

December 2001

**ECONOMIC
DEVELOPMENT**

**Federal Assistance
Programs for
American Indians
and Alaska Natives**





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Highlights of [GAO-02-193](#), a report to the Senate Committee on Indian Affairs, House Committee on Resources, Senator Thomas A. Daschle, and Congressman John R. Thune.

Why GAO Did This Study

In view of the high poverty and unemployment rates experienced by American Indians and Alaska Natives (Indians), the Omnibus Indian Advancement Act required GAO to study federal programs that tribes and tribal members can use for economic development activities. GAO sought to identify relevant federal economic development programs and the extent of their use as well as summarize agencies' assessments of the effectiveness of their programs.

What GAO Found

About 100 federal programs are available to potentially assist Indians with economic development activities, including 16 programs that require applicants or beneficiaries to be Indians. In general, these programs provide grants, loans, loan guarantees, or technical assistance to support activities that include economic development planning, capacity-building, and financing for business enterprises. Over half of these programs were reported as used during 1997, 1998, or 1999 by at least 1 tribal entity, and 20 programs were used by 15 or more tribal entities, which include tribal governments and other tribal organizations. The remaining programs may not have been reported used for a variety of reasons, such as programs being geared toward individual users, rather than tribal entities, and tribal entities not yet reporting the information.

The agencies that operate the majority of the programs that GAO identified generally report that their programs have assisted economic development in various ways, such as creating and retaining jobs; however, little is known about assistance as it relates to Indians. The recent requirement that a single office be established to coordinate federal programs relating to Indian economic development has the potential to improve Indians' access to federal programs and to provide federal decisionmakers with performance information that is more directly related to Indians.

The agencies that operate the majority of these programs reviewed the report and generally agreed with its findings.



These pictures show a variety of Indian economic development activities, such as grain production, hunting and fishing, casino gaming, forestry, and houseboat rentals.

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G A O

Accountability * Integrity * Reliability

United States General Accounting Office
Washington, DC 20548

December 21, 2001

The Honorable Daniel K. Inouye
Chairman
The Honorable Ben Nighthorse Campbell
Vice Chairman
Committee on Indian Affairs
United States Senate

The Honorable James V. Hansen
Chairman
The Honorable Nick J. Rahall II
Ranking Minority Member
Committee on Resources
House of Representatives

The Honorable Thomas A. Daschle
United States Senate

The Honorable John R. Thune
House of Representatives

Despite the relatively recent success of casino gaming and other business ventures for some Native American and Alaska Native communities, economic distress is common among Indians,¹ as shown by the continuing widespread unemployment and poverty in these communities. The differing needs of Indians are reflected in the diversity of their tribes, which vary in history, geography, population, natural resources, accessibility, and numerous other aspects.

This report responds to section 421 of the Omnibus Indian Advancement Act,² which requires us to study federal programs designed to assist Indians with economic development activities. As agreed with your staffs, this report (1) identifies federal programs that are available to assist tribes and tribal members with economic development, job creation, entrepreneurship, and business development; (2) provides information on

¹In this report, the term "Indian" refers to Native American and Alaska Native communities and their members.

²Pub. L. No. 106-568 (2000).

the extent that these programs are used; and (3) summarizes agencies' assessments of the effectiveness of their programs. In conducting our work, we reviewed external studies that described factors other than program effectiveness that are essential to improving Indian economies. Consequently, we also provide a summary of those studies.

To address these objectives, we used the *Catalog of Federal Domestic Assistance* (CFDA) to identify federal programs that Indians could use for economic development activities.³ We also analyzed information from the Federal Audit Clearinghouse's single audit database,⁴ which contains audit report information from nonfederal governments and nonprofit organizations that receive federal funds, including tribal governments and organizations. In addition, we reviewed agencies' plans and reports that were prepared in accordance with the Government Performance and Results Act of 1993 to obtain information on their programs' effectiveness. We also met with tribal officials, Indian organizations, and federal program officials to discuss economic development activities.

We conducted our review from April through November 2001 in accordance with generally accepted government auditing standards. Appendix I contains a detailed description of our scope and methodology.

Background

According to the 2000 Census, American Indians and Alaska Natives number about 2.5 million nationwide. An estimated 40 percent of Indians live on reservations; the other 60 percent live either close to the reservations or farther away. Tribes—sometimes referred to as nations, bands, pueblos, communities, rancherias, or villages—are various sizes. Their populations, also known as the number of enrolled members of a tribe, vary from less than 25 to more than 100,000 members per tribe. As of

³CFDA is a governmentwide compendium of federal programs and activities that is coordinated by the Office of Management and Budget and compiled by the General Services Administration.

⁴The Federal Audit Clearinghouse, within the Bureau of the Census, operates this database on behalf of the Office of Management and Budget to disseminate information to the public, among other things. The single audit database contains information from audit reports filed by states, local governments, and nonprofit organizations that expend \$300,000 or more in federal awards for every fiscal year they meet the dollar threshold. Approximately 32,000 entities submitted reports for calendar year 1998.

May 2001, there were 561⁵ federally recognized Indian tribes, including over 200 Alaska Native villages and about 300 reservations in at least 30 states.

Tribes represent different histories, ethnicities, cultures, and languages, and tribal land holdings vary dramatically in size and in their accessibility, geography, and natural resources. In addition, tribes face some of the nation's highest poverty and unemployment rates. According to the Department of the Interior's (DOI) Bureau of Indian Affairs (BIA), among Indians living on or near reservations in 1999, the unemployment rate averaged 43 percent, and, among the employed, the poverty rate averaged 33 percent.⁶ The situation is much worse on some reservations. For example, the Pine Ridge reservation located in South Dakota has an 85-percent unemployment rate and a 63-percent poverty rate. The National Congress of American Indians reports that, even with the introduction of casino gaming, which is offered by more than 190 tribes, the vast majority of tribes are mired in severe economic depression.⁷

Tribes are unique in that they are sovereign governments. The U.S. government has recognized the sovereign status of tribes since the formation of the United States. The U.S. Constitution, treaties, and other federal government actions have established tribal sovereignty. Tribes generally cannot be taxed by states, are not subject to federal income tax, and have governmental immunity. The federal government has various financial obligations to tribes on the basis of treaties and overall trust responsibility. The federal government holds title to tribal lands that are in a trust status to ensure that the lands cannot be taken away and remain subject to the authority of the tribal governments.

During the past 30 years, tribes have begun asserting their self-governance and self-determination. To help them manage tribal business, tribes have formed organizations that may include tribal governments or subsidiaries

⁵This number includes three tribes that were notified of the reaffirmation of their federal recognition on December 29, 2000, but the current Assistant Secretary for Indian Affairs is reconsidering this reaffirmation.

⁶For 1999, the Bureau of Labor Statistics reported that the national average annual unemployment rate was 4.2 percent, and the Bureau of the Census estimated that 10 percent of the people aged 18 to 64 years were below the poverty level.

⁷*An Introduction to Indian Nations in the United States*, National Congress of American Indians, (not dated).

of tribal governments, such as schools, housing, or health corporations. In addition, tribes may form a consortium through which they combine their funding to provide services to their members. Finally, Alaska Natives are members of village corporations and regional corporations that have been established under the Alaska Native Claims Settlement Act of 1971.

