

110TH CONGRESS
1ST SESSION

H. R. 2786

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 10, 2007

Received; read twice and referred to the Committee on Indian Affairs

AN ACT

To reauthorize the programs for housing assistance for
Native Americans.

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

1 **SECTION 1. SHORT TITLE; REFERENCES.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Native American Housing Assistance and Self-Deter-
4 mination Reauthorization Act of 2007”.

5 (b) **REFERENCES.**—Except as otherwise expressly
6 provided in this Act, wherever in this Act an amendment
7 or repeal is expressed in terms of an amendment to, or
8 repeal of, a section or other provision, the reference shall
9 be considered to be made to a section or other provision
10 of the Native American Housing Assistance and Self-De-
11 termination Act of 1996 (25 U.S.C. 4101 et seq.).

12 **SEC. 2. BLOCK GRANTS.**

13 (a) **AUTHORIZATION OF APPROPRIATIONS.**—Section
14 108 (25 U.S.C. 4117) is amended by striking “fiscal years
15 1998 through 2007” and inserting “fiscal years 2008
16 through 2012”.

17 (b) **BLOCK GRANTS REQUIREMENTS.**—Section 101
18 (25 U.S.C. 4111) is amended by adding at the end the
19 following new subsections:

20 “(j) **FEDERAL SUPPLY SOURCES.**—For purposes of
21 section 501 of title 40, United States Code (relating to
22 services for executive agencies), an Indian tribe or tribally
23 designated housing entity shall be considered to be an ex-
24 ecutive agency when carrying out housing programs, serv-
25 ices, functions and activities under the tribe or tribally
26 designated housing entity, and its employees shall be eligi-

1 ble to have access to such sources of supply on the same
2 basis as employees of an executive agency.

3 “(k) TRIBAL PREFERENCE IN EMPLOYMENT AND
4 CONTRACTING.—Notwithstanding any other provision of
5 law, with respect to any grant made under this Act on
6 behalf of an Indian tribe that is intended to benefit one
7 tribe, the tribal employment or contract preference laws
8 adopted by such tribe shall govern with respect to the ad-
9 ministration of the grant or portion of the grant.

10 “(l) LIMITATION ON USE FOR CHEROKEE NATION.—

11 “(1) IN GENERAL.—No funds authorized under
12 this Act, or the amendments made by this Act, or
13 appropriated pursuant to an authorization under
14 this Act or such amendments, shall be expended for
15 the benefit of the Cherokee Nation of Oklahoma
16 until the Cherokee Nation of Oklahoma is in full
17 compliance with the Treaty of 1866 and fully recog-
18 nizes all Cherokee Freedmen and their descendants
19 as citizens of the Cherokee Nation.

20 “(2) CONGRESSIONAL FINDINGS.—The Con-
21 gress hereby finds that—

22 “(A) the Cherokee Freedmen have ap-
23 pealed the March 3, 2007, vote of the Cherokee
24 Nation to rescind their tribal membership and
25 it is currently in litigation in tribal courts; and

1 “(B) on May 14, 2007, Cherokee Nation
2 District Court Judge John Cripps issued a tem-
3 porary injunction requiring reinstatement of
4 citizenship for the Cherokee Freedmen, pending
5 appeal of the constitutionality of the March 3,
6 2007, tribal election rescinding membership.

7 “(3) EFFECTIVE DATE.—Paragraph (1) shall
8 not have any effect—

9 “(A) during the period that the temporary
10 injunction issued on May 14, 2007, and re-
11 ferred to in paragraph (2)(B) remains in effect;
12 and

13 “(B) if the Cherokee Freedmen prevail
14 upon final judgment in the pending appeal re-
15 ferred to in paragraph (2)(B) regarding re-
16 scinding membership or a settlement agreement
17 regarding such appeal is entered into, at any
18 time after entrance of such judgment or such
19 settlement agreement.”.

20 (c) INDIAN HOUSING PLANS.—Subparagraph (A) of
21 section 102(c)(3) (25 U.S.C. 4112(c)(3)(A)) is amended
22 by inserting before the semicolon the following: “and a de-
23 scription of any amounts made available pursuant to a
24 grant under section 101 for the Indian tribe for any pre-
25 ceding fiscal year which have not been, or are not expected

1 to be, obligated or expended before the beginning of the
2 fiscal year for which the plan is submitted, including any
3 amounts in any reserve account established pursuant to
4 section 202(9)”.

5 (d) PROGRAM INCOME.—Subsection (a) of section
6 104 (25 U.S.C. 4114(a)) is amended by adding at the end
7 the following:

8 “(4) EXCLUSION FROM PROGRAM INCOME OF
9 REGULAR DEVELOPER’S FEES FