

115TH CONGRESS  
1ST SESSION

# S. 1116

To amend the Native American Business Development, Trade Promotion, and Tourism Act of 2000, the Buy Indian Act, and the Native American Programs Act of 1974 to provide industry and economic development opportunities to Indian communities.

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IN THE SENATE OF THE UNITED STATES

MAY 11, 2017

Mr. HOEVEN (for himself and Mr. MCCAIN) introduced the following bill;  
which was read twice and referred to the Committee on Indian Affairs

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## A BILL

To amend the Native American Business Development, Trade Promotion, and Tourism Act of 2000, the Buy Indian Act, and the Native American Programs Act of 1974 to provide industry and economic development opportunities to Indian communities.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Indian Community  
5       Economic Enhancement Act of 2017”.

6       **SEC. 2. FINDINGS.**

7       Congress finds that—

1           (1)(A) to bring industry and economic develop-  
2           ment to Indian communities, Indian tribes must  
3           overcome a number of barriers, including—

4                   (i) geographical location;

5                   (ii) lack of infrastructure or capacity;

6                   (iii) lack of sufficient collateral and capital;

7           and

8                   (iv) regulatory bureaucracy relating to—

9                           (I) development; and

10                           (II) access to services provided by the

11                   Federal Government; and

12           (B) the barriers described in subparagraph (A)  
13           often add to the cost of doing business in Indian  
14           communities;

15           (2) Indian tribes—

16                   (A) enact laws and exercise sovereign gov-  
17                   ernmental powers;

18                   (B) determine policy for the benefit of trib-  
19                   al members; and

20                   (C) produce goods and services for con-  
21                   sumers;

22           (3) the Federal Government has—

23                   (A) an important government-to-govern-  
24                   ment relationship with Indian tribes; and

1 (B) a role in facilitating healthy and sus-  
2 tainable tribal economies;

3 (4) the input of Indian tribes in developing  
4 Federal policy and programs leads to more meaning-  
5 ful and effective measures to assist Indian tribes and  
6 Indian entrepreneurs in building tribal economies;

7 (5)(A) many components of tribal infrastruc-  
8 ture need significant repair or replacement; and

9 (B) access to private capital for projects in In-  
10 dian communities—

11 (i) may not be available; or

12 (ii) may come at a higher cost than such  
13 access for other projects;

14 (6)(A) Federal capital improvement programs,  
15 such as those that facilitate tax-exempt bond financ-  
16 ing and loan guarantees, are tools that help improve  
17 or replace crumbling infrastructure;

18 (B) lack of parity in treatment of an Indian  
19 tribe as a governmental entity under Federal tax  
20 and certain other regulatory laws impedes, in part,  
21 the ability of Indian tribes to raise capital through  
22 issuance of tax exempt debt, invest as an accredited  
23 investor, and benefit from other investment incen-  
24 tives accorded to State and local governmental enti-  
25 ties; and

1           (C) as a result of the disparity in treatment of  
2 Indian tribes described in subparagraph (B), inves-  
3 tors may avoid financing, or demand a premium to  
4 finance, projects in Indian communities, making the  
5 projects more costly or inaccessible;

6           (7) there are a number of Federal loan guar-  
7 antee programs available to facilitate financing of  
8 business, energy, economic, housing, and community  
9 development projects in Indian communities, and  
10 those programs may support public-private partner-  
11 ships for infrastructure development, but improve-  
12 ments and support are needed for those programs  
13 specific to Indian communities to facilitate more ef-  
14 fectively private financing for infrastructure and  
15 other urgent development needs; and

16           (8)(A) most real property held by Indian tribes  
17 is trust or restricted land that essentially cannot be  
18 held as collateral; and

19           (B) while creative solutions, such as leasehold  
20 mortgages, have been developed in response to the  
21 problem identified in subparagraph (A), some solu-  
22 tions remain subject to review and approval by the  
23 Bureau of Indian Affairs, adding additional costs  
24 and delay to tribal projects.

1 **SEC. 3. NATIVE AMERICAN BUSINESS DEVELOPMENT,**  
2 **TRADE PROMOTION, AND TOURISM ACT OF**  
3 **2000.**

4 (a) FINDINGS; PURPOSES.—Section 2 of the Native  
5 American Business Development, Trade Promotion, and  
6 Tourism Act of 2000 (25 U.S.C. 4301) is amended by  
7 adding at the end the following:

8 “(c) APPLICABILITY TO INDIAN-OWNED BUSI-  
9 NESSES.—The findings and purposes in subsections (a)  
10 and (b) shall apply to any Indian-owned business gov-  
11 erned—

12 “(1) by tribal laws regulating trade or com-  
13 merce on Indian lands; or

14 “(2) pursuant to section 5 of the Act of August  
15 15, 1876 (19 Stat. 200, chapter 289; 25 U.S.C.  
16 261).”.

