

ANNOUNCEMENT OF LEGISLATION
TO BE CONSIDERED UNDER SUS-
PENSION OF THE RULES TODAY

Mr. WALKER. Mr. Speaker, pursuant to House Resolution 525, I announce that the following measures have been added to the Suspension Calendar:

H.R. 1332/S. 1804, omnibus territories—may take up S. 1804 if ready; H.R. 3487, National Marine Sanctuaries, as amended by Senate; H.R. 3163, Oregon-Washington tax; H.R. 4165, Canadian boater landing—Hoke; and H.R. 4123, Larson Creek Land Exchange.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House stands in recess subject to the call of the Chair.

Accordingly (at 9 o'clock and 25 minutes a.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. LATOURETTE] at 12 o'clock and 18 minutes p.m.

DIRECTING THE SECRETARY OF
THE SENATE TO MAKE CORREC-
TIONS IN ENROLLMENT OF S.
1004, COAST GUARD AUTHORIZA-
TION

Mr. SHUSTER. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 229) directing the Secretary of the Senate to make corrections in the enrollment of S. 1004, and I ask unanimous consent for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the requests of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the concurrent resolution as follows:

H. CON. RES. 229

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill S. 1004, the Secretary of the Senate shall make the following corrections:

(1) In section 1106(c), in the text added to section 5 of the Act of January 2, 1951—

(A) strike "This section does not prohibit, nor may any State make" and insert in lieu thereof "With respect to a vessel operating in Alaska, this section does not prohibit, nor may the State of Alaska make";

(B) strike "except that a State may" and insert in lieu thereof "except that such State may"; and

(C) strike paragraph (2) and insert in lieu thereof the following:

"(2) A voyage referred to in paragraph (1) is a voyage that—

"(A) includes a stop in Canada or in a State other than the State of Alaska;

"(B) includes stops in at least 2 different ports situated in the State of Alaska; and

"(C) is of at least 60 hours duration."

(2) In section 1113(d), in the text added to section 12106 of title 46, United States Code,

in subsection (e)(1)(E) strike "section 12102" and insert in lieu thereof "this section".

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT REGARDING LEG-
ISLATION TO BE CONSIDERED
UNDER SUSPENSION OF THE
RULES TODAY

Mr. LAZIO of New York. Mr. Speaker, pursuant to House Resolution 525, the following suspensions are expected to be considered today:

H.R. 543, H.R. 4236, H.R. 4264, H.R. 3633, and H.R. 2779.

NATIVE AMERICAN HOUSING AS-
SISTANCE AND SELF-DETER-
MINATION ACT OF 1996

Mr. LAZIO of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3219) to provide Federal assistance for Indian tribes in a manner that recognizes the right of tribal self-governance, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3219

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Native American Housing Assistance and Self-Determination Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Congressional findings.

Sec. 3. Administration through Office of Native American Programs.

Sec. 4. Definitions.

TITLE I—BLOCK GRANTS AND GRANT REQUIREMENTS

Sec. 101. Block grants.

Sec. 102. Indian housing plans.

Sec. 103. Review of plans.

Sec. 104. Treatment of program income and labor standards.

Sec. 105. Environmental review.

Sec. 106. Regulations.

Sec. 107. Effective date.

Sec. 108. Authorization of appropriations.

TITLE II—AFFORDABLE HOUSING ACTIVITIES

Sec. 201. National objectives and eligible families.

Sec. 202. Eligible affordable housing activities.

Sec. 203. Program requirements.

Sec. 204. Types of investments.

Sec. 205. Low-income requirement and income targeting.

Sec. 206. Certification of compliance with subsidy layering requirements.

Sec. 207. Lease requirements and tenant selection.

Sec. 208. Availability of records.

Sec. 209. Repayment.

Sec. 210. Continued use of amounts for affordable housing.

TITLE III—ALLOCATION OF GRANT AMOUNTS

Sec. 301. Annual allocation.

Sec. 302. Allocation formula.

TITLE IV—COMPLIANCE, AUDITS, AND REPORTS

Sec. 401. Remedies for noncompliance.

Sec. 402. Replacement of recipient.

Sec. 403. Monitoring of compliance.

Sec. 404. Performance reports.

Sec. 405. Review and audit by Secretary.

Sec. 406. GAO audits.

Sec. 407. Reports to Congress.

TITLE V—TERMINATION OF ASSISTANCE FOR INDIAN TRIBES UNDER INCORPORATED PROGRAMS

Sec. 501. Repeal of provisions relating to Indian housing assistance under United States Housing Act of 1937.

Sec. 502. Termination of Indian housing assistance under United States Housing Act of 1937.

Sec. 503. Termination of new commitments for rental assistance.

Sec. 504. Termination of youthbuild program assistance.

Sec. 505. Termination of HOME program assistance.

Sec. 506. Termination of housing assistance for the homeless.

Sec. 507. Savings provision.

Sec. 508. Effective date.

TITLE VI—FEDERAL GUARANTEES FOR FINANCING FOR TRIBAL HOUSING ACTIVITIES

Sec. 601. Authority and requirements.

Sec. 602. Security and repayment.

Sec. 603. Payment of interest.

Sec. 604. Training and information.

Sec. 605. Limitations on amount of guarantees.

Sec. 606. Effective date.

TITLE VII—OTHER HOUSING ASSISTANCE FOR NATIVE AMERICANS

Sec. 701. Loan guarantees for Indian housing.

Sec. 702. 50-year leasehold interest in trust or restricted lands for housing purposes.

Sec. 703. Training and technical assistance.

Sec. 704. Public and Assisted Housing Drug Elimination Act of 1990.

Sec. 705. Effective date.

SEC. 2. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes in safe and healthy environments and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State, tribal, and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) there exists a unique relationship between the Government of the United States and the governments of Indian tribes and a unique Federal responsibility to Indian people;

(3) the Constitution of the United States invests the Congress with plenary power over the field of Indian affairs, and through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a unique trust responsibility to protect and support Indian tribes and Indian people;

(4) the Congress, through treaties, statutes, and the general course of dealing with Indian tribes, has assumed a trust responsibility for the protection and preservation

of Indian tribes and for working with tribes and their members to improve their housing conditions and socioeconomic status so that they are able to take greater responsibility for their own economic condition;

(5) providing affordable homes in safe and healthy environments is an essential element in the special role of the United States in helping tribes and their members to improve their housing conditions and socioeconomic status;

(6) the need for affordable homes in safe and healthy environments on Indian reservations, in Indian communities, and in Native Alaskan villages is acute and the Federal Government should work not only to provide housing assistance, but also, to the extent practicable, to assist in the development of private housing finance mechanisms on Indian lands to achieve the goals of economic self-sufficiency and self-determination for tribes and their members; and

(7) Federal assistance to meet these responsibilities should be provided in a manner that recognizes the right of Indian self-determination and tribal self-governance by making such assistance available directly to the Indian tribes or tribally designated entities under authorities similar to those accorded Indian tribes in Public Law 93-638 (25 U.S.C. 450 et seq.).

SEC. 3. ADMINISTRATION THROUGH OFFICE OF NATIVE AMERICAN PROGRAMS.

The Secretary of Housing and Urban Development shall carry out this Act through the Office of Native American Programs of the Department of Housing and Urban Development.

SEC. 4. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) ADJUSTED INCOME.—The term “adjusted income” means the annual income that remains after excluding the following amounts:

(A) YOUTHS, STUDENTS, AND PERSONS WITH DISABILITIES.—\$480 for each member of the family residing in the household (other than the head of the household or the spouse of the head of the household)—

(i) who is under 18 years of age; or

(ii) who is—

(I) 18 years of age or older; and

(II) a person with disabilities or a full-time student.

(B) ELDERLY AND DISABLED FAMILIES.—\$400 for an elderly or disabled family.

(C) MEDICAL AND ATTENDANT EXPENSES.—The amount by which 3 percent of the annual income of the family is exceeded by the aggregate of—

(i) medical expenses, in the case of an elderly or disabled family; and

(ii) reasonable attendant care and auxiliary apparatus expenses for each family member who is a person with disabilities, to the extent necessary to enable any member of the family (including a member who is a person with disabilities) to be employed.

(D) CHILD CARE EXPENSES.—Child care expenses, to the extent necessary to enable another member of the family to be employed or to further his or her education.

(E) EARNED INCOME OF MINORS.—The amount of any earned income of any member of the family who is less than 18 years of age.

(F) TRAVEL EXPENSES.—Excessive travel expenses, not to exceed \$25 per family per week, for employment- or education-related travel.

(G) OTHER AMOUNTS.—Such other amounts as may be provided in the Indian housing plan for an Indian tribe.

(2) AFFORDABLE HOUSING.—The term “affordable housing” means housing that complies with the requirements for affordable housing under title II. The term includes

permanent housing for homeless persons who are persons with disabilities, transitional housing, and single room occupancy housing.

(3) DRUG-RELATED CRIMINAL ACTIVITY.—The term “drug-related criminal activity” means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

(4) ELDERLY FAMILIES AND NEAR-ELDERLY FAMILIES.—The terms “elderly family” and “near-elderly family” mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the Indian housing plan for the agency to be essential to their care or well-being.

(5) ELDERLY PERSON.—The term “elderly person” means a person who is at least 62 years of age.

(6) FAMILY.—The term “family” includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

(7) GRANT BENEFICIARY.—The term “grant beneficiary” means the Indian tribe or tribes on behalf of which a grant is made under this Act to a recipient.

(8) INCOME.—The term “income” means income from all sources of each member of the household, as determined in accordance with criteria prescribed by the Secretary, except that the following amounts may not be considered as income under this paragraph:

(A) Any amounts not actually received by the family.

(B) Any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act.

(9) INDIAN.—The term “Indian” means any person who is a member of an Indian tribe.

(10) INDIAN AREA.—The term “Indian area” means the area within which a tribally designated housing entity is authorized by one or more Indian tribes to provide assistance under this Act for affordable housing.

(11) INDIAN HOUSING PLAN.—The term “Indian housing plan” means a plan under section 102.

(12) INDIAN TRIBE.—

(A) IN GENERAL.—The term “Indian tribe” means a tribe that is a federally recognized tribe or a State recognized tribe.

(B) FEDERALLY RECOGNIZED TRIBE.—The term “federally recognized tribe” means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975.

(C) STATE RECOGNIZED TRIBE.—

(i) IN GENERAL.—The term “State recognized tribe” means any tribe, band, nation, pueblo, village, or community—

(I) that has been recognized as an Indian tribe by any State; and

(II) for which an Indian Housing Authority has, before the effective date under section 107, entered into a contract with the Secretary pursuant to the United States Housing Act of 1937 for housing for Indian families and has received funding pursuant to such contract within the 5-year period ending upon such effective date.

(ii) CONDITIONS.—Notwithstanding clause (i)—

(I) the allocation formula under section 302 shall be determined for a State recognized tribe under tribal membership eligibility criteria in existence on the date of the enactment of this Act; and

(II) nothing in this paragraph shall be construed to confer upon a State recognized tribe any rights, privileges, responsibilities, or obligations otherwise accorded groups recognized as Indian tribes by the United States for other purposes.

(13) LOW-INCOME FAMILY.—The term “low-income family” means a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the findings of the Secretary or the agency that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes.

(14) MEDIAN INCOME.—The term “median income” means, with respect to an area that is an Indian area, the greater of—

(A) the median income for the Indian area, which the Secretary shall determine; or

(B) the median income for the United States.

(15) NEAR-ELDERLY PERSON.—The term “near-elderly person” means a person who is at least 55 years of age and less than 62 years of age.

(16) NONPROFIT.—The term “nonprofit” means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(17) PERSON WITH DISABILITIES.—The term “person with disabilities” means a person who—

(A) has a disability as defined in section 223 of the Social Security Act;

(B) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which—

(i) is expected to be of long-continued and indefinite duration;

(ii) substantially impedes his or her ability to live independently; and

(iii) is of such a nature that such ability could be improved by more suitable housing conditions; or

(C) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for housing assisted under this Act, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(18) RECIPIENT.—The term “recipient” means an Indian tribe or the entity for one or more Indian tribes that is authorized to receive grant amounts under this Act on behalf of the tribe or tribes.

(19) SECRETARY.—Except as otherwise specifically provided in this Act, the term “Secretary” means the Secretary of Housing and Urban Development.

(20) STATE.—The term “State” means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern

Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States and Indian tribes.

(2) TRIBALLY DESIGNATED HOUSING ENTITY.—The terms “tribally designated housing entity” and “housing entity” have the following meaning:

(A) EXISTING IHA'S.—With respect to any Indian tribe that has not taken action under subparagraph (B), and for which an Indian housing authority—

(i) was established for purposes of the United States Housing Act of 1937 before the date of the enactment of this Act that meets the requirements under the United States Housing Act of 1937,

(ii) is acting upon such date of enactment as the Indian housing authority for the tribe, and

(iii) is not an Indian tribe for purposes of this Act,

the terms mean such Indian housing authority.

(B) OTHER ENTITIES.—With respect to any Indian tribe that, pursuant to this Act, authorizes an entity other than the tribal government to receive grant amounts and provide assistance under this Act for affordable housing for Indians, which entity is established—

(i) by exercise of the power of self-government of one or more Indian tribes independent of State law, or

(ii) by operation of State law providing specifically for housing authorities or housing entities for Indians, including regional housing authorities in the State of Alaska,

the terms mean such entity.

(C) ESTABLISHMENT.—A tribally designated housing entity may be authorized or established by one or more Indian tribes to act on behalf of each such tribe authorizing or establishing the housing entity.

TITLE I—BLOCK GRANTS AND GRANT REQUIREMENTS

SEC. 101. BLOCK GRANTS.

(a) AUTHORITY.—For each fiscal year, the Secretary shall (to the extent amounts are made available to carry out this Act) make grants under this section on behalf of Indian tribes to carry out affordable housing activities. Under such a grant on behalf of an Indian tribe, the Secretary shall provide the grant amounts for the tribe directly to the recipient for the tribe.

(b) PLAN REQUIREMENT.—

(1) IN GENERAL.—The Secretary may make a grant under this Act on behalf of an Indian tribe for a fiscal year only if—

(A) the Indian tribe has submitted to the Secretary an Indian housing plan for such fiscal year under section 102; and

(B) the plan has been determined under section 103 to comply with the requirements of section 102.

(2) WAIVER.—The Secretary may waive the applicability of the requirements under paragraph (1), in whole or in part, if the Secretary finds that an Indian tribe has not complied or cannot comply with such requirements due to circumstances beyond the control of the tribe.

(c) LOCAL COOPERATION AGREEMENT.—The Secretary may not make any grant under this Act on behalf of an Indian tribe unless the governing body of the locality within which any affordable housing to be assisted with the grant amounts will be situated has entered into an agreement with the recipient for the tribe providing for local cooperation required by the Secretary pursuant to this Act.

(d) EXEMPTION FROM TAXATION.—A grant recipient for an Indian tribe may receive a block grant under this Act only if—

(1) the affordable housing assisted with grant amounts received by the recipient (exclusive of any portions not assisted with amounts provided under this Act) is exempt from all real and personal property taxes levied or imposed by any State, tribe, city, county, or other political subdivision; and

(2) the recipient makes annual payments of user fees to compensate such governments for the costs of providing governmental services, including police and fire protection, roads, water and sewerage systems, utilities systems and related facilities, or payments in lieu of taxes to such taxing authority, in an amount equal to the greater of \$150 per dwelling unit or 10 percent of the difference between the shelter rent and the utility cost, or such lesser amount as—

(A) is prescribed by State, tribal, or local law;

(B) is agreed to by the local governing body in the agreement under subsection (c); or

(C) the recipient and the local governing body agree that such user fees or payments in lieu of taxes shall not be made.

(e) EFFECT OF FAILURE TO EXEMPT FROM TAXATION.—Notwithstanding subsection (d), a grant recipient that does not comply with the requirements under such subsection may receive a block grant under this Act, but only if the tribe, State, city, county, or other political subdivision in which the affordable housing development is located contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed the amounts prescribed in subsection (d)(2).

(f) AMOUNT.—Except as otherwise provided under this Act, the amount of a grant under this section to a recipient for a fiscal year shall be—

(1) in the case of a recipient whose grant beneficiary is a single Indian tribe, the amount of the allocation under section 301 for the Indian tribe; and

(2) in the case of a recipient whose grant beneficiary is more than 1 Indian tribe, the sum of the amounts of the allocations under section 301 for each such Indian tribe.

(g) USE FOR AFFORDABLE HOUSING ACTIVITIES UNDER PLAN.—Except as provided in subsection (h), amounts provided under a grant under this section may be used only for affordable housing activities under title II that are consistent with an Indian housing plan approved under section 103.

(h) ADMINISTRATIVE EXPENSES.—The Secretary shall, by regulation, authorize each recipient to use a percentage of any grant amounts received under this Act for any reasonable administrative and planning expenses of the recipient relating to carrying out this Act and activities assisted with such amounts, which may include costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this Act and expenses of preparing an Indian housing plan under section 102.

