Promoting and Protecting Native federal contracting rights.

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Statement of

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House Natural Resources

Subcommittee on Indian and Insular Affairs

The Honorable Jeff Hurd, Chairman

Hearing On:

Making Federal Economic Development Programs Work in Indian Country

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Chairman Hurd, Ranking Member Leger Fernandez, and distinguished members of this committee, thank you for inviting me to today's important hearing highlighting Tribal and Native economies. My name is Haven Harris, I am an Inupiaq Eskimo, a tribally enrolled member of the Nome Eskimo Community, a shareholder of both the Sitnasuak Native Corporation and Bering Straits Native Corporation born and raised in Nome Alaska, and for the last 17 years I have worked and resided in Anchorage Alaska. Today, I am the Senior Vice President of Growth and Strategy at Bering Straits Native Corporation.

I also have the honor to serve as the Co-Chair of the Native American Contractors Association, or NACA.

Please see my written testimony below.

Introduction:

The Native American Contractors Association (NACA) submits this testimony regarding the participation of Indian Tribes (Tribes), Alaska Native Corporations (ANCs), and Native Hawaiian Organizations (NHOs) in federal contracting, including the Small Business Administration's (SBA) small business contracting programs.

NACA was formed in 2003 to promote the common interests of its members—Tribes, ANCs, and NHOs, participating in federal contracting and the SBA's 8(a) Business Development Program. NACA represents over forty-five Native-owned firms serving over a million Tribal citizens, Alaska Native Shareholders, and Native Hawaiians. Members perform government contracts in all fifty states, employing tens of thousands of workers. Benefits flow back to Native communities through scholarships, healthcare, public safety, elder support, and economic development.

This testimony addresses four critical points. First, federal contracting generates over $1.4 billion annually in community benefits for scholarships, healthcare, elder care, and economic development. Second, Native participation in federal contracting rests on firm constitutional, statutory, and legal foundations. Congress has exercised its authority under the Indian Commerce Clause of the Constitution to establish these programs in fulfillment of the federal government's trust obligations to Native peoples. Native participation in federal contracting, including the SBA's 8(a) Program, is based on the unique legal and government-to-government relationship between the United States and Native entities. Third, Native-owned companies maintain robust compliance programs proportionate to their size and scope, operating under rigorous SBA oversight and consistently meeting or exceeding federal contracting requirements. These companies are dedicated to full compliance with all applicable laws and regulations. Fourth, Native-owned companies deliver significant value to the federal government through enhanced efficiency, accelerated procurement timelines, cost-effective pricing, and mission-critical capabilities. Senior Defense Department officials have confirmed that Native 8(a) firms are central to national security objectives and provide outstanding value to American taxpayers.

Congress must understand the legal foundations and the practical benefits of these programs.

A. Native Entities and SBA Small Business Federal Contracting Programs

Congress has a clear, longstanding policy of supporting small businesses in federal government contracting. Through the Small Business Act, Congress determined "that the opportunity for full participation in our free enterprise system by… disadvantaged persons is essential if we are to

obtain… equality for such persons and improve the functioning of our national economy."[1] Congress has also set statutory small business contracting goals for federal agencies and created specific programs to ensure small business participation.

In 1978, Congress established the 8(a) Program with three statutory goals: (A) promote business development of small businesses owned by socially and economically disadvantaged individuals; (B) promote competitive viability through contract, financial, technical, and management assistance; and (C) clarify and expand procurement from such businesses.[2] Starting in 1986, Congress amended the Small Business Act multiple times to provide Native entities with opportunities to participate in federal small business contracting programs. In 1986, Congress established that companies owned by Tribes, ANCs, and NHOs are socially disadvantaged for purposes of the 8(a) Program.[3] This was done to ensure there was no question as to their eligibility for Tribal and Native participation in the 8(a) Program and to eliminate the risk that the SBA would, by administrative interpretation, exclude Native entities from participation.[4] These amendments were enacted pursuant to Congress's authority under the Indian Commerce Clause to meet the federal government's trust responsibilities to Native peoples and to assist economic development in Native communities.[5] Over the past four decades, Congress consistently reaffirmed and expanded these provisions.[6] In 2002, Congress expressly confirmed that federal procurement programs for Native entities are "enacted pursuant to its authority under Article I, Section 8 of the United States Constitution"—the Indian Commerce Clause.[7] These amendments are deliberate congressional action to fulfill federal trust responsibilities and recognize the unique role Native entities play in supporting large populations of beneficiaries.