As we have previously reported, many agencies offer a variety of programs that can be used to assist communities with economic development activities.⁸ These programs generally provide assistance in the form of grants, loans, loan guarantees, or direct payments to applicants such as state, local, and tribal governments; private organizations; and individuals. Financial and nonfinancial information on these programs is made publicly available through CFDA—a governmentwide compendium of federal programs and activities that is coordinated by the Office of Management and Budget and compiled by the General Services Administration. The 2001 CFDA contains 1,458 assistance programs administered by 63 federal agencies. By federal law,⁹ states, local governments, and nonprofit organizations that annually expend \$300,000 or more in federal awards are required to have audits conducted in accordance with the Office of Management and Budget’s Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* (June 24, 1997). The circular further requires that the results of these audits be submitted to the Federal Audit Clearinghouse, which is responsible for maintaining this information in the governmentwide single audit database.

While the focus of this report is on programs identified in CFDA, the federal government also provides regulatory advantages and tax incentives that support economic development for tribes and tribal members. In the past, regulatory advantages have included provisions that facilitate casino gaming compacts between tribes and states, allow the designation of trust lands, and specify that tribes can participate in programs such as federal empowerment zones. Regulatory advantages have also provided priority for federal funding and government contracting to disadvantaged businesses, which may include Indian businesses. Tax incentives include accelerated depreciation for businesses on tribal lands and employment tax credits to businesses that employ tribal members.

⁸See *Economic Development: Multiple Federal Programs Fund Similar Economic Development Activities* (GAO/RCED/GGD-00-220, Sept. 29, 2000).

⁹31 U.S.C. Chapter 75.

In addition to federal support for economic development, Indians may receive funds or services from state and local government programs, philanthropic organizations, nonprofit organizations, and private sector businesses.

About 100 Federal Programs Are Available to Tribes and Tribal Members for Economic Development

We identified 100 federal programs that were available to assist tribes or tribal members with economic development activities¹⁰ from 1997 through 1999, of which 98 remain available for use.¹¹ These programs are operated by different agencies and are used for various activities. The programs also vary significantly in how directly they provide assistance. For example, some programs are targeted to Indian applicants or beneficiaries, such as the Aid to Tribal Governments program. For several Department of Agriculture (USDA) programs, a portion of the funding is earmarked for projects that benefit Indians. Some programs—such as the Grants for Public Works and Economic Development program—explicitly include Indians among the eligible applicants and beneficiaries. Also, for programs such as the Small Business Loans program, Indians may be eligible to use the program even though the program does not specifically designate Indians as applicants. Finally, some programs provide funds to applicants, such as states, that may subsequently use the funds in a way that benefits Indians; for instance, the Community Development Block Grants/Entitlement Grants program is such a program. Appendix II contains information on each program.

As shown in table 1, these programs are operated by 18 federal agencies, most of which have more than 1 of these economic development programs. Over two-thirds of the programs are operated by five agencies—USDA; the Department of Commerce (DOC), which includes the Economic Development Administration (EDA); the Small Business Administration (SBA); the Department of Housing and Urban Development (HUD); and DOI, which includes BIA.

¹⁰We identified these programs primarily by using CFDA. We did not include programs that can assist with economic development activities, but that were not available to Indians. For example, two agencies operate programs that provide economic development assistance that is limited to the U.S. Territories of Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands; and the freely associated States of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

¹¹Two programs—Economic Development/State and Local Economic Planning (CFDA number 11.305) and Tribal Self-Governance Grants (CFDA number 15.023)—are no longer available for use, but are included in our analyses.

Table 1: Number of Federal Programs, by Agency, That Can Be Used to Fund Economic Development Activities of Tribes and Tribal Members

Agency	Number of programs that can fund economic development
Department of Agriculture	18
Department of Commerce	18
Small Business Administration	13
Department of Housing and Urban Development	11
Department of the Interior	11
Department of Defense	7
Department of Transportation	5
Appalachian Regional Commission	3
Department of Health and Human Services	3
Department of Energy	2
General Services Administration	2
Denali Commission	1
Department of Education	1
Department of the Treasury	1
Environmental Protection Agency	1
National Credit Union Administration	1
National Foundation on the Arts and the Humanities	1
Overseas Private Investment Corporation	1

Source: GAO's analysis of CFDA program information.

In general, the economic development activities that these programs support include economic development planning assistance; capacity-building assistance, such as for establishing codes for operating businesses on tribal lands; financing for business enterprises; and technical assistance through a variety of means, such as project grants, block grants, loans, loan guarantees, and technical assistance. In addition, the programs support activities in areas such as agriculture, mining, forestry, fish and wildlife, manufacturing, or general business. These programs vary in the types of activities that they can fund, with some programs focusing primarily on economic development activities and other programs including economic development along with other types of activities. For example, DOC's Native American Program and BIA's Indian Economic Development program focus on economic and business development, while HUD's Indian Community Development Block Grant Program and the Department of Health and Human Services' (HHS) Native American Programs address issues such as health, housing, and social

services, along with economic development. The requirements of some programs are designed to serve specific needs that differ on the basis of such factors as geography, economic distress, industry type, and military presence. For example, the Appalachian Regional Commission's programs must benefit a specific geographic region.

Some of the programs are targeted to Indians; others are available to a wider range of applicants and beneficiaries or may include Indians who meet the programs' eligibility restrictions, which can include geography, economic distress, industry type, military presence, or minority status. Specifically, 16 of the programs are targeted to Indians and can be used for economic development assistance, including 11 DOI programs, such as the Aid to Tribal Governments program, and the programs that support agriculture; fish, wildlife, and parks; minerals and mining; and forestry on Indian lands. Also included among the targeted programs are HUD's Indian Community Development Block Grant Program and HHS' Native American Programs.

Tribal Entities' Use of Programs Has Varied

Information from both the single audit database and our visits to specific tribes indicates that the extent of use of the programs we identified has varied among tribal entities and across programs. Tribal entities that are included in the database consist of tribal governments and nonprofit organizations, such as housing authorities and schools.¹² Of the 746 tribal entities whose reports were included in the single audit database, 433 reported using at least 1 of the economic development programs during the 3-year period of 1997 through 1999. Furthermore, 198 entities reported using 3 or more programs. Many of the entities that did not report using any of the programs were entities that focus on areas other than economic development, such as education, social services, and health care.

The extent of the use of the programs also varied across tribes. Fifty-four of the 100 programs were reported as used once or more by at least 1 tribal entity during 1997, 1998, or 1999. While the remaining programs were not reported as used by tribal entities, they may have been used during different years or by individuals and for-profit entities, neither of

¹²Information from the database is presented by entity because we could not always identify the tribal affiliation.

which is included in the database.¹³ During this 3-year period, 20 programs were reported as used by 15 or more tribal entities, and 12 of these programs are targeted to Indians. As shown in table 2, these 20 programs are funded through 5 federal agencies—HHS, HUD, DOI, DOC, and USDA.

