDFIs; delays in responding to time-sensitive correspondences; delays in providing critical technical assistance, particularly with respect to grant administration, compliance, and reporting (and CDFI certification compliance); and a shortage of personnel with the requisite clearances and expertise to review or approve federal funding drawdowns and expenditures by Tribal Nations and Tribal-serving organizations. As CTS points out, “Indian Country is not opposed to reducing federal government waste and improving federal government efficiency. However, actions to achieve the Administration’s goals must not interfere with the United States’ fulfillment of its trust and treaty obligations.”

Question 2. How has Tribal access to credit been impacted by recent RIFs and funding decisions across the federal government? Please include specific examples relating to credit needed to cover expenses during a shutdown.

Answer. While the Native CDFI Network (NCN) has not been made aware of any specific examples relating to credit needed to cover expenses during the most recent government shutdown, generally when government shutdowns do occur, they disproportionately impact Tribal communities that typically are more heavily dependent on the uninterrupted flow of federal resources than other communities across the United States. With thousands of tribal citizen clients across the country, we see firsthand the direct impacts that governments shutdowns have on Native people, from reductions or delays in the Tribal and federal services upon which they rely to the furloughing or loss of their jobs because those positions depend heavily on federal dollars. This dynamic is pervasive in Tribal communities in large part because, as the Brookings Institution recently pointed out, “most funding for Indian Country is based on discretionary spending, rather than mandatory spending. When Native American programs are funded with discretionary spending, it means that Congress must affirmatively pass appropriations bills to fund them every year, despite the perpetual nature of these promises to Indian Country. If Congress does not pass a funding bill by the start of the government fiscal year on October 1, discretionary payments and services to Tribes and Native communities are halted, as is currently happening during this government shutdown. In contrast, mandatory spending programs, such as Social Security and Medicare, provide guaranteed benefits to recipients based on certain criteria. These permanently authorized programs are unaffected by government shutdowns or limited by annual appropriations.”¹ The federal government cannot effectively meet its trust and treaty obligations to Tribal Nations and their citizens unless and until the federal funding streams upon which

¹ Robert Maxim et al., “The government shutdown shows the need to reform how the federal government funds Native American Tribes and communities,” Brookings Institution, October 28, 2025 <https://www.brookings.edu/articles/the-government-shutdown-shows-the-need-to-reform-how-the-federal-government-funds-native-american-tribes-and-communities/>.

they rely are transitioned to advance appropriations over the short-term and converted to mandatory spending by Congress over the long run so that Indian Country is insulated against the severe harms caused by future government shutdowns.

Question 3. The Office of Management and Budget (OMB) Office of Information and Regulatory Affairs (OIRA) memorandum issued on October 21, 2025, titled, “Streamlining the Review of Deregulatory Actions” directs agencies to bypass Tribal consultation required by executive orders and laws, even when such deregulation involves Tribes. Combined with RIFs and limited agency communication during the shutdown, the OIRA memorandum further strains the federal-Tribal relationship by undermining required consultations. a. Please describe how the OIRA memorandum’s directive to bypass Tribal consultation despite Executive Order 13175 and longstanding trust and treaty obligations could impact Tribal equities. Please also include specific examples of potential harm and any legal or policy concerns.

Answer. The Native CDFI Network and the Native CDFIs we serve across the country are greatly concerned about this OIRA memorandum, particularly as it pertains to deregulatory actions being considered and/or taken by the U.S. Department of the Treasury, U.S. Department of Agriculture, U.S. Department of Housing and Urban Development, and the Small Business Administration. Implementation of this memorandum by these agencies and others essentially will eviscerate the genuine, nation-to-nation consultation between the federal government and Tribal Nations mandated by Executive Order 13175, and inevitably will result in new or weakened regulations that harm the economic and community development efforts of Tribal Nations and those entities—like Native CDFIs—that serve Tribal communities precisely because those efforts and the sovereign goals they seek to achieve were not considered or were actively ignored in the development of those regulations. Across the federal government, the voice of Indian Country will be structurally excluded from federal decisionmaking, which constitutes a direct violation of the federal government’s trust and treaty obligations to Tribal Nations.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BEN RAY LUJÁN TO
PETE UPTON

Question 1. Our office has heard from Tribal community development organizations, including the New Mexico-based housing organization Homewise, about the critical role that the CDFI Fund plays in providing seed capital and unique financing opportunities in Tribal communities. Given the recent announcement that all CDFI Fund staff will be subject to a reduction in force (RIF) effective December 13th, 2025, how do you anticipate these staffing reductions will affect the ability of Native CDFIs to serve their communities, deploy capital, and support economic development projects?