B. Substantial Economic Benefits to Native Communities

According to federal data from 2024, American Indians and Alaska Natives (AI/AN) continue to experience severe economic disadvantages. The AI/AN poverty rate stands at 19.0% for families compared to 8.5% for U.S. families overall—2.2 times higher. For individuals, the rate reaches 19.3%, nearly double the national rate of 10.6%. Child poverty affects 25.7% of AI/AN children—approximately three times the rate of white children at 8.2%. AI/AN unemployment stands at 7.8% compared to the national average of 4.5%—1.7 times higher. On some reservations,

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[1] 15 U.S.C. § 631(a).
[2] 15 U.S.C. § 637(a)(1)(B).
[3] Pub. L. No. 99-272, § 18015, 100 Stat. 370 (1986) (April 7, 1986).
[4] *Hearing before the Comm. on Small Business on S. 1002: A Bill to Make Small Business Owned by American Indian Tribes Eligible for the SBA 8(a) Program*, 98 Cong. (1983).
[5] 43 U.S.C. § 1626(e)(4)(A).
[6] In 1988, Congress exempted Native-owned 8(a) entities from the sole-source dollar limitations applicable to individually owned firms, recognizing the need for contracts of sufficient size to generate meaningful economic impact for large Native populations. *See,* Pub. L. 100-656, § 602(a). *Oversight Hearing on Barriers to Indian Participation in Government Procurement Contracting before the Select Comm. on Indian Affairs*, 100 Cong. 1–2 (Feb. 23, 1988) (Statement of Sen. Daniel K. Inouye). In 1989, Congress authorized ANCs, Tribes, and NHOs to own multiple 8(a) entities, provided they operate in different industries and meet other requirements. *See* Pub. L. No. 101-37, 103 Stat 70 (1989). In 1990, Congress exempted Native-owned entities from affiliation rules, allowing each subsidiary to be sized independently. *See* Pub. L. No. 101-574, § 204, 104 Stat. 2819 (1990). In 1992, Congress determined that ANCs and their subsidiaries are economically disadvantaged "for all purposes of Federal law." Pub. L. No. 102-415, §10, 106 Stat. 2115 (1992).
[7] Department of Defense and Emergency Supplemental Appropriations for Recovery from and Response to Terrorist Attacks on the United States Act, 2002, Pub. L. No. 107-117, 115 Stat. 2230 (2002).

unemployment exceeds 40%. These statistics demonstrate that Native communities continue to face the most severe economic disadvantages of any demographic group in the United States.

Federal contracting, however, provides documented, substantial economic benefits to Native communities that support these disparities. According to the SBA's 2024 Report to Congress on the 8(a) Program, in fiscal year 2023 ANCs provided over $1 billion in community benefits to shareholders, Tribes provided over $180 million in community benefits to Tribal citizens, and NHOs provided over $216 million in community benefits to Native Hawaiians through participation in federal contracting.[8] These benefits represent real, tangible support for some of America's most economically disadvantaged populations. The funds generated through federal contracting flow directly back to Native communities in multiple forms:

- Education: Scholarships for higher education, vocational training, and K-12 support. Many Native youth would not have access to higher education without these programs.
- Healthcare: Medical care, dental services, mental health support, and infrastructure in remote communities where healthcare delivery is extraordinarily expensive.
- Elder Benefits: Direct financial assistance to elderly shareholders and Tribal citizens living on fixed incomes below the poverty line.
- Cultural Preservation: Programs supporting Native languages, traditional practices, and cultural education as Native languages face extinction.
- Infrastructure: Community facilities, housing improvements, and essential services in areas where state and local government resources are limited or unavailable.
- Employment: Thousands of family-wage jobs with benefits in regions lacking robust private sector employment.