Table 2: The Economic Development Programs Most Frequently Reported as Used by Tribal Entities, 1997 through 1999

Dollars in millions

Program name (CFDA number)	Agency	Number of tribal entities that used the program	Total amount^a
Native American Programs ^b (93.612)	HHS	256	\$65
Indian Community Development Block Grant Program ^b (14.862)	HUD	181	128
Aid to Tribal Governments ^b (15.020)	DOI	122	52
Tribal Self-Governance ^b (15.022)	DOI	77	419
Fish, Wildlife, and Parks Programs on Indian Lands ^b (15.039)	DOI	75	44
Forestry on Indian Lands ^b (15.035)	DOI	51	18
Agriculture on Indian Lands ^b (15.034)	DOI	46	9
Economic Development/Support for Planning Organizations (11.302)	DOC	41	4
Community Development Block Grants/Entitlement Grants (14.218)	HUD	34	10
Indian Economic Development ^b (15.032)	DOI	32	5
Tribal Self-Governance Grants ^b (15.023)	DOI	28	29
Grants for Public Works and Economic Development (11.300)	DOC	27	10
Irrigation Operations and Maintenance on Indian Lands ^b (15.049)	DOI	24	6
National Forest/Dependent Rural Communities (10.670)	USDA	24	1
Minerals and Mining on Indian Lands ^b (15.038)	DOI	20	4
Indian Loans/Economic Development ^b (15.124)	DOI	19	28
Rural Business Enterprise Grants (10.769)	USDA	19	3
Community Development Block Grants/Special Purpose Grants/Technical Assistance Program (14.227)	HUD	16	8
Economic Adjustment Assistance (11.307)	DOC	16	9
Economic Development/State and Local Economic Development Planning (11.305)	DOC	15	1

^aThese totals may double count expenditures that were reported by both a recipient and a subrecipient.

^bThese programs are targeted for use by Indians.

Source: GAO's analysis of the single audit database.

¹³Other reasons that the programs may not have been reported are that some programs are limited to a specific area or industry that covers a small number of tribal entities, such as Appalachia or farming, respectively, and some reports may not yet have been filed. Appendix I of this report provides a more complete explanation of the limitations of the database.

These 20 programs generally provide assistance in the form of grants or direct payments for specified uses. For example, eight of the DOI programs provide direct payments for specific uses, such as supporting general tribal government operations, protecting and restoring rangeland and forests, conserving fish and wildlife resources, and operating irrigation projects. HHS' program provides direct loans and project grants for implementing social and economic development strategies that promote self-sufficiency. Eleven programs provide block grants and project grants that can be used for activities such as developing small and emerging businesses, constructing public works facilities to support jobs, establishing strategies to reduce unemployment and increase incomes, expanding economic opportunities, and supporting tribal self-governance. Some of the programs provide other support in addition to direct payments or grants. For example, BIA's Forestry on Indian Lands program provides advisory services and counseling, in addition to direct payments, and USDA's National Forest/Dependent Rural Communities program provides training and the use of property, facilities, and equipment, in addition to project grants. Another program, BIA's Indian Loans/Economic Development program provides guaranteed loans.

For the 3-year period that we reviewed, at least \$196 million in grants was reported for these programs,¹⁴ more than half of which (65 percent) was provided through HUD's Indian Community Development Block Grant Program. About \$556 million was reported for direct payments,¹⁵ the majority of which (75 percent) was provided through BIA's Tribal Self-Governance program. Because some of these programs can be used for a variety of activities, we could not identify the portion of these funds that was used for economic development activities.

During our visits to Indian reservations and villages, we obtained anecdotal information about the use of federal programs for economic development activities. Tribal officials cited numerous examples of using federal funding for business enterprises, including the following examples of current businesses:

¹⁴This amount excludes \$65 million from HHS' Native American Programs, which could have been used for project grants or loans, and \$8 million from HUD's Community Development Block Grants/Special Purpose Grants/Technical Assistance Program, which could have been used for project grants or direct payments.

¹⁵This amount excludes \$8 million from HUD's Community Development Block Grants/Special Purpose Grants/Technical Assistance Program, which could have been used for project grants or direct payments.

-
- At the Pine Ridge reservation in South Dakota, members of the Oglala Sioux tribe have formed a tribally chartered corporation, called the Lakota Fund. This fund offers microenterprise loans to individuals, such as artisans, and small business loans to business start-ups or existing businesses. Two sources of federal funding used by the Lakota Fund include SBA’s microlending program and USDA’s Empowerment Zones Program.
 - The Mississippi Band of Choctaw Indians has used federal funding for a number of business enterprises. For example, an SBA loan guarantee program was used to help develop First American Printing and Direct Mail, which is a commercial printing enterprise.
 - The Peoria Tribe of Indians of Oklahoma used funding from HUD’s Indian Community Development Block Grant Program for the construction of a golf course, in addition to other federal funds that were used to develop the course. The golf course is the tribe’s major ongoing economic development project.

Tribal officials also described planned activities for which (1) they were seeking federal funding, including an apparel factory, a wood veneer manufacturing facility, industrial sites, and a motel and conference center complex, and (2) funding had not yet been decided, including restaurants, tourism facilities, and wind power generation.

Although Agencies Reported Progress in General, Recent Initiatives Might Help Efforts to Assist Indians

We reviewed agencywide performance information from the five agencies with the most programs that could provide economic development assistance to tribes—USDA, DOC, HUD, DOI, and SBA. In addition, we reviewed performance information related to HHS’ Native American Programs. All of these agencies had goals and objectives related to economic development and measures related to job creation and retention¹⁶ as well as other measures that varied among the agencies. In general, the agencies reported that these programs were successful; however, as might be expected, other than DOI, the reports did not specifically focus on the impact and effectiveness of federal assistance to tribes. Nonetheless, several initiatives are under way that might improve future availability of information on the effectiveness of these economic development programs.

¹⁶Agencies used different methods to obtain job creation statistics, which included dividing the designated funding by a “cost per job” that had been computed on the basis of its most recent estimate of cost per job created; using the expected job information from approved loan applications; and using grantee periodic self-reporting.

Performance Information Related to Indians Varied Among Agencies

The information available from agencies' performance plans and reports varied across the agencies, with BIA having the most information describing impact on Indians. Specifically, the BIA portion of DOI's 2002 performance plan and 2000 performance report addresses economic development for tribal entities in the following three areas of its plan:

- community development, which includes an overall goal of strengthening tribal communities through the development of self-sustaining economies and improved infrastructure and a more specific goal of reducing the unemployment rate among Indians from 43 percent in 1999 to 38 percent by 2005;
- resource management, which includes an overall goal of assisting Indians in protecting and preserving their natural resources and more specific goals of reforestation of tribal lands so that forest owners can benefit from the full productive capacity of their forests, restoration of trust lands for agronomic uses, and management of fish and wildlife programs; and
- tribal government, which includes an overall goal of providing tribes with the resources they need to foster strong and stable governments and exercise their authority as sovereign nations and more specific goals of promoting self-determination by conducting training and technical assistance sessions and ensuring that tribal codes and court procedures are developed and training sessions are held.

BIA included performance measures for community development that covered the success rate of employment and training participants in reaching their objectives, the number of businesses funded, and the number of jobs created or sustained. BIA reported that it exceeded its fiscal year 2000 goal for the first measure because tribes reported that 84 percent of the participants were placed in jobs, self-employed, or completed planned education or training objectives. In addition, BIA reported that, although these achievements did not meet its fiscal year 2000 goals for those measures, it provided funding for 41 businesses, created 409 jobs, and sustained 434 jobs.

