

Tribal Economic Development Principles-at-a-Glance Series

How Public Law 102-477 May Be Used To Create Economic Development Opportunities



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This is the ninth in a series of economic development primers produced by the Division of Economic Development (DED), Office of Indian Energy and Economic Development (IEED), to offer answers to fundamental questions about creating jobs and expanding economies in Native communities.

If you would like to discuss economic development matters in more detail, please contact the DED at (202) 208-0740.

What is Public Law 102-477?

Public Law 102-477 (usually referred to simply as “477”) is the Indian Employment, Training and Related Services Demonstration Act (25 U.S.C. 3401 et seq). It was passed in 1992 and amended in 2000. Public Law 102-477 is unique among federal legislation allowing federally recognized tribes and Alaska Native entities to combine formula-funded federal grants that are employment and training-related into a single plan with a single budget and a single reporting system.

Participation in the 477 is voluntary. The lead federal agency for this inter-departmental demonstration project is the Bureau of Indian Affairs (BIA). Public Law 102-477 is permanent legislation; it has no expiration date.

Our Tribe is interested in implementing a “477” program. How is a “477” program funded?

There is no separate funding associated with Public Law 102-477 itself. All the funds involved in a tribe’s “477 plan” are those which the tribe would otherwise receive under the authority of the individual programs it chooses to consolidate in its 477 plan.

What is a “477 plan” ?

A 477 plan is an opportunity for a tribe to develop an employment and training service based on tribal goals and initiatives. Tribes have developed plans that include raising educational

achievement, increasing self-sufficiency, concentrating on the needs of tribal youth, consolidating tribal services, and fostering tribal economic development. Requirements for the plan are found in Section 6 of Public Law 102-477. In general, a plan includes must :

- Identify the programs to be integrated;
- Be consistent with the purposes of the Act authorizing the services to be integrated in a demonstration project;
- Describe a comprehensive strategy which identifies the full range of potential employment opportunities on and near the tribal government's service area and the education, training, and related services to be provided to assist Indian workers to access those employment opportunities;
- Describe the way in which services are to be integrated and delivered and the results expected from the plan;
- Identify the projected expenditures under the plan in a single budget;
- Identify the agency or agencies of the tribal government to be involved in the delivery of the services integrated under the plan;
- Identify any statutory provisions, regulations, policies, or procedures that the tribal government believes need to be waived in order to implement its plan;
- Be approved by the governing body of the affected tribe and include a duly enacted tribal council resolution.

What programs can a Tribe include in a "477" program?

Public Law 102-477 applies to any federal formula-funded program intended for employment, training, and services that may enhance a person's ability to become self-reliant. Each participating tribe decides which programs will be included in its 477 plan. Examples of programs eligible to be included in a 477 plan are:

U.S. Department of Labor

- WIA section 166 Comprehensive Services Program
- WIA section 166 Supplemental Youth Services Program

U.S. Department of Health and Human Services

- Native Employment Works (NEW) Program
- Tribal Temporary Assistance to Needy Families (tribal TANF) Program
- Child Care and Development Fund (CCDF) Program

U.S. Bureau of Indian Affairs

- General Assistance (GA) Program
- BIA Job, Placement and Training Program
- BIA Higher Education Program
- BIA Adult Basic Education (ABE) Program
- The Johnson-O'Malley (JOM) Program

How does a Tribe apply to participate in Public Law 102-477?

A tribe wishing to enter 477 submits an integrated service plan and budget to the Bureau of Indian Affairs, Indian Services. Plan review is coordinated with Federal partners until a full approval is reached. All affected agencies transfer funds for the tribe to BIA, which provides them to the tribes through a Public Law 93-638 grant award designed for 477 or a 477 modification to a Public Law 93-638 self-governance compact. The tribe implements its services under the approved plan and budget.

What are some advantages a Tribe obtains by implementing a 477 program?

Tribes participating in Public Law 102-477 have reported several advantages, including:

- **Improved client services:** Increasing the number of clients they serve, and improved outcomes for clients.
- **Better utilization of program staff:** Counseling staff can serve clients based on client needs, not based on where the money for their salaries originates. Line staff can focus on providing services to all clients who need them.
- **A single intake system:** Establishing a single intake system, with only one set of files for each participant eliminates multiple participant files for the same person. The amount of information maintained on each participant can also be reduced, since the federal 477 report form is simpler than those used for any of the individual programs.
- **Reduction in Federal paperwork:** By some estimates, the number of plans and reports that must be provided to the federal funding agencies is reduced by over 90% from what was required of the tribe in the pre-477 period.
- **Tribal plans can follow tribal, rather than federal priorities:** Public Law 102-477 is intended to empower each participating tribe to set its own priorities for services.
- **A single budget:** The 477 law specifically states that a tribe will submit only one budget for all the funds it includes in its 477 plan.

How can Public Law 102-477 be used to foster economic development?

Title XI of Public Law 106-568 authorizes tribes participating in the Public Law 102-477 demonstration act to devote up to 25% (depending on their local unemployment rate) of their 477 resources to economic development efforts, regardless of any other statutory or regulatory prohibitions contained in individual programs. Although regulatory waiver authority was

contained in the original 477 Act, title XI now allows 477 tribes to also request of the relevant federal agency statutory waiver of those provisions which inhibit the successful implementation of their approved 477 plan. This should create even more latitude and flexibility in a participating tribe's ability to effectively deliver 477 services.

What are examples of businesses or projects that tribes have funded, or could fund, through Public Law 102-477?

In general, tribes may create economic development opportunities with approved portions of funding within their 477 plan. Tribes have used this funding to assist in the development of small businesses, small business plan development, and business start-up costs. The opportunity to assist with the creation of economic development is outlined in Public Law 102-477, 25 USC 3408, SEC. 9. JOB CREATION ACTIVITIES AUTHORIZED. It states that: The (477) plan submitted by a tribal government may involve the expenditure of funds for the creation of employment opportunities and for the development of the economic resources of the tribal government or of individual Indian people if such expenditures are consistent with an overall regional economic activity which has a reasonable likelihood of success and consistent with the purposes specifically applicable to Indian programs in the statute under which the funds are authorized.

Whom should our Tribe contact to obtain more information about how to implement a Public Law 102-477 program?

For more information on the Public Law 102-477 program, please contact:

**Office of Indian Services
Division of Workforce Development
Bureau of Indian Affairs
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MS-4513-MIB
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<http://www.indianaffairs.gov/WhoWeAre/BIA/OIS/DWD/index.htm>