

FEDERAL INITIATIVE ON ACCESS TO CAPITAL IN INDIAN COUNTRY

Introduction

During his campaign, President Biden identified insufficient access to capital as a barrier to economic development in Indian Country and committed to fixing this problem. In response, the White House Council on Native American Affairs (WHCNAA) Committee on Economic Development, Energy, and Infrastructure (Committee) is launching the **Federal Initiative on Access to Capital in Indian Country**, a multi-agency strategy to improve awareness of, access to, and utilization of federal funding resources for Tribal governments, Tribal enterprises, Native entrepreneurs, and Native Community Development Financial Institutions (CDFIs).

The U.S. Departments of Agriculture (USDA), Treasury, the Interior (DOI), and Commerce (DOC), the Small Business Administration (SBA), the Office of Management and Budget (OMB), and the White House Council of Economic Advisors (CEA) commit to serving as the primary agencies for this WHCNAA effort.

The multi-agency team will center equity as a guiding principle in the development, rollout, and implementation of the Access to Capital Initiative (Initiative), taking into consideration the geography, economic interest, and resource accessibility of Tribes, Tribal enterprises, Native entrepreneurs, and Native CDFIs.

The elements of the Initiative include:

- Publishing a list online of all federal financing opportunities available to Tribes, Native entrepreneurs, Tribal enterprises, and Native CDFIs and hosting webinars and in-person outreach at Tribal events (e.g., meetings of Tribal organizations) to connect Tribal communities with these resources; a Dear Tribal Leader Letter will also be sent announcing this list of online resources upon its completion;
- Creating a centralized, online clearinghouse of federal financing opportunities that incorporates the online list of federal financing opportunities mentioned above and offers enhanced searchability and other features to assist Native applicants and users;
- Conducting outreach and providing technical assistance to Tribes and Native communities on financing opportunities;
- Releasing a Request for Information (RFI) for approximate amounts of capital and resource needs for Tribal Nations and Native individuals to help determine a baseline of capital needs for Tribal Nations;
- Developing an interagency report outlining policy, regulatory, and statutory changes that will increase access to federal financing programs; developing an interagency action plan in response to the findings of the report;
- Entering into interagency agreements for information and data-sharing to help create a clearer, more accurate picture of Native economies;

- Developing data-sharing agreements between federal agencies and Tribes, as appropriate, to improve access to federal resources and strengthen Tribal capacity, while also protecting confidentiality;
- Considering MOUs with non-federal partners and the use of the Intergovernmental Personnel Act (IPA) Mobility Program to help mobilize the Initiative;
- Establishing public-private partnerships with philanthropy and the private sector to coordinate and leverage efforts to improve access to capital;
- Examining policy, regulatory, and statutory actions to strengthen tribal economic sovereignty, including identifying barriers and opportunities to support and create Tribally owned and managed investment and asset management facilities, such as Tribal sovereign wealth funds and federally managed Tribal trust funds.

Implementation

Implementing part one of the Initiative—awareness—will entail identifying, summarizing, and disseminating to Tribal communities all loan and financing programs available to Tribes, including through the American Rescue Plan (ARP), the Bipartisan Infrastructure Law (BIL), the CHIPS and Science Act, and the Inflation Reduction Act (IRA). Part two of the plan—access—will identify barriers to access to capital and summarize policy, regulatory, and statutory solutions to increase access to federal financing programs. Part three of the plan—utilization—will seek to increase use of federal capital programs by establishing baselines of use and setting and tracking metrics.

Additional components of part three of the Initiative include establishing a baseline of funding needs for all Tribal governments, which has never been done by the federal government. A better understanding of how much Tribal governments need to administer public safety and justice, healthcare, education, culture programs, infrastructure, and various other aspects of governmental operations will inform federal budget formulation and the development of metrics for federal programs and resources, and support overall federal program and policy development to ensure programs are meeting Tribes' needs. The interagency team will release an RFI for Tribal governments and Native individuals to consider providing data to help establish this baseline.

Another facet of part three of the Initiative is to facilitate interagency agreements among relevant agencies such as Treasury, DOI, DOC, the Department of Health and Human Services (HHS), and others to share valuable information and data on Indian Country economies, demographics, assets, etc., to create a clearer, more accurate picture of Native economies. This information will help inform policy development and resource deployment. The Committee will also consider how to share this information as appropriate with universities and non-profits to further the analysis of Native economies.

Relatedly, the multi-agency team will consider data-sharing agreements with Tribal Nations to improve access to federal resources for Tribes and to strengthen Tribal capacity. The WHCNAA

Committee will also explore MOUs with non-federal entities to support the Initiative and the IPA Mobility Program to bring on additional staffing for the Initiative.

