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**Submitted Testimony of Chuck Hoskin, Jr., Cherokee Nation Principal Chief
U.S. Senate Committee on Indian Affairs Hearing on “*Economic Self-Determination in
Action: Examining the Small Business Administration Native 8(a) Program.*”**

Chairman Murkowski, Vice Chairman Schatz, and members of the Senate Committee on Indian Affairs:

Osiyo. On behalf of Cherokee Nation, thank you for the opportunity to provide testimony on the Small Business Administration’s 8(a) Business Development Program.

With a population of more than 470,000, Cherokee Nation is the largest Native American tribe in the United States. About a third of our citizens reside on our Treaty-guaranteed land, a 7,000-square mile reservation covering 14 counties in northeast Oklahoma. The remainder are scattered across the country, living in all 50 states.

We are the economic engine of our region, employing more than 15,100 people and directly and indirectly supporting more than 23,000 jobs, and we remain steadfast in our commitment to growing our regional economy, helping our non-Cherokee friends and neighbors improve their quality of life.

We take immense pride in providing for the safety, health, and comfort of the more than 520,000 people who live within our reservation boundaries and the communities located on our sovereign land.

Today, Indian Country stands at a critical crossroads. For decades, the federal government has recognized that Tribal self-determination requires economic self-sufficiency. That long-standing principle is now facing renewed and unprecedented pushback—pushback that threatens the progress Tribal Nations have worked decades to achieve.

For Cherokee Nation, the Small Business Administration’s 8(a) Program has been a key part of our economic self-determination. And the current threats to this program and Native contracting broadly threaten not just our businesses, but the very concept of sovereignty itself.

To understand why this program remains vital today, it is important to recognize the economic disenfranchisement that came before it. Like many Tribal Nations, the Cherokee Nation was shaped by federal policies that deliberately dismantled our land base, our economy, and our social structures. The Indian Removal Act forced our people from our homelands. The Dawes Act fractured communal lands and disrupted economic continuity. For more than a century,

federal boarding school policies sought to eradicate Native languages, cultures, and systems of governance.

These were not distant events. Their effects are still felt today through fragmented land ownership, economic and health disparities, and persistent infrastructure gaps. While Tribal Nations have spent recent decades rebuilding the foundations of self-governance and long-term planning, that work is not finished. Significant gaps in housing and healthcare remain, direct echoes of past federal actions that Tribal Nations are still working to overcome.

Performance with Purpose: The Mission of Cherokee Federal

The Cherokee Federal division of companies serves as the dedicated contracting arm of Cherokee Nation Businesses, a wholly owned holding company of the Cherokee Nation.

Since our businesses began in 1969, our objective has been to build a sustainable economic engine that reduces long-term reliance on federal appropriations. The 8(a) program has been a vital tool in addressing longstanding gaps through performance, accountability, and merit. Our eligibility is not a loophole or a workaround. It is a modern extension of a sovereign-to-sovereign relationship grounded in the U.S. Constitution and Federal statute and affirmed through a series of binding treaties.

While the 8(a) business development program served as a launchpad, it no longer defines the boundaries of our success. Today, we are a vital contributor to the federal industrial base, serving more than 60 federal agencies. Each day we strive to demonstrate that our growth is rooted in merit, performance, and the fulfillment of a long-term sovereign mission.

Headquartered within our reservation, Cherokee Federal's portfolio of small and large businesses employs more than 4,400 professionals across all 50 states and 20 countries. The missions we serve translate into tangible impacts for our citizens and our tribal government. Under tribal law, our LLCs are required to **return 37% of their net income to Cherokee Nation's General Fund, and those resources are reinvested directly into services and programs that improve the daily lives of Cherokee Nation citizens**—impacts that, just twenty years ago, would have been difficult to imagine.

These funds sustain the largest tribally operated health system in the United States, protect our heritage through Cherokee language immersion and revitalization programs, and modernize critical infrastructure, including rural water systems and housing repairs, ensuring long-term self-sufficiency and dignity for Cherokee citizens.

Specifically, some of the investments made possible by our businesses include—

- Permanent funding for Cherokee Nation's Housing, Jobs and Sustainable Communities Act, which commits at least \$40 million every three years to housing construction, rehabilitation, and community infrastructure;
- Consistent additions to our healthcare system, such as the \$30 million expansion of the Wilma P. Mankiller Health Center in Stilwell, Oklahoma;

- Major growth to Cherokee Nation’s public safety programs and infrastructure, like a \$10 million commitment to the Cherokee Nation Marshal Service;
- More than \$12 million annually for language programs – in addition to millions to fund new capital projects – to implement the Durbin Feeling Language Preservation Act.

Over the last decade, our federal businesses have contributed \$364 million to these essential tribal programs. This sustained investment has moved the Nation beyond basic service delivery to long-term community transformation, expanding access to healthcare, strengthening cultural preservation, and building the infrastructure that underpins permanent economic opportunity across the Cherokee Nation.