Answer. While H.R. 5371, the Continuing Resolution (CR) that ended the recent government shutdown, reversed the RIF action of October 10, 2025 that terminated all staff of the CDFI Fund, said CR only protects the CDFI Fund staff from further mass personnel action through January 30, 2026. The CR also didn’t neutralize Treasury and OMB’s rationale for terminating the CDFI Fund staff as part of its plan “to implement the abolishment of the Community Development Financial Institutions (CDFI) Fund, which is based upon the Department of the Treasury determination that its programs, projects, and activities do not align with the President’s priorities.”

If the RIF of the CDFI Fund staff is reinstated after January 30, 2026, this action and the ensuing abolishment of the CDFI Fund will cause severe immediate and long-term harm to Native CDFIs’ ability to serve the growing small business, homeownership, agricultural, and consumer lending needs of Tribal communities, needs that have long been ignored by mainstream banking institutions.

Possessing an average asset size is just \$5.7 million dollars,² Native CDFIs rely heavily on Native American CDFI Assistance (NACA) Program Financial Assistance (FA) and Technical Assistance (TA) awards from the CDFI Fund to serve Tribal communities and scale their operations to meet their growing needs. In part because of the government shutdown, as of this writing FY 2025 Congressionally appropriated funding for the NACA Program has yet to be disbursed, with no clear timetable for if and when it will be. If the CDFI Fund staff is subjected to another RIF

² Center for Indian Country Development, Understanding the Native CDFI landscape: A Center for Indian Country Development survey quantifies the shared practices and distinctive characteristics of Native Community Development Financial Institutions, Federal Reserve Bank of Minneapolis, September 4, 2025 [https://www.minneapolisfed.org/article/2025/understanding-the-native-cdfi-landscape#:~:text=Experience.,average%20size%20of%20\\$5.7%20million.](https://www.minneapolisfed.org/article/2025/understanding-the-native-cdfi-landscape#:~:text=Experience.,average%20size%20of%20$5.7%20million.)

action early next year, it will endanger this FY 2025 funding as well as the FY 2026 funding for the NACA Program that Congress is currently working to finalize.

Another potential RIF and the looming abolishment of the Fund also spell the demise of the New Markets Tax Credits Program, a key financing tool that cultivates private investment in vital economic and community development projects on tribal lands. Without Fund staff to administer it, the latest double round of New Markets Tax Credits won't be allocated in part to Native Community Development Entities and other CDEs serving Indian Country.

Last but not least, terminating the CDFI Fund staff and abolishing the Fund will end the federal process for certifying CDFIs—an official stamp of approval Native CDFIs use to secure significant investments from non-federal sources. This will create a cascading effect that dramatically reduces the flow of capital for farm, ranch, and other business development; housing and homeownership; and community infrastructure projects when Indian Country's need for such capital increases substantially with each passing year.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BRIAN SCHATZ TO
KERRY D. BIRD

Question 1. The 2025 federal government shutdown and the concurrent agency Reductions in Force (RIFs) are creating unprecedented strains on Tribes, compounding challenges that existed before the shutdown. These strains include cancelled or frozen funds, hiring freezes, staffing gaps from voluntary separations (including early retirements and “fork-in-the road” offers), and breakdowns in communication with agency staff. What specific disruptions or harms (e.g., delayed program funding, paused contracts, delayed consultations, halted services, etc.) stem directly from the lapse in appropriations?

Answer. The lapse in appropriations directly impacts Native communities and schools across the country, affecting both day-to-day operations in Tribal communities and critical functions at the federal level. During the 2025 shutdown, Tribal program administrators and schools were unable to reach program officers and did not receive technical assistance.

On the ground, delayed program funding and service delays prevented education providers, school districts, and Tribes from providing essential services to Native youth. Unfortunately, in some cases, we see some programs must come to a complete standstill. Many tribes have reported that during the shutdown, they needed to look for or lean on external funding to fill the gap where federal funding has been disrupted. Programs like Head Start were presented with a series of issues, predominantly concerning the status of new grant timelines, and staff were unable to access any sort of technical assistance. This may prove to have long-lasting effects that pose issues for early childhood care providers and our Native children. In the future, these effects may be mitigated through means of forward funding or advance appropriations.