(i) PUBLIC-PRIVATE PARTNERSHIPS.—Each recipient shall make all reasonable efforts, consistent with the purposes of this Act, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in implementing the approved Indian housing plan.

SEC. 102. INDIAN HOUSING PLANS.

(a) PLAN SUBMISSION.—The Secretary shall provide—

(1) for an Indian tribe to submit to the Secretary, for each fiscal year, a housing plan under this section for the tribe;

(2) for the tribally designated housing entity for the tribe to submit the plan as provided in subsection (d) for the tribe; and

(3) for the review of such plans.

(b) 5-YEAR PLAN.—Each housing plan under this section shall be in a form prescribed by the Secretary and shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) MISSION STATEMENT.—A general statement of the mission of the Indian tribe to serve the needs of the low-income families in the jurisdiction of the Indian tribe during the period.

(2) GOALS AND OBJECTIVES.—A statement of the goals and objectives of the Indian tribe to enable the tribe to serve the needs identified in paragraph (1) during the period.

(3) ACTIVITIES PLAN.—An overview of the activities planned during the period including an analysis of the manner in which the activities will enable the tribe to meet its mission, goals, and objectives.

(c) 1-YEAR PLAN.—A housing plan under this section for an Indian tribe shall be in a form prescribed by the Secretary and contain the following information relating to the upcoming fiscal year for which the assistance under this Act is to be made available:

(1) GOALS AND OBJECTIVES.—A statement of the goals and objectives to be accomplished during that period.

(2) STATEMENT OF NEEDS.—A statement of the housing needs of the low-income Indian families residing in the jurisdiction of the Indian tribe and the means by which such needs will be addressed during the period, including—

(A) a description of the estimated housing needs and the need for assistance for the low-income Indian families in the jurisdiction, including a description of the manner in which the geographical distribution of assistance is consistent with the geographical needs and needs for various categories of housing assistance; and

(B) a description of the estimated housing needs for all Indian families in the jurisdiction.

(3) FINANCIAL RESOURCES.—An operating budget for the recipient, in a form prescribed by the Secretary, that includes—

(A) an identification and a description of the financial resources reasonably available to the recipient to carry out the purposes of this Act, including an explanation of the manner in which amounts made available will leverage additional resources; and

(B) the uses to which such resources will be committed, including eligible and required affordable housing activities under title II and administrative expenses.

(4) AFFORDABLE HOUSING RESOURCES.—A statement of the affordable housing resources currently available and to be made available during the period, including—

(A) a description of the significant characteristics of the housing market in the jurisdiction, including the availability of housing from other public sources, private market housing, and the manner in which such characteristics influence the decision of the recipient to use grant amounts to be provided under this Act for rental assistance, production of new units, acquisition of existing units, or rehabilitation of units;

(B) a description of the structure, coordination, and means of cooperation between the recipient and any other governmental entities in the development, submission, or implementation of housing plans, including a description of the involvement of private, public, and nonprofit organizations and institutions, and the use of loan guarantees under section 184 of the Housing and Community Development Act of 1992, and other housing assistance provided by the Federal Government for Indian tribes, including loans, grants, and mortgage insurance;

(C) a description of the manner in which the plan will address the needs identified pursuant to paragraph (2);

(D) a description of the manner in which the recipient will protect and maintain the viability of housing owned and operated by the recipient that was developed under a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937;

(E) a description of any existing and anticipated homeownership programs and rental programs to be carried out during the period, and the requirements and assistance available under such programs;

(F) a description of any existing and anticipated housing rehabilitation programs necessary to ensure the long-term viability of the housing to be carried out during the period, and the requirements and assistance available under such programs;

(G) a description of all other existing or anticipated housing assistance provided by the recipient during the period, including transitional housing, homeless housing, college housing, supportive services housing, and the requirements and assistance available under such programs;

(H) a description of any housing to be demolished or disposed of, a timetable for such demolition or disposition, and any other information required by the Secretary with respect to such demolition or disposition;

(I) a description of the manner in which the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency;

(J) a description of the requirements established by the recipient to promote the safety of residents of such housing, facilitate the undertaking of crime prevention measures, allow resident input and involvement, including the establishment of resident organizations, and allow for the coordination of crime prevention activities between the recipient and tribal and local law enforcement officials; and

(K) a description of the entity that will carry out the activities under the plan, including the organizational capacity and key personnel of the entity.

(5) **CERTIFICATION OF COMPLIANCE.**—Evidence of compliance which shall include, as appropriate—

(A) a certification that the recipient will comply with title II of the Civil Rights Act of 1968 in carrying out this Act, to the extent that such title is applicable, and other applicable Federal statutes;

(B) a certification that the recipient will maintain adequate insurance coverage for housing units that are owned and operated or assisted with grant amounts provided under this Act, in compliance with such requirements as may be established by the Secretary;

(C) a certification that policies are in effect and are available for review by the Secretary and the public governing the eligibility, admission, and occupancy of families for housing assisted with grant amounts provided under this Act;

(D) a certification that policies are in effect and are available for review by the Secretary and the public governing rents charged, including the methods by which such rents or homebuyer payments are determined, for housing assisted with grant amounts provided under this Act; and

(E) a certification that policies are in effect and are available for review by the Secretary and the public governing the management and maintenance of housing assisted with grant amounts provided under this Act.

(d) **PARTICIPATION OF TRIBALLY DESIGNATED HOUSING ENTITY.**—A plan under this section

for an Indian tribe may be prepared and submitted on behalf of the tribe by the tribally designated housing entity for the tribe, but only if such plan contains a certification by the recognized tribal government of the grant beneficiary that such tribe—

(1) has had an opportunity to review the plan and has authorized the submission of the plan by the housing entity; or

(2) has delegated to such tribally designated housing entity the authority to submit a plan on behalf of the tribe without prior review by the tribe.

(e) **COORDINATION OF PLANS.**—A plan under this section may cover more than 1 Indian tribe, but only if the certification requirements under subsection (d) are complied with by each such grant beneficiary covered.

(f) **PLANS FOR SMALL TRIBES.**—

(1) **SEPARATE REQUIREMENTS.**—The Secretary may—

(A) establish requirements for submission of plans under this section and the information to be included in such plans applicable to small Indian tribes and small tribally designated housing entities; and

(B) waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such tribes and housing entities.

(2) **SMALL TRIBES.**—The Secretary may define small Indian tribes and small tribally designated housing entities based on the number of dwelling units assisted under this title by the tribe or housing entity or owned or operated pursuant to a contract under the United States Housing Act of 1937 between the Secretary and the Indian housing authority for the tribe.

(g) **REGULATIONS.**—The requirements relating to the contents of plans under this section shall be established by regulation, pursuant to section 106.

SEC. 103. REVIEW OF PLANS.

(a) **REVIEW AND NOTICE.**—

(1) **REVIEW.**—The Secretary shall conduct a limited review of each Indian housing plan submitted to the Secretary to ensure that the plan complies with the requirements of section 102. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) **NOTICE.**—The Secretary shall notify each Indian tribe for which a plan is submitted and any tribally designated housing entity for the tribe whether the plan complies with such requirements not later than 60 days after receiving the plan. If the Secretary does not notify the Indian tribe, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this Act, to have been determined to comply with the requirements under section 102 and the tribe shall be considered to have been notified of compliance upon the expiration of such 60-day period.

(b) **NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.**—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 102, the Secretary shall specify in the notice under subsection (a) the reasons for the non-compliance and any modifications necessary for the plan to meet the requirements under section 102.

(c) **REVIEW.**—After submission of the Indian housing plan or any amendment or modification to the plan to the Secretary, to the extent that the Secretary considers such action to be necessary to make determinations under this subsection, the Secretary shall review the plan (including any amendments or modifications thereto) to determine whether the contents of the plan—

(1) set forth the information required by section 102 to be contained in an Indian housing plan;

(2) are consistent with information and data available to the Secretary; and

(3) are prohibited by or inconsistent with any provision of this Act or other applicable law.

If the Secretary determines that any of the appropriate certifications required under section 102(c)(5) are not included in the plan, the plan shall be deemed to be incomplete.

(d) **UPDATES TO PLAN.**—After a plan under section 102 has been submitted for an Indian tribe for any fiscal year, the tribe may comply with the provisions of such section for any succeeding fiscal year (with respect to information included for the 5-year period under section 102(b) or the 1-year period under section 102(c)) by submitting only such information regarding such changes as may be necessary to update the plan previously submitted. Not less than once every 5 years, the tribe shall submit a complete plan.

(e) **EFFECTIVE DATE.**—This section and section 102 shall take effect on the date provided by the Secretary pursuant to section 106(a) to provide for timely submission and review of Indian housing plans as necessary for the provision of assistance under this Act in fiscal year 1998.

SEC. 104. TREATMENT OF PROGRAM INCOME AND LABOR STANDARDS.

(a) **PROGRAM INCOME.**—

(1) **AUTHORITY TO RETAIN.**—A recipient may retain any program income that is realized from any grant amounts under this Act if—

(A) such income was realized after the initial disbursement of the grant amounts received by the recipient; and

(B) the recipient has agreed that it will utilize the program income for affordable housing activities in accordance with the provisions of this Act.

(2) **PROHIBITION OF REDUCTION OF GRANT.**—The Secretary may not reduce the grant amount for any Indian tribe based solely on—

(A) whether the recipient for the tribe retains program income under paragraph (1);

(B) the amount of any such program income retained; or

(C) whether the recipient retains reserve amounts described in section 210.

(3) **EXCLUSION OF AMOUNTS.**—The Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with the requirements of this subsection would create an unreasonable administrative burden on the recipient.

(b) **LABOR STANDARDS.**—

(1) **IN GENERAL.**—Any contract or agreement for assistance, sale, or lease pursuant to this Act shall contain a provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State, tribal, or local law) by the Secretary, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development, and all maintenance laborers and mechanics employed in the operation, of the affordable housing project involved; and shall also contain a provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-276a-5), shall be paid to all laborers and mechanics employed in the development of the affordable housing involved, and the Secretary shall require certification as to compliance with the provisions of this paragraph before making any payment under such contract or agreement.

(2) **EXCEPTIONS.**—Paragraph (1) and the provisions relating to wages (pursuant to paragraph (1)) in any contract or agreement for assistance, sale, or lease pursuant to this

Act, shall not apply to any individual who receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and who is not otherwise employed at any time in the construction work.

SEC. 105. ENVIRONMENTAL REVIEW.

(a) IN GENERAL.—

(1) RELEASE OF FUNDS.—In order to ensure that the policies of the National Environmental Policy Act of 1969 and other provisions of law that further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of grant amounts provided under this Act, and to ensure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may by regulation provide for the release of amounts for particular projects to tribes which assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were the Secretary to undertake such projects as Federal projects.

(2) REGULATIONS.—

(A) IN GENERAL.—The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality.

(B) CONTENTS.—The regulations issued under this paragraph shall—

(i) provide for the monitoring of the environmental reviews performed under this section;

(ii) in the discretion of the Secretary, facilitate training for the performance of such reviews; and

(iii) provide for the suspension or termination of the assumption of responsibilities under this section.

(3) EFFECT ON ASSUMED RESPONSIBILITY.—The duty of the Secretary under paragraph (2)(B) shall not be construed to limit or reduce any responsibility assumed by a recipient of grant amounts with respect to any particular release of funds.

(b) PROCEDURE.—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, not less than 15 days prior to such approval and prior to any commitment of funds to such projects, the tribe has submitted to the Secretary a request for such release accompanied by a certification that meets the requirements of subsection (c). The approval of the Secretary of any such certification shall be deemed to satisfy the responsibilities of the Secretary under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto that are covered by such certification.

(c) CERTIFICATION.—A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary;

(2) be executed by the chief executive officer or other officer of the tribe under this Act qualified under regulations of the Secretary;

(3) specify that the tribe has fully carried out its responsibilities as described under subsection (a); and

(4) specify that the certifying officer—

(A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations is-

sued by the Secretary insofar as the provisions of such Act or such other provisions of law apply pursuant to subsection (a); and

(B) is authorized and consents on behalf of the tribe and such officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the responsibilities of the certifying officer as such an official.

SEC. 106. REGULATIONS.

(a) TRANSITION REQUIREMENTS.—

(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall, by notice issued in the Federal Register, establish any requirements necessary to provide for the transition (upon the effectiveness of this Act and the amendments made by this Act) from the provision of assistance for Indian tribes and Indian housing authorities under the United States Housing Act of 1937 and other related provisions of law to the provision of assistance in accordance with this Act and the amendments made by this Act.

(2) PUBLIC COMMENTS; GENERAL NOTICE OF PROPOSED RULEMAKING.—The notice issued under paragraph (1) shall—

(A) invite public comments regarding such transition requirements and final regulations to carry out this Act; and

(B) include a general notice of proposed rulemaking (for purposes of section 564(a) of title 5, United States Code) of the final regulations under subsection (b).

(b) FINAL REGULATIONS.—

(1) TIMING.—The Secretary shall issue final regulations necessary to carry out this Act not later than September 1, 1997, and such regulations shall take effect not later than the effective date of this Act.

(2) NEGOTIATED RULEMAKING PROCEDURE.—

(A) IN GENERAL.—Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, all regulations required under this Act shall be issued according to a negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code.

(B) COMMITTEE.—

(i) IN GENERAL.—The Secretary shall establish a negotiated rulemaking committee, in accordance with the procedures under that subchapter, for the development of proposed regulations under subparagraph (A).

(ii) ADAPTATION.—In establishing the negotiated rulemaking committee, the Secretary shall—

(I) adapt the procedures under the subchapter described in clause (i) to the unique government-to-government relationship between the Indian tribes and the United States, and shall ensure that the membership of the committee include only representatives of the Federal Government and of geographically diverse small, medium, and large Indian tribes; and

(II) shall not preclude the participation of tribally designated housing entities should tribes elect to be represented by such entities.

(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

SEC. 107. EFFECTIVE DATE.

Except as otherwise expressly provided in this Act, this Act and the amendments made by this Act shall take effect on October 1, 1997.

SEC. 108. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for grants under this title such sums as may be necessary for each of fiscal years 1998, 1999, 2000, and 2001. This section shall take effect on the date of the enactment of this Act.

TITLE II—AFFORDABLE HOUSING ACTIVITIES

SEC. 201. NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.

(a) PRIMARY OBJECTIVE.—The national objectives of this Act are—

(1) to assist and promote affordable housing activities to develop, maintain, and operate affordable housing in safe and healthy environments on Indian reservations and in other Indian areas for occupancy by low-income Indian families;

(2) to ensure better access to private mortgage markets for Indian tribes and their members and to promote self-sufficiency of Indian tribes and their members;

(3) to coordinate activities to provide housing for Indian tribes and their members with Federal, State, and local activities to further economic and community development for Indian tribes and their members;

(4) to plan for and integrate infrastructure resources for Indian tribes with housing development for tribes; and

(5) to promote the development of private capital markets in Indian country and to allow such markets to operate and grow, thereby benefiting Indian communities.

(b) ELIGIBLE FAMILIES.—

(1) IN GENERAL.—Except as provided under paragraph (2), assistance under eligible housing activities under this Act shall be limited to low-income Indian families on Indian reservations and other Indian areas.

(2) EXCEPTION TO LOW-INCOME REQUIREMENT.—A recipient may provide assistance for homeownership activities under section 202(2), model activities under section 202(6), or loan guarantee activities under title VI to Indian families who are not low-income families, to the extent that the Secretary approves the activities pursuant to such section or title because there is a need for housing for such families that cannot reasonably be met without such assistance. The Secretary shall establish limits on the amount of assistance that may be provided under this Act for activities for families who are not low-income families.

(3) NON-INDIAN FAMILIES.—Notwithstanding paragraph (1), a recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this Act for a non-Indian family on an Indian reservation or other Indian area if the recipient determines that the presence of the family on the Indian reservation or other Indian area is essential to the well-being of Indian families and the need for housing for the family cannot reasonably be met without such assistance.

(4) PREFERENCE FOR TRIBAL MEMBERS AND OTHER INDIAN FAMILIES.—The Indian housing plan for an Indian tribe may require preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this Act on behalf of such tribe, to be given (to the extent practicable) to Indian families who are members of such tribe, or to other Indian families. In any case in which the applicable Indian housing plan for an Indian tribe provides for preference under this paragraph, the recipient for the tribe shall ensure that housing activities that are assisted with grant amounts under this Act for such tribe are subject to such preference.

(5) EXEMPTION.—Title VI of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 shall not apply to actions by Indian tribes under this subsection.

SEC. 202. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.

Affordable housing activities under this title are activities, in accordance with the requirements of this title, to develop or to support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) INDIAN HOUSING ASSISTANCE.—The provision of modernization or operating assistance for housing previously developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(2) DEVELOPMENT.—The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other related activities.

(3) HOUSING SERVICES.—The provision of housing-related services for affordable housing, such as housing counseling in connection with rental or homeownership assistance, establishment and support of resident organizations and resident management corporations, energy auditing, activities related to the provision of self-sufficiency and other services, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

(4) HOUSING MANAGEMENT SERVICES.—The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

(5) CRIME PREVENTION AND SAFETY ACTIVITIES.—The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

(6) MODEL ACTIVITIES.—Housing activities under model programs that are designed to carry out the purposes of this Act and are specifically approved by the Secretary as appropriate for such purpose.

