

116TH CONGRESS  
1ST SESSION

# H. R. 558

To direct the Secretary of the Interior to establish a demonstration program to adapt the successful practices of providing foreign aid to underdeveloped economies to the provision of Federal economic development assistance to Native communities in similarly situated remote areas in the United States, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2019

Mr. YOUNG (for himself and Ms. GABBARD) introduced the following bill; which was referred to the Committee on Natural Resources

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## A BILL

To direct the Secretary of the Interior to establish a demonstration program to adapt the successful practices of providing foreign aid to underdeveloped economies to the provision of Federal economic development assistance to Native communities in similarly situated remote areas in the United States, and for other purposes.

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 “Native American Mil-  
5       lennium Challenge Demonstration Act”.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to adapt the lessons of foreign aid to under-  
4 developed economies, such as the experience of the  
5 Millennium Challenge Corporation, to the provision  
6 of Federal economic development assistance to simi-  
7 larly situated remote Native American communities;8 (2) to provide Federal economic development  
9 assistance for Native American communities through  
10 the Native American Challenge Demonstration  
11 Project;12 (3) to administer Federal economic development  
13 assistance in a manner that—14 (A) promotes economic growth and the  
15 elimination of poverty;16 (B) strengthens good governance, entrepre-  
17 neurship, and investment in Native American  
18 communities; and19 (C) builds the capacity of Native people to  
20 grow sustainable local economies;21 (4) to improve the effectiveness of Federal eco-  
22 nomic development assistance by encouraging the in-  
23 tegration and coordination of the assistance in re-  
24 mote Native American communities;25 (5) to promote sustainable economic growth and  
26 poverty reduction policies in remote Native American

1       communities in a manner that promotes self-deter-  
2       mination and self-sufficiency among remote Native  
3       American communities while preserving the cultural  
4       values of those communities; and

5               (6) to establish a demonstration project within  
6       remote areas of noncontiguous States that experi-  
7       ence high levels of poverty and lack access to tradi-  
8       tional transportation infrastructure (highways, rail-  
9       ways, and ports), which, if successful, could poten-  
10       tially benefit other Native American communities in  
11       the United States.

12 **SEC. 3. DEFINITIONS.**

13       In this Act:

14               (1) **COMPACT.**—The term “compact” means a  
15       binding agreement with the United States entered  
16       into pursuant to this Act.

17               (2) **ECONOMIC DEVELOPMENT STRATEGY.**—The  
18       term “economic development strategy” means a  
19       strategy—

20                       (A) written by an eligible entity and de-  
21       signed to achieve sustainable economic growth  
22       and reduce poverty over a defined period; and

23                       (B) developed in consultation with public  
24       and private sector entities, as appropriate to

1 the geographic area and intended beneficiaries  
2 of the compact.

3 (3) ELIGIBLE ENTITY.—

15 (C) HAWAII.—In the State of Hawaii, a  
16 consortium shall be comprised of local Native  
17 Hawaiian nonprofit organizations that serve the  
18 interests of Native Hawaiians and in which Na-  
19 tive Hawaiians serve in leadership and sub-  
20 stantive policymaking positions.

3 SEC. 4. MILLENNIUM CHALLENGE DEMONSTRATION  
4 PROJECT.

5 (a) ESTABLISHMENT.—The Secretary shall establish  
6 and implement in the Department of the Interior a dem-  
7 onstration project, to be known as the “Native American  
8 Millennium Challenge Demonstration Project” (referred  
9 to in this section as the “demonstration project”).

10 (b) AUTHORIZATION OF ASSISTANCE.—In carrying  
11 out the demonstration project, the Secretary may provide  
12 assistance to any eligible entity that enters into a compact  
13 with the United States pursuant to this Act.