Question 1a. What additional or distinct challenges are Tribes experiencing as a result of the agency RIFs occurring during the shutdown (e.g., permanent loss of key staff, reduced points of contact, diminished institutional knowledge)?

Answer. If the RIFs imposed on Tribal-serving, Tribal eligible programs, and offices were to remain in effect—we would see immense disruption on the ground throughout Indian Country. This would result in more than a delay in services, but rather a complete dissolution of the government's trust and treaty responsibilities. Without knowledgeable staff who provide technical assistance, guidance, and release millions of dollars in funding to school districts, Tribes, and other native-serving institutions every year. Although RIFs were rescinded when the government reopened, we worry that staff are at risk while their programs are being transferred. In addition to the challenges listed, the RIFs also are creating delays in getting Congress approved funded programs out. For instances, in the Department of Education, while Office of Indian Education offices are back to work, many of those responsible for releasing grants had previously been reduced. This delays the release of grants and programs that meet the needs of tribal communities. Since OIE staff cannot release on their own, they are stuck waiting for approval and the release of grant programs, delaying the ability for communities to efficiently plan, in the Department of Education, while Office of Indian Education offices are back to work, many of those responsible for releasing grants have been reduced. This delays the release of grants and programs that meet the needs of tribal communities. Since OIE staff cannot release on their own, they are stuck waiting for approval and the release of grant programs, delaying the ability for communities to efficiently plan.

Question 1b. Of the challenges facing Native communities during this period, what proportion would you attribute primarily to the shutdown versus the agency RIFs?

Answer. Our understanding of Native communities' experience with government shutdowns is a story pieced together over time. Throughout the years, we see that a lapse in appropriations delays discretionary funding to school districts on and near Tribal lands, particularly regarding Impact Aid. These experiences can be measured and compared from shutdown to shutdown, with varying Tribal capacities for accessing reserves or other resources. On the other hand, the Reductions in Force (RIFs) made within the Department of Education created an additional layer of disruption for Tribes and Native communities. While these communities experienced funding uncertainty and concerns with food security, they were also upright advocating for the life of these programs. If the RIFs were to stand, they would extend shutdown effects and inherently limit technical assistance and leave communication lines unmonitored. Reducing personnel permanently would erode the nation-to-nation relationship and negate the federal government's trust and treaty obligation to provide education for those who have and retain their treaty rights. We caught a glimpse of what this would look like during the shutdown. The lack of contact, program uncertainty, and delays in funding created serious confusion in Native communities.

Question 1c. In what ways are the shutdown and the RIFs interacting to intensify or prolong disruptions in federal-Tribal relations and service delivery?

Answer. Federal government shutdowns negate trust and treaty responsibilities, and RIFs would blatantly restrict the government's ability to fulfill their treaty obligations. Initially, even the employees were unaware of the RIFs within the Office of Indian Education and the Office of Impact Aid, it took Congressional outreach to ensure ED provided clarity in writing of the intended RIFs. This inflicted a great deal of confusion with Tribes, schools, and federal employees. Reducing the workforce in the Office of Indian Education sets a negative precedent with Tribal Nations that retracts decades of trust building the federal government has done with its tribal partners. While shutdowns alone are difficult for Tribes to weather, advocating against RIFs has since limited capacity across the board. However, what is most clear is that Tribal leaders need to be aware of what is happening with these programs. Tribes have a right to be consulted with and to consent to changes that directly affect Tribal interests, citizens, and their rights.

Question 2. Could forward funding or advance appropriations for Impact Aid, Title VI Indian Education, and Johnson-O'Malley programs better protect schools in future shutdowns? If so, are there any other federal education programs that would benefit from forward funding or advance appropriations?

Answer. Forward funding and advance appropriations are mechanisms that would shield Tribal-serving schools, public schools, and Native students from future shutdowns. Releasing funding prior to annual appropriations allows schools to plan without interruption. There is a clear and successful precedent for this approach. Advance appropriations for Indian Health Service (IHS) have helped ensure continuity of care for Tribal citizens during shutdowns, preventing interruptions in essential services. Applying this same framework to Indian education programs would similarly protect Native students by ensuring uninterrupted access to the classroom, staff, and nutritious meals.