While the information on BIA's performance did not include comparable information for resource management and tribal government, it included performance measures for the restoration of unproductive trust lands for agronomic uses thus avoiding an economic loss of millions of dollars annually to Indian people. In addition, the plan also included several performance measures regarding fish and wildlife, including the number of tribes assisted with establishing and maintaining treaty rights; the number of intertribal comanagement programs receiving assistance; the number of fishing access site maintenance projects funded; the number of fish

hatchery projects funded; and the number of tribes developing integrated resource management plans.

For some of BIA's programs, CFDA contained some information on progress in these areas, as summarized below:

- The Forestry on Indian Lands program contributed to the reforestation of about 14,000 acres in fiscal year 2000, and timber sales managed through the program created about 9,000 person years of employment and revenues of approximately \$100 million.
- The Agriculture on Indian Lands program indicates that tribes and tribal organizations received Noxious Weed Eradication awards that resulted in treating approximately 80,000 acres of trust land.
- The Minerals and Mining on Indian Lands program facilitates over \$200 million in annual income to tribes and allottees.

The performance plans and reports for HUD, USDA, SBA, and DOC contained goals and objectives related to economic development. In addition, with the exception of SBA, these agencies had measures related to job creation and retention. In general, these agencies' measures did not focus on the impact and effectiveness of assistance provided to tribes. For example, HUD provides job creation results for the Community Development Block Grant program, but does not provide information on tribes or tribal members assisted through the program. USDA officials stated that, for some mission areas, Indians represent a small number of clients, and that the agency does not assess the impact of programs on them. According to the Native American Coordinator, in the rural development mission area, USDA's state offices prepare strategic plans covering the delivery of assistance for each federally recognized Indian tribe; however, these are handled at the state level and may not be specifically mentioned in USDA's performance plans and reports.

In some cases, these agencies measured the use of programs by tribal entities in terms of the amount of assistance provided to tribal entities or the number of tribal entities assisted. For example, SBA, under its goal of helping small businesses succeed, states that it plans to increase the number of clients that are provided access to business development assistance to 1.4 million, including 5,000 through Tribal Business Information Centers.¹⁷ Similarly, DOC's 2000 performance report states

¹⁷Tribal Business Information Centers provide information and technology to support small businesses.

that fiscal year 2000 initiatives for Native Americans led to an appreciable increase over fiscal year 1999 in the number of Indian communities assisted. DOC officials said that the Economic Development/Support for Planning Organizations program provides annual planning grants to 61 tribes. In addition, although HHS has only three economic development-related programs, its Native American Programs, which provides a broad range of services, is specifically addressed in HHS' performance plan under the strategic goal of increasing the health and prosperity of communities and tribes. One of the plan's performance goals is to increase the provision of training and technical assistance to tribes. This goal includes the use of contractors to assist tribes and native communities in conceptualizing strategies for social and economic development.

During our visits to reservations and discussions with tribal representatives, we identified anecdotal information on tribes' experiences in using federal economic development programs. Some of these experiences resulted in currently operating business enterprises, such as the microenterprise loan program, printing business, and golf course that we described previously in this report. Tribal officials also described experiences that involved the use of federal assistance and resulted in businesses that had failed, such as a saddle-making shop, a wood treatment facility, a meat-processing business, and an electronics manufacturing business. The reasons given for business failures included the lack of managerial expertise, the lack of capital, political interference, and competition.

Tribes with whom we met shared a number of concerns related to receiving federal assistance, as summarized below:

- Access to capital is difficult for tribes, sometimes because they have insufficient collateral. Consequently, they have difficulty making funds available to meet the matching fund requirements of many federal programs.
- Some tribes indicated that businesses need resources at times when the federal funding is not available; thus it seems that the federal programs are not flexible enough to meet time-critical business opportunities.
- Tribes do not have the people or expertise needed to handle the administrative and paperwork requirements of federal programs. Consequently, tribes may avoid using a program because the program's requirements seem onerous, or tribes may spend a large amount of the federal funds on those requirements, leaving less for needy projects.
- Tribes cannot rely on federal funds to be available long enough to keep projects running. More than one tribe mentioned that they were able to

obtain funds to initiate a project but were not able to obtain funds to continue the project to a point where it would be self-sustaining.

- Many tribes said they had never been successful in obtaining funds from specific agencies and thus were discouraged from trying in the future.

Recent Federal Initiatives Might Help Coordinate Efforts to Assist Indians

The federal government has made a number of efforts to encourage agencies to coordinate their efforts to provide economic development assistance to Indians. For example, the Native American Business Development, Trade Promotion, and Tourism Act of 2000 requires DOC to establish an Office of Native American Business Development.¹⁸ This office is charged with coordinating federal programs relating to Indian economic development, including those programs of any federal agency charged with Indian economic development responsibilities. DOC has placed the responsibility for the office within EDA, but the office has not yet been established due to a lack of funding. In addition, before this legislation, DOC prepared a draft plan entitled *Five-Year Strategic Plan to Promote and Support Economic Self-Sufficiency for American Indians and Alaska Natives, FY 2001 - FY 2006*, which recognized the need to coordinate within DOC on providing assistance to Indians. This plan included goals related to access to capital, assistance with exporting, and technology infrastructure. According to DOC, this plan has not yet been implemented or integrated into the agency's overall plan. DOC reported that it is working on plans to collaborate with other federal agencies on ways to evaluate and measure crosscutting activities related to improving economic development assistance for distressed communities.

A 2000 Executive Order reiterates the goals of a previous executive communication and requires agencies to establish regular and meaningful consultation and collaboration with Indian tribal governments on federal regulatory matters, unfunded mandates, and the availability of waivers. The order requires federal agencies to designate a responsible agency official to implement the order. Each of the agencies with the most economic development programs available to Indians—USDA, DOC, HUD, SBA, and DOI—have either designated a tribal consultation official or are in the process of making such a designation.

Another initiative stems from a 1998 executive memorandum that directed DOI, DOC, and SBA to develop a strategic plan for coordinating economic

¹⁸Pub. L. No. 106-464 (2000).

development initiatives for Native American and Alaska Native communities. These agencies developed a plan to improve coordination among federal agencies by (1) increasing access to federal economic development programs and assistance, (2) increasing opportunities in tribal communities, and (3) identifying and addressing gaps in the delivery of federal economic development assistance. The ultimate goal of the plan was to increase the effectiveness of, and access to, economic development programs among Indians. Among the outcomes of the plan was establishing within HUD an information referral service—called Native EDGe—to identify federal economic development programs and initiatives that are available to Indians; this service is available via a toll-free telephone number and the Internet. The director of this program told us that, since the service began in April 2000, the Internet site has been visited by over 36,000 individuals, resulting in the provision of ongoing assistance for approximately 625 economic development projects. In addition, over 2,000 requests for information have been received through the toll-free number and about 7,000 requests for publications have been received via the Internet or by telephone.