14 (c) FORM OF ASSISTANCE.—Assistance under the  
15 demonstration project—

## 24 (d) COORDINATION.—

13 (A) the Department of Agriculture;  
14 (B) the Department of Commerce;  
15 (C) the Department of Energy;  
16 (D) the Department of Health and Human  
17 Services;  
18 (E) the Department of Housing and Urban  
19 Development; and  
20 (F) the Small Business Administration.

1       tion 7 and economic development assistance program  
2       funding that would otherwise be provided to an In-  
3       dian Tribe located in the region or regions served by  
4       the eligible entity. The eligible entity shall integrate  
5       funds appropriated pursuant to section 7 and any  
6       such program funding and the operation of the pro-  
7       grams' services into a single, coordinated program  
8       under a demonstration project.

14 (A) an Indian Tribe located in the region  
15 or regions served by the eligible entity des-  
16 ignates the eligible entity in a resolution passed  
17 by its governing body as authorized to apply for  
18 the funding in lieu of the Indian Tribe and  
19 forgoes applying for the funding;

20 (B) the Indian Tribe has submitted the  
21 resolution to the Secretary and any Secretary  
22 who administers the program; and

23 (C) the applicable Secretaries have cer-  
24 tified in writing to the eligible entity that they  
25 are in receipt of the resolution.

12 (B) the Indian Tribe has submitted the  
13 resolution to the Secretary and any Secretary  
14 that administers the program; and

15 (C) the applicable Secretaries have cer-  
16 tified in writing to the eligible entity that they  
17 are in receipt of the resolution.

23 (e) WAIVER AUTHORITY.—

24 (1) IN GENERAL.—On receipt of an executed  
25 compact, the Secretary shall consult with the eligible

1 entity that is a party to the compact and coordinate  
2 with the Secretary of each Federal agency that pro-  
3 vides funds to be used to implement the compact to  
4 identify any waiver of statutory requirements or ap-  
5 plicable regulations, policies, or procedures necessary  
6 to enable the eligible entity to implement the com-  
7 pact.

8 (2) AGENCIES.—The head of the Federal agen-  
9 cy to which the Federal funds were appropriated  
10 may waive (in whole or in part) the application, sole-  
11 ly to such funds that are being used to implement  
12 the compact, of any statutory, regulatory, or admin-  
13 istrative requirement that such agency head—

14 (A) is otherwise authorized to waive (in ac-  
15 cordance with the terms and conditions of such  
16 other authority); and

17 (B) is not otherwise authorized to waive,  
18 provided that in such case the agency head  
19 shall—

20 (i) not waive any requirement related  
21 to nondiscrimination, wage and labor  
22 standards, or allocation of funds to State  
23 and sub-State levels;

24 (ii) issue a written determination,  
25 prior to granting the waiver, with respect

1 to such discretionary funds that the granting  
2 of such waiver for purposes of the com-  
3 pact—

4 (I) is consistent with both—

5 (aa) the statutory purposes  
6 of the Federal program for which  
7 such funds were appropriated;  
8 and

9 (bb) the other provisions of  
10 this section;

11 (II) is necessary to achieve the  
12 outcomes of the compact, and is no  
13 broader in scope than is necessary to  
14 achieve such outcomes; and

15 (III) will result in either—

16 (aa) realizing efficiencies by  
17 simplifying reporting burdens or  
18 reducing administrative barriers  
19 with respect to such funds; or

20 (bb) increasing the ability of  
21 individuals to obtain access to  
22 services that are provided by  
23 such funds; and

24 (iii) provide at least 60 days advance  
25 written notice to the Committee on Nat-

#### 4 SEC. 5. CHALLENGE COMPACTS.

## 5 (a) COMPACTS.—

16 (b) APPLICATIONS.—The Secretary shall develop and  
17 recommend procedures for considering applications for  
18 compacts submitted by eligible entities

19 (c) CRITERIA FOR SELECTION OF ELIGIBLE ENTI-  
20 TIES.—The Secretary shall develop an application process  
21 and criteria for selecting eligible entities to enter into com-  
22 pacts under this Act, taking into consideration—

23 (1) the purposes of this Act;

24 (2) the economic development strategy of the el-  
25 igible entity;

3 (4) the general economic status of the commu-  
4 nities to be served by the eligible entity; and

5 (5) poverty rates within the communities to be  
6 served by the eligible entity.