The scale, both in amount and type, of these benefits is attributable to expanded opportunities to participate in federal contracting provided by Congress. According to a comprehensive 2021 study by the Center for Indian Country Development at the Federal Reserve Bank of Minneapolis, federal contracting to Native-owned companies has grown from close to zero percent of federal contracting in the mid-1990s to approximately 2.5% by the end of 2021.[9] The study further documented that federal contracting generated approximately $202 billion in total revenue for Native entities between 1981 and 2021. Critically, 95% of this work was performed off Tribal and Native lands, demonstrating that these programs create economic opportunity beyond reservation boundaries while generating benefits that flow back to Native communities.

The Minneapolis Fed research further documented that Tribal federal contracting grew at an annualized rate of 41.6% between 2000 and 2019, compared to 16.8% for gaming revenue—such that federal contracting has become the second-most important economic development tool for

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[8] U.S. Small Business Administration Office of Business Development 8(a) Business Development Program FY 2023 408 Report to the Congress.

[9] *See https://www.minneapolisfed.org/article/2022/federal-contractings-expanding-revenue-role-in-indian-country* and *https://www.minneapolisfed.org/article/2023/native-entities-and-the-federal-contracting-landscape*

Native communities after gaming. Federal contracting opportunities are available to all Native communities regardless of geographic location or market conditions.

The benefits and opportunities afforded to Native entities by Congress, including the ability to have multiple subsidiaries operating as small business federal contractors and higher sole source awards under the 8(a) Program, have been in recognition of the scope of support that Tribes, ANCs, and NHOs have to provide their communities. Consider that an ANC may serve 30,000 to 40,000 shareholders. A single Tribe may serve hundreds of thousands of enrolled Tribal citizens. For these populations, SBA small business federal contracting opportunities, including the 8(a) Program, provide diversified economic opportunity, resilience against market fluctuations, and sufficient scale to generate meaningful per-capita benefits or dividends. This stands in stark contrast to individually owned federal contractors or 8(a) companies, which typically support the economic welfare of a single business owner and immediate family. While such support is important and valid, Congress recognized the fundamental difference in scale when it structured the SBA federal contracting programs to accommodate Native entities serving thousands of beneficiaries. And as the SBA's Office of Business Development 8(a) Business Development Program FY 2023 408 Report to the Congress demonstrates, Native entities are providing in excess of a billion dollars annually in benefits to their members, ranging from direct distributions to programs benefiting the youth, elders, and Native heritage and culture.

C. Constitutional and Legal Foundations

There should be no doubt as Congress's authority to provide, and continue to provide and expand, Native entity access to federal contracting programs. Native participation in federal contracting rests on solid constitutional foundations. Article I, Section 8 of the United States Constitution grants Congress the power "[t]o regulate Commerce…with the Indian Tribes." The United States Supreme Court has consistently held that this Indian Commerce Clause provides Congress with plenary authority to legislate in the field of Indian affairs.

In *Haaland v. Brackeen*,[10] the Supreme Court explained that Congress's power under this clause is "'plenary and exclusive'" and that "'virtually all authority over Indian commerce and Indian Tribes' lies with the Federal Government."[11] The Court emphasized that this authority derives from the Constitution itself and reflects the unique political relationship between the United States and Indian Tribes. Nothing falls more squarely within Congress's authority under the Indian Commerce Clause than establishing rules governing the federal government's own contracting with Native entities. When Congress sets procurement preferences for contracts between federal agencies and Native-owned companies, it is regulating commerce with Indian Tribes in the most direct sense possible. As the Supreme Court noted in *Haaland*, the Indian Commerce Clause grants Congress authority to enact legislation addressing matters of particular concern to Indian affairs even when such legislation also affects non-Indians.[12]

A critical legal distinction further underlies Native participation in federal contracting: the opportunities provided to Native entities in SBA federal contracting programs are based on a political classification arising out of Tribal membership and Native status, not racial preferences.