Forward funding amounts are dispersed early in the fiscal year intended to be used for the following fiscal year and for the purpose of education—this timeline is closely aligned with the school year. Bureau of Indian Education programs, such as Student Transportation and Indian School Equalization Program (ISEP) are among some of the programs that would benefit from forward funding.

One of the most effective ways these funding mechanisms would help Tribes would be to begin with placing Impact Aid on an advance appropriations schedule. In addition to these programs, other formula-based education programs such as Title I, Part A, and the Individuals with Disabilities Education Act (IDEA) would also benefit from forward funding due to their role in staffing and essential student services.

Question 3. What are states, Tribes, and Native-serving schools doing to weather the funding pauses, communication lapses, and RIFs at the Department of Education?

Answer. States, Tribes and Native-serving schools weathered through the 43-day shutdown at differing levels of capacity. Some Tribes were able to pull from their reserves to operate and support programs while others may have considered taking out loans or lines of credit. However, losing contact and technical assistance has left Tribes and early education providers in the dark regarding upcoming deadlines and

best practices for compliance. Although, there have been cases in which Tribal Head Starts have had no other choice but to close their doors until funding becomes available.

While many of the services that educators, schools, and Tribes access from the Department of Education became unavailable due to furloughs, Tribes immediately banded together once it was confirmed that the staff had been terminated. Tribes know that without staff administering funding and providing technical support, schools will not receive an adequate amount of support to supply students with quality resources and opportunities.

Question 4. On November 1, at least 12 Tribal Head Start grantees with 599 staff serving 2,434 children across 8 states (AZ, CA, MI, MN, MT, NM, OK, WA) were unable to draw down funds. If known, what were the impacts to these programs, and did they have to scale back staff, services, or other functions because of the prolonged shutdown?

Answer. Tribal Head Start staff and students were deeply affected by the lack of technical assistance and funding gaps. The 12 Tribal Head Start grantees awarded on November 1 did not receive funding when it was expected and were forced to consider using tribal funding, closing their doors, or drawing back services, such as transportation. These decisions were made depending on the budgetary capacity of Tribal Nations participating in this latest award cycle.

Question 5. How have Tribal Colleges and Universities (TCUs) and their students been impacted by the shutdown and RIFs?

Answer. This question would be best answered by our colleagues at the American Indian Higher Education Consortium (AIHEC).

Question 5a. How are Pell Grant disbursements impacting TCU students and campus services?

Answer. This question would be best answered by our colleagues at the American Indian Higher Education Consortium (AIHEC).

Question 6. Despite forward funding, some Bureau of Indian Education (BIE)-funded schools are reporting delays in Indian School Equalization Program (ISEP) funds. From your perspective, is the primary cause of this delay staffing furloughs, RIFs, or hiring freezes, or staff functions being scaled back during the shutdown?

Bureau funded schools have experienced delayed ISEP funding despite forward funding because the BIE simultaneously has an active hiring freeze and an extreme staffing deficit. This may have been further exasperated by furloughing during the shutdown. However, considering that forward funding takes place during the beginning of July, it would be fair to say that this is a result of the hiring freeze that is in place per the Presidential Memorandum issued on January 15, 2025. It is NIEA's stance that the BIE should be able to hire within the office, but also to exempt teachers applying at BIE schools from the hiring freeze.

Question 7. The Office of Management and Budget (OMB) Office of Information and Regulatory Affairs (OIRA) memorandum issued on October 21, 2025, titled, "Streamlining the Review of Deregulatory Actions" directs agencies to bypass Tribal consultation required by executive orders and laws, even when such deregulation involves Tribes. Combined with RIFs and limited agency communication during the shutdown, the OIRA memorandum further strains the federal-Tribal relationship by undermining required consultations.

Please describe how the OIRA memorandum's directive to bypass Tribal consultation despite Executive Order 13175 and longstanding trust and treaty obligations could impact Tribal equities. Please also include specific examples of potential harm, and any legal or policy concerns.

Answer. The October 21, 2025, OIRA memorandum to bypass Tribal consultation reinforces a dangerous precedent and poses a serious risk to Tribal sovereignty and self-determination. Overall, it is eroding the government's trust and treaty responsibilities. Tribal consultation is not an afterthought, rather it is a statutory requirement. Negating this requirement opens the federal government and its agencies up to potential legal risks. Within education and social programs more specifically, a lack of consultation results in less meaningful engagement, weakened trust, and withering institutional strength.

