Senate Committee on Indian Affairs Impacts of Government Shutdowns and Agency Reductions in Force on Native Communities October 29, 2025

Opening Statements:

Chair: Sen. Murkowski (R-AK)

- The government shutdown and agency reductions in force disrupt trust and treaty obligations that the federal government has with Tribal nations.
- Immediate impacts include food insecurity where Native parents that rely on SNAP are struggling to feed their families; maintenance and repairs at health facilities are stalled; Tribal governments are forced to use their limited savings to maintain services.
- Reduction in Force (RIF) across federal agencies weaken programs that are vital to Native communities
- Urged agencies to uphold trust and treaty responsibilities to Tribal nations.

Ranking Member: Sen. Schatz (D-HI)

- The federal government's trust, treaty, and legal obligations to Tribal nations should not disappear during a shutdown where essential services like healthcare, housing, education, and public safety are jeopardized.
- Several Tribes have declared states of emergency because of funding shortfalls and service disruptions.
- RIFs are not mandated by the Anti-Deficiency Act or any automatic process; RIFs are a choice made by the administration.
- There is a concern that RIFs and staff losses will lead to damage that may continue after the shutdown.
- Clarity is needed between the impacts of the shutdown versus the RIFs and the SCIA needs to provide factual clarity, so Tribes can plan and respond as needed.

Witnesses:

- The Honorable Sarah E. Harris, Vice Chairwoman/Secretary United South and Eastern Tribes, Nashville, TN.
- Mr. Ben Mallot, President Alaska Federation of Natives, Anchorage, AK
- Mr. Kerry Bird, Board President National Indian Education Association, Washington, DC
- Mr. Pete Upton, CEO Native CDFI Network, Grand Island, NE
- Mr. A.C. Locklear, CEO National Indian Health Board, Washington, DC

Witnesses who raised issues related to Tribal food and agriculture

- The Honorable Sarah E. Harris, Vice Chairwoman/Secretary United South and Eastern Tribes, Nashville, TN.
 - Trust and treaty obligations are not limited to HIS, BIA, or BIE. These responsibilities are across all agencies that serve Native communities.

- o RIFs were started without regard for Tribal facing/serving programs, services, and contracts.
- Food Insecurity SNAP and WIC are running out of funds, forcing Tribes to reallocate resources already limited. For example, Penobscot Nation has had to reallocate \$200,000 to cover nutrition needs for November.
- Some Tribes are considering taking out lines of credit to continue service provision
- There is no clear information on funding timelines, staff availability, or program continuity.
- Congress should protect all federal Indian funding through advance appropriations and move toward full and mandatory funding.
- Exemptions should be made for Tribal serving programs and personnel from RIFs and shutdown impacts.
- Mr. Ben Mallot, President Alaska Federation of Natives, Anchorage, AK
 - Many Tribal organizations did not anticipate a 30-day shutdown; so, there are great impacts in Alaska where winter conditions are severe, and prolonged government shutdown is life-threatening.
 - o The price of food in Alaska is high so without SNAP and LIHEAP, families are forced to choose between food and heat.
 - o SNAP funding is soon to end, leaving elders and families without essential foods.
 - Called for SCIA to be innovative and responsive in reopening the government and supporting Tribal communities.
- Mr. Pete Upton, CEO Native CDFI Network, Grand Island, NE
 - Native CDFIs are lifelines in Tribal communities: 46% of tribal communities are in banking deserts. CDFIs fill the gap with access to capital and credit, financial education, and support for small businesses, homeownership, agriculture, and consumer lending.
 - o FY25 NA CDFI remains frozen with no staff to release the awards, finalize agreements, or process certifications and recertifications.
 - o The shutdown halts access to critical seed capital for Native CDFIs whose average asset size is about \$5.8 million.
 - o CDFIs are not a partisan issue
- Mr. A.C. Locklear, CEO National Indian Health Board, Washington, DC
 - o Lack of SNAP funding results in health impacts because of food insecurity.
 - o Tribes are declaring states of emergency and relying on traditional practices like hunting elk to feed their members.

O&A

- Sen. Cortez Masto, (D-NV)
 - As of Nov. 1, SNAP funding will run out and this impacts her Tribe in Duck Valley, affecting 200 families (50-60% of the Tribe) who rely on SNAP
 - o Sen. Masto asked Mr. Locklear about the emergency measures Tribes were taking to address the loss of SNAP. He responded by stating that Tribes were accessing

- their reserve funds and declaring states of emergency. They work with SNAP partners and help with any health-related issues.
- o Tribes are scrambling to switch between SNAP and FDPIR to find sources of nutrition for those in need.
- Nutrition assistance, housing, and other basic services are part of the federal government's trust and treaty obligations to Tribal nations.
- Sen. Tina Smith, (D-MN)
 - Expressed deep concern about the loss of CDFI Fund staff as Native CDFIs are vital in providing home mortgages on Tribal lands.
 - o Stated that SNAP and WIC are not optional, but legal obligations.
 - Urged Congress to protect Tribal service offices.

Note: Apart from Senator Murkowski as Chair of SCIA, there were no other Republican Senators present.