



CENTRAL COUNCIL
Tlingit and Haida Indian Tribes of Alaska
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TESTIMONY OF THE HONORABLE RICHARD CHALYEE ÉESH PETERSON
PRESIDENT
CENTRAL COUNCIL OF TLINGIT & HAIDA INDIAN TRIBES OF ALASKA

BEFORE THE HEARING OF THE
U.S. SENATE COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP
ON THE OPPORTUNITIES AND CHALLENGES IN THE SBA'S 8(A) PROGRAM

June 29, 2018 @ 2:00PM AKST
Assembly Chambers
Z. J. Loussac Public Library
3600 Denali St, Anchorage, AK 99503

Introduction.

Gunalchéesh/Háw'aa. Good afternoon Mr. Chairman, Mr. Ranking Member, Members of the Committee, and especially, Senator Sullivan – thank you for inviting me to testify here today.

My name is Richard Chalyee Éesh Peterson, I am Tlingit from the Kaagwaantaan clan, Eagle's Nest House. I grew up in Kasaan, Alaska. Prior to being elected as President of the Central Council of the Tlingit and Haida Indian Tribes of Alaska (Tlingit & Haida) in 2014, I served as Chief Executive Officer of Prince of Wales Tribal Enterprise Consortium, LLC (POWTEC), president of the Organized Village of Kasaan (OVK), and mayor/city council member for the City of Kasaan. I was recently unanimously re-elected President of Tlingit & Haida by over 100 delegates that make up Tlingit & Haida's governing body.

Tlingit & Haida is a tribal government representing over 30,000 Tlingit and Haida Indians worldwide. We are a sovereign entity and have a government to government relationship with the United States. Tlingit & Haida's headquarters are in Juneau, Alaska but our commitment to serving the Tlingit and Haida people extends throughout the United States.

I appreciate this opportunity to testify on the opportunities and challenges faced by Tlingit & Haida and other tribes and Native organizations as we pursue and administer contracts with the federal government.

Background on Tlingit & Haida Federal Contracting.

Tlingit and Haida is actively engaged in federal contracting, today, through our Tlingit Haida Tribal Business Corporation (THTBC). But Tlingit & Haida's experience with federal contracting reaches back through the past five decades.

Tlingit & Haida was one of the first tribal entities to engage with the Department of the Interior under the federal Buy Indian Act in the 1960s and early 1970s. Following that, Tlingit & Haida was one of the first tribal governments to engage in contracts with the Bureau of Indian Affairs in the early years of

implementing the Indian Self-Determination and Education Assistance Act of 1975, and was one of the first tribes to shape and participate in self-governance agreements under that Act in the late 1980s and early 1990s. Tlingit & Haida also secured data research and management contracts with Interior's Office of Trust Management, and with other agencies.

In 2010, the Tribe formed THTBC as a federally chartered "Section 17" tribal business corporation wholly owned by Tlingit & Haida. THTBC now serves as a vehicle to generate new revenue for Tlingit & Haida. THTBC is governed by a board of directors, and serves as a holding company with over a dozen subsidiaries that operate as Limited Liability Companies (LLCs) engaged in multiple lines of business. THTBC's mission is to engage in, carry on and conduct business to improve the economic condition of Tlingit & Haida. Haida Tribal Business Corporation was formed and tasked with the mission of developing businesses to help improve the economic condition of our Tribe.

THTBC is a highly diversified family of 8(a), Hubzone, large businesses, mentor protégé agreements, joint ventures, and small businesses. Each THTBC subsidiary is designed to save our partners and customers money. We only compete in industries where we can be the lowest cost provider of services. Our strategy is to partner with a limited number of best in class companies and provide innovative solutions which save our customers money and maximize productivity. Our companies are engaged in facility services/base operations, aircraft repair and maintenance, construction management, seaport operations and maintenance, environmental consulting and management services, computer systems and data processing facility support services, IT engineering and cyber security services, solid waste collection, site security, property management and maintenance services, workforce training programs. Our companies are engaged in providing contract services from Colorado to West Virginia to Florida to Arkansas to Washington state to Cuba to Washington, D.C., and many places in between.

Observations on SBA's Federal Contracting Program Policies.

Let me start by saying that Tlingit & Haida's executive leadership staff found the recent tribal consultation held by SBA in Anchorage in early May to be one of the best we have seen. The SBA staff were interactive, welcoming comments on all subject even though the announced subjects were HUBZone and 8(a).

What follows are some suggestions that would facilitate our pursuit of new federal contracting opportunities for growth as a tribally-owned family of companies:

- We hope to encourage greater SBA's efforts to streamline and facilitate the application processes.
- We ask that SBA mitigate against disruptive changes in HUBZone administration after each new census is calculated every decade.
- We believe the All Small and 8(a) mentor protégé program may best be merged into one program, since in practice that is how it usually works.
- When the parent owner is a tribe or Native entity, we believe the SBA should sharply streamline its role in approving management changes in those companies, because the owner, and ultimate beneficiary, remains constant.
- We hope SBA will make the application process more transparent to the applicants, so that we can track our progress and plan accordingly in ways that can diminish the risk of losing contracting opportunities.
- We ask SBA to consider allowing mentors to have more than three protégés at one time.

Finally, we wish to commend Senator Sullivan for working so hard, along with others and with this Administration, to change the federal agency policy and practice so that approval authority is streamlined for contracts from \$22 to \$93 million by delegating this approval authority to an appropriate lower level official closer to the facts and circumstances of each approval decision below the "head of agency" level. This is a crucial improvement that is being made to what was an unfortunately narrow misinterpretation of the statutory authority in Section 811 of the FY 2010 National Defense Reauthorization Act. We are grateful for the fresh look and problem-solving approach that Senator Sullivan has brought to bear on this issue.

Conclusion.

With that, I will close with our traditional words of Tlingit and Haida gratitude -- Gunalchéesh, Háw'aa -- thank you for inviting me to share my Tribe's perspectives on these issues. Please let me know if you have any questions.