17 (b) DEFINITIONS.—Section 3 of the Native American  
18 Business Development, Trade Promotion, and Tourism  
19 Act of 2000 (25 U.S.C. 4302) is amended—

20 (1) by redesignating paragraphs (1) through  
21 (6) and paragraphs (7) through (9), as paragraphs  
22 (2) through (7) and paragraphs (9) through (11),  
23 respectively;

24 (2) by inserting before paragraph (2) (as redес-  
25 igned by paragraph (1)) the following:

1           “(1) DIRECTOR.—The term ‘Director’ means  
2           the Director of Native American Business Develop-  
3           ment appointed pursuant to section 4(a)(2).”; and

4           (3) by inserting after paragraph (7) (as redesign-  
5           nated by paragraph (1)) the following:

6           “(8) OFFICE.—The term ‘Office’ means the Of-  
7           fice of Native American Business Development es-  
8           tablished by section 4(a)(1).”.

9           (c) OFFICE OF NATIVE AMERICAN BUSINESS DEVEL-  
10          OPMENT.—Section 4 of the Native American Business De-  
11          velopment, Trade Promotion, and Tourism Act of 2000  
12          (25 U.S.C. 4303) is amended—

13                 (1) in subsection (a)—

14                         (A) in paragraph (1)—

15                                 (i) by striking “Department of Com-  
16                                 merce” and inserting “Office of the Sec-  
17                                 retary”; and

18                                 (ii) by striking “(referred to in this  
19                                 Act as the ‘Office’)”; and

20                         (B) in paragraph (2), in the first sentence,  
21                         by striking “(referred to in this Act as the ‘Di-  
22                         rector’)”; and

23                 (2) by adding at the end the following:

24           “(c) DUTIES OF DIRECTOR.—

1           “(1) IN GENERAL.—The Director shall serve  
2 as—

3           “(A) the program and policy advisor to the  
4 Secretary with respect to the trust and govern-  
5 mental relationship between the United States  
6 and Indian tribes; and

7           “(B) the point of contact for Indian tribes,  
8 tribal organizations, and Indians regarding—

9           “(i) policies and programs of the De-  
10 partment of Commerce; and

11           “(ii) other matters relating to eco-  
12 nomic development and doing business in  
13 Indian lands.

14           “(2) DEPARTMENTAL COORDINATION.—The Di-  
15 rector shall coordinate with all offices and agencies  
16 within the Department of Commerce to ensure that  
17 each office and agency has an accountable process to  
18 ensure—

19           “(A) meaningful and timely coordination  
20 and assistance, as required by this Act; and

21           “(B) consultation with Indian tribes re-  
22 garding the policies, programs, assistance, and  
23 activities of the offices and agencies.

1           “(3) OFFICE OPERATIONS.—There are author-  
 2           ized to be appropriated to carry out this section not  
 3           more than \$2,000,000 for each fiscal year.”.

4           (d) INDIAN COMMUNITY DEVELOPMENT INITIA-  
 5           TIVES.—The Native American Business Development,  
 6           Trade Promotion, and Tourism Act of 2000 is amended—

7                   (1) by redesignating section 8 (25 U.S.C. 4307)  
 8                   as section 10; and

9                   (2) by inserting after section 7 (25 U.S.C.  
 10                  4306) the following:

11       **“SEC. 8. INDIAN COMMUNITY DEVELOPMENT INITIATIVES.**

12           “(a) INTERAGENCY COORDINATION.—Not later than  
 13           1 year after the enactment of this section, the Secretary,  
 14           the Secretary of the Interior, and the Secretary of the  
 15           Treasury shall coordinate—

16                   “(1) to develop initiatives that—

17                           “(A) encourage, promote, and provide edu-  
 18                           cation regarding investments in Indian commu-  
 19                           nities through—

20                                   “(i) the loan guarantee program of  
 21                                   Bureau of Indian Affairs under section  
 22                                   201 of the Indian Financing Act of 1974  
 23                                   (25 U.S.C. 1481);

24                                   “(ii) programs carried out using  
 25                                   amounts in the Community Development

1 Financial Institutions Fund established  
2 under section 104(a) of the Community  
3 Development Banking and Financial Insti-  
4 tutions Act of 1994 (12 U.S.C. 4703(a));  
5 and