The Threat Facing Native Contractors

My goal today is to ensure this Committee recognizes Native contracting and the 8(a) program not as high-risk endeavors marked by fraud or abuse, but as a proven record of success built on merit and driven by performance. That record is not abstract. It is demonstrated every day through how Cherokee Nation shows up as an operator in the federal marketplace.

Our participation in the 8(a) program is one component of a broader, highly structured small business ecosystem. We operate across multiple contracting paths, from small business set-asides to competitive environments.

Contrary to recent criticism, the 8(a) community operates with integrity under strict SBA oversight, where awards are earned through technical merit and proven past performance. That is why it is critical to address mischaracterizations of the 8(a) program directly.

We take immense pride in maintaining a long record of compliance, ethical operations and dedicated service. We believe credible claims of fraud should be rigorously investigated, and that anyone who acts improperly must be held fully accountable.

However, recent unfounded allegations are creating a chilling effect on our operations and introducing unnecessary distractions for our people and our federal customers — many of whom support vital missions tied to safeguarding this country and delivering essential services to the American people.

Blanket suspicion and the presumption of wrongdoing create uncertainty that carries real costs, not only for our businesses, but for the critical federal missions we support. When false narratives take hold, the impact is instantaneous. Our teams are increasingly faced with questions from contracting officers about whether our operations are under investigation. This kind of stereotyping of tribal businesses echoes a long and painful history of how Native Americans have been portrayed in this country. Ultimately, it is an affront to the character of our organization and our people.

Our employees, many of whom are veterans serving in high-stakes roles, take pride in their work and their integrity. They should not be asked to carry the burden of broad assumptions that ignore a demonstrated record of excellence.

Sadly, the data shows that these baseless claims are having a serious impact. According to Bloomberg Government, total federal obligations to SBA vendors declined by 14%, or approximately \$5 billion, from fiscal year 2024 to fiscal year 2025. By comparison, obligations to all small businesses fell by 3%, marking the first year-over-year decline in more than a decade. These trends should concern all of us who care about competition, mission delivery, and the long-term health of the federal industrial base.

To understand why these missions are supported through the 8(a) program — and why recent characterizations miss the mark — it is important to be clear about what the 8(a) business development program is, and what it is not.

The 8(a) Business Development Program is Not a DEI Initiative

The Cherokee Nation’s participation in the 8(a) business development program is not based on race. It reflects a political and legal relationship between sovereign governments. Treating this status as a diversity, equity and inclusion initiative misunderstands the legal foundation of Tribal Nations. The United States’ relationship with the Cherokee Nation, like its relationships with other sovereign governments, is government-to-government.

This distinction is not academic or symbolic. It is settled law. The U.S. Supreme Court has consistently affirmed that the relationship between the United States and federally recognized Tribes is political, not racial. The 8(a) program supports economic self-determination by providing a structured pathway for the Cherokee Nation to build self-sufficiency through its own performance.

We Are Not Pass-Through Companies, and These Are Not Pass-Through Contracts

We are operators, not intermediaries. Our companies fully comply with all performance-of-work requirements, including the 50% self-performance mandate for 8(a) service contracts. Our portfolio is also deliberately diverse. We operate successfully both within the 8(a) program and outside of it. While 8(a) is an important program, it is one of many contracting avenues in support of federal missions.

With respect to the 8(a) program, when partnering with subcontractors, it is done deliberately and always driven by mission needs. We work with specialty small businesses, including veteran-owned firms, to meet complex technical requirements. This approach creates a force-multiplier effect, providing scale and stability while strengthening a more resilient and diverse American small business ecosystem.

The data is clear. In our most recent submission to the SBA, Cherokee Nation companies’ self-performance represents nearly 80% of the work performed on those 8(a) contracts. Any characterization of the program as a “fraud magnet,” or our businesses as a “straw man” or “fraudsters, crooks, and swindlers,” is unfounded and disregards our demonstrated operational capabilities. We consistently compete on merit, deliver on our commitments, and operate with integrity that reflects the character of the Cherokee people. We expect our record to be represented with the same accuracy and professionalism that we bring to every federal mission.

Defining the Future of Tribal 8(a) Success

I hope my testimony today has offered clear evidence the 8(a) program is working exactly as Congress intended. For the Cherokee Nation, this business development program has been transformative. It has enabled us to strengthen our government, deliver essential services to our citizens, support thousands of American families, and provide consistent, high-quality service to our federal agency partners.

Preserving these tools is not just a matter of policy. It is a matter of the United States honoring its commitments to Tribal Nations. We respectfully ask this Committee to stand by the critical programs that enable Tribal Nations to lead their own recovery, build lasting self-sufficiency, and drive long-term success.

Thank you for the opportunity to share my perspectives, and for your continued support of Tribal sovereignty.

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