



Native American Federal Contractors Dazed by Recent Report on an Increase in Direct Awards to Large Business & Attack on Alaska Natives

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(SitNews) Ketchikan, Alaska - The recent report that no-bid contracts to large federal contractors increased by 9 billion dollars in 2012, and now Senator McCaskill's proposed budget resolution amendment to scale back federal contracting to Alaska Native Corporations (ANCs), is a slap in the face to Indian Country, as well as all other small businesses says the Native American Federal Contractors Association.

The Association says Native American-owned federal contractors have been subject to some of the most intense scrutiny as compared to any other group of federal contractors in the last couple of years, with a specific focus on direct awards to these entities. As a result of this scrutiny, Section 811 of the National Defense Authorization Act of 2010 was implemented, and Native American contractors have seen contract revenues from direct award procurements decline significantly. This has resulted in an enormous amount of dollars not flowing down to poor Native American communities who need it the most. The Native American Federal Contractors Association says Section 811, authored and sponsored by Senator McCaskill, shamefully singles out Native American federal contractors, by creating a \$20 million threshold that triggers an extensive justification and approval process for direct awards above that threshold limit.

The Native American Federal Contractors Association says now Senator McCaskill attempts to further harm the Alaska Native community by illogically paring back ANC participation in the SBA 8(a) program through an amendment to the budget resolution. These kinds of measures, along with the recent report highlighting an increase in "no-bid" contracts to large federal contractors is evidence that the implementation of Section 811, and these undeserved and misguided attacks on Native American federal contracting, have frightened the procurement community, when it comes to direct award contracts, from handling Native American contractors the same as large contractors.

"This recent report proves what we have always feared! Native American-owned small businesses, because of needless and unfair scrutiny have lost valuable contracting

opportunities, most likely to large businesses," stated Kevin Allis , Executive Director of the Native American Contractors Association. "Once again, the system has failed us, and the people that will pay in the long run are those in the Native American communities across the country, that still remain some of the poorest populations in this country," Allis continued. "Some members of congress have spent a lot of time focusing on the less than 1% of the total federal procurement dollars that go to Native American-owned business through direct award procurements, yet remain silent in the wake of this report demonstrating increased direct awards to large businesses. I find the inconsistency nonsensical and troubling," stated Allis. "For example, Senator McCaskill's most recent attack on ANCs, under the guise of deficit reduction and government reform is short-sighted, and highlights my point. She unfairly attacks an extremely small portion of minority small business contracting, yet is silent on the recent report that direct awards to large contractors has increased." "Furthermore, the Senator's confusing position on Native American federal contracting fails to understand that Native American participation in the SBA 8(a) program, as currently designed, provides valuable monetary resources to poor Native American communities that otherwise would be funded by some form of public welfare assistance that would cost the taxpayers of this country additional dollars. In short, the program itself is a cost-savings," Allis concluded.

According to a GAO report published in December 2012, direct award contracts to Native American-owned businesses, that cumulatively provide benefits for millions of Native Americans across the country, declined nearly \$2.5 billion in a three-year period. With regard to the increase in direct awards to big businesses, Allis stated, "Here is another example of the rich getting richer, and the poor continuing to suffer," said Allis. Allis continued, "We feel that our leaders in Washington have turned their back on poor Native American communities, by allowing measures such as Section 811 to pass and continue to be implemented amongst confusion and inconsistency by the procurement community. I applaud Representative Sam Graves for recognizing the intolerable decline in small business contracting, which no doubt is bad news for fixing this anemic economy."

In the face of growing contracting revenues for big business, Native contractors have experienced a decline of approximately 60% in both the number of direct awards, and the level of gross contracting dollars over the last few years. "This is a sad day, a sad report, and the actions by Senator McCaskill are very disheartening. We only hope that our esteemed leaders on Capitol Hill are paying attention, and understand that both the report and adverse action taken against ANCs is bad policy" concluded Allis.

Edited by Mary Kauffman, SitNews

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Native American Federal Contractors Association
<http://www.nativecontractors.org>

With 700,000 Tribal members, Alaska Natives, and Native Hawaiians, NACA is a national Native advocacy organization based in Washington, D.C., and represents Tribal, Alaska Native Corporations, and Native Hawaiian Organizations across the country.

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