6 “(iii) other capital development pro-  
7 grams;

8 “(B) examine and develop alternatives that  
9 would qualify as collateral for financing in In-  
10 dian communities; and

11 “(C) provide entrepreneur and other train-  
12 ing relating to economic development through  
13 tribally controlled colleges and universities and  
14 other Indian organizations with experience in  
15 providing such training;

16 “(2) to consult with Indian tribes and with the  
17 Securities and Exchange Commission to determine,  
18 and collaborate to establish, statutory or regulatory  
19 changes necessary to qualify an Indian tribe as an  
20 accredited investor for the purposes of sections  
21 230.500 through 230.508 of title 17, Code of Fed-  
22 eral Regulations (or successor regulations);

23 “(3) to identify regulatory, legal, or other bar-  
24 riers to increasing investment, business, and eco-  
25 nomic development, including qualifying or approv-

1 ing collateral structures, measurements of economic  
2 strength, and contributions of Indian economies in  
3 Indian communities through the Authority estab-  
4 lished under section 4 of the Indian Tribal Regu-  
5 latory Reform and Business Development Act of  
6 2000 (25 U.S.C. 4301 note);

7 “(4) to ensure consultation with Indian tribes  
8 regarding increasing investment in Indian commu-  
9 nities and the development of the report required in  
10 paragraph (5); and

11 “(5) not less than once every 3 years, to pro-  
12 vide a report to Congress regarding improvements to  
13 Indian communities resulting from such initiatives  
14 and recommendations for promoting sustained  
15 growth of the tribal economies.

16 “(b) WAIVER.—For assistance provided pursuant to  
17 section 108 of the Community Development Banking and  
18 Financial Institutions Act of 1994 (12 U.S.C. 4707) to  
19 benefit Native Community Development Financial Institu-  
20 tions, as defined by the Secretary of the Treasury, section  
21 108(e) of such Act shall not apply.

22 “(c) INDIAN ECONOMIC DEVELOPMENT FEASIBILITY  
23 STUDY.—

24 “(1) IN GENERAL.—The Government Account-  
25 ability Office shall conduct a study and, not later

1 than 18 months after the date of enactment of this  
2 subsection, submit to the Committee on Indian Af-  
3 fairs of the Senate and the Committee on Natural  
4 Resources of the House of Representatives a report  
5 on the findings of the study and recommendations.

6 “(2) CONTENTS.—The study shall include an  
7 assessment of each of the following:

8 “(A) IN GENERAL.—The study shall assess  
9 current Federal capitalization and related pro-  
10 grams and services that are available to assist  
11 Indian communities with business and economic  
12 development, including manufacturing, physical  
13 infrastructure (such as telecommunications and  
14 broadband), community development, and facili-  
15 ties construction for such purposes. For each of  
16 the Federal programs and services identified,  
17 the study shall assess the current use and de-  
18 mand by Indian tribes, individuals, businesses,  
19 and communities of the programs, the capital  
20 needs of Indian tribes, businesses, and commu-  
21 nities related to economic development, and the  
22 extent that similar programs have been used to  
23 assist non-Indian communities compared to the  
24 extent used for Indian communities.

1           “(B) FINANCING ASSISTANCE.—The study  
2 shall assess and quantify the extent of assist-  
3 ance provided to non-Indian borrowers and to  
4 Indian (both tribal and individual) borrowers  
5 through the loan programs, the loan guarantee  
6 programs, or bond guarantee programs of the—

7                   “(i) Department of the Interior;

8                   “(ii) Department of Agriculture;

9                   “(iii) Department of Housing and  
10 Urban Development;

11                   “(iv) Department of Energy;

12                   “(v) Small Business Administration;

13                   and

14                   “(vi) Community Development Finan-  
15 cial Institutions Fund of the Department  
16 of the Treasury.

17           “(C) TAX INCENTIVES.—The study shall  
18 assess and quantify the extent of the assistance  
19 and allocations afforded for non-Indian projects  
20 and for Indian projects pursuant to each of the  
21 following tax incentive programs:

22                   “(i) New market tax credit.

23                   “(ii) Low income housing tax credit.

24                   “(iii) Investment tax credit.

25                   “(iv) Renewable energy tax incentives.

1 “(v) Accelerated depreciation.

2 “(D) TRIBAL INVESTMENT INCENTIVE.—

3 The study shall assess various alternative incen-  
4 tives that could be provided to enable and en-  
5 courage tribal governments to invest in an In-  
6 dian community development investment fund  
7 or bank.”.