External Studies Indicated That Economic Development Efforts Depend on Many Factors

During the last 10 years, studies have stated that multiple factors affect the ability of Indians to support economic development. As noted in a 1992 study on Indian economic development, achieving sustained, self-determined economic development among Indians requires tribes to build on their sovereignty by creating institutions that can plan and develop economic policies and projects that are appropriate for the culture and history of the tribe.¹⁹ A 1998 report cites similar factors that are important to economic development among Alaska Natives.²⁰ Specifically, the report emphasizes the importance of sovereignty, self-determination, and developing institutions to support employment and business expansion as well as sustained access to capital. Finally, a report from the Harvard Project on American Indian Economic Development identified three keys to Indian economic development: tribal sovereignty, which means that tribes make their own decisions regarding approaches and resources; culture, which means that tribal decisions are consistent with tribal

¹⁹*What Can Tribes Do? Strategies and Institutions in American Indian Economic Development*, Stephen Cornell and Joseph P. Kalt, American Indian Studies Center, University of California, 1992.

²⁰*Expanding Job Opportunities for Alaska Natives (Interim Report)*, Institute of Social and Economic Research, University of Alaska Anchorage, Nov. 1998.

culture; and institutions, which means that decisions regarding businesses are separated from decisions regarding tribal governance.²¹ The implications of these studies are that the effectiveness of federal programs is intricately linked with the ability of tribes to incorporate the programs into their economic development plans.

Conclusions

Many federal programs are available to Indians to assist with economic development activities, and some tribes are using these programs. Although agencies generally reported that their programs have assisted economic development in ways such as creating and retaining jobs, little information is known about the effectiveness of these programs as they relate to Indians. However, the continuation of and support for existing mechanisms—such as preparing performance plans and reports, designating agency points of contact, and establishing a single office to coordinate federal programs relating to Indian economic development—has the potential to improve Indians’ access to federal programs and to provide federal decisionmakers with performance information that is more directly related to Indians.

Agency Comments

We provided copies of a draft of this report for review and comment to USDA, DOC, DOI, HUD, and SBA. These agencies generally agreed with the information in the draft report and provided technical clarifications, which we incorporated where appropriate.

As part of its comments, USDA emphasized that historical grant cycles have tended to perpetuate tribal dependency on federal programs rather than promote self-sufficiency because they focus on discrete projects, and that federal assistance programs could be better coordinated and amended to encourage long-term planning. USDA added that the effectiveness of federal programs could be improved through the funding and subsequent implementation of the Office of Native American Business Development.

DOI offered several observations in its comments on the draft report. First, DOI noted that BIA has taken steps to establish a partnership with some tribes in order to develop a strategy to coordinate and integrate all

²¹*Patterns of Indian Enterprise Success: A Statistical Analysis of Tribal and Individual Indian Enterprise Performance*, The Harvard Project on American Indian Economic Development, Miriam R. Jorgensen and Jonathan Taylor, Feb. 2000.

available resources, including federal resources. DOI added that these tribes have generally been supportive of and satisfied with BIA's efforts. Second, DOI noted that some initiatives have not succeeded due to lack of funding, such as an initiative involving the coordination of economic development activities that are managed by DOI, DOC, and SBA. Finally, DOI provided information on its efforts to coordinate employment, training, and related services among federal agencies, which DOI states placed over 15,000 Indians in jobs in fiscal year 2001. We did not include this effort in our study because we did not include employment and training programs in our review.

We are sending copies of this report to the Secretaries of Agriculture, Interior, Commerce, and Housing and Urban Development; the Administrator of SBA; and the appropriate congressional committees. We will also make copies available to others on request.

If you have any questions about this report, please contact Nancy Simmons or me at (202) 512-8678. Key contributors to this assignment were Kathleen Clarke, Jeff Malcolm, Dan Meyer, Andy Pauline, and Desiree Whipple.



Thomas J. McCool
Managing Director, Financial Markets and
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Appendix I: Scope and Methodology

In developing this report, we used various approaches to address federal efforts to provide economic development among tribes and tribal members. The major components of our approaches included identifying economic development-related programs that are available to Indians; identifying tribal entities and analyzing the single audit database to determine program use; reviewing agencies' performance plans and reports, and visiting reservations and villages and talking with tribal officials and officials from other tribal organizations. The focus of our review was on federal assistance; however, other sources also provide assistance to tribes, including states and philanthropic organizations. Tribal revenues from federal settlements over land and resource matters and other tribal businesses, particularly casino gaming, have been cited by tribes as significant resources for economic development funding for some tribes.

We identified economic development programs primarily by searching the *Catalog of Federal Domestic Assistance* (CFDA) as well as using other information. Key search terms that were used included variations of those in the legislative mandate: economic development, job creation, entrepreneurship, and business development. In addition to determining which programs were related to economic development, we also identified whether the programs were targeted to tribes; whether tribes were listed as an eligible applicant; and, if not explicitly listed as eligible applicants, whether tribes or tribal members could meet the eligibility criteria. We generally did not include programs that mainly funded infrastructure, such as roads and streets; programs that funded revolving loan funds; or programs that responded to natural disasters. We also reviewed various federal and Indian Web sites as well as agency documents that provided information on available programs. We did not include programs that primarily provided economic infrastructure, although such infrastructure may be necessary for economic development.

To determine which programs the tribes used, we analyzed information from a database that is operated by the Bureau of the Census' Federal Audit Clearinghouse on behalf of the Office of Management and Budget. This database contains audit information from reports that are submitted by any state, local government, or nonprofit organization that expends \$300,000 or more in federal awards within a year. The information we used from the database included the reporting entity's name and employer identification number, the CFDA number, the program name, and the amount expended. We identified tribal entities by searching for key words in entity names, such as tribe, band, and Indian; identifying entities that used programs that were targeted to Indians; and matching employer

identification numbers obtained from an Internal Revenue Service listing of tribal entities. Using this list of tribal entities, we determined which programs were reported as used during 1997 through 1999. We report information by tribal entities because tribes may file reports for multiple entities, such as for a housing authority, school board, health organizations, and others. Entities may also represent multiple tribes through consortiums that provide services to multiple tribes. Consequently, information may have been counted more than once if both a consortium (initial recipient) and another tribal entity (subrecipient) reported the same expenditure.

We did not independently assess the reliability of the single audit database. However, the Department of Commerce's Office of Inspector General performed a review of the database to assist other users in assessing the accuracy of the fiscal year 1998 audit report information in the database.¹ Their review included comparing the information in the database with information provided on the original data collection forms. The Office of Inspector General reported that they tested 22,563 data elements and found 370 errors. The majority of those errors were attributed to incorrect or incomplete information on the original forms.

For the 3 years of report information that we used from the Indian entities, we found that we could not use about 10 percent of the CFDA numbers because they were not reported in the standard CFDA numbering format. Consequently, the information we report may undercount the use of the 100 programs as well as the amount of funds expended. We believe this undercounting is low because (1) in many cases where this occurred, the entity reported other programs using the standard CFDA numbering format, so that we were able to include other information for that entity and (2) we discussed information from the database with the relevant Indian tribes as part of our visits, and the tribal officials did not identify any errors in these data.