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[10] 599 U.S. 255 (2023).
[11] *Id.* at 279-80 (internal citations omitted).
[12] 599 U.S. at 280.

This distinction has profound legal significance. In *Morton v. Mancari*,[13] the Supreme Court upheld a Bureau of Indian Affairs employment preference for Indians, holding that such preferences are political rather than racial classifications.[14] Because the preference was a political classification designed to further Indian self-government and fulfill federal obligations to Indians, it was subject only to rational basis review, not strict scrutiny.[15] The D.C. Circuit applied this framework directly to federal contracting with Native entities in *AFGE v. United States*,[16] The court upheld a sole-source contract to an ANC, holding that "regulation of commerce with the Indian Tribes is at the very core of the Indian Commerce Clause."[17] The court emphasized that preferences for Native entities in federal contracting serve the important governmental interests of promoting Tribal self-sufficiency and economic development.[18] Similarly, in *Alaska General Contractors v. AVCP Housing Authority,*[19] the Ninth Circuit upheld Native hiring preferences, applying the *Mancari* framework and holding that such preferences advance Congress's obligation to support Native self-determination.[20]

Fundamentally, opportunities afforded to Native entities in federal contracting, including the 8(a) Program, are based on a political classification, not racial, and are "tied rationally to the fulfillment of Congress' unique obligation toward the Indians."[21] Alaska Native shareholders, Tribal citizens, and Native Hawaiians remain among the nation's most economically disadvantaged populations. Despite the passage of decades since Alaska Native Claims Settlement Act's (ANCSA) enactment, Alaska Native villages continue to experience poverty rates far exceeding the national average, and Tribal citizens and Native Hawaiians remain significantly economically disadvantaged. Providing economic development opportunities through federal contracting addresses persistent economic disadvantage. Economic development is a critical component of Tribal sovereignty and self-determination. As the Supreme Court recognized in *New Mexico v. Mescalero Apache Tribe*,[22] the traditionally important activity of economic development in the area of self-government deserves recognition and protection. Federal contracting enables Native entities to pursue

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[13] 417 U.S. 535 (1974).
[14] *Id.* at 554.
[15] *Id.* at 555.
[16] 330 F.3d 513 (D.C. Cir. 2003).
[17] *Id.* at 519.
[18] *Id.*
[19] 694 F.2d 1162 (9th Cir. 1982).
[20] ANCs qualify as "Indian Tribes" for constitutional purposes despite being state-chartered corporations. In *Yellen v. Confederated Tribes of the Chehalis Reservation*, 594 U.S. 338, 351 (2021), the Supreme Court described ANCs as "sui generis entities created by federal statute and granted an enormous amount of special federal benefits." ANCSA's definition of "Native" includes a political component beyond blood quantum, incorporating those "regarded as an Alaska Native by the Native village or Native group of which he claims to be a member." 43 U.S.C. § 1602(b). Similarly, NHOs derive from the political relationship between the United States and Native Hawaiians following the Kingdom's overthrow, acknowledged in Congress's 1993 Apology Resolution. The identical treatment of ANCs and NHOs in Section 8(a), Native American housing programs, and numerous other federal statutes demonstrates Congress's consistent recognition that these entities fall within its constitutional authority over indigenous peoples. This exercises Congress's plenary power to fulfill federal trust obligations and promote indigenous self-determination—not racial preference. In 2002, Congress added subsection (e)(4)(A) expressly confirming enactment "pursuant to [Congress's] authority under Article I, Section 8"—directly citing the Indian Commerce Clause and recognizing these as political classifications under constitutional authority over Indians.
[21] 417 U.S. at 555.
[22] 462 U.S. 324, 334-35 (1983).

economic self-sufficiency rather than dependence on direct federal aid—a market-based approach consistent with conservative principles of limited government.