The Initiative also takes into consideration the findings of [GAO-22-105215: Tribal Economic Development – Action Is Needed to Better Understand the Extent of Federal Support \(August 2022\)](#). The GAO report underscores the need for improving the awareness of, access to, and utilization of federal resources for Tribal economic development. It identifies DOC as particularly important to improving coordination of federal economic development resources, in large part because of the statutorily-created Office of Native American Business Development. DOC will be key to the Initiative, especially for leading the effort to create a central repository of economic development resources for Tribes, Native entrepreneurs, Native CDFIs, and Alaska Native Corporations (ANCs). DOC will also be vital to the utilization aspect of the Initiative by coordinating with federal partners on measuring how Tribes are using available resources.

Treasury will also play an important role in the Initiative by improving the awareness and utilization of, and access to, various tax credits that are available to Tribes. The GAO report noted that there are several tax credits that could benefit Tribal economic development, but barriers prevent Tribes from fully benefitting from these opportunities. Treasury will lead the other federal agencies in promoting the tax credits for Tribal economic development.

Public-private partnerships with philanthropy and the private sector will also play an important role in the Initiative. Potential areas for partnership include traditional finance, social impact investments, international matters, technology, research and development, food, agriculture, conservation, mergers and acquisitions, manufacturing, telecommunication, renewable energy, workforce development, and transportation.

The WHCNAA recognizes that for programs servicing Native communities to be fully successful, Tribal, Alaska Native, and Native Hawaiian voices must be central to their development and implementation. Since May 2022, SBA has held a series of listening sessions centered on gathering stakeholder feedback and evaluating not only existing SBA programs, but all federal financing opportunities available for Tribal entities, Native CDFIs, and Native small businesses in order to assess where successes and breakdowns are occurring. SBA has found several structural challenges to access to capital that result in a lack of loans made on trust land, a lack of awareness of potentially helpful capital programs, and loans being denied to tax-exempt small businesses and farms due to a lack of tax receipts, among other challenges.

Finally, the Initiative will seek to strengthen Tribal sovereignty by examining what administrative, regulatory, and statutory action may be needed to support and create Tribally owned and managed investment and asset management facilities, such as sovereign wealth funds and federally managed Tribal trust funds.

Timeline

- Winter 2022/Winter 2023: Increase awareness of opportunities to access capital within Indian Country.
 - Implementation Workplan
 - Identify all federal loan and financing programs available to Tribes and individual Native American and Alaska Native individuals and businesses;
 - Publish a list online of all financing opportunities (e.g., loans, loan guarantees, financing programs, grants) available to Tribes and Native American and Alaska Native individuals and businesses;
 - Interagency team holds several webinars, roundtables, and listening sessions to ensure Indian Country is aware of financing opportunities; post webinars to the website;
 - Interagency team releases an RFI to help determine the total capital needs for Tribal Nations.

- Winter 2023 – Summer 2023: Increase access to capital within Indian Country
 - Implementation Workplan
 - During outreach on federal resources, agencies inquire about the barriers to capital and discuss solutions;
 - Agencies may consider separate listening sessions and outreach focused on barriers and solutions;
 - By the end of spring 2023, interagency team develops a draft report outlining policy, regulatory, and statutory changes that would increase access to federal financing programs; the report will consider the OMB Memorandum [M-22-10](#) (April, 13, 2022) on reducing the administrative burden in public benefit and service programs.

- Fall-Winter 2023: Increase utilization of capital in Indian Country through baseline and goal setting.
 - Implementation Workplan
 - The multi-agency team develops a centralized, online clearinghouse of federal financing opportunities for Tribes and Tribal communities;
 - Each agency of the initiative reviews its programs for the following:
 - total financing provided by each program;
 - total utilization of program by Tribes and Native American and Alaska Native businesses;
 - target goals for the programs for Tribal and Native American users;
 - Initiative works with OMB to help determine how much funding gets to Indian Country and Tribal communities and the outcomes/impacts of funding;
 - Interagency team works with OMB to consider the regulatory and policy challenges Tribal users encounter when using federal funding (e.g., burdensome compliance requirements);

- DOC's Office of Native American Business Development works with WHCNA to get this information for any other federal agency not formally part of the Initiative;
- On an annual basis the agencies produce a joint report on utilization of financing programs available to Tribes and Native American and Alaska Native businesses. This annual report will identify an agency or agencies who will act as navigators and assist Tribes and Tribal communities with working across the agencies to access and utilize federal funding.