7 (d) ASSISTANCE FOR DEVELOPMENT OF COM-  
8 PACTS.—To the extent that funds are appropriated in ad-  
9 vance to carry out this section, the Secretary may enter  
10 into contracts with, or make grants to, any eligible entity  
11 for the purposes of facilitating the development and imple-  
12 mentation of a compact between the United States and  
13 the eligible entity.

#### 14 (e) DURATION AND EXTENSION.—

15 (1) DURATION.—The term of an initial compact  
16 under this section shall be for 5 years.

1       (f) ELEMENTS.—In furtherance of the economic de-  
2 velopment strategy of the applicable eligible entity, each  
3 compact shall contain—

4               (1) a description of the specific objectives for  
5               the sustainable economic development and reduction  
6               of poverty that the eligible entity and the United  
7               States expect to achieve during the term of the com-  
8               pact;

9               (2) a description of the respective roles and re-  
10               sponsibilities of the eligible entity and the United  
11               States in the achievement of those objectives;

12               (3) a list and description of regular benchmarks  
13               to measure progress toward achieving those objec-  
14               tives;

15               (4) an identification of the intended bene-  
16               ficiaries, disaggregated by income level, gender, and  
17               age, to the maximum extent practicable; and

18               (5) a multiyear financial plan to guide the im-  
19               plementation of the compact, including the estimated  
20               level of funding and other contributions by the  
21               United States and the eligible entity, proposed  
22               mechanisms to execute the plan, and periodic assess-  
23               ments to determine whether the requirements of  
24               paragraphs (1) through (4) are being met.

1       (g) SUSPENSION AND TERMINATION OF ASSIST-  
2 ANCE.—

3               (1) IN GENERAL.—The Secretary may suspend  
4 or terminate assistance, in whole or in part, for an  
5 eligible entity that has entered into a compact with  
6 the United States if the Secretary determines that  
7 the eligible entity—

8                       (A) failed to meet the responsibilities of  
9 the eligible entity under the compact; or  
10                       (B) engaged in a pattern of actions that is  
11 inconsistent with the purposes of this Act.

12               (2) REINSTATEMENT.—The Secretary may re-  
13 instate assistance for an eligible entity only if the  
14 Secretary determines that the eligible entity has  
15 demonstrated a commitment to correcting each con-  
16 dition for which assistance was suspended or termi-  
17 nated under paragraph (1).

18 **SEC. 6. PROGRAM ASSESSMENTS AND REPORTS.**

19       (a) REPORTS OF ELIGIBLE ENTITIES.—Not later  
20 than March 15 each year, each eligible entity shall prepare  
21 and submit to the Secretary a written report describing  
22 the assistance provided to the eligible entity under this  
23 Act during the preceding fiscal year.

24       (b) REPORT CONTENTS.—A report required under  
25 subsection (a) shall include—

4 (2) a description of the programs and activities  
5 conducted by the eligible entity in furtherance of the  
6 economic development strategy of the eligible entity  
7 and the purposes of this Act;

16 (c) SUBMISSION TO CONGRESS.—Not later than May  
17 15 each year, the Secretary shall submit the reports re-  
18 quired under subsection (a), with such other information  
19 as the Secretary considers to be relevant, to—

20 (1) the Committee on Natural Resources of the  
21 House of Representatives; and

## 24 SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

25 (a) AUTHORIZATION.—

12 (b) ADMINISTRATIVE FUNDS.—Of the funds made  
13 available to carry out this Act, not more than 5 percent  
14 may be used by the Secretary for the administrative ex-  
15 penses of carrying out this Act and oversight of programs  
16 under this Act.

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