8 **SEC. 4. BUY INDIAN ACT.**

9 Section 23 of the Act of June 25, 1910 (commonly  
10 known as the “Buy Indian Act”) (36 Stat. 861, chapter  
11 431; 25 U.S.C. 47), is amended to read as follows:

12 **“SEC. 23. EMPLOYMENT OF INDIAN LABOR AND PURCHASE**  
13 **OF PRODUCTS OF INDIAN INDUSTRY; PAR-**  
14 **TICIPATION IN MENTOR-PROTEGE PROGRAM.**

15 “(a) DEFINITIONS.—In this section:

16 “(1) INDIAN ECONOMIC ENTERPRISE.—The  
17 term ‘Indian economic enterprise’ has the meaning  
18 given the term in section 1480.201 of title 48, Code  
19 of Federal Regulations (or successor regulations).

20 “(2) MENTOR FIRM; PROTEGE FIRM.—The  
21 terms ‘mentor firm’ and ‘protege firm’ have the  
22 meanings given those terms in section 831(c) of the  
23 National Defense Authorization Act for Fiscal Year  
24 1991 (10 U.S.C. 2302 note; Public Law 101–510).

1           “(3) SECRETARIES.—The term ‘Secretaries’  
2 means—

3           “(A) the Secretary of the Interior; and

4           “(B) the Secretary of Health and Human  
5 Services.

6           “(b) ENTERPRISE DEVELOPMENT.—

7           “(1) IN GENERAL.—Unless determined by one  
8 of the Secretaries to be impracticable and unreason-  
9 able—

10           “(A) Indian labor shall be employed; and

11           “(B) purchases of Indian industry prod-  
12 ucts (including printing and facilities construc-  
13 tion, notwithstanding any other provision of  
14 law) may be made in open market by the Secre-  
15 taries.

16           “(2) MENTOR-PROTEGE PROGRAM.—

17           “(A) IN GENERAL.—Participation in the  
18 Mentor-Protege Program established under sec-  
19 tion 831(a) of the National Defense Authoriza-  
20 tion Act for Fiscal Year 1991 (10 U.S.C. 2302  
21 note; Public Law 101–510) or receipt of assist-  
22 ance under a developmental assistance agree-  
23 ment under that program shall not render any  
24 individual or entity involved in the provision of

1 Indian labor or an Indian industry product in-  
2 eligible to receive assistance under this section.

3 “(B) TREATMENT.—For purposes of this  
4 section, no determination of affiliation or con-  
5 trol (whether direct or indirect) may be found  
6 between a protege firm and a mentor firm on  
7 the basis that the mentor firm has provided, or  
8 agreed to provide, to the protege firm, pursuant  
9 to a mentor-protege agreement, any form of de-  
10 velopmental assistance described in section  
11 831(f) of the National Defense Authorization  
12 Act for Fiscal Year 1991 (10 U.S.C. 2302 note;  
13 Public Law 101–510).

14 “(c) IMPLEMENTATION.—In carrying out this sec-  
15 tion, the Secretaries shall—

16 “(1) conduct outreach to Indian industrial enti-  
17 ties;

18 “(2) provide training;

19 “(3) promulgate regulations in accordance with  
20 this section and with the regulations under part  
21 1480 of title 48, Code of Federal Regulations (or  
22 successor regulations), to harmonize the procure-  
23 ment procedures of the Department of the Interior  
24 and the Department of Health and Human Services,  
25 to the maximum extent practicable;

1           “(4) require regional offices of the Bureau of  
2 Indian Affairs and the Indian Health Service to ag-  
3 gregate data regarding compliance with this section;

4           “(5) require procurement management reviews  
5 by their respective Departments to include a review  
6 of the implementation of this section; and

7           “(6) consult with Indian tribes, Indian indus-  
8 trial entities, and other stakeholders regarding meth-  
9 ods to facilitate compliance with—

10                   “(A) this section; and

11                   “(B) other small business or procurement  
12 goals.

13           “(d) REPORT.—

14           “(1) IN GENERAL.—Not later than 1 year after  
15 the date of enactment of this subsection, and not  
16 less frequently than once every 2 years thereafter,  
17 each of the Secretaries shall submit to the Com-  
18 mittee on Indian Affairs of the Senate and the Com-  
19 mittee on Natural Resources of the House of Rep-  
20 resentatives a report describing, during the period  
21 covered by the report, the implementation of this  
22 section by each of the respective Secretaries.