SEC. 203. PROGRAM REQUIREMENTS.

(a) RENTS.—

(1) ESTABLISHMENT.—Subject to paragraph (2), each recipient shall develop written policies governing rents and homebuyer payments charged for dwelling units assisted under this Act, including the methods by which such rents and homebuyer payments are determined.

(2) MAXIMUM RENT.—In the case of any low-income family residing in a dwelling unit assisted with grant amounts under this Act, the monthly rent or homebuyer payment (as applicable) for such dwelling unit may not exceed 30 percent of the monthly adjusted income of such family.

(b) MAINTENANCE AND EFFICIENT OPERATION.—Each recipient who owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall, using amounts of any grants received under this Act, reserve and use for operating assistance under section 202(1) such amounts as may be necessary to provide for the continued maintenance and efficient operation of such housing. This subsection may not be construed to prevent any recipient (or entity funded by a recipient) from demolishing or disposing of Indian housing referred to in this subsection, pursuant to regulations established by the Secretary.

(c) INSURANCE COVERAGE.—Each recipient shall maintain adequate insurance coverage for housing units that are owned or operated or assisted with grant amounts provided under this Act.

(d) ELIGIBILITY FOR ADMISSION.—Each recipient shall develop written policies governing the eligibility, admission, and occupancy of families for housing assisted with grant amounts provided under this Act.

(e) MANAGEMENT AND MAINTENANCE.—Each recipient shall develop policies governing the management and maintenance of housing assisted with grant amounts under this Act.

SEC. 204. TYPES OF INVESTMENTS.

(a) IN GENERAL.—Subject to section 203 and the Indian housing plan for an Indian tribe, the recipient for that tribe shall have—

(1) the discretion to use grant amounts for affordable housing activities through equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, leveraging of private investments, or any other form of assistance that the Secretary has determined to be consistent with the purposes of this Act; and

(2) the right to establish the terms of assistance.

(b) INVESTMENTS.—A recipient may invest grant amounts for the purposes of carrying out affordable housing activities in investment securities and other obligations as approved by the Secretary.

SEC. 205. LOW-INCOME REQUIREMENT AND INCOME TARGETING.

(a) IN GENERAL.—Housing shall qualify as affordable housing for purposes of this Act only if—

(1) each dwelling unit in the housing—

(A) in the case of rental housing, is made available for occupancy only by a family that is a low-income family at the time of their initial occupancy of such unit; and

(B) in the case of housing for homeownership, is made available for purchase only by a family that is a low-income family at the time of purchase; and

(2) except for housing assisted under section 202 of the United States Housing Act of 1937 (as in effect before the date of the effectiveness of this Act), each dwelling unit in the housing will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this Act, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action—

(A) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure; and

(B) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary.

(b) EXCEPTION.—Notwithstanding subsection (a), housing assisted pursuant to section 201(b)(2) shall be considered affordable housing for purposes of this Act.

SEC. 206. CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.

With respect to housing assisted with grant amounts provided under this Act, the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall be considered to be satisfied upon certification by the Secretary that the combination of Federal assistance provided to any housing project is not any more than is necessary to provide affordable housing.

SEC. 207. LEASE REQUIREMENTS AND TENANT SELECTION.

(a) LEASES.—Except to the extent otherwise provided by or inconsistent with tribal law, in renting dwelling units in affordable housing assisted with grant amounts provided under this Act, the owner or manager of the housing shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) require the owner or manager to maintain the housing in compliance with applicable housing codes and quality standards;

(3) require the owner or manager to give adequate written notice of termination of the lease, which shall be the period of time required under State, tribal, or local law;

(4) specify that, with respect to any notice of eviction or termination, notwithstanding any State, tribal, or local law, a resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records, or regulations directly related to the eviction or termination;

(5) require that the owner or manager may not terminate the tenancy, during the term of the lease, except for serious or repeated violation of the terms or conditions of the lease, violation of applicable Federal, State, tribal, or local law, or for other good cause; and

(6) provide that the owner or manager may terminate the tenancy of a resident for any activity, engaged in by the resident, any member of the household of the resident, or any guest or other person under the control of the resident, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off the premises.

(b) TENANT SELECTION.—The owner or manager of affordable rental housing assisted with grant amounts provided under this Act shall adopt and utilize written tenant selection policies and criteria that—

(1) are consistent with the purpose of providing housing for low-income families;

(2) are reasonably related to program eligibility and the ability of the applicant to perform the obligations of the lease; and

(3) provide for—

(A) the selection of tenants from a written waiting list in accordance with the policies and goals set forth in the Indian housing plan for the tribe that is the grant beneficiary of such grant amounts; and

(B) the prompt notification in writing of any rejected applicant of the grounds for any rejection.

SEC. 208. AVAILABILITY OF RECORDS.

(a) PROVISION OF INFORMATION.—Notwithstanding any other provision of law, except as provided in paragraph (2), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to Indian tribes or tribally designated housing entities regarding the criminal conviction records of adult applicants for, or tenants of, housing assisted with grant amounts provided to such tribe or entity under this Act for purposes of applicant screening, lease enforcement, and eviction.

(b) EXCEPTION.—A law enforcement agency described in paragraph (1) shall provide information under this paragraph relating to any criminal conviction of a juvenile only to the extent that the release of such information is authorized under the law of the applicable State, tribe, or locality.

(c) CONFIDENTIALITY.—An Indian tribe or tribally designated housing entity receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer, employee, or authorized representative

of the tribe or entity or the owner of housing assisted under this Act, and who has a job-related need to have access to the information for the purposes under this section. For judicial eviction proceedings, disclosures may be made to the extent necessary. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to any tribe or entity is used, and confidentiality is maintained, as required under this section.

SEC. 209. REPAYMENT.

If a recipient uses grant amounts to provide affordable housing under activities under this title and, at any time during the useful life of the housing the housing does not comply with the requirement under section 205(2), the Secretary shall reduce future grant payments on behalf of the grant beneficiary by an amount equal to the grant amounts used for such housing (under the authority under section 401(a)(2)) or require repayment to the Secretary of an amount equal to such grant amounts.

SEC. 210. CONTINUED USE OF AMOUNTS FOR AFFORDABLE HOUSING.

Any funds for programs for low-income housing under the United States Housing Act of 1937 that, on the date of the applicability of this Act to an Indian tribe, are owned by, or in the possession or under the control of, the Indian housing authority for the tribe, including all reserves not otherwise obligated, shall be considered assistance under this Act and subject to the provisions of this Act relating to use of such assistance.

TITLE III—ALLOCATION OF GRANT AMOUNTS

SEC. 301. ANNUAL ALLOCATION.

For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this Act for the fiscal year, in accordance with the formula established pursuant to section 302, among Indian tribes that comply with the requirements under this Act for a grant under this Act.

SEC. 302. ALLOCATION FORMULA.

(a) ESTABLISHMENT.—The Secretary shall, by regulations issued not later than the expiration of the 12-month period beginning on the date of the enactment of this Act, in the manner provided under section 106, establish a formula to provide for allocating amounts available for a fiscal year for block grants under this Act among Indian tribes in accordance with the requirements of this section.

(b) FACTORS FOR DETERMINATION OF NEED.—The formula shall be based on factors that reflect the need of the Indian tribes and the Indian areas of the tribes for assistance for affordable housing activities, including the following factors:

(1) The number of low-income housing dwelling units owned or operated at the time pursuant to a contract between an Indian housing authority for the tribe and the Secretary.

(2) The extent of poverty and economic distress and the number of Indian families within Indian areas of the tribe.

(3) Other objectively measurable conditions as the Secretary and the Indian tribes may specify.

(c) OTHER FACTORS FOR CONSIDERATION.—In establishing the formula, the Secretary shall consider—

(1) the relative administrative capacities and other challenges faced by the recipient, including, but not limited to geographic distribution within the Indian area and technical capacity; and

(2) the extent to which terminations of assistance under title V will affect funding available to State recognized tribes.

(d) FUNDING FOR PUBLIC HOUSING OPERATION AND MODERNIZATION.—

(1) FULL FUNDING.—The formula shall provide that, if, in any fiscal year, the total amount made available for assistance under this Act is equal to or greater than the total amount made available for fiscal year 1996 for assistance for the operation and modernization of public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, the amount provided for such fiscal year for each Indian tribe for which such operating or modernization assistance was provided for fiscal year 1996 shall not be less than the total amount of such operating and modernization assistance provided for fiscal year 1996 for such tribe.

(2) PARTIAL FUNDING.—The formula shall provide that, if, in any fiscal year, the total amount made available for assistance under this Act is less than the total amount made available for fiscal year 1996 for assistance for the operation and modernization of public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, the amount provided for such fiscal year for each Indian tribe for which such operating or modernization assistance was provided for fiscal year 1996 shall not be less than the amount that bears the same ratio to the total amount available for assistance under this Act for such fiscal year that the amount of operating and modernization assistance provided for the tribe for fiscal year 1996 bears to the total amount made available for fiscal year 1996 for assistance for the operation and modernization of such public housing.

(e) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act.

TITLE IV—COMPLIANCE, AUDITS, AND REPORTS

SEC. 401. REMEDIES FOR NONCOMPLIANCE.

(a) ACTIONS BY SECRETARY AFFECTING GRANT AMOUNTS.—Except as provided in subsection (b), if the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this Act has failed to comply substantially with any provision of this Act, the Secretary shall—

(1) terminate payments under this Act to the recipient;

(2) reduce payments under this Act to the recipient by an amount equal to the amount of such payments that were not expended in accordance with this Act;

(3) limit the availability of payments under this Act to programs, projects, or activities not affected by such failure to comply; or

(4) in the case of noncompliance described in section 402(b), provide a replacement tribally designated housing entity for the recipient, under section 402.

If the Secretary takes an action under paragraph (1), (2), or (3), the Secretary shall continue such action until the Secretary determines that the failure to comply has ceased.

(b) NONCOMPLIANCE BECAUSE OF TECHNICAL INCAPACITY.—If the Secretary makes a finding under subsection (a), but determines that the failure to comply substantially with the provisions of this Act—

(1) is not a pattern or practice of activities constituting willful noncompliance, and

(2) is a result of the limited capability or capacity of the recipient,

the Secretary may provide technical assistance for the recipient (directly or indirectly) that is designed to increase the capability and capacity of the recipient to administer assistance provided under this Act in compliance with the requirements under this Act.

(c) REFERRAL FOR CIVIL ACTION.—

(1) AUTHORITY.—In lieu of, or in addition to, any action authorized by subsection (a), if the Secretary has reason to believe that a recipient has failed to comply substantially with any provision of this Act, the Secretary may refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) CIVIL ACTION.—Upon such a referral, the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this Act that was not expended in accordance with it, or for mandatory or injunctive relief.

(d) REVIEW.—

(1) IN GENERAL.—Any recipient who receives notice under subsection (a) of the termination, reduction, or limitation of payments under this Act—

(A) may, not later than 60 days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the action of the Secretary; and

(B) upon the filing of any petition under subparagraph (A), shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) PROCEDURE.—The Secretary shall file in the court a record of the proceeding on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) DISPOSITION.—

(A) COURT PROCEEDINGS.—The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record.

(B) SECRETARY.—The Secretary—

(i) may modify the findings of fact of the Secretary, or make new findings, by reason of the new evidence so taken and filed with the court; and

(ii) shall file—

(I) such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole; and

(II) the recommendation of the Secretary, if any, for the modification or setting aside of the original action of the Secretary.

(4) FINALITY.—Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

SEC. 402. REPLACEMENT OF RECIPIENT.

(a) AUTHORITY.—As a condition of the Secretary making a grant under this Act on behalf of an Indian tribe, the tribe shall agree that, notwithstanding any other provision of law, the Secretary may, only in the circumstances set forth in subsection (b), require that a replacement tribally designated housing entity serve as the recipient for the tribe, in accordance with subsection (c).

(b) **CONDITIONS OF REMOVAL.**—The Secretary may require such replacement tribally designated housing entity for a tribe only upon a determination by the Secretary on the record after opportunity for a hearing that the recipient for the tribe has engaged in a pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements under this Act.

(c) **CHOICE AND TERM OF REPLACEMENT.**—If the Secretary requires that a replacement tribally designated housing entity serve as the recipient for a tribe (or tribes)—

(1) the replacement entity shall be an entity mutually agreed upon by the Secretary and the tribe (or tribes) for which the recipient was authorized to act, except that if no such entity is agreed upon before the expiration of the 60-day period beginning upon the date that the Secretary makes the determination under subsection (b), the Secretary shall act as the replacement entity until agreement is reached upon a replacement entity; and

(2) the replacement entity (or the Secretary, as provided in paragraph (1)) shall act as the tribally designated housing entity for the tribe (or tribes) for a period that expires upon—

(A) a date certain, which shall be specified by the Secretary upon making the determination under subsection (b); or

(B) the occurrence of specific conditions, which conditions shall be specified in written notice provided by the Secretary to the tribe upon making the determination under subsection (b).

SEC. 403. MONITORING OF COMPLIANCE.

(a) **ENFORCEABLE AGREEMENTS.**—Each recipient, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this Act. Such measures shall provide for (1) enforcement of the provisions of this Act by the grant beneficiary or by recipients and other intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) **PERIODIC MONITORING.**—Not less frequently than annually, each recipient shall review the activities conducted and housing assisted under this Act to assess compliance with the requirements of this Act. Such review shall include onsite inspection of housing to determine compliance with applicable requirements. The results of each review shall be included in the performance report of the recipient submitted to the Secretary under section 404 and made available to the public.

(c) **PERFORMANCE MEASURES.**—The Secretary shall establish such performance measures as may be necessary to assess compliance with the requirements of this Act.

SEC. 404. PERFORMANCE REPORTS.

(a) **REQUIREMENT.**—For each fiscal year, each recipient shall—

(1) review the progress it has made during such fiscal year in carrying out the Indian housing plan (or plans) for the Indian tribes for which it administers grant amounts; and

(2) submit a report to the Secretary (in a form acceptable to the Secretary) describing the conclusions of the review.

(b) **CONTENT.**—Each report under this section for a fiscal year shall—

(1) describe the use of grant amounts provided to the recipient for such fiscal year;

(2) assess the relationship of such use to the goals identified in the Indian housing plan of the grant beneficiary;

(3) indicate the programmatic accomplishments of the recipient; and

(4) describe the manner in which the recipient would change its programs as a result of its experiences.

(c) **SUBMISSION.**—The Secretary shall establish dates for submission of reports under

this section, and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this Act.

(d) **PUBLIC AVAILABILITY.**—A recipient preparing a report under this section shall make the report publicly available to the citizens in the jurisdiction of the recipient in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the recipient may determine. The report shall include a summary of any comments received by the grant beneficiary or recipient from citizens in its jurisdiction regarding its program.

SEC. 405. REVIEW AND AUDIT BY SECRETARY.

(a) **ANNUAL REVIEW.**—The Secretary shall, not less than on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) whether the recipient has carried out its eligible activities in a timely manner, has carried out its eligible activities and certifications in accordance with the requirements and the primary objectives of this Act and with other applicable laws, and has a continuing capacity to carry out those activities in a timely manner;

(2) whether the recipient has complied with the Indian housing plan of the grant beneficiary; and

(3) whether the performance reports under section 404 of the recipient are accurate.

Reviews under this section shall include, insofar as practicable, onsite visits by employees of the Department of Housing and Urban Development.

(b) **REPORT BY SECRETARY.**—The Secretary shall give a recipient not less than 30 days to review and comment on a report under this subsection. After taking into consideration the comments of the recipient, the Secretary may revise the report and shall make the comments of the recipient and the report, with any revisions, readily available to the public not later than 30 days after receipt of the comments of the recipient.

(c) **EFFECT OF REVIEWS.**—The Secretary may make appropriate adjustments in the amount of the annual grants under this Act in accordance with the findings of the Secretary pursuant to reviews and audits under this section. The Secretary may adjust, reduce, or withdraw grant amounts, or take other action as appropriate in accordance with the reviews and audits of the Secretary under this section, except that grant amounts already expended on affordable housing activities may not be recaptured or deducted from future assistance provided on behalf of an Indian tribe.

SEC. 406. GAO AUDITS.

To the extent that the financial transactions of Indian tribes and recipients of grant amounts under this Act relate to amounts provided under this Act, such transactions may be audited by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such tribes and recipients pertaining to such financial transactions and necessary to facilitate the audit.

SEC. 407. REPORTS TO CONGRESS.

(a) **IN GENERAL.**—Not later than 90 days after the conclusion of each fiscal year in which assistance under this Act is made available, the Secretary shall submit to the Congress a report that contains—

(1) a description of the progress made in accomplishing the objectives of this Act;

(2) a summary of the use of funds available under this Act during the preceding fiscal year; and

(3) a description of the aggregate outstanding loan guarantees under title VI.

(b) **RELATED REPORTS.**—The Secretary may require recipients of grant amounts under this Act to submit to the Secretary such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

TITLE V—TERMINATION OF ASSISTANCE FOR INDIAN TRIBES UNDER INCORPORATED PROGRAMS

SEC. 501. REPEAL OF PROVISIONS RELATING TO INDIAN HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.

(a) **REPEAL OF TITLE II.**—Title II of the United States Housing Act of 1937 (42 U.S.C. 1437aa et seq.) is hereby repealed.

(b) **AMENDMENTS TO TITLE I.**—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 3(b)—

(A) in paragraph (5)—

(i) in subparagraph (F) by inserting “and” after the semicolon at the end;

(ii) by striking subparagraph (G); and

(iii) by redesignating subparagraph (H) as subparagraph (G);

(B) in paragraph (6), by striking the last sentence;

(C) in paragraph (7)—

(i) by inserting “and” before “the Trust”; and

and

(ii) by striking “, and Indian tribes”; and

(D) by striking paragraphs (9), (10), (11), and (12);

(2) in section 5—

(A) in subsection (j)(1), by striking “(other than for Indian families)”; and

(B) by striking subsection (l);

(3) in section 6(b)(1), by striking “and public housing for Indians and Alaska Natives in accordance with the Indian Housing Act of 1988”;

(4) in subsection 7, by striking subsection (1);

(5) in section 9(a)(1)(A), in the second sentence—

(A) by inserting “and” after the comma at the end of clause (i); and

(B) by striking “, and (iii)” and all that follows through “project is occupied”;

(6) in section 14—

(A) in the section heading, by striking “AND INDIAN”;

(B) in subsection (e)(1)(E)—

(i) in the matter preceding clause (i), by striking “(or Indian tribal official, if appropriate)”;

(ii) in clause (i)—

(I) by striking “(or Indian tribal officials)”;

(II) by striking “(or tenants of the Indian housing projects)”;

(iii) in clause (ii), by striking “(or Indian tribe)”;

(7) in section 16—

(A) in subsection (d)—

(i) by striking the paragraph designation for paragraph (1); and

(ii) by striking paragraph (2); and

(B) in subsection (e), by striking paragraph (3);

(8) in section 23(o), by striking paragraph (2);

(9) in section 24(h)(3), by striking “, except that it does not include any Indian housing authority”;

(10) in section 25(m)(4), by striking “, except that it does not include Indian housing authorities”;

(11) in section 26, in subsections (a)(1) and (b), by striking “(including an Indian housing authority)” each place it appears.

(c) AMENDMENTS TO TITLE III.—Title III of the United States Housing Act of 1937 (42 U.S.C. 1437aaa et seq.) is amended—

(1) by striking the heading for the title and inserting the following:

“TITLE III—HOPE FOR PUBLIC HOUSING HOMEOWNERSHIP”;

(2) in section 306—

(A) in paragraph (1)(A), by striking “(including an Indian housing authority)”;

(B) in paragraph (2)(A), by striking “or Indian”;

(3) in section 307, by striking “and title II”.

(d) OTHER RELATED PROVISIONS.—

(1) INDIAN HOUSING CHILD DEVELOPMENT.—Section 519 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z-6 note) is hereby repealed.

(2) PUBLIC HOUSING YOUTH SPORTS.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a) is amended—

(A) in subsection (b)—

(i) in paragraph (5), by inserting “and” after the semicolon at the end;

(ii) by striking paragraphs (6) and (7);

(iii) by redesignating paragraph (8) as paragraph (6);

(B) in subsection (e)(2), by striking “Indian tribes,”;

(C) in subsection (i)—

(i) by striking paragraph (1);

(ii) by redesignating paragraphs (2) through (7) as paragraphs (1) through (6), respectively; and

(D) in subsection (l)(5)(B), by striking “units of general local government, and Indian housing authorities” and inserting “and Indian housing authorities”.

(3) ALLOCATION OF FUNDS.—Section 213(d)(1)(B)(ii) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439) is amended by striking “and Indian”.

SEC. 502. TERMINATION OF INDIAN HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.

(a) TERMINATION OF ASSISTANCE.—After September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997 and pursuant to a commitment entered into before September 30, 1997.

(b) TERMINATION OF RESTRICTIONS ON USE OF INDIAN HOUSING.—After September 30, 1997, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual contributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this Act.

SEC. 503. TERMINATION OF NEW COMMITMENTS FOR RENTAL ASSISTANCE.

After September 30, 1997, financial assistance for rental housing assistance under the United States Housing Act of 1937 may not be provided to any Indian housing authority or tribally designated housing entity, unless such assistance is provided pursuant to a contract for such assistance entered into by the Secretary and the Indian housing authority before such date. Any such assistance provided pursuant to such a contract shall be governed by the provisions of the United States Housing Act of 1937 (as in effect before the date of the effectiveness of this Act) and the provisions of such contract.

SEC. 504. TERMINATION OF YOUTHBUILD PROGRAM ASSISTANCE.

(a) IN GENERAL.—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is amended—

(1) by redesignating section 460 as section 461; and

(2) by inserting after section 459 the following new section:

“SEC. 460. INELIGIBILITY OF INDIAN TRIBES.

“Indian tribes, Indian housing authorities, and other agencies primarily serving Indians or Indian areas shall not be eligible applicants for amounts made available for assistance under this subtitle for fiscal year 1997 and fiscal years thereafter.”

(b) APPLICABILITY.—The amendments under subsection (a) shall apply with respect to amounts made available for assistance under subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 505. TERMINATION OF HOME PROGRAM ASSISTANCE.

(a) IN GENERAL.—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 217(a)—

(A) in paragraph (1), by striking “reserving amounts under paragraph (2) for Indian tribes and after”;

(B) by striking paragraph (2);

(2) in section 288—

(A) in subsection (a), by striking “, Indian tribes,”;

(B) in subsection (b), by striking “, Indian tribe,”;

(C) in subsection (c)(4), by striking “, Indian tribe,”.

(b) APPLICABILITY.—The amendments under subsection (a) shall apply with respect to amounts made available for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 506. TERMINATION OF HOUSING ASSISTANCE FOR THE HOMELESS.

(a) MCKINNEY ACT PROGRAMS.—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended—

(1) in section 411, by striking paragraph (10);

(2) in section 412, by striking “, and for Indian tribes,”;

(3) in section 413—

(A) in subsection (a)—

(i) by striking “, and to Indian tribes,”;

(ii) by striking “, or for Indian tribes” each place it appears;

(B) in subsection (c), by striking “or Indian tribe”;

(C) in subsection (d)(3)—

(i) by striking “, or Indian tribe” each place it appears; and

(ii) by striking “, or other Indian tribes,”;

(4) in section 414(a)—

(A) by striking “or Indian tribe” each place it appears; and

(B) by striking “, local government,” each place it appears and inserting “or local government”;

(5) in section 415(c)(4), by striking “Indian tribes,”;

(6) in section 416(b), by striking “Indian tribe,”;

(7) in section 422—

(A) in by striking “Indian tribe,”;

(B) by striking paragraph (3);

(8) in section 441—

(A) by striking subsection (g);

(B) in subsection (h), by striking “or Indian housing authority”;

(C) in subsection (j)(1), by striking “, Indian housing authority”;

(9) in section 462—

(A) in paragraph (2), by striking “, Indian tribe,”;

(B) by striking paragraph (4);

(10) in section 491(e), by striking “, Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974),”.

(b) INNOVATIVE HOMELESS DEMONSTRATION.—Section 2(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note) is amended—

(1) in paragraph (3), by striking “unit of general local government,” and “Indian tribe” and inserting “and unit of general local government”;

(2) in paragraph (4), by striking “unit of general local government (including units in rural areas), or Indian tribe” and inserting “or unit of general local government”.

(c) APPLICABILITY.—The amendments under subsections (a) and (b) shall apply with respect to amounts made available for assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and section 2 of the HUD Demonstration Act of 1993, respectively, for fiscal year 1998 and fiscal years thereafter.

SEC. 507. SAVINGS PROVISION.

(a) EXISTING RIGHTS AND DUTIES.—Except as provided in sections 502 and 503, this Act may not be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement lawfully entered into before October 1, 1997, under the United States Housing Act of 1937, subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993.

(b) OBLIGATIONS UNDER REPEALED PROVISIONS.—Notwithstanding the amendments made by this title, any obligation of the Secretary made under or pursuant to subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993 shall continue to be governed by the provisions of such Acts (as in effect before the date of the effectiveness of the amendments made by this title).

SEC. 508. EFFECTIVE DATE.

Sections 502, 503, and 507 shall take effect on the date of the enactment of this Act.

TITLE VI—FEDERAL GUARANTEES FOR FINANCING FOR TRIBAL HOUSING ACTIVITIES

SEC. 601. AUTHORITY AND REQUIREMENTS.

(a) AUTHORITY.—To such extent or in such amounts as provided in appropriation Acts, the Secretary may, subject to the limitations of this title (including limitations designed to protect and maintain the viability of rental housing units owned or operated by the recipient that were developed under a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937), and upon such terms and conditions as the Secretary may prescribe, guarantee and make commitments to guarantee, the notes or other obligations issued by Indian tribes or tribally designated housing entities with tribal approval, for the purposes of financing affordable housing activities described in section 202.

(b) LACK OF FINANCING ELSEWHERE.—A guarantee under this title may be used to assist an Indian tribe or housing entity in obtaining financing only if the Indian tribe or housing entity has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing

consistent with the timely execution of the program plans without such guarantee.

(c) **TERMS OF LOANS.**—Notes or other obligations guaranteed pursuant to this title shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The Secretary may not deny a guarantee under this title on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) **LIMITATION ON OUTSTANDING GUARANTEES.**—No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the total outstanding notes or obligations of the issuer guaranteed under this title (excluding any amount defeased under the contract entered into under section 602(a)(1)) would thereby exceed an amount equal to 5 times the amount of the grant approval for the issuer pursuant to title III.

SEC. 602. SECURITY AND REPAYMENT.

(a) **REQUIREMENTS ON ISSUER.**—To assure the repayment of notes or other obligations and charges incurred under this title and as a condition for receiving such guarantees, the Secretary shall require the Indian tribe or housing entity issuing such notes or obligations to—

(1) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed under this title;

(2) pledge any grant for which the issuer may become eligible under this Act;

(3) demonstrate that the extent of such issuance and guarantee under this title is within the financial capacity of the tribe and is not likely to impair the ability to use grant amounts under title I, taking into consideration the requirements under section 203(b); and

(4) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this Act or disposition proceeds from the sale of land or rehabilitated property.

(b) **REPAYMENT FROM GRANT AMOUNTS.**—Notwithstanding any other provision of this Act—

(1) the Secretary may apply grants pledged pursuant to subsection (a)(2) to any repayments due the United States as a result of such guarantees; and

(2) grants allocated under this Act for an Indian tribe or housing entity (including program income derived therefrom) may be used to pay principal and interest due (including such servicing, underwriting, and other costs as may be specified in regulations issued by the Secretary) on notes or other obligations guaranteed pursuant to this title.

(c) **FULL FAITH AND CREDIT.**—The full faith and credit of the United States is pledged to the payment of all guarantees made under this title. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

SEC. 603. PAYMENT OF INTEREST.

The Secretary may make, and contract to make, grants, in such amounts as may be approved in appropriations Acts, to or on behalf of an Indian tribe or housing entity issuing notes or other obligations guaranteed under this title, to cover not to exceed 30

percent of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing entity or agency of such obligations. The Secretary may also, to the extent approved in appropriation Acts, assist the issuer of a note or other obligation guaranteed under this title in the payment of all or a portion of the principal and interest amount due under the note or other obligation, if the Secretary determines that the issuer is unable to pay the amount because of circumstances of extreme hardship beyond the control of the issuer.

SEC. 604. TRAINING AND INFORMATION.

The Secretary, in cooperation with eligible public entities, shall carry out training and information activities with respect to the guarantee program under this title.

SEC. 605. LIMITATIONS ON AMOUNT OF GUARANTEES.

(a) **AGGREGATE FISCAL YEAR LIMITATION.**—Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this title, to the extent approved or provided in appropriation Acts, the Secretary may enter into commitments to guarantee notes and obligations under this title with an aggregate principal amount not to exceed \$400,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(b) **AUTHORIZATION OF APPROPRIATIONS FOR CREDIT SUBSIDY.**—There are authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees under this title such sums as may be necessary for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(c) **AGGREGATE OUTSTANDING LIMITATION.**—The total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to this title shall not at any time exceed \$2,000,000,000 or such higher amount as may be authorized to be appropriated for this title for any fiscal year.

(d) **FISCAL YEAR LIMITATIONS ON TRIBES.**—The Secretary shall monitor the use of guarantees under this title by Indian tribes. If the Secretary finds that 50 percent of the aggregate guarantee authority under subsection (c) has been committed, the Secretary may—

(1) impose limitations on the amount of guarantees any one Indian tribe may receive in any fiscal year of \$50,000,000; or

(2) request the enactment of legislation increasing the aggregate outstanding limitation on guarantees under this title.

SEC. 606. EFFECTIVE DATE.

This title shall take effect on the date of the enactment of this Act.

TITLE VII—OTHER HOUSING ASSISTANCE FOR NATIVE AMERICANS

SEC. 701. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) **DEFINITION OF ELIGIBLE BORROWERS TO INCLUDE INDIAN TRIBES.**—Section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1515z-13a) is amended—

(1) in subsection (a)—

(A) by striking “and Indian housing authorities” and inserting “, Indian housing authorities, and Indian tribes.”; and

(B) by striking “or Indian housing authority” and inserting “, Indian housing authority, or Indian tribe.”; and

(2) in subsection (b)(1), by striking “or Indian housing authorities” and inserting “, Indian housing authorities, or Indian tribes”.

(b) **NEED FOR LOAN GUARANTEE.**—Section 184(a) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(a)) is amended by striking “trust land” and inserting “lands or as a result of a lack of access to private financial markets”.

(c) **IHP REQUIREMENT.**—Section 184(b)(2) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(b)(2)) is amended by inserting before the period at the end the following: “that is under the jurisdiction of an Indian tribe for which an Indian housing plan has been submitted and approved pursuant to sections 102 and 103 of the Native American Housing Assistance and Self-Determination Act of 1996 that provides for the use of loan guarantees under this section to provide affordable homeownership housing in such areas”.

(d) **LENDER OPTION TO OBTAIN PAYMENT UPON DEFAULT WITHOUT FORECLOSURE.**—Section 184(h) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(h)) is amended—

(1) in paragraph (1)(A)—

(A) in the first sentence of clause (i), by striking “in a court of competent jurisdiction”;

(B) by striking clause (ii) and inserting the following:

“(ii) **NO FORECLOSURE.**—Without seeking foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a request to assign the obligation and security interest to the Secretary in return for payment of the claim under the guarantee. The Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Upon assignment, the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.”;

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(e) **LIMITATION OF MORTGAGEE AUTHORITY.**—Section 184(h)(2) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(h)(2)), as so redesignated by subsection (e)(3) of this section, is amended—

(1) in the first sentence, by striking “tribal allotted or trust land,” and inserting “restricted Indian land, the mortgagee or”;

(2) in the second sentence, by striking “Secretary” each place it appears, and inserting “mortgagee or the Secretary”.

(f) **LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.**—Section 184(i)(5)(C) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(i)(5)(C)) is amended by striking “1993” and all that follows through “such year” and inserting “1997, 1998, 1999, 2000, and 2001 with an aggregate outstanding principal amount note exceeding \$400,000,000 for each such fiscal year”.

(g) **AUTHORIZATION OF APPROPRIATIONS FOR GUARANTEE FUND.**—Section 184(j)(7) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(j)(7)) is amended by striking “such sums” and all that follows through “1994” and inserting “such sums as may be necessary for each of fiscal years 1997, 1998, 1999, 2000, and 2001”.

(h) **DEFINITIONS.**—Section 184(k) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(k)) is amended—

(1) in paragraph (4), by inserting after “authority” the following: “or Indian tribe”;

(2) in paragraph (5)—

(A) by striking subparagraph (A) and inserting the following new subparagraph:

“(A) is authorized to engage in or assist in the development or operation of—

“(i) low-income housing for Indians; or

“(ii) housing subject to the provisions of this section; and”;

and

(B) by adding at the end the following: "The term includes tribally designated housing entities under the Native American Housing Assistance and Self-Determination Act of 1996."; and

(3) by striking paragraph (8) and inserting the following new paragraph:

"(8) **TRIBE; INDIAN TRIBE.**—The term 'tribe' or 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975."

(i) **PRINCIPAL OBLIGATION AMOUNTS.**—Section 184(b)(5)(C) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(b)(5)(C)) is amended by striking clause (i) and inserting the following new clause:

"(i) 97.75 percent of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75 percent if the value of the property is \$50,000 or less); and".

(j) **AVAILABILITY OF AMOUNTS.**—

(1) **REQUIREMENT OF APPROPRIATIONS.**—Section 184(i)(5) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(i)(5)) is amended by striking subparagraph (A) and inserting the following:

"(A) **REQUIREMENT OF APPROPRIATIONS.**—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year to the extent or in such amounts as are or have been provided in appropriations Acts, without regard to the fiscal year for which such amounts were appropriated."

(2) **COSTS.**—Section 184(i)(5)(B) of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a(i)(5)(B)) is amended by adding at the end the following new sentence: "Any amounts appropriated pursuant to this subparagraph shall remain available until expended."

(k) **GNMA AUTHORITY.**—The first sentence of section 306(g)(1) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(1)) is amended by inserting before the period at the end the following: "; or guaranteed under section 184 of the Housing and Community Development Act of 1992".

SEC. 702. 50-YEAR LEASEHOLD INTEREST IN TRUST OR RESTRICTED LANDS FOR HOUSING PURPOSES.

(a) **AUTHORITY TO LEASE.**—Notwithstanding any other provision of law, any trust or restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, subject to the approval of the affected Indian tribe and the Secretary of the Interior, for housing development and residential purposes.

(b) **TERM.**—Each lease pursuant to subsection (a) shall be for a term not exceeding 50 years.

(c) **RULE OF CONSTRUCTION.**—This section may not be construed to repeal, limit, or affect any authority to lease any trust or restricted Indian lands that—

(1) is conferred by or pursuant to any other provision of law; or

(2) provides for leases for any period exceeding 50 years.

(d) **SELF-IMPLEMENTATION.**—This section is intended to be self-implementing and shall not require the issuance of any rule, regulation, or order to take effect as provided in section 705.

SEC. 703. TRAINING AND TECHNICAL ASSISTANCE.

There are authorized to be appropriated for assistance for a national organization rep-

resenting Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities such sums as may be necessary for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

SEC. 704. PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT OF 1990.

The Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) is amended—

(1) in section 5123—

(A) by striking "(including Indian Housing Authorities)"; and

(B) by inserting "tribally designated housing entities," before "and private"; and

(2) in section 5124(a)(7)—

(A) by inserting "or tribally designated housing entity" after "public housing agency"; and

(B) by striking "public housing" after non-profit;

(3) in section 5125, by inserting "a tribally designated housing entity," after "resident management corporation,"; and

(4) in section 5126—

(A) in paragraph (4)—

(i) in subparagraph (B), by striking "or" at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting "; or"; and

(iii) by adding at the end the following new subparagraph:

"(D) the Native American Housing Assistance and Self-Determination Act."; and

(B) by adding at the end the following new paragraph:

"(5) **TRIBALLY DESIGNATED HOUSING ENTITY.**—The term 'tribally designated housing entity' has the meaning given such term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996."

SEC. 705. EFFECTIVE DATE.

This title and the amendments made by this title (but not including the amendments made by section 704) shall take effect on the date of the enactment of this Act.

The **SPEAKER** pro tempore. Pursuant to the rule, the gentleman from New York [Mr. LAZIO] and the gentleman from Massachusetts [Mr. KENNEDY] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I have the pleasure of bringing before this House the Native American Housing Assistance and Self-Determination Act of 1996, and I begin with my thanks to my colleague and friend, the gentleman from Massachusetts [Mr. KENNEDY], and certainly the gentleman from Minnesota [Mr. VENTO] who also serves on the committee, for their help, as well as the help of the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from Arizona [Mr. HAYWORTH], members of the committee, and the help of many others who have, in a collaborative way, helped to bring this to the forefront of our institutional consciousness.

Mr. Speaker, on March 28 of this year I came to this floor and introduced with my colleagues from both sides of the aisle a bill that didn't receive much fanfare. It was not front-page news for major national papers. It didn't make the evening news. Most Americans

probably have never heard of the bill, but for native Americans, this may be the most important bill this Congress has considered.

The Native American Housing Assistance and Self-Determination Act of 1996 is a historic step to the promise we made to native Americans and that we make to every American, no matter the community or ethnic background that persons may come from. That promise is at the very foundation of our beliefs, in the Declaration of Independence: "we hold these truths to be self-evident, that all Men are created equal, that they are endowed by their creator with certain unalienable Rights, that among these are life, liberty and the pursuit of happiness."

Being able to pursue your own dreams, owning a home, having a decent place live and a community that is empowered to heal itself when necessary, to succeed on its own and, ultimately, to be responsible for its own destiny—these are not gifts we grant to only a chosen few in this country. This promise is what America is about and it is this promise that leads us today to consider the Native American Housing Assistance and Self-Determination Act.

Today, in voting for this bill, we stand up for native Americans and say clearly that these rights we enjoy are everyone's rights. This bill is truly historic. Indian housing programs are not the results of legislation, rather they represent a series of memos exchanged 30 years ago between the Bureau of Indian Affairs and one of the predecessor agencies to the Department of Housing and Urban Development. Indian housing is different than public housing, Indian communities are different than metropolitan communities, in fact Indian communities are often vastly different from one another.

Indian communities suffer from some of the worst housing conditions in the country and without a major change in policies, even the best efforts of Federal and tribal governments will fall short. We need local responsibility and flexibility that lets tribes decide how to spend money rather than asking a bureaucrat in Washington to solve problems for them. No one wants that, not the tribe, not the families, not even the bureaucrat.

We also must recognize that the Federal Government cannot be a paternalistic overseer and cannot provide the kind of broad resources that the private sector can. Already we are beginning to see possibilities for private sector involvement in Indian country. Inroads have been made with the section 184 program, efforts we will improve with this bill. More importantly, Fannie Mae has announced just this year that they will begin to purchase Indian mortgages that don't have any Federal association. This marks a sea-change in Indian finance.

New partnerships between the Federal and tribal governments and the private sector will give local Indian

communities the tools they need—and have been asking for—to build a better life for themselves and their members.

The new loan guaranty program that this bill provides to tribes—modeled after the section 108 loan guarantees available to most American communities—will mean more capital to improve housing and build much-needed units. It also means there will be more involvement with private sector financial entities who are so crucial to long-term development in Indian country.

This bill also makes a change to lease-hold provisions that are proving to be a stumbling block to families hoping to buy a home. Right now, a native American living on trust-held land can't get a lease long enough to get a regular 30-year mortgage, the same as someone in my neighborhood. By simply extending the length of the lease period to 50 years, we enable mortgage companies and banks and even the secondary mortgage market to be more involved in mortgage finance. This means new home ownership opportunities for native Americans who otherwise wouldn't be able to get a mortgage and own a home.

I would like to thank my colleagues, not only the more veteran members, but also one of the subcommittee's newest members, my good friend Mr. HAYWORTH, Mr. BEREUTER, the distinguished vice chairman of the Housing Subcommittee, and our colleague from the other side of the aisle, Mr. JOHNSON of South Dakota who was also an original cosponsor of the bill. Their efforts have been crucial in bringing us this far and I offer my heartfelt thanks for all their work.

In anticipation of what I assume will be the response from some of my colleagues from the other side of the aisle, I would like to talk a little bit about how this bill came to pass. This is not a Republican bill or a Democratic bill. This is a bill that comes from Indian country and has, for the last 6 months, been in conference and debate among Members and staffs on both sides of the aisle and in both Houses of Congress.

In support of this process, HUD conducted meetings all across the country to discuss the proposals and elicit comments and suggestions from hundreds of tribal leaders, housing authorities, tenants and other interested parties in open forums.

When the legislation was added to the larger public housing bill in May, it passed by a voice vote with the vocal support of Democrats as well as Republicans. Since that time there have been a number of significant concessions made to accommodate further concerns of the minority, including a maximum rent protection for tenants.

In response to this process, tribes and Indian organizations from all over the country have come together and made clear their support for the bill. National organizations have voiced their support, like the National Congress of American Indians and the National American Indian Housing Council.

Even private financial entities like Fannie Mae and Norwest have also spoken out have said that this will make their work in Indian country easier and more effective.

But what has touched me the most has been the outpouring of support from the communities themselves. I have here letters from all over the country. From Douglas, AK; from the Oglala, Sioux in South Dakota and the Iowa Tribe in Oklahoma; from the Chippewa Housing Authority in Wisconsin; the Walker River Housing Authority in Nevada; the Red Lake Housing Authority in Minnesota.

These are not powerful lobbyists or special interest groups in Washington. These are communities out in America who care about their own families and believe that this bill will make a difference.

And I believe they are right.

Mr. Speaker, I reserve the balance of my time.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first, I want to thank the gentleman from New York [Mr. LAZIO], my good friend, for all the efforts that he and his staff have made to try and incorporate some of the concerns that we have with regard to this bill. I want to thank him for his friendship and the efforts that he has made to work together over the course of the last couple of years on the committee.

Mr. Speaker, we come here today to talk about an Indian housing bill which we will claim in the rhetoric that we will hear over the course of the next few minutes is going to take enormous steps forward in terms of the plight of Indian housing.

The truth of the matter is, if any Member takes the time to look at Indian housing in America, it has one severe problem that is not addressed in any way, shape, or form in this legislation, and that is that it is terribly underfunded. We can do all sorts of things and make block grants and do all sorts of Band-Aid solutions to the problem, but until we start funding Indian housing to a point where we actually provide people with shelter that is decent, affordable, and works, then none of these Band-Aid solutions are going to make the slightest bit of real difference in terms of the day-to-day lives of tribe after tribe, Indian family after Indian family, across this country.

So let us not pretend in any way that the legislation that we have today will significantly change the lives and the housing concerns of the vast majority of Indians. And I am sure that the gentleman from New York [Mr. LAZIO] would agree that we need to put a much greater amount of money into Indian housing if we are truly going to fix the plight that Indians face in America.

Mr. Speaker, this bill separates out the Indian housing from the standard public housing programs. It gives tribal housing authorities the additional

flexibility that they need to meet the unique housing problems that many native Americans face.

This is a goal that we all share, and I commend the gentleman from New York for working to address the concerns and problems that Indians in America do face. However, the bill has not gone through the normal legislative process so there are still some concerns that remain.

For example, Mr. Speaker, the bill allows Indian housing authorities to demolish public housing without any input from the Secretary of HUD. The bill also allows Indian housing authorities to have access to the criminal records of tenants and applicants to Indian housing.

□ 1230

This is consistent with current law. However, the kinds of privacy protections that exist in current law with regard to the handling of criminal records are not included in this bill. There are also concerns about the grievance procedures which remain unclear and concerns about a new Government loan guarantee program which are also contained in the legislation.

In addition, a number of eastern tribes, particularly I know of one in my own State, had been opposing the bill because they were concerned that the formula likely to result from it would greatly reduce the funding for their housing authorities. In fact, some tribes are worried that they may be forced to shut down existing public housing.

I understand that the legislation has been changed to address this concern and that the bill will provide existing Indian housing with the funding necessary to maintain current operations and that existing Indian housing authorities would not lose funding as a result of this bill.

I wondered if we could enter into a short colloquy to make sure that we understand that and that anyone who reads this legislation will understand that this is the intent.

Mr. LAZIO of New York. Mr. Speaker, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Speaker, pursuant to the gentleman's concern, I had drafted into this version of the bill, included in the language of the bill a provision that specifically requires the allocation formula to provide for the continued operation and modernization needs of existing housing units. The consequence of that is that no tribe or Indian housing authority will suffer unanticipated consequences of a new formula while continuing to guarantee that tribes will play a large role in determining the funding allocation to the negotiated rulemaking process. It is essentially a hold harmless agreement for the tribes in the east.

Mr. KENNEDY of Massachusetts. I very much appreciate the gentleman's

willingness to work with us on that issue. It makes an enormous difference to tribes that could potentially be detrimentally affected by this legislation.

With that information, I would like to thank, again, Mr. LAZIO and his staff for their willingness to respond to this and a number of concerns raised by the administration on behalf of Members on this side of the aisle. I look forward to working with him on this bill as it continues to go not only through this session but in all likelihood the next session as well.

Mr. Speaker, I reserve the balance of my time.

Mr. LAZIO of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. BEREUTER], vice chairman of the Subcommittee on Housing and Community Opportunity.

(Mr. BEREUTER asked and was given permission to revise his remarks.)

Mr. BEREUTER. Mr. Speaker, this Member rises in strong support of H.R. 3219, the Native American Housing Assistance and Self-Determination Act of 1996. This legislation was added by a bipartisan voice vote as an amendment to H.R. 2406, the U.S. Housing Act, which apparently and unfortunately will not be enacted this Congress.

My understanding is that Secretary Cisneros was visiting one of the Arizona tribes and he asked them, what is the most important thing that could be done to assist you with your housing needs out here? And they surprised him by saying, Pass the legislation that has been reported out of the House subcommittee.

It is true, as Mr. KENNEDY suggests, that in fact Indian housing has been and continues to be underfunded in light of the needs that are there. But this legislation additionally will stretch the taxpayers money much further as a result of the loan guarantee programs. And I say without hesitation that this is the most important Indian housing legislation ever considered by this Congress or any other Congress.

The concepts contained in this legislation are widely supported by Indian groups, including the National American Indian Housing Council. This revolutionary measure for the first time decouples predominantly rural Indian housing from the laws which were designed to govern urban public housing.

Additionally, H.R. 3219 creates flexible block grants to tribes or their tribally-designated housing entity; recognizes and supports the unique government-to-government relationship between Indian tribes and the U.S. Government and restates the value of having local control by giving the tribes greater flexibility in providing housing; creates a consolidated Native American Housing Grant—HUD's Office of Native American Programs will be dedicated to helping Indian communities meet their housing needs, with a common goal of achieving economic self-sufficiency, and involves private capital markets and private lenders in

improving economic conditions by removing the legal barriers which have kept private investors from participating in Indian country.

Also, this Member is pleased that reforms to the section 184 Indian housing loan guarantee program, which he originally authorized in the 102d Congress, are included in this legislation. These reforms were drafted in cooperation with the administration, and make three very simple but important improvements to the section 184 Indian Housing Loan Guarantee Program, first authorized through the Housing and Community Development Act of 1992. This loan program, administered by the Department of Housing and Urban Development's Office of Native American Programs, has proven to be a highly popular and effective way to bring private market participation to meet the housing needs in Indian country.

The current loan guarantee program allows Indians and Indian Housing Authorities [IHAs] access to private financing that otherwise would not be available to them because of the unique legal status of Indian trust land. The Indian Housing Loan Guarantee Fund is used to guarantee loans made to Indian families and IHAs for the construction, acquisition, and rehabilitation of 1-4 unit family dwellings. This must be standard housing and must be located on trust land or land located in an Indian or Alaskan native area.

HUD works with tribes, lenders, and the Bureau of Indian Affairs to administer the loan program. HUD issues prequalification commitments based on information received from the lender. The lender completes property underwriting, and then submits the loan to HUD for firm commitment. After the commitment is issued, the loan is closed and serviced by the lender.

As mentioned a moment ago, this legislation makes three simple changes to the section 184 program. First, the maximum loan amount is raised to bring it in line with the widely used FHA single-family loan program. Specifically, for loans with appraised values of \$50,000 or less, the maximum loan amount will be 98.75 percent of the appraised value. For loan on properties valued above \$50,000, the loan may be 97.75 percent of the appraised value.

The second change made by this amendment is simple yet very important. Because the construction process often does not conform to the congressional budget cycle, this amendment authorizes funds appropriated to remain available until expended.

The final change made by this Member's amendment is an expansion of the authority of the Government National Mortgage Association, also known as Ginnie Mae, to purchase loans guaranteed under this program. Without this expansion, Ginnie Mae is not authorized to participate in Indian country. This Member would like to note that the Nation's largest housing secondary market, Fannie Mae, has been instrumental in the programs early success. However, now is not the time to limit

the sources of capital for participating lenders. Rather, by adding Ginnie Mae as an additional source of funds, this amendment would expand the capital available in Indian country.

Mr. Speaker, this Member again strongly urges his colleagues to support Native Americans and the American Taxpayers by voting in favor of this legislation.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO], who has done yeoman work on this bill and has worked very hard in the last several days, in the addition to the months prior to it.

Mr. VENTO. Mr. Speaker, I thank the chairman, the gentleman from New York, Congressman LAZIO, for his work on this and other Members.

Mr. Speaker, I think we have a serious problem with regard to housing policy and the housing quality of native Americans across the country. In fact, I think as we look at housing we find it to be some of the poorest quality housing in the Nation. It is an area that is important for us to focus on insofar as we can these remaining days to try and see if we can put in place a policy that will help.

I especially appreciate the guidance and support that I have received from various native American groups in Minnesota, from the Red Lake group and Bobby Whitefeather and from the Mille Lacs group and Marge Anderson. We are very concerned in trying to come back with a policy that will give them greater flexibility.

This piece, this legislation selects one element in the native American housing and tries to change it. I think we need to be cognizant of the fact that there are other programs in the Department of the Interior that provide for construction, that provide for infrastructure, that are absolutely elemental to deal with the quality of life and Indian housing across this Nation.

But through this piece of work and the role of the Housing and Urban Development Department, the hope here is that the consolidation of these separate programs, the construction programs and section 8 programs and assisted housing programs into a consolidated block grant will give greater flexibility and provide better quality housing.

We remain concerned about how they will fit together with other programs in terms of the Farmers Home Administration, how they fitted together with other programs such as owner type of properties, and, of course, hopefully we can address them. The unique problem here, of course, is that very often these lands on which this housing is built is of course native American lands. So they do not always have the same warrants; they do not have the same legal status as other private properties across this country with regard to many of those programs.

Some unique problems exist. After having a single hearing this year on

this subject, which was good to have had and not having acted on this in subcommittee or full committee of jurisdiction. We accepted an amendment on the floor with the hope that a lot of refinement could take place in the conference with regard to these measures.

I regret that today I come here with many questions but fundamentally in support of this bill with the hope that some of those details will not hinder the implementation and the good intentions that are apparent on the part of the sponsors of this legislation and on the part of the native American groups that are so strongly in support of gaining this new flexibility. I am concerned, I guess it is probably a good thing we will maintain a Corrections Day Calendar next year because I think we will have a lot of candidates from this bill for that calendar. It may be just the complexity of the issue. It may be that we did not have the time, but nevertheless I stand in support of it today with the hope that it will provide the promise that is being extended here to native American groups and can move them from having the poorest quality housing in this Nation to, in fact, addressing the serious problems that occur across this Nation in native American areas.

I support it and I offer a statement for the RECORD with regard to specifics:

Mr. Speaker, I therefore rise in general support of this bill because I know that the measure is strongly supported by native Americans across this country who would like to move forward with critically needed reforms to their housing programs. A great deal of time and effort has been expended by the native American groups on this legislation and its many versions and I recognize the key accommodations Chairman LAZIO has made on several issues of importance: Brooke, labor standards, and the hold-new harmless provisions. Therefore I'm pleased to leave unresolved questions unanswered and support this fundamental changes regards policy moving from specific housing construction and assistance to a block grant with great flexibility.

My reservations about the bill surround a number of issues and overarching policy questions that today have no clear answers. These are fundamental questions: For example, questions such as the maintenance of rental housing is not mentioned in eligible activities. Neither is rental assistance. Are these eligible activities? What happens to section 8 rental assistance administered by an IHA when the 1937 act is no longer in force? What is the impact on certain tenant protections such as grievance procedures? Why have we authorized yet another loan guarantee program that doesn't appear to have collateral to guarantee the repayment of borrowing? Without such funding the loan program will not exist in reality only on paper, hardly the answer that is promised.

Other questions persist that while not fatal are important.

During the one hearing held this session, allowable administrative fees were a major point of the few witnesses. What percentage is allowable for administrative fees? It appears left to secretarial discretion. Although access to McKinney funds will no longer be available, it

is not apparent to me how the homeless, other than as low-income eligible, will receive assistance.

Indian country is not the same in culture nor geography nor needs as other entitlement communities and entities that receive grants and housing assistance. This bill recognizes that and moves in the direction of appropriate changes. Nonetheless, the operation programmatic elements of the programs are important and it would appear that some of these need more refinement. There are technical as well as substantive problems with this bill. Much, in fact too much, appears left to secretarial discretion or regulation without adequate congressional direction and definition.

As we come to the end of this session, in the rush to adjourn this important rewrite of a bill is going to receive too little attention, the provisions of which will not take effect until fiscal year 1998 at the earliest. The urgency to achieve a legislative accomplishment may well result in a full agenda for the 1997-98 Corrections Day Calendar. I will support the bill today to move this initiative forward because it is too late in the day for the technical fixes that are needed.

I thank the gentleman from Massachusetts, and I thank the gentleman from New York for his accommodation on some of the measures that were so important to us both in terms of the labor provisions and some of the others. We will obviously have to address these as we move forward in terms of housing policy in the future.

Mr. LAZIO of New York. Mr. Speaker, I want to thank the gentleman for his support.

Mr. Speaker, I yield 2 minutes to the gentleman from Alaska [Mr. YOUNG], my distinguished colleague.

Mr. YOUNG of Alaska. Mr. Speaker, I want to compliment the gentleman and the gentleman from Massachusetts [Mr. KENNEDY], for this legislation.

I strongly support H.R. 3219. I can suggest as one who has lived, worked and loved with the American natives in Alaska, I have watched the present program in housing not work. We have had housings in Alaska that were under Government control that had such audacity as to say you could not put a storm porch in Nome, AK, on federally built housing because it did not meet their code or did not meet their design.

I do not know how many have been to Nome, AK, but the wind blows about 84 miles an hour off the Bering Sea. It is an example to take into consideration of the native people up there and their needs or their designees and what should or should not be done.

I think there is another example of what we can do with the diminishing dollars we have and get a better result of what we are trying to accomplish. That is provide housing to the American natives. I hope some of you have an opportunity to go into some of the areas with the American natives and see some of the poor housing that does exist today. Many of you have seen pictures on TV about the Third World countries. We have housing actually under Government control, probably some of the most deplorable housing

that exists in the United States today on not only the reservations but off the reservations such as in Alaska and the Alaska Natives.

□ 1245

The need is well and overwhelming. I think this legislation, in fact I know this legislation, is an improvement, and I hope that it will solve many of the housing problems that the American natives have faced over the years. It is wrong in our Nation when we have a trust responsibility to American natives that they have not had the flexibility that this bill provides, so I want to compliment the authors and the people that have worked on this legislation, as I do think they have addressed the issues very well in this legislation. And this will work; we will have much better housing.

Mr. KENNEDY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I just would look forward to joining with my friend, the gentleman from Alaska [Mr. YOUNG], in trying to find additional dollars next year for this and other housing programs because I think he has articulated the fact that we need to streamline the bureaucracy, but we also need more money for the housing program.

Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from American Samoa [Mr. FALEOMAVAEGA].

(Mr. FALEOMAVAEGA asked and was given permission to revise and extend his remarks.)

Mr. FALEOMAVAEGA. Mr. Speaker, I certainly would like to commend the gentleman from New York [Mr. LAZIO] and our friend, the gentleman from Massachusetts [Mr. KENNEDY], for bringing this piece of legislation up for consideration by this body. As the gentleman from Alaska, who is the chairman of the Committee on Resources, stated earlier it is his committee which has jurisdiction in dealing with the needs of our native Americans, Mr. Speaker, the first Americans, if I might say, 2 million of them.

I recall recently that here we have a situation where we need \$5 million to provide for sanitation facilities for these first Americans and we cannot even come up with \$5 million. This is how difficult the problems are that we have. And yes, we all know about the budgetary constraints. I do not have to share with my colleagues the plight of the first Americans. It is well documented; everybody knows. I know with our good-faith efforts we know we have not met the expectations or the problems affecting the needs of native Americans, but perhaps it may be the provisions of this legislation are a good start. But we need to do more, my colleagues. We need to do more to provide for the needs of our first Americans.

I thank the gentleman for giving me time to share these thoughts with them.

Mr. LAZIO of New York. Mr. Speaker I yield 3 minutes to the distinguished gentleman from Arizona [Mr. HAYWORTH] who was so instrumental in having this bill drafted and moved to the floor.

(Mr. HAYWORTH asked and was given permission to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, I would thank my good friend from New York, Mr. LAZIO, for recognizing me and allowing me to take this time to discuss this legislation, and I would thank those on the minority side who have worked with us in this regard.

Mr. Speaker, I come to the well of this House today to voice my strong support for H.R. 3219. Washington has changed in a great many ways since many of us came to the Congress of the United States in January 1995. Chief in those changes has been this recognition, that one size does not fit all. Nowhere do we have greater evidence of this truth than when it comes to the challenge of housing for native Americans.

I represent the Sixth District of Arizona. More Indians live on reservation land in the Sixth District of Arizona than in any other district in the contiguous United States. We could use the bureaucratic euphemism that their housing is substandard, and yet that description in itself is sorely lacking; it indeed is substandard.

But with this legislation today, we acknowledge the fact that Indian housing, based on the solemn and, dare I say, sacred trust obligations of the treaties, which my good friend from Alaska mentioned minutes ago, will be recognized to be profoundly different than the public housing programs in metropolitan areas.

Moreover, Mr. Speaker, with this legislation we do something that almost all of Indian country has called for time and again on a variety of programs. We block-grant that money directly to the Indian tribes so they do not have to come through the Washington bureaucracy, so they do not have to wait for set-asides from respective State governments. We say to the first Americans in this instance, "You are not the forgotten Americans, and moreover, you have the right to self-determination, to self-governance, to decide how best to spend this money."

I would like to thank the chairman of the subcommittee, the gentleman from New York, not only for seeking the advice and the input of our colleagues in the minority in this body, but for traveling throughout this country, indeed for coming to the great State of Arizona and hearing directly from the people who will be most affected by this legislation, for if there is another lesson of this 104th Congress, it is this: The best solutions are not fashioned by those who reside here inside this Beltway. Ofttimes the best solutions come from the people directly affected who stand to have their own lives improved, who stand to make

more of their lives, who must confront this problem every single day. So we provide the flexibility, we provide the funds directly to the tribes, and we recognize that in this country once again in solving problems one size does not fit all.

Join us in supporting this legislation.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I have no other speakers and I yield back the balance of my time.

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say then in conclusion, thanking my colleague, the gentleman from Massachusetts [Mr. KENNEDY], for his cooperation and moving this bill through the process and bringing it to the floor right now, thanking him for working with our staff, and for his staff, particularly Jonathan Miller, working with ours to make sure that this day was possible. As the gentleman from Arizona [Mr. HAYWORTH] said, this is truly an historic day, not just because of the substance we bring before the House, but because of the process which made this day possible, the sense of consultation, of collaboration with those who are most affected by it, the native Americans.

The major principles, Mr. Speaker, are clear. Separating Indian housing from urban public housing programs, not because one is right and one is wrong, but because they are different, taking responsibility for the local level, for their tribes and designees to decide on their own how to overcome their own problems with the partnership dollars that we are going to be providing, ending decades of overly prescriptive policies and bureaucratic entanglements and providing more flexibility so the people who want to provide housing can be focused on the mission of providing housing, not on networking with rules and regulations and performance standards irrelevant to the communities that they serve; replacing dozens of programs and set-asides and bigger programs and combining them into more efficient block grants, again so that the people who service the communities and native American Indian country can spend their time providing the services of economic development and providing decent, affordable and healthy housing without having to spend more and more time interfacing with bureaucrats in Washington; making sure that long term strategies are the basis for our work; recognizing the unique government-to-government relationship between tribes and the Federal Government; providing new tools for developing housing outside the cookie cutter approach of public housing, but protecting good existing housing; changing wrong-headed short-term lease provisions on trust land that can help make banks and secondary mortgage markets wary of private investment in Indian country, replacing it with a 50-year leasehold which will allow more

liquidity and more money for native Americans to pursue their own dreams; performing the successful section 108 program that my colleague, the gentleman from Nebraska [Mr. BEREUTER] helped pioneer in encouraging more lenders to be involved; and involving again hundreds of Indian leaders and Indian housing experts in an unprecedented process of inclusion in native American policy making.

Mr. Speaker, this is a historic opportunity to do for native Americans something that is long overdue, to listen, to lead and to deliver. With this one sweep, Mr. Speaker, we will be able to put native Americans in a position where they can provide better and more decent housing for those who need it most.

I urge my colleagues in a bipartisan way to support this measure, to vote aye to make this day possible for native Americans.

I include for the RECORD a section-by-section description regarding H.R. 3219, as amended.

H.R. 3219—SECTION BY SECTION

§1. Short Title.

"Native American Housing Assistance and Self-Determination Act of 1996."

§2. Congressional Findings.

States 7 Congressional findings.

§3. Administration through Office of Native American Programs.

Requires ONAP to administer program.

§4. Definitions.

Defines terms for title VII:

- (1) affordable housing;
- (2) families and persons (defining single persons, families, absence of children, elderly person, person with disabilities, displaced person, and near elderly person (50+));
- (3) grant beneficiary (tribe or tribes);
- (4) Indian;
- (5) Indian area;
- (6) Indian tribe;
- (7) local housing plan;
- (8) LI family;
- (9) median income;
- (10) recipient (tribe or tribally designated housing entity for the tribe);
- (11) tribally designated housing entity;
- (12) Secretary.

TITLE I—BLOCK GRANTS AND GRANT REQUIREMENTS

§101. Block Grants.

(a) Authority. Requires HUD (subject to funding) to make grants on behalf of Indian tribes to carry out affordable housing activities. Requires HUD to provide grants for the tribe directly to the recipient for the tribe.

(b) Plan Requirement. Permits HUD to make grants only if tribe has submitted an Indian housing plan under §102 for the fiscal year and HUD determines it complies with §102. Permits HUD waiver if needed due to circumstances beyond control of the tribe.

(c) Local Cooperation Agreement. Secretary may not make a grant under this Act unless the governing body of the locality within which the housing will be situated in has entered into an agreement with the recipient to provide local cooperation as required by the Secretary pursuant to this Act.

(d) Exemption from Taxation. Provides that: (1) Affordable housing assisted with grant amounts is exempt from all real and personal property taxes levied and imposed by any jurisdiction;

(2) the recipient makes annual payments of user fees to compensate such governments for the cost of providing governmental services including police and fire protection,

roads, water and sewer systems, utilities systems and related facilities, or payments in lieu of taxes in an amount equal to the greater of \$150 per dwelling unit, 10% of the difference between the shelter rent and utility cost or such lesser amount as prescribed by law, is agreed to by the local governing body in the agreement under subsection (c) or the recipient and the local governing body agree that such payments shall not be made;

(e) Effect of Failure to Exempt from Taxation. Provides that notwithstanding subsection (d), a recipient that does not comply may receive a block grant, but only if the local government within which the affordable housing development is located contributes in cash or tax remission the amount by which the taxes paid exceed the amounts prescribed in subsection (d)(2).

(f) Amount. For a recipient whose grant beneficiary is one tribe, the grant is the amount for the tribe determined under §301. For a recipient whose grant beneficiary is more than one tribe, the grant is the amount for each tribe.

(g) Use for Affordable Housing Activities. Except for administrative expenses under (h), requires grants to be used only for affordable housing activities consistent with the housing plan approved under §103.

(h) Administrative Expenses. Requires HUD, by regulation, to authorize each recipient to use a percentage of any grant for any administrative and planning expenses of the recipient related to carrying out title VII and activities assisted with such grants, including salaries and expenses of preparing a local housing plan under §102. Requires regulations to specify percentage caps for each recipient and permits HUD to review the percentage and revise it.

(i) Public-Private Partnerships. Provides that each recipient shall make all reasonable efforts to maximize participation by the private sector in implementing the plan.

§102 Indian Housing Plans (IHPs).

(a) Plan Submission. Requires the Secretary to provide for an Indian tribe to submit a housing plan each fiscal year for that tribe or tribally-designated housing entity and to review such plans.

(b) 5-Year Plan. Requires each IHP to contain, for the 5-year period beginning with the fiscal year for which the plan is submitted, the mission statement for serving low-income families, goals and objectives that will enable the tribe to accomplish that mission and the activities planned.

(c) 1-Year Plan. Provides that an IHP shall contain the following information:

(1) Goals and Objectives.

(2) Statement of Needs, including a description of estimated needs for low-income housing in the jurisdiction of the recipient and the geographic distribution of those needs.

(3) Financial Resources, including a description of how the available funds will be used to leverage additional resources.

(4) Affordable Housing Resources:

(A) a description of significant characteristics of the housing market in the jurisdiction;

(B) a description of the structure, coordination, means of cooperation between the governmental entities in the development, submission and implementation of housing plans, including a description of the involvement of private, public and nonprofit organizations and the use of Section 184 and other loan guarantees;

(C) a description of how the plan will address needs identified under paragraph (2).

(D) a description of how the recipient will protect and maintain the viability of housing owned and operated by the recipient under a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937;

(E) a description of any existing or anticipated homeownership programs;

(F) a description of any existing or anticipated rehabilitation programs;

(G) a description of all other existing or anticipated housing assistance provided by the recipient during the period, including transitional housing, homeless housing, college housing, and supportive services housing;

(H) a description of any housing to be demolished or disposed;

(I) a description of how the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency;

(J) a description of requirements established by the recipient to promote the safety of residents of such housing and facilitate crime-prevention measures;

(K) a description of the entity that will carry out activities under the plan, including the organizational capacity and key personnel of the entity.

(5) Certification of Compliance. Evidence of compliance which shall include:

(A) a certification that the recipient has complied with title II of the Civil Rights Act of 1968;

(B) a certification that the recipient will maintain adequate insurance coverage for housing units owned or operated or assisted with amounts provided under this Act;

(C) a certification that policies are in effect and available for review by the Secretary and the public governing eligibility, admission and occupancy of families for housing assisted with grant amounts under this act;

(D) a certification that policies are in effect and available for review by the Secretary and the public governing rents charged, including methods by which rents or homebuyer payments are determined;

(E) a certification that policies are in effect and available for review by the Secretary and the public governing the management and maintenance of housing assisted with grant amounts under this act.

(d) Participation of Tribally Designated Housing Entity. Permits housing entity to prepare and submit an LHP, but only if it contains a certification by the recognized tribal government of the grant beneficiary that the tribe has had an opportunity to review the plan and has authorized its submission by the housing entity.

(e) Coordination of Plans. Permits plan to cover more than one tribe if subsection (d) certification requirements are complied with by each tribe.

(f) Plans for Small Tribes. Requires HUD to establish separate requirements for small tribes and small housing entities. Requires the HUD requirements to waive any requirements HUD determines are burdensome or unnecessary for such small tribes and entities. Requires HUD to define small, based on number of units assisted under this title or 1937 Act.

(g) Regulations. Requires content requirements of IHPs be established by regulation, pursuant to §106.

§103 Review of Plans.

(a) Review and Notice. Requires HUD to conduct a limited review to ensure compliance with §102. Gives HUD discretion to review a plan only to the extent HUD considers necessary. Requires HUD to notify tribe and any housing entity whether it complies within 60 days after receipt. If notice not given, plan considered to comply.

(b) Notice of Reasons for Determination of Noncompliance. Where applicable, requires HUD to notify tribe and any housing entity of reasons for noncompliance, and any necessary modifications.

(c) Review. Permits HUD to determine a plan does not comply only if:

i. set forth information required under §102;

ii. plan is consistent with information and data available to the Secretary and are prohibited by or inconsistent any provision of the act or other applicable law;

If the Secretary determines that any of the certifications required in §102(c)(5) are not included in the plan, it shall be deemed incomplete.

(d) Updates to Plan. After submission under §102, permits tribe to comply for future years (for one-year or five-year plan) by submitting only information needed to update the plan. Not less than once every 5 years, the tribe shall submit a complete plan.

(e) Effective Date. This section and §102 shall take effect on the date provided by the Secretary pursuant to §106(a).

§104 Treatment of Program Income and Labor Standards.

(a) Program Income. Permits a recipient to retain any program income realized from any grant amounts if it was realized after initial disbursement; and recipient has agreed it will use program income for affordable housing activities. Prohibits HUD from reducing grant amounts based solely on whether the recipient retains program income; or the amount of any program income retained or whether the recipient retains reserve amounts described in §210. Permits HUD, by regulation, to exclude from consideration as program income amounts determined to be so small that compliance would create an unreasonable administrative burden.

(b) Labor Standards. Maintains existing law governing the application of prevailing wage requirements to public housing assisted under the United States Housing Act of 1937.

§105. Environmental Review.

Authorizes assumption of environmental review responsibilities by tribes.

§106. Regulations.

(a) Transition Requirements.

(1) In General. Not later than 90 days after the enactment of this act, the Secretary shall, by Federal Register notice, establish any requirements necessary to provide for the transition from assistance under the U.S. Housing Act of 1937 and related provisions of law to the provisions of law to the provision of assistance in accordance with this act.

(2) Public Comments. In General notice of proposed rulemaking. The Federal Register notice shall invite public comments regarding the transition requirements and final regulations to carry out this act and include a general notice of proposed rulemaking (for purposes of §564(a) of Title V of USC) of the final regulations under subsection (b).

(b) Final Regulations.

(1) Timing. The Secretary shall issue final regulations to carry out this act not later than September 1, 1997 and such regulations shall take effect not later than October 1, 1997.

(2) Negotiated Rulemaking Procedure. Requires final regulations to be issued according to a negotiated rulemaking procedure, and requires HUD to establish a negotiated rulemaking committee, to include only representatives of the Federal government and of geographically diverse small, medium and large Indian tribes and shall not preclude the participation of TDHE, should tribes elect to be represented by such entities.

(c) Effective Date. This section shall take effect on the date of enactment of this act.

§107. Effective Date.

Except as otherwise expressly provided in this act, this act and the amendments made by this act shall take effect on October 1, 1997.

§ 108. Authorization of Appropriations.

Authorizes such sums as may be necessary for FYs 1998-2001.

TITLE II—AFFORDABLE HOUSING ACTIVITIES

§ 201. National Objectives and Eligible Families.

(a) Primary Objective. Specifies 5 national objectives.

(b) Eligible Families.

(1) In General. Limits assistance to low-income Indian families on Indian reservations and other Indian areas.

(2) Exception to Low-Income Requirements. Permits assistance for homeownership activities under § 202(2), model activities under § 202(6), or loan guarantee activities under Title VI to non-low-income families, if HUD approves because there is a need for housing for such families that cannot reasonably be met without such assistance. Requires HUD to set limits on amount of assistance that may be provided for non-low-income families.

(3) Non-Indian Families. Notwithstanding paragraphs (1) Permits recipients to provide housing or housing assistance through affordable housing activities for a non-Indian family on an Indian reservation or other Indian area if recipient determines presence of the family is essential to well-being of Indian families and the need for housing cannot reasonably be met without such assistance.

(4) Preference for Tribal Members or Other Indian Families. Permits the IHP to require preference to be given, to the extent practicable, to Indian families who are members of the tribe or to other Indian families. Requires recipients to ensure that housing activities assisted under this act are subject to any such preference.

(5) Exemption. Makes title VI of the 1964 CRA and the Fair Housing Act inapplicable to actions by Indian tribes under this subsection.

§ 202. Eligible Affordable Housing Activities.

Defines affordable housing activities to develop or support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) Indian Housing Assistance: mod or operating assistance.

(2) Development: acquisition, new construction, reconstruction, or mod or sub rehab, which may include real property acquisition, site improvement, development of utilities or utilities services, conversion, demolition, financing, administration and planning and other related activities.

(3) Housing Services: counseling, establishment and support of resident organizations, energy auditing and other specified examples.

(4) Housing Management Services: preparation of work specs and other specified examples.

(5) Crime Prevention and Safety Activities: safety, security, and law enforcement measures and activities appropriate to protect residents.

(6) Model Activities: activities under model programs designed to carry out purposes of this act and specifically approved by HUD as appropriate.

§ 203. Program Requirements.

(a) Rents.

(1) Establishment. Subject to paragraph (2), each recipient shall develop written policies governing rents and homebuyer payments including the methods by which such payments are determined.

(2) Maximum Rent. For any low-income family assisted with grant amounts under this act, the monthly rent or homebuyer payment may not exceed 30% of the monthly adjusted income of such family.

(b) Maintenance and Efficient Operation. Requires any recipient that owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated under a HUD/IHA contract under the 1937 Act to use amounts under this act to reserve and use for operating assistance under § 202(1) necessary amounts to provide for continued maintenance and efficient operation of such housing.

(c) Insurance Coverage. Requires each recipient to maintain adequate insurance coverage for housing assisted under this act.

(d) Eligibility for Admissions. Each recipient shall develop written policies governing the eligibility, admission and occupancy of families assisted under this act.

(e) Management and Maintenance. Each recipient shall establish policies governing the management and maintenance of housing assisted under this act.

§ 204 Types of Investments.

(a) In General. Subject to § 203 and the IHP, the recipient shall have (i) discretion to use grants for affordable housing activities through equity investments, interest-bearing or non-interest-bearing loans or advances, interest subsidies, leveraging, or any other assistance HUD determines is consistent with the purposes of this act and the right to establish the terms of assistance.

(b) Investments. Recipient may invest grant amounts for the purposes of carrying out affordable housing activities in investment securities and other obligation as approved by the Secretary.

§ 250. Low-Income Requirement and Income Targeting.

Permits housing to qualify as affordable housing only if:

(a) In General.

(1) Each unit in the housing is made available for occupancy only by a family that is a low-income family at time of initial occupancy (rental housing) or purchase (homeownership). Except for housing assisted under § 202 of the United States Housing Act of 1937 (as in effect before the date of effectiveness of this act), each dwelling unit will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and purposes of this act.

(b) except for mutual help housing under the 1937 Act, each unit will remain affordable for remaining useful life of the property without regard to the term of the mortgage or transfer of ownership, or for such other period HUD determines is the longest feasible period of time consistent with sound economics and the purposes of this act. However, affordability requirement is lifted upon foreclosure (or other transfer in lieu of foreclosure) if such action:

(i) recognizes any contractual or legal rights of public agencies, non-profit, or others to take actions that would avoid termination of low-income affordability; and

(ii) is not for purpose of avoiding low-income affordability restrictions.

§ 206. Certification of Compliance with Subsidy Layering Requirements.

Provides that the subsidy layering requirements of § 102(d) of the HUD Reform Act of 1989 shall be considered to be satisfied upon certification by the Secretary that the combination of Federal assistance provided to any project is not more than necessary to provide affordable housing.

§ 207. Lease Requirements and Tenant Selection.

(a) Leases. Requires an owner or manager of rental housing assisted under this act to utilize leases that:

(1) do not contain unreasonable terms and conditions.

(2) require the owner or manager to maintain the housing.

(3) require the owner or manager to give adequate written notice of termination, which shall be the period required under applicable law.

(4) specify that for any notice of eviction or termination, notwithstanding any other law, a resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records or regulations directly related.

(5) require that the owner or manager may not terminate the tenancy, during the term of the lease, except for serious or repeated violations of the terms or conditions in the lease, violations of applicable laws, or for other good cause.

(6) provide that the owner or manager may terminate tenancy for any activity, engaged in by the resident, any member of the resident's household, or any guest or other person under the control of the resident that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager;

(B) threatens the health or safety of, or right to peaceful enjoyment of the premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off the premises.

(b) Tenant Selection. Requires owners and managers to adopt and use written tenant selection policies and criteria that:

(1) are consistent with the purpose of providing housing for low-income families;

(2) are reasonably related to program eligibility and the applicant's ability to perform obligations of the lease; and

(3) provide for selection of tenants from a written waiting list in accordance with the IHP, and prompt notification in writing of the grounds for rejection.

§ 208. Availability of Records.

Provides access to National Crime Information Center data for applicants or tenants of housing assisted with grant amounts provided for under this act.

§ 209. Repayment.

If at any time during the useful life of the housing assisted under this act the housing does not comply with § 205(2), requires HUD to reduce future grant payments by an amount equal to the grant used for such housing (under authority under § 401(a)(2)) or require repayment to HUD of such amount.

§ 210. Continued Use of Amounts for Affordable Housing.

Requires funds for low-income housing programs under the 1937 Act that, on the date this act begins to apply to an Indian tribe, are owned by, or in the possession or under the control of, the IHA for the tribe, including all reserves not otherwise obligated, to be considered assistance under this act and subject to this act regarding the use of such assistance.

TITLE III—ALLOCATION OF GRANT AMOUNTS

§ 301. Annual Allocation.

Requires HUD, for each fiscal year, to allocate amounts made available for grants under this title by formula, established under § 302, among Indian tribes that comply with grant requirements.

§ 302. Allocation Formula.

(a) Establishment. Requires HUD, by regulations issued in accordance with § 106, to establish a formula to allocate amounts made available for grants under this title among Indian tribes.

(b) Factors for Determination of Need. Requires that formula be based on factors that

reflect affordable housing needs of Indian tribes, including (1) number of LI units owned or operated pursuant to a HUD/IHA contract, (2) extent of poverty and economic distress within Indian areas of the tribe, and (3) other objectively measurable conditions specified by HUD.

(c) Other Factors for Consideration. Requires the Secretary to consider non-quantifiable factors such as the relative administrative capacities of a recipient, geographic and the funding streams available to a State recognized tribe and whether terminations under title V will negatively impact those funds equally with federally-recognized tribes.

(d) Funding for Public Housing Operation and Modernization.

(1) Full Funding. The formula shall provide that in any fiscal year in which the total appropriated amount for the block grant exceeds the total of public housing operation and modernization assistance provided to tribes and/or IHAs in FY 1996, the formula shall apportion not less than the IHA or tribe received in FY 1996 for those purposes.

(2) Partial Funding. The formula shall provide that in any fiscal year in which the total appropriated amount for the block grant does not exceed the total of public housing operation and modernization assistance provided to tribes or IHAs in FY 1996, the formula shall apportion not less than the ratio received by each individual IHA or tribe in FY 1996.

(e) Effective Date. This section shall take effect on the date of enactment of this act.

TITLE IV—COMPLIANCE, AUDITS AND REPORTS

§ 401. Remedies for Noncompliance.

(a) Actions by Secretary Affecting Grant Amounts. Requires HUD, after reasonable notice and opportunity for hearing, to take action against recipients for noncompliance, including:

- (1) terminating payments,
- (2) reducing payments commensurate with amount improperly expended,
- (3) limiting payments to activities not affected by noncompliance, and
- (4) replacing recipient with tribally designated housing entity pursuant to § 402(b) for substantial or willful noncompliance. Requires continuation of action under (1), (2), or (3) until Secretary determines that noncompliance has ceased.

(b) Noncompliance Because of Technical Incapacity. Authorizes HUD to provide technical assistance (directly or indirectly) to recipient to increase its capability and capacity to administer grants under this title if HUD determines that noncompliance of recipient is not willful and is a result of limited capability and capacity.

(c) Referral for Civil Action. Authorizes HUD to refer substantial noncompliance to Attorney General for appropriate civil action. Authorizes Attorney General to bring civil action in appropriate Federal district court and to seek appropriate relief, including recovery of amount improperly expended, or for mandatory or injunctive relief.

(d) Review. Authorizes recipient that receives notice of an adverse action for noncompliance to petition appropriate Federal Court of Appeals for review of such action. Establishes procedural requirements for petitioner and HUD, and the jurisdiction of the court.

§ 402. Replacement of Recipient.

a. Authority. As a condition of a grant, Indian tribe agrees that HUD may, under limited circumstances, require that a replacement tribally designated housing entity serve as recipient for tribe.

(b) Conditions of Removal. Authorizes such replacement only if HUD determines, on

record after opportunity for hearing, that recipient has engaged in pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements of this title.

(c) Choice and Term of Replacement. Requires replacement entity to be mutually agreed upon by HUD and tribe(s). If no agreement is reached within 60 days of HUD's determination to replace the recipient, requires HUD to act as replacement entity until an agreement can be reached. Requires replacement entity (or HUD) to act until date certain, or the occurrence of specific conditions, as established by HUD.

§ 403. Monitoring of Compliance.

(a) Enforceable Agreements. Requires each recipient, through binding contractual agreements with owners and otherwise, to ensure long-term compliance with provisions of title, including enforcement by grant beneficiary or recipients and other beneficiaries, and remedies for breach.

(b) Periodic Monitoring. Requires recipient, at least annually, to review activities conducted and housing assisted under this title to assess compliance with applicable requirements, including on-site inspection of housing. Requires results of review to be included in recipient's performance report to HUD under § 404 and made available to public.

§ 404. Performance Reports.

Requires each recipient, for each FY to review its progress in carrying out the Indian housing plan(s) for the Indian tribes for which it administers grant amounts, and submit a report to HUD describing conclusions of review. Specifies content requirements. Requires HUD to establish submission dates and appropriate review requirements. Requires that recipients make report available to citizens within jurisdiction prior to submission to HUD, and include summary of citizen comments in report.

§ 405. Review and Audit by Secretary.

(a) Annual Review. Requires HUD to make necessary and appropriate annual reviews and audits to assess each recipient's performance, including, if practicable, on-site visits by HUD employees.

(b) Report by HUD. Requires HUD to submit report to Congress on each review. Requires HUD to give recipient at least 30 days to review and comment on report. Authorizes HUD to revise report to address recipient's comments. Requires HUD to make recipient's comments and report, with any revisions, available to public within 30 days of recipient's comments.

(c) Effect of Reviews. Authorizes HUD to make adjustments to amount of annual grants pursuant to findings from reviews and audits. Prohibits recapture or deduction of grant amounts already expended on affordable housing activities from future assistance provided on behalf of on Indian tribe.

§ 406. GAO Audits.

Authorizes GAO to audit financial transactions of Indian tribes and recipients with respect to grant amounts provided under this title.

§ 407. Reports to Congress.

Requires HUD to submit report to Congress within 90 days of end of each FY which describes progress made in accomplishing objectives of title, summarizes use of funds, and provides a description of outstanding loan guarantees under title VI. Authorizes HUD to require recipients to submit reports and other information necessary for HUD to develop its report.

TITLE V—TERMINATIONS OF ASSISTANCE FOR INDIAN TRIBES UNDER INCORPORATED PROGRAMS

§ 501. Repeal of Provisions Relating to Indian Housing Assistance under United States Housing Act of 1937.

(a) Repeal of Title II. Repeals title II of the United States Housing Act of 1937.

(b) Amendments to Title I. Strikes references to "Indian housing," "Indian tribes" and other terms within title I of the United States Housing Act of 1937.

(c) Amendments to Title III. Strikes references to "Indian housing," "Indian tribes" and other terms within title III of the United States Housing Act of 1937.

§ 502. Termination of Indian Housing Assistance Under United States Housing Act of 1937

(a) Termination of Assistance. Provides that after September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997.

(b) Terminations of Restrictions on Use of Indian Housing. Provides that after September 30, 1997, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual contributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this Act.

§ 503. Termination of New Commitments for Rental Assistance.

Prohibits, after 9/30/97, financial assistance for rental housing assistance under the 1937 Act to be provided to any IHA or tribally designated housing entity, unless such assistance is provided pursuant to a contract by HUD and the IHA before such date.

§ 504. Termination of Youthbuild Program Assistance.