D. Robust Compliance Programs and Oversight

NACA's member companies participating in the 8(a) Program operate under comprehensive compliance frameworks designed to ensure full adherence to all applicable laws and regulations. These compliance programs reflect the size, sophistication, and commitment of Native entities to operate with integrity in federal contracting.

Specifically, all Native-owned 8(a) participants must meet rigorous SBA requirements for program entry and continued participation, including (i) demonstrating that they are owned and controlled by a Tribe, ANC, or NHO; do not have the same primary North American Industry Classification System (NAICS) code as a sister company currently in the 8(a) Program; have the support of the parent Native entity; and have qualified personnel with appropriate experience; (ii) must submit annual financial statements, including audited financials meeting specified criteria; (iii) demonstrate continued eligibility and compliance with size standards; submit detailed annual reports documenting the specific benefits provided to their Native communities, including dollar amounts and types of support; and meet business activity targets to ensure they are actively engaged in commercial operations beyond federal contracting.[23]

NACA's member companies must also comply with the full array of federal contracting regulations applicable to all contractors. They must comply limitations on subcontracting rules,[24] and larger contractors must comply with rigorous Cost Accounting Standards Board ("CASB") requirements for cost tracking and allocation. All contractors must meet delivery schedules, quality standards, and technical specifications, where poor performance results in negative past performance ratings that impact future contract awards. Finally, contractors handling classified information must establish facility security clearances and comply with National Industrial Security Program requirements. As a result of these obligations, as well as their commitment to ethical conduct, NACA's member companies have established sophisticated internal compliance programs

NACA conducts online training sessions to instruct Native entities on compliance with federal contracting laws and regulations, proper company structure, contract management, and strong internal ethics and compliance practices.

Native entities must set a high standard of excellence based on the simple fact that it makes sound business sense to do so. Native entities recognize that they must provide the government good value and exceptional service at competitive rates, as they have historically done. If Native enterprises do not provide good value, government customers will not use them—regardless of their 8(a) contracting status. The marketplace is crowded with highly competent, highly skilled federal contractors, and such competition compels Native entities to deliver the best quality service in order to remain competitive and to succeed. As such, Native entities employ compliance officers, legal counsel, and ethics officers who monitor regulatory requirements and ensure adherence. They also provide regular training to employees on ethics, conflicts of interest,

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[23] *See* 13 C.F.R. §124.109, .110, .112(b), .604, and .509.
[24] 13 C.F.R. § 125.6.

limitations on subcontracting, and other compliance requirements, as well as conduct internal audits of contract performance to identify and correct compliance issues before external review. Finally, they maintain boards of directors that provide oversight of subsidiary operations and ensure alignment with community objectives.

NACA's member companies have established strong track records of compliance. The companies referenced in recent congressional inquiries have operated for decades with positive relationships with federal agencies, strong past performance ratings, and consistent compliance with SBA requirements. When questions arise, these companies have provided detailed documentation demonstrating adherence to all applicable rules.

It is also important to distinguish between isolated compliance questions—which can arise for any contractor and are resolved through normal administrative processes—and systemic noncompliance. There is no evidence of systemic noncompliance by NACA's member companies. To the contrary, these companies have demonstrated commitment to operating with integrity while fulfilling their missions to support Native communities.

NACA is committed to working with its member companies to ensure the highest standards of compliance and ethical conduct in federal contracting. Our members understand that their success depends not only on delivering quality services but also on maintaining the trust of federal agencies and the American public.