To determine agencies' assessments of the effectiveness of their economic development programs, we reviewed the most recent annual performance plans and performance reports, which are prepared in compliance with the Government Performance and Results Act of 1993, for the five agencies

¹*Bureau of the Census: Agreed-Upon Procedures and Results Assessment of Federal Audit Clearinghouse Database Fiscal Year 1998 Audit Reports* (Final Audit Report No. ATL-12556-0-0001/July 2000).

that had the greatest number of programs available to tribes for economic development. These agencies were the Departments of Agriculture, Commerce, Interior, and Housing and Urban Development and the Small Business Administration. We also reviewed other information, such as the CFDA information on program accomplishments, as well as information available on agencies' Web sites and information provided to us by the agencies.

To better understand the economic situation among tribes and their experiences with federal programs, we also visited reservations and spoke with tribal representatives and officials of tribal organizations and associations. In addition, we attended Indian business conferences. We selected tribes to visit on the basis of factors such as land size, population, degree of economic distress, proximity to urban and rural areas, and proximity to other tribes. We also included tribes that were recommended to us by agency and congressional staffs. We spoke with representatives from the following tribes:

- Colville Confederated Tribes
- Kalispel Tribe of Indians
- Lower Brule Sioux Tribe
- Menominee Indian Tribe of Wisconsin
- Miami Tribe of Oklahoma
- Mississippi Band of Choctaw Indians
- Native Village of Minto
- Native Village of Tyonek
- Nenana Native Association
- Oglala Sioux Tribe
- Oneida Nation of Wisconsin
- Peoria Tribe of Indians of Oklahoma
- Pueblo of Zuni
- Ramah Navajo Chapter
- Stockbridge-Munsee Band of Mohican Indians

In conjunction with our tribal visits, we contacted other tribal organizations, associations, and entities that were involved in economic development activities. These included Alaska Village Initiatives; Doyon Limited, Inc.; National Indian Business Association; Nenana Village Corporation; Tanana Chiefs Conference, Inc.; Tyonek Village Corporation; and United Sioux Tribes of South Dakota Development Corporation.

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The programs that we have identified may be targeted so that they are available only to tribes and tribal members or may be available to tribes and tribal members on the basis of other program eligibility criteria. Table 3 shows the programs that are targeted to tribes and tribal members, and table 4 shows programs that are available to Indians as well as others. For some of the programs in table 4, a portion of the program is targeted to Indians.

In each table, the programs are listed by federal department or agency. These programs offer various types of assistance and have different objectives. The economic development objectives are those that relate to job creation, entrepreneurship, and business development. For a more comprehensive listing of information on each program, see CFDA or search the on-line CFDA at www.cfda.gov.

Table 3: Federal Programs That Are Available Only to Indians

Program name	CFDA number	Type of assistance	Economic development objectives
Department of Agriculture			
Indian Tribes and Tribal Corporation Loans	10.421	Direct loans	To enable federally recognized Indian tribes and tribal corporations to acquire land within tribal reservations and Alaskan communities
Department of Commerce			
Native American Program	11.801	Project grants	To provide electronic and one-on-one business development service to Native Americans interested in entering, expanding, or improving their efforts in the marketplace
Department of Health and Human Services			
Native American Programs	93.612	Project grants; direct loans	To provide assistance for the implementation of social and economic development strategies that promote self-sufficiency as well as projects that are expected to result in improved social and economic conditions
Department of Housing and Urban Development			
Indian Community Development Block Grant Program	14.862	Project grants	To provide assistance to Indian tribes and Alaska Native villages in the development of viable Indian communities (including economic development projects)
Department of the Interior			
Aid to Tribal Governments	15.020	Direct payments for specified use	To provide funds to Indian tribal governments to support general tribal government operations and to develop appropriate tribal policies, legislation, and regulations
Tribal Self-Governance	15.022	Direct payments for specified use	To further the goals of Indian self-determination by providing funds to Indian tribes to administer a wide range of programs with maximum administrative and programmatic flexibility
Tribal Self-Governance Grants ^a	15.023	Project grants	To support tribal self-governance planning, negotiation, and related activities

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Program name	CFDA number	Type of assistance	Economic development objectives
Indian Economic Development	15.032	Direct payments for specified use	To assist federally recognized Indian tribal governments to develop resources to improve their economies through administration of credit programs and other economic development assistance activities
Agriculture on Indian Lands	15.034	Direct payments for specified use; provision of specialized services; advisory services and counseling	To protect and restore the agronomic and rangeland resources on trust lands and facilitate the development of renewable agricultural resources
Forestry on Indian Lands	15.035	Direct payments for specified use; provision of specialized services; advisory services and counseling	To maintain, protect, enhance, and develop Indian forest resources through the execution of forest management activities
Minerals and Mining on Indian Lands	15.038	Direct payments for specified use; provision of specialized services; dissemination of technical information	To assist and support the inventory and prudent development of energy and mineral resources on Indian lands
Fish, Wildlife, and Parks Programs on Indian Lands	15.039	Direct payments for specified use	To promote the conservation, development, and use of fish, wildlife, and recreational resources for sustenance, cultural enrichment, economic support, and maximum benefit of Indians
Irrigation Operations and Maintenance on Indian Lands	15.049	Direct payments for specified use; use of property, facilities, and equipment; provision of specialized services	To operate and maintain the irrigation water delivery systems on Indian irrigation projects
Indian Loans/Economic Development	15.124	Guaranteed or insured loans	To assist Indians in obtaining financing from private sources to promote business development initiatives on or near federally recognized Indian reservations
Indian Arts and Crafts Development	15.850	Use of property, facilities, and equipment; advisory services and counseling	To encourage and promote the development of American Indian and Alaska Native arts and crafts
Department of Transportation			
Tribal Colleges Entrepreneurial Training and Technical Assistance	20.908	Project grants	To support tribal colleges and universities to encourage, promote, and assist minority entrepreneurs through projects that provide training on how to compete for projects funded through the Department of Transportation

^aBudget authority for this program expired in 2000.

Source: CFDA.

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Table 4: Federal Programs That Are Available to Indians and Others

