

HUB-ZONES IMPLEMENTATION  
(P.L. 105-135)

Honorable Senators, my name is Stanley Pino. I am the Chairman of the All Indian Pueblo Council, which represents the nineteen (19) pueblo tribes of New Mexico. I am pleased to be here today to address the success or non-success of the implementation of HUBzones in pueblo country.

The HUBzone Act of 1997 has had very little impact on businesses activities within pueblo country. Though the law was enacted in 1997, the implementing regulations were not published until 1999, so we have had little time to judge its impact in our pueblo communities.

It should be noted that the intent behind the legislation of inducing businesses to develop in areas that are removed from large cities, have a large work force, and have households with low incomes and high unemployment would fit the profile of many of our pueblo communities. Less than five of the nineteen pueblos are within a close proximity to a major city, yet almost all are in close proximity to federal facilities such as Los Alamos laboratory, military bases, government schools, and forestry and BLM activities.

The implementation of such a business inducement could have a dramatic impact on employment within the pueblo communities, but it appears to be too early to make that assessment.

However, we already know that the possibility of a future enthusiastic assessment has been diminished by the restrictive interpretation SBA has given to their own regulations concerning its interpretation of "HUBzones". SBA's interpretation of "HUBzones" actually eliminates any type of tribally owned businesses at a time when tribally owned businesses are looking to grow in New Mexico. As a very tight communal society, many of the pueblo groups prefer to foster tribally owned businesses rather than individually owned businesses. This is not a stifling of individual entrepreneurship, but merely a preference in doing business that has extended over hundreds of years. You might say that it is an elaboration on the "mom and pop" way of doing business.

The concept behind HUBzones seems to address the needs of many pueblo communities, but could address even more of those needs if tribally owned enterprises were allowed to participate. The intent of moving people off the welfare rolls forever and increasing job opportunities for rural communities should not be limited because a government agency refuses to believe that tribally owned enterprises are established to address those same community needs.

I believe it would be very short sighted to pin our hopes on developing businesses within Indian country only on the abilities of the individual entrepreneur when tribally owned businesses not only have the same characteristics, but provide existing and enthusiastic business mechanisms for fulfilling the long-range goals of this Congress.