E. Efficiency and Cost Benefits to the Federal Government

Native-owned 8(a) companies deliver substantial value to the federal government through enhanced procurement efficiency, cost-effective pricing, and mission-critical capabilities. These benefits have been confirmed by senior government officials.

When looking at sole-source or direct awards, Congress should consider that approximately 2% of direct awards went to 8(a) firms with the other 98% going to non-8(a) firms at the Department of War (DoW) from fiscal years 2018-2024.[25]

Accelerated Procurement Timelines

The 8(a) sole-source authority enables dramatically faster contract awards compared to competitive procurement. According to Government Accountability Office Report GAO-24-106528, the median procurement timeline for Department of Defense contracts exceeds 250 days for larger contracts. Some competitive procurements require 12 to 18 months from requirement identification to contract award. The 8(a) sole-source process typically allows contract execution in 30 to 60 days after SBA approval. This represents a reduction of six to twelve months in procurement time.

This speed directly supports Executive Order 14265's mandate for defense acquisition "with an emphasis on speed, flexibility, and execution" to provide "the speed and flexibility our Armed

[25] https://www.usaspending.gov/

Forces need to have decisive advantages." The ability to rapidly field capabilities and services through 8(a) sole-source awards enhances mission readiness and operational effectiveness.

As Senator Sullivan recently highlighted in his December 10, 2025, testimony before the Senate Small Business Committee, an 8(a) firm designed, built, and delivered modified Harpoon MRAP vehicles to the beaches of Taiwan in under one year—a timeline that would have required many additional months or years through traditional large-contractor procurement.

Fair Market Pricing and Cost Transparency

Federal law also explicitly requires that all 8(a) contracts, including sole-source awards, be priced at fair market rates.[26] These multiple layers of regulatory protection ensure taxpayers receive value. Contracting officers must conduct price reasonableness determinations before awarding 8(a) contracts, just as they would for any other procurement. The notion that sole-source awards lead to inflated pricing is contradicted by these legal requirements and by market reality—companies that charge excessive prices receive negative past performance ratings and lose future opportunities.

Moreover, 8(a) sole-source awards provide cost transparency that can be obscured in competitive procurements. With sole source awards, the government negotiates directly with the contractor based on cost or price analysis and full disclosure of the contractor's pricing. The government is aware of how the Native contractor is structuring its pricing and can, and does, negotiate the cost to provide the best value to the taxpayer. In addition to this transparency, there are also no bid protests, source selection costs, or risk of award delays due to challenges—all of which add hidden costs to competitive procurements.

Given these benefits, and as Senator Sullivan noted in his December 10, 2025, testimony before the Senate Small Business Committee, Senior Defense Department officials have repeatedly confirmed the value of Native 8(a) firms to national security.[27] These are not political statements—they reflect operational realities. Native 8(a) firms perform critical work across the defense enterprise, from information technology and cybersecurity to logistics and facilities management. They bring commercial innovation to government challenges, maintain facility security clearances enabling classified work, and provide surge capacity when needed.

Reduced Administrative Burden

A focus of Congress, and the current administration, is on efficiency and reduction of administrative burdens. 8(a) sole-source authority reduces administrative burden on contracting officers. The use of sole source awards eliminates the need for elaborate evaluation plans, source selection boards, or best-value determinations. Instead, agencies identify qualified contractors, negotiate with them for best value pricing, and are able to efficiently quickly deploy contracting resources to support the federal government. Finally, the SBA handles eligibility determination and program compliance, reducing the contracting officer's oversight burden. These gains allow contracting officers to focus resources elsewhere while meeting mission needs.

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[26] 15 U.S.C. § 637(a)(1)(A); FAR 19.807(b); 13 C.F.R. § 124.506.

[27] *See* Senator Sullivan December 10, 2025 testimony (attached).