Program name	CFDA number	Type of assistance	Economic development objectives
Department of Agriculture			
Farm Storage Facility Loans	10.056	Direct loans	To encourage the construction of farm storage capacity
Forestry Incentives Program	10.064	Direct payments	To provide cost sharing for tree planting, timber stand improvement, and site preparation for natural regeneration
Farm Operating Loans	10.406	Direct loans; guaranteed and insured loans	To enable operators of family farms to operate efficiently and maintain financially viable farming and ranching operations
Farm Ownership Loans	10.407	Direct loans; guaranteed and insured loans	To assist in becoming owner-operators of farms; make efficient use of land, labor, and other resources; and carry on successful farming operations
Small Farmer Outreach Training and Technical Assistance Program	10.443	Project grants	To encourage and assist socially disadvantaged farmers and ranchers to own and operate farms
National Forest/Dependent Rural Communities	10.670	Project grants; use of property, facilities, and equipment; training	To assist rural communities that are in or near national forests and dependent on forest resources in developing strategic action plans to diversify and improve their economic base
Rural Development, Forestry, and Communities	10.672	Project grants	To help rural areas analyze and assess forest resource opportunities and maximize economic potential through market development and expansion, and diversify communities' economic base
Community Facilities Loans and Grants	10.766	Project grants; direct loans	To construct, enlarge, extend, or otherwise improve community facilities—for example, industrial park sites
Intermediary Relending Program	10.767	Direct loans	To finance business facilities and community development
Business and Industry Loans	10.768	Direct loans; guaranteed and insured loans	To obtain quality loans for improving, developing, or financing business and industry
Rural Business Enterprise Grants	10.769	Project grants	To facilitate the development of small and emerging private business, industry, and related employment
Rural Cooperative Development Grants	10.771	Project grants	To establish and operate centers for rural cooperative development to improve economic conditions in rural areas by promoting the development of new cooperatives and/or improvement of existing cooperatives
Empowerment Zones Program	10.772	Project grants	To stimulate the creation of new jobs and to promote revitalization of economically distressed areas
Rural Business Opportunity Grants	10.773	Project grants	To promote sustainable economic development in rural communities with exceptional needs
National Sheep Industry Improvement Center	10.774	Project grants; direct payments for specified use; direct loans; guaranteed and insured loans	To assist the U.S. sheep and goat industries by strengthening and enhancing the production and marketing of sheep and goats and their products in the United States
Rural Economic Development Loans and Grants	10.854	Project grants; direct loans	To promote rural economic development and job creation projects, including funding for project feasibility studies, start-up costs, and incubator projects
Resource Conservation and	10.901	Advisory services and	To encourage and improve the capability of entities in

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Program name	CFDA number	Type of assistance	Economic development objectives
Development		counseling	rural areas to plan, develop, and carry out programs for resource conservation and development
Department of Commerce			
Commercial Service	11.108	Advisory services and counseling	To assist and encourage firms to export or expand their export marketing efforts
Foreign Trade Zones in the United States	11.111	Provision of specialized services	To help firms reduce customs costs and help improve a domestic operation's international competitiveness
International Trade Administration Special Projects	11.113	Project grants	To promote job creation through projects designed to provide small to medium-sized businesses with export assistance to specified overseas markets
Grants for Public Works and Economic Development	11.300	Project grants	To assist in the construction of public works and development facilities needed to initiate and support the creation or retention of permanent jobs in the private sector in areas experiencing substantial economic distress
Economic Development/Support for Planning Organizations	11.302	Project grants	To help strengthen economic development planning capability and formulate and establish comprehensive economic development, process, and strategies designed to reduce unemployment and increase incomes
Economic Development/Technical Assistance	11.303	Project grants	To promote economic development in distressed areas by supporting innovative economic development projects and financing feasibility studies and other projects leading to local economic development
Economic Development/State and Local Economic Development Planning ^a	11.305	Project grants	To help governments strengthen economic development planning to reduce unemployment and increase incomes
Economic Adjustment Assistance	11.307	Project grants	To assist state and local interests to design and implement strategies to adjust or bring about change to an economy, focusing on areas that have experienced or are under threat of serious structural damage to the underlying economic base
Research and Evaluation Program	11.312	Project grants	To assist in the formulation and implementation of national, state, and local programs that will raise income levels and otherwise produce solutions to excessive unemployment and underemployment
Trade Adjustment Assistance	11.313	Project grants	To provide trade adjustment assistance to firms and industries adversely affected by increased imports
Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	11.427	Project grants	To increase greatly the nation's wealth and quality of life through sustainable fisheries that support fishing industry jobs, safe and wholesome seafood, and recreational opportunities
Technology Opportunities	11.552	Project grants	To promote the widespread use and availability of advanced telecommunications and information technologies in the public and nonprofit sectors to foster economic development
Manufacturing Extension Partnership	11.611	Dissemination of technical information	To establish, maintain, and support manufacturing extension centers and services to improve the competitiveness of firms accelerating the use of appropriate manufacturing technology

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Program name	CFDA number	Type of assistance	Economic development objectives
Experimental Program to Stimulate Competitive Technology	11.614	Project grants	To support technology-based economic growth in eligible jurisdictions by promoting partnerships between governments, universities, community colleges, nonprofit organizations, and the private sector
Minority Business Development Centers	11.800	Project grants	To provide electronic and one-on-one business development services to minority firms and individuals interested in entering, expanding, or improving their efforts in the marketplace
Minority Business Development	11.802	Project grants	To provide for indirect business assistance for programs that encourage minority business development
Minority Business Opportunity Committee Development	11.806	Project grants	To provide minority business owners with enhanced access to the marketplace by identifying marketing and sales opportunities, financing resources, potential joint venture partners, timely market leads, and other current business information
Department of Defense			
Procurement Technical Assistance for Business Firms	12.002	Project grants	To provide marketing and technical assistance to (1) business firms in selling their goods and services to federal agencies and (2) state and local governments to generate employment and to improve the general economy of a locality
Planning Assistance to States	12.110	Provision of specialized services	To cooperate with any state in the preparation of comprehensive plans for the development, use, and conservation of water and related land resources of drainage basins located within the boundaries of such state
Community Economic Adjustment	12.600	Provision of specialized services; advisory services and counseling	To help communities, regions, and states alleviate serious economic impacts that result from defense program changes—for example, base openings, expansions and closings, contract changes, and personnel reductions and increases
Community Economic Adjustment Planning Assistance	12.607	Project grants	To assist local governments or states, on behalf of local governments, to undertake community economic adjustment planning activities to respond to military base closures and realignments
Community Economic Adjustment Planning Assistance for Reductions in Defense Industry Employment	12.611	Project grants	To assist local governments to undertake economic adjustment planning activities to respond to major reductions in defense industry employment resulting from the cancellation, termination, or failure to proceed with a major Department of Defense acquisition
Community Base Reuse Plans	12.612	Project grants	To assist local governments to conduct community base reuse plans at closing or realigning military installations
Growth Management Planning Assistance	12.613	Project grants	To assist local governments to undertake community economic adjustment planning activities to respond to military base openings or expansions
Department of Education			
Projects with Industry	84.234	Project grants	To create and expand job and career opportunities for individuals with disabilities in the competitive labor market by partnering with private industry to provide job training and placement