RESPONSE TO WRITTEN QUESTIONS SUBMITTED BY HON. BEN RAY LUJÁN TO
KERRY D. BIRD

Question 1. Your testimony makes it clear that the shutdown effects on Tribal Head Start programs are immediate and devastating. What are you hearing from Tribal education providers about the choices they are being forced to make?

Answer. Tribal education providers are letting us know that the shutdown has made it extremely difficult to manage operations and has slowed decisionmaking. Head Start grantees did not have access to training and technical assistance for upcoming refunding applications deadlines, carryover requests, and general guidance. In absence of any guidance from their federal project officers, Head Start directors worried their applications would be late or incomplete, and they worried that they would not be in compliance.

It is impossible for new grantees and new staff to remain in compliance throughout the shutdown without access to any of the comprehensive services provided by the federal government. We have heard some have turned to external consultants to fill in the gaps. While on the other hand, some cannot maintain operations altogether.

Question 2. The Ramah Navajo School Board, Alamo Navajo School Board, and San Felipe Pueblo have indicated that their Head Start grant renewal coincides with the ongoing shutdown, threatening a complete halt in services. If Tribal grantees, such as Ramah, Alamo and San Felipe Pueblo, use their own investment or non-federal funds to sustain programs during a shutdown, what challenges do they face to being reimbursed once the lapse in appropriations ceases, or to accessing other sources of capital to cover short-term costs?

Answer. The Ramah Navajo School Board, Alamo Navajo School Board, and San Felipe Pueblo face significant financial risks while using their own investments to fill funding gaps. Once the lapse in appropriations ceases, it is not likely that these grantees will be reimbursed if they have used other sources of funding to cover the gap in costs. Using Tribal funds to keep schools in service ultimately takes money away from other necessary services.

Question 3. In your testimony, you discussed the importance of Impact Aid Program. Given the current disruption in funding, how are school districts that rely on Impact Aid coping financially with the lack of funding flow, and what short-term relief options, if any are available to them to maintain essential staff and services?

Answer. When funds are not appropriated on time, we see that Impacted Schools face some of the most severe funding deficits across the country. In these cases, taking out lines of credit or loans often results in long-term financial burdens. Tribes and school districts that may turn to these options are often rural and economically constrained and are simply not in a position to absorb the shock of delayed Impacted funds. Some school districts, like Todd County in South Dakota, rely on Impact Aid for nearly 40 percent of its annual operating budget. To cope with funding gaps at the beginning of the fiscal year, we see that schools may draw down their reserves, cutting spending elsewhere, and limiting services. If Congress decides to forward fund Impacted Schools on reservation lands, they will receive more predictable funding streams and be shielded from future shutdowns.

Question 4. With the recent Reductions in Force (RIFs) within the Office of Impact Aid, leaving only limited capacity to process payments and conduct compliance reviews, how might these staffing reductions and resulting delays affect educational quality, staffing stability, and the delivery of student support services—particularly for Native students in rural or high need districts?

Answer. Reductions in Force (RIFs) within the Office of Impact Aid have sharply limited federal capacity to process payments, review applications, and conduct compliance oversight. Many districts, especially those with high percentages of Native students, are uniquely dependent on Impact Aid to meet basic operational needs. Staffing reductions at the federal level therefore create systemic, cascading harm at the local level. Impact Aid can make up the majority of a school's operating budget, and without it arriving upon the beginning of a fiscal year, school districts may begin to consider borrowing or taking loans to continue operating and providing services.

Question 5. How have early childhood education providers, schools, and Tribal Colleges and Universities dealt with lapses or delays in nutrition program benefits for students during the shutdown?

Answer. Native families experiencing food insecurity receiving benefits from programs like SNAP and WIC lean harder on early childhood education providers, schools, and other institutions to provide extra support during lapses or delays in funding. However, institutions like Head Start have not received any additional funding to provide support for families amidst the shutdown. Schools are maintaining focus on providing healthy and nutritious meals and snacks during school hours.

With delayed SNAP benefits, some Tribes turn to subsistence hunting while others fill in the gaps with Tribal reserve funding.