(a) In General. Prohibits Indian tribes, IHAs, and other agencies primarily serving Indians or Indian areas from being eligible for the Youthbuild program in FY 1997 and FYs thereafter. Redesignates § 460 as § 461 and inserts a new section § 460 of NAHA.

(b) Applicability. Provides that amendments under subsection (a) shall apply with respect to amounts made available for assistance under subtitle D of title II of NAHA for fiscal years 1998 and after.

§ 505. Termination of HOME Program Assistance.

(a) In General. Terminates HOME program assistance to Indian tribes, amending § 217(a) and § 288 of NAHA.

(b) Applicability. Requires that this section apply to amounts made available for the HOME program for FY 1998 and FYs thereafter.

§ 506. Termination of Housing Assistance for the Homeless.

(a) McKinney Act Programs. Terminates homeless assistance for Indian tribes under the McKinney Act, amending title IV of the McKinney Act.

(b) Innovative Homeless Demonstration. Eliminates Indian tribes as a jurisdiction eligible for funding under the Innovative Homeless Initiatives Demonstration program, amending § 2(b) of the HUD Demonstration Act of 1993.

(c) Applicability. Requires that this section apply to amounts for McKinney Act homeless assistance and the Innovative Homeless Initiatives Demonstration program, respectively, for FY 1998 and FYs thereafter.

§ 507. Savings Provision.

Forbids, except as provided in § 502 and § 503, this act to be construed to affect the validity of any right, duty, or obligation of the U.S. or other person arising pursuant to

any lawful commitment or agreement before 10/1/97 under the 1937 Act, Youthbuild, HOME, McKinney, or the Innovative Homeless Initiatives Demonstration program.

§508. Effective Date.

Requires that §§502, 503, and 507 (termination of 1937 Act assistance and savings provision) take effect on the date of enactment of this act.

TITLE VI—FEDERAL GUARANTEES FOR FINANCING FOR TRIBAL HOUSING ACTIVITIES

§601. Authority and Requirements.

(a) Authority. Authorizes HUD, subject to an appropriation and limitations of this title (including those designed to protect and maintain the viability of rental housing units owned or operated developed under a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937), to guarantee (includes commitments) notes or other obligations issued by Indian tribes or tribally designated entities to finance affordable housing activities described in §202.

(b) Lack of Financing Elsewhere. Permits guarantees to be used to assist a tribe or housing entity in obtaining financing only if they have made efforts to obtain financing without the guarantee and cannot complete such financing consistent with the timely execution of program plans without such guarantee.

(c) Terms of Loans. Requires notes or obligations to be in such form and denominations, have such maturities, and be subject to such conditions as HUD may prescribe in regulations. Prohibits HUD from denying a guarantee on the proposed repayment period unless the period is more than 20 years or HUD determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) Limitation on Outstanding Guarantees. Prohibits a guarantee on notes or if the issuer's total outstanding notes or obligations guaranteed (excluding defeased amounts under contract under §602(a)(1)) would exceed an amount equal to 5 times the amount of the grant issuer under title III.

§602. Security and Repayment.

(a) Requirements on Issuer. Requires HUD to require the Indian tribe or entity issuing notes or obligations to:

(1) contract for repayment of guaranteed notes or obligations;

(2) pledge any grants that the issuer may become eligible for under this act;

(3) demonstrate financial capacity of tribe to guarantee and that it is not likely to impair ability to use grant amounts under this title; and

(4) furnish other appropriate security, at discretion of HUD.

(b) Repayment From Grant Amounts. Permits HUD to apply grants pledged under subsection (a)(2) to any repayments due from guarantees and permits grants provided under this act to a tribe or housing entity to be used to pay principal and interest due on guaranteed notes or obligations.

(c) Full Faith and Credit. Pledges the full faith and credit of U.S. to the payment of all guarantees under this title and makes the validity of such guarantees made by HUD incontestable.

§603. Payment of Interest.

Authorizes HUD, subject to an appropriation, to make grants to a tribe or housing entity issuing guaranteed notes or obligations to cover up to 30% of the net interest cost to the borrowing entity or agency of such obligations. Also, permits HUD, subject to an appropriation, to assist the issuer in the payment of principal and interest due under the note or obligation if HUD determines that the issuer is unable to pay because of circumstances of extreme hardship beyond the issuer's control.

§604. Treasury Borrowing.

Authorizes HUD to issue obligations to the Secretary of the Treasury to carry out guarantees authorized under this title. Requires obligations to have such maturities, and such interest rates as determined by the Secretary of Treasury. Requires the Secretary of Treasury to purchase any HUD obligations, and for such purposes, may use as a public debt transaction the proceeds from the sales of specified securities.

§605. Training and Information.

Requires HUD, in cooperation with eligible public entities, to carry out training and information activities on the guarantee program under this title.

§606. Limitation on Amount of Guarantees.

(a) Aggregate Fiscal Year Limitation. Requires HUD, subject to an appropriation and sufficient approvable applications, to enter into commitments to guarantee notes and obligations with an aggregate principal amount of \$400M for each of FYs 1997-2001.

(b) Authorization of Appropriations for Credit Subsidy. Authorizes \$40M for each of FYs 1997-2001 to be appropriated to cover the cost of guarantees under this title.

(c) Aggregate Outstanding Limitation. Requires that the total amount of outstanding obligations guaranteed on an cumulative basis by HUD under this title not at any time exceed \$2B or such higher amounts as may be authorized to be appropriated for any FY.

(d) Fiscal Year Limitations on Tribes. Requires HUD to monitor the use of guarantees. Authorizes HUD, if 50% of aggregate guarantee under subsection (c) has been committed, to (1) impose a \$50M limit on the amount that a tribe receives in any FY, and (2) request legislation increasing the aggregate limitation.

§606. Effective Date.

Makes this title take effect on the date of enactment of this act.

TITLE VII—OTHER HOUSING ASSISTANCE FOR NATIVE AMERICANS

§701. Loan Guarantees for Indian Housing.

(a) Definition of Eligible Borrower to Include Indian Tribes. Expands current description of eligible borrowers (Indian families or IHAs) to include Indian tribes, amending §§184(a) & (b)(1).

(b) Need for Loan Guarantee. Expands the basis for need of loan guarantees from the unique status of Indian *trust* lands to the unique status of Indian lands *or* as a result of lack of access to private financial markets, amending §184(a).

(c) IHP Requirement. Adds a requirement that eligible housing for loan guarantees be under the jurisdiction of an Indian tribe for which an Indian housing plan has been submitted and approved under §§102 and 103 and that provides for the use of loan guarantees, amending §184(b)(2).

(d) Lender Option to Obtain Payment Upon Default Without Foreclosure. Simplifies the foreclosure/assignment option in the case of a defaulted mortgage. HUD continues to determine the eligibility of a defaulted mortgage for assignment, amending §184(h).

(e) Limitation on Mortgagee Authority. Adds mortgagee to provisions on limitations on liquidation that currently apply to the Secretary. Changes current reference to tribal allotted or trust land to restricted Indian land, amending §184(h).

(f) Limitation on Outstanding Aggregate Principal Amount. Authorizes HUD to enter into commitments to guarantee loans under §184 for each of FYs 1997-2001 with an aggregate outstanding principal note exceeding \$400M for each such fiscal year, amending §184(i)(5)(C).

(g) Authorization of Appropriations for Guarantee Fund. Authorizes \$30M for each of

FYs 1997-2001 to be appropriated to the Guarantee Fund, amending §184(i)(7).

(h) Definitions. Changes made to the following terms:

(1) "Indian area": Expands the definition to include areas within which an Indian tribe (current law covers only an IHA) is authorized to provide housing.

(2) "Indian housing authority": Expands definition to include entities authorized to assist in the development or operation of housing subject to §184 (current law covers only low-income housing for Indians), and tribally designated housing entities under this act.

(3) "tribe or Indian tribe": Extensive differences from current law including the addition of references to the Alaska Native Claims Settlement Act, and the Indian Self-Determination and Education Assistance Act of 1975, amending §184(k).

(i) Principal Obligation Amounts. Provides that loans shall involve a principal obligation not exceeding 97.75% of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75% if the value of the property is \$50,000 or less), amending §184(b)(5)(C).

(j) Availability of Amounts. Eliminates the limitations on the use of monies appropriated in any one fiscal year to that specific year and instead provides that amounts are available until expended, amending §184(i)(5).

(k) GNMA Authority. Adds loans guaranteed under §184 to the list of loans that GNMA may include under its mortgage-backed securities program, amending §306(g) of FNMA Charter Act.

§702. 50-Year Leasehold Interest in Trust or Restricted Lands for Housing Purposes.

(a) Authority to Lease. Authorizes any restricted Indian lands, whether tribally or individually owned, to be leased by the Indian owners, with the approval of the DOI, for residential purposes.

(b) Term. Requires each lease to be for a term up to 50 years.

(c) Rule of Construction. Provides that §702 may not be construed to repeal, limit, or affect any authority to lease any restricted Indian lands that is conferred by or pursuant to any other provision of law or provides for leases exceeding 50 years.

(d) Self-Implementation. Clarifies that this section is intended to be self-implementing and shall not require the issuance of any rule, regulation, or order to take effect.

§703. Training and Technical Assistance.

Authorizes such sums as may be appropriated for each of FYs 1997-2001 for assistance for a national organization representing Native American housing interests for providing training and technical assistance to IHAs and tribally designated housing entities.

§704. Public and Assisted Housing Drug Elimination Act of 1990.

Amends the Public and Assisted Housing Drug Elimination Act of 1990 to replace the term "Indian Housing Authorities" with "tribally designated housing entities" and to make other changes necessary to continue to provide funds through this program.

§704. Effective Date.

Makes this title effective upon the enactment of this act.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). The question is on the motion offered by the gentleman from New York [Mr. LAZIO] that the House suspend the rules and pass the bill, H.R. 3219, as amended.

The question was taken; and (two-thirds having voted in favor thereof)

the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

OMNIBUS INSULAR AREAS OF ACT OF 1996

Mr. GALLEGLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1332) to establish certain policies and responsibilities with respect to the administration of the Rongelap Resettlement Trust Fund, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Omnibus Insular Areas Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Temporary absence of officials clarified.
- Sec. 3. Amendments to priority of bonds and other obligations.
- Sec. 4. Commission on the economic future of the Virgin Islands.
- Sec. 5. Repeal of separate ballot requirement.
- Sec. 6. Insular funding clarification.
- Sec. 7. American Memorial Park.
- Sec. 8. American Samoa Study Commission.
- Sec. 9. Hawaiian Homes Commission.

SEC. 2. TEMPORARY ABSENCE OF OFFICIALS CLARIFIED.

Section 14 of the Revised Organic Act of the Virgin Islands (48 U.S.C. 1595) is amended by adding at the end the following new subsection:

"(g) An absence from the Virgin Islands of the Governor or the Lieutenant Governor, while on official business shall not be a 'temporary absence' for purposes of this section."

SEC. 3. AMENDMENTS TO PRIORITY OF BONDS AND OTHER OBLIGATIONS.

(a) AUTHORITY TO ISSUE OBLIGATIONS.—Section 3 of the Act entitled "An Act to authorize the government of the Virgin Islands to issue bonds in anticipation of revenue receipts and to authorize the guarantee of such bonds by the United States under specified conditions, and for other purposes", approved August 19, 1976 (48 U.S.C. 1574c), is amended—

(1) by striking "priority for payment" and inserting in lieu thereof "a parity lien with every other issue of bonds or other obligations issued for payment"; and

(2) by striking "in the order of the date of issue".

(b) APPLICATION.—The amendments made by this section shall apply to obligations issued on or after the date of the enactment of this Act.

SEC. 4. COMMISSION ON THE ECONOMIC FUTURE OF THE VIRGIN ISLANDS.

(a) ESTABLISHMENT AND MEMBERSHIP.—

(1) IN GENERAL.—There is hereby established a Commission on the Economic Future of the Virgin Islands (hereafter in this section referred to as the "Commission"). The Commission shall consist of six members appointed by the President, two of whom shall be selected from nominations made by the Governor of the Virgin Islands. The President shall designate one of the members of the Commission to be Chairman.

(2) SECRETARY OF INTERIOR EX OFFICIO MEMBER.—In addition to the six members appointed under paragraph (1), the Secretary of the Interior shall be an ex-officio member of the Commission.

(3) MEMBERS APPOINTED BY PRESIDENT.—Members of the Commission appointed by the President shall be persons who by virtue of their background and experience are particularly suited to contribute to achievement of the purposes of the Commission.

(4) COMPENSATION.—Members of the Commission shall serve without compensation, but may be reimbursed for travel, subsistence and other necessary expenses incurred by them in the performance of their duties.

(5) VACANCIES.—Any vacancy in the Commission shall be filled in the same manner as the original appointment was made.

(b) PURPOSE AND REPORT.—

(1) PURPOSE.—The purpose of the Commission is to make recommendations to the President and Congress on the policies and actions necessary to provide for a secure and self-sustaining future for the local economy of the Virgin Islands through 2020 and on the role of the Federal Government. In developing recommendations, the Commission shall—

(A) solicit and analyze information on projected private sector development and shifting tourism trends based on alternative forecasts of economic, political, and social conditions in the Caribbean;

(B) analyze capital infrastructure, education, social, health, and environmental needs in light of these alternative forecasts; and

(C) assemble relevant demographic, economic, and revenue and expenditure data from over the past 25 years.

(2) RECOMMENDATIONS AND REPORT.—The recommendations of the Commission shall be transmitted to the President, the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives no later than June 30, 1998. The report shall set forth the basis for the recommendations and include an analysis of the capability of the Virgin Islands to meet projected needs based on reasonable alternative economic, political, and social conditions in the near future of Cuba to trade, tourism, and development.

(c) POWERS.—

(1) IN GENERAL.—The Commission may—

(A) hold such hearings, sit and act at such times and places, take such testimony and receive such evidence as it may deem advisable;

(B) use the United States mail in the same manner and upon the same conditions as departments and agencies of the United States; and

(C) within available funds, incur such expenses and enter into contracts or agreements for studies and surveys with public and private organizations and transfer funds to Federal agencies to carry out the Commission's functions.

(2) TECHNICAL AND ADMINISTRATIVE SUPPORT.—Within funds available for the Commission, the Secretary of the Interior shall

provide such office space, furnishings, equipment, staff, and fiscal and administrative services as the Commission may require.

(3) ASSISTANCE FROM FEDERAL AGENCIES.—The President, upon request of the Commission, may direct the head of any Federal agency or department to assist the Commission and if so directed such head shall—

(A) furnish the Commission to the extent permitted by law and within available appropriations such information as may be necessary for carrying out the functions of the Commission and as may be available to or procurable by such department or agency; and

(B) detail to temporary duty with the Commission on a reimbursable basis such personnel within his administrative jurisdiction as the Commission may need or believe to be useful for carrying out its functions, each such detail to be without loss of seniority, pay or other employee status.

(d) CHAIRMAN.—Subject to general policies that the Commission may adopt, the chairman of the Commission shall be the chief executive officer of the Commission and shall exercise its executive and administrative powers. The chairman may make such provisions as he may deem appropriate authorizing the performance of his executive and administrative functions by the staff of the Commission.

(e) FUNDING.—The Department of the Interior is authorized to provide up to \$300,000 in each of the fiscal years 1997 and 1998 in technical assistance funding for the work of the Commission.

(f) TERMINATION.—The Commission shall terminate three months after the transmission of the report and recommendations under subsection (b)(2).

SEC. 5. REPEAL OF SEPARATE BALLOT REQUIREMENT.

(a) IN GENERAL.—Section 2(a) of the Act entitled "An Act to provide that the unincorporated territories of Guam and the Virgin Islands shall each be represented in Congress by a Delegate to the House of Representatives" approved April 10, 1972 (48 U.S.C. 1712(a)), is amended—

(1) by striking "by separate ballot and"; and

(2) by inserting after the second sentence the following new sentence: "The Delegate representing the Virgin Islands shall be elected by separate ballot."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect January 1, 1997.

SEC. 6. INSULAR FUNDING CLARIFICATION.

The second sentence of subsection (a) of section 703 of the Northern Mariana Islands Covenant, as contained in section 1 of Public Law 94-241 (48 U.S.C. 1801 note), shall be construed as if "of the Government of the Northern Mariana Islands" were stricken.

SEC. 7. AMERICAN MEMORIAL PARK.

Section 5 of Public Law 95-348 (92 Stat. 492) is amended by striking subsection (f).

SEC. 8. AMERICAN SAMOA STUDY COMMISSION.

(a) FINDINGS.—The Congress finds that—

(1) the islands of Tutuila and Manua, and certain other islands that compose American Samoa, were ceded by the chiefs of the islands to the United States by two treaties or deeds of cession which were submitted to the United States Congress on April 10, 1900, and July 16, 1904;

(2) American Samoa's status as an unorganized and unincorporated territory of the United States, and American Samoa's political relationship to the United States, are not clearly defined in any single document;

(3) there is a need for a comprehensive study and review of the historical and legal basis of American Samoa's political relationship with the United States, including—