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Program name	CFDA number	Type of assistance	Economic development objectives
Department of Energy			
Management and Technical Assistance for Minority Business Enterprises	81.082	Advisory services and counseling	To support increased participation of minority- and women-owned small businesses and operated business enterprises and to transfer applicable technology from national federal laboratories to minority business enterprises
National Industrial Competitiveness Through Energy, Environment, and Economics	81.105	Project grants	To generate new processes and/or equipment that can significantly reduce the use of energy and energy-intensive feedstocks and reduce the generation of wastes in industry
Department of Health and Human Services			
Community Services Block Grant/Discretionary Awards	93.570	Project grants	To support program activities to alleviate causes of poverty in distressed communities by promoting full-time permanent jobs for poverty-level project area residents as well as other activities
Job Opportunities for Low-Income Individuals	93.593	Project grants	To create new employment and business opportunities through self-employment, microenterprise, new business ventures, and expansion of existing businesses for welfare recipients and other low-income individuals
Department of Housing and Urban Development			
Community Development Block Grants/Entitlement Grants	14.218	Formula grants	To develop viable urban communities by (1) providing decent housing and a suitable living environment and (2) expanding economic opportunities, principally for persons of low and moderate income
Community Development Block Grants/Small Cities Program	14.219	Project grants	To develop viable urban communities by (1) providing decent housing and a suitable living environment and (2) expanding economic opportunities, principally for persons of low and moderate income
Community Development Block Grants/Special Purpose Grants/Technical Assistance Program	14.227	Project grants; direct payments for specified use	To help plan, develop, and administer local Community Development Block Grant programs
Community Development Block Grants/State's Program	14.228	Formula grants	To develop viable urban communities by (1) providing decent housing and a suitable living environment and (2) expanding economic opportunities, principally for persons of low and moderate income
Empowerment Zones Program	14.244	Project grants	To stimulate the creation of new jobs and to promote revitalization of economically distressed areas
Community Development Block Grants/Economic Development Initiative	14.246	Project grants	To help public entities that are eligible under the Section 108 Loan Guarantee Program carry out economic development projects
Community Development Block Grants/Section 108 Loan Guarantee Program	14.248	Guaranteed and insured loans	To provide communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects
Rural Housing and Economic Development	14.250	Project grants	To expand the supply of affordable housing and access to economic opportunities in rural areas
Community Outreach Partnership Center Program	14.511	Project grants	To fund partnerships between institutions of higher education and communities to solve urban problems

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Program name	CFDA number	Type of assistance	Economic development objectives
			through research, outreach, and exchange of information
Alaska Native/Native Hawaiian Institutions Assisting Communities	14.515	Project grants	To help Alaska Native and Native Hawaiian institutions of higher education address community development needs in their localities, including neighborhood revitalization, housing, and economic development
Department of Transportation			
Development and Promotion of Ports and Intermodal Transportation	20.801	Advisory services and counseling; dissemination of technical information	To promote and plan for the development and use of domestic waterways, ports, and port facilities
Bonding Assistance Program	20.904	Insurance	To enhance and further the opportunity for Small and Disadvantaged Business Enterprises to obtain bid, performance, and payment bonds for transportation-related contracts
Disadvantaged Business Enterprises Short Term Lending Program	20.905	Direct loans	To enhance and further the opportunity of Disadvantaged Business Enterprises to obtain accounts receivable financing for the performance of transportation-related contracts
Hispanic Serving Institutions Entrepreneurial Training and Technical Assistance	20.906	Project grants	To enhance Disadvantaged Business Enterprises and small business opportunity to successfully compete on Department of Transportation contracts and funded projects
Department of the Treasury			
Community Development Financial Institutions Program	21.020	Project grants	To promote economic revitalization and community development through investment in and assistance to community development financial institutions
Appalachian Regional Commission			
Appalachian Area Development	23.002	Project grants	To support the Appalachian Regional Commission's mission to create opportunities for self-sustaining economic development and improved quality of life in the region
Appalachian Local Development District Assistance	23.009	Project grants	To provide planning and development resources in multicounty areas; to help develop the technical competence essential to sound development assistance
Appalachian State Research, Technical Assistance, and Demonstration Projects	23.011	Project grants	To research or demonstrate the feasibility of plans and programs for concerted economic and social development
Denali Commission			
Denali Commission Program	90.100	Project grants	To provide critical utilities and infrastructure, particularly in distressed areas, to reduce unemployment and raise standards of living
Environmental Protection Agency			
Brownfields Pilots Cooperative Agreements	66.811	Project grants	To respond to environmental conditions inhibiting redevelopment of brownfield sites and provide financial assistance for revolving loan funds for brownfield cleanups

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Program name	CFDA number	Type of assistance	Economic development objectives
General Services Administration			
Business Services	39.001	Advisory services and counseling	To promote the interest and participation of business concerns—especially small businesses, small disadvantaged businesses, and women-owned small businesses—in government procurement
Donation of Federal Surplus Personal Property	39.003	Sale, exchange, or donation of property and goods	To donate federal personal property no longer required for federal use to public agencies and qualifying nonprofit entities
National Credit Union Administration			
Community Development Revolving Loan Program for Credit Unions	44.002	Direct loans	To support low-income credit unions in their efforts to stimulate economic development activities that result in increased income, ownership, and employment opportunities for low-income residents
National Foundation on the Arts and the Humanities			
Promotion of the Arts/Grants to Organizations and Individuals	45.024	Project grants	To support the visual, literary, media, design, and performing arts; significant arts programs intended for national distribution on television or radio; and published creative writers and literary translators of exceptional talent through individual fellowships
Overseas Private Investment Corporation			
Foreign Investment Insurance	70.003	Insurance	To insure investments of eligible U.S. investors in developing countries and emerging markets against the political risks of inconvertibility, expropriation, and political violence
Small Business Administration			
Business Development Assistance to Small Business	59.005	Advisory services and counseling; dissemination of technical information; training	To help the prospective, as well as the present, small business person improve skills to manage and operate a business
8(a) Business Development	59.006	Provision of specialized services	To foster business ownership by individuals who are both socially and economically disadvantaged and to promote the competitive viability of such firms by providing business development assistance
Management and Technical Assistance	59.007	Project grants	To provide business development assistance for socially and economically disadvantaged businesses
Procurement Assistance to Small Businesses	59.009	Provision of specialized services	To assist small business in obtaining a “fair” share of contracts and subcontracts for federal government supplies and services and a “fair” share of property sold by the government
Small Business Investment Companies	59.011	Direct loans; guaranteed and insured loans; advisory services and counseling	To establish privately owned and managed investment companies; provide equity capital and long-term loan funds to small businesses; and provide advisory services to small businesses
Small Business Loans	59.012	Guaranteed and insured loans	To provide guaranteed loans to small businesses that are unable to obtain financing in the private credit marketplace but can demonstrate an ability to repay

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Program name	CFDA number	Type of assistance	Economic development objectives
			loans granted
Service Corps of Retired Executives Association	59.026	Advisory services and counseling; training	To provide counseling and training to potential and existing small business owners
Small Business Development Center	59.037	Project grants; provision of specialized services; advisory services and counseling; dissemination of technical information	To provide management counseling, training, and technical assistance to the small business community
Certified Development Company Loans (504 Loans)	59.041	Guaranteed and insured loans	To assist small business concerns by providing long-term, fixed-rate financing for fixed assets through the sale of debentures to private investors
Women's Business Ownership Assistance	59.043	Project grants	To fund private, nonprofit organizations to assist, through training and counseling, small business concerns owned and controlled by women
Veterans Entrepreneurial Training and Counseling	59.044	Project grants	To provide long-term training, counseling, and mentoring to benefit small business concerns and potential small business concerns owned and controlled by eligible veterans
Microloan Demonstration Program	59.046	Formula grants; direct loans	To assist women, low-income and minority entrepreneurs, business owners, and other individuals possessing the capability to operate successful business concerns and to assist small business concerns in those areas suffering from a lack of credit due to economic downturns
Office of Small Disadvantaged Business Certification and Eligibility	59.049	Direct loans; guaranteed or insured loans	To certify and assist small disadvantaged businesses so that they can participate in federal procurements

^aThis program was incorporated into the Department of Commerce's Economic Development/Support for Planning Organizations (CFDA number 11.302) in 2000.

Source: CFDA.

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