F. Recommendations

NACA respectfully recommends that Congress:

Reaffirm Statutory Protections: Confirm through oversight or legislation that Native participation in the 8(a) Program and other SBA small business federal contracting programs is grounded in the Indian Commerce Clause, fulfills federal trust obligations. Congress should make clear that the legal framework established through *Morton v. Mancari* and subsequent cases remains the controlling standard when considering federal contracting opportunities provided to Native entities.

Protect the Rule of Two: Ensure that FAR revisions pursuant to Executive Order 14275 do not eliminate, either directly or indirectly, the "Rule of Two" and other small business protections that have successfully driven small business participation for four decades. The Rule of Two implements Congress's statutory directive that a "fair proportion" of federal contracting go to small businesses and should be recognized as statutorily mandated. While the recent FAR revisions have purported to retain the Rule of Two, there have been significant changes to the FAR that increase the risk that the Rule of Two will not function as intended.

Ensure Adequate SBA Staffing: Recognize that effective administration of the 8(a) Program requires adequate SBA staffing. Current staffing levels are unsustainable and create delays that harm both small businesses and federal agencies. Adequate staffing is critical to preventing both administrative delays and compliance failures.

Preserve Sole-Source Authority: Maintain the full scope of sole-source contracting authority for Native 8(a) firms, which delivers documented efficiency gains (reducing procurement timelines from 250+ days to 30-60 days) and mission value to federal agencies. This authority should be recognized as serving important governmental interests in speed, cost-effectiveness, and fulfillment of trust obligations.

Support Acquisition Reform: Recognize Native 8(a) firms as strategic assets for achieving acquisition reform objectives, including rapid integration of commercial technologies, accelerated procurement, and innovation in the defense industrial base. Develop policies that systematically leverage Native entities' unique position bridging commercial and government markets.

G. Conclusion

Native participation in federal contracting delivers substantial benefits to both Native communities and the federal government. In fiscal year 2023 alone, these programs generated over $1.4 billion in benefits supporting education, healthcare, elder care, and economic opportunity in some of America's most underserved communities. These are real benefits flowing to real people—Alaska Native shareholders living in remote villages, Tribal citizens on reservations with limited economic opportunities, and Native Hawaiians seeking to preserve their culture while participating in the broader economy.

The constitutional and legal foundations supporting Native participation are solid. Congress has exercised its plenary authority under the Indian Commerce Clause to establish these programs. The Supreme Court has consistently held that classifications based on Tribal citizenship and Native status are political, not racial, and survive constitutional review under rational basis scrutiny.

Congress has repeatedly reaffirmed these provisions over four decades, most recently confirming in 2002 that they are enacted pursuant to Article I, Section 8 of the Constitution.

NACA's member companies maintain robust compliance programs and operate under comprehensive SBA oversight. They meet the same performance standards as all federal contractors and deliver services at fair market prices. Senior Defense Department officials have confirmed that these companies provide outstanding value and are central to national security objectives.

The efficiency benefits Native 8(a) firms provide to the federal government are substantial and documented: procurement timelines reduced from 12-18 months to 30-60 days; fair market pricing enforced by statute and regulation; mission-critical capabilities delivered with speed and innovation; intellectual property retained by the government; and reduced administrative burden on contracting officers.

At a time when Native participation faces unprecedented challenges, it is essential that Congress protect these programs based on facts, law, and the documented benefits they deliver. This is not about special treatment—it is about a market-based mechanism that encourages self-determination and sufficiency rather than dependence. It is about recognizing that Native entities serving thousands of beneficiaries require different tools than individuals serving single families. And it is about honoring the promises made when the U.S. entered into treaties and the federal trust obligations, and when Congress enacted ANCSA and established Native participation in the 8(a) Program.

NACA's member companies are dedicated to compliance with all applicable laws and to serving the federal government with integrity and excellence. They stand ready to continue their mission of delivering value to federal agencies while supporting the economic development of Native communities across America.

NACA appreciates the Committee's attention to these critical issues and stands ready to provide any additional information that would assist in your deliberations.

Respectfully submitted,

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