23           “(2) CONTENTS.—Each report under this sub-  
24 section shall include, for each fiscal year during the  
25 period covered by the report—

1           “(A) the names of each agency under the  
2           respective jurisdiction of each of the Secretaries  
3           to which this section has been applied, and ef-  
4           forts made by additional agencies within the  
5           Secretaries’ respective Departments to use the  
6           procurement procedures under this Act;

7           “(B) a summary of the types of purchases  
8           made from, and contracts (including any rel-  
9           evant modifications, extensions, or renewals)  
10          awarded to, Indian economic enterprises, ex-  
11          pressed by agency region;

12          “(C) a description of the percentage in-  
13          crease or decrease in total dollar value and  
14          number of purchases and awards made within  
15          each agency region, as compared to the totals  
16          of the region for the preceding fiscal year;

17          “(D) a description of the methods used by  
18          applicable contracting officers and employees to  
19          conduct market searches to identify qualified  
20          Indian economic enterprises;

21          “(E) a summary of all deviations granted  
22          under section 1480.403 of title 48, Code of  
23          Federal Regulations (or successor regulations),  
24          including a description of—

1           “(i) the types of alternative procure-  
2           ment methods used, including any Indian  
3           owned businesses reported under other  
4           procurement goals; and

5           “(ii) the dollar value of any awards  
6           made pursuant to those deviations;

7           “(F) a summary of all determinations  
8           made to provide awards to Indian economic en-  
9           terprises, including a description of the dollar  
10          value of the awards;

11          “(G) a description or summary of the total  
12          number and value of all purchases of, and con-  
13          tracts awarded for, supplies, services, and con-  
14          struction (including the percentage increase or  
15          decrease, as compared to the preceding fiscal  
16          year) from—

17                 “(i) Indian economic enterprises; and

18                 “(ii) non-Indian economic enterprises;

19                 and

20                 “(H) any administrative, procedural, legal,  
21                 or other barriers to achieving the purposes of  
22                 this section, together with recommendations for  
23                 legislative or administrative actions to address  
24                 those barriers.

1       “(e) GOALS.—Each agency shall establish an annual  
2 minimum percentage goal for procurement in compliance  
3 with this section.”.

4 **SEC. 5. NATIVE AMERICAN PROGRAMS ACT OF 1974.**

5       (a) FINANCIAL ASSISTANCE FOR NATIVE AMERICAN  
6 PROJECTS.—Section 803 of the Native American Pro-  
7 grams Act of 1974 (42 U.S.C. 2991b) is amended—

8           (1) by redesignating subsections (b) through (d)  
9 as subsections (c) through (e), respectively; and

10          (2) by inserting after subsection (a) the fol-  
11 lowing:

12       “(b) ECONOMIC DEVELOPMENT.—

13           “(1) IN GENERAL.—The Commissioner may  
14 provide assistance under subsection (a) for projects  
15 relating to the purposes of this title to a Native com-  
16 munity development financial institution, as defined  
17 by the Secretary of the Treasury.

18           “(2) PRIORITY.—With regard to not less than  
19 50 percent of the total amount available for assist-  
20 ance under this section, the Commissioner shall give  
21 priority to any application seeking assistance for—

22           “(A) the development of a tribal code or  
23 court system for purposes of economic develop-  
24 ment, including commercial codes, training for  
25 court personnel, regulation pursuant to section

1           5 of the Act of August 15, 1876 (19 Stat. 200,  
2           chapter 289; 25 U.S.C. 261), and the develop-  
3           ment of nonprofit subsidiaries or other tribal  
4           business structures;

5                   “(B) the development of a community de-  
6           velopment financial institution, including train-  
7           ing and administrative expenses; or

8                   “(C) the development of a tribal master  
9           plan for community and economic development  
10          and infrastructure.”.

11          (b) TECHNICAL ASSISTANCE AND TRAINING.—Sec-  
12          tion 804 of the Native American Programs Act of 1974  
13          (42 U.S.C. 2991c) is amended—

14                  (1) in the matter preceding paragraph (1), by  
15          striking “The Commissioner” and inserting the fol-  
16          lowing:

17                  “(a) IN GENERAL.—The Commissioner”; and

18                  (2) by adding at the end the following:

19                  “(b) PRIORITY.—In providing assistance under sub-  
20          section (a), the Commissioner shall give priority to any  
21          application described in section 803(b)(2).”.

22          (c) AUTHORIZATION OF APPROPRIATIONS.—Section  
23          816 of the Native American Programs Act of 1974 (42  
24          U.S.C. 2992d) is amended—

1           (1) by striking “803(d)” each place it appears  
2           and inserting “803(e)”; and

3           (2) in subsection (a), by striking “1999, 2000,  
4           2001, and 2002” and inserting “2018 through  
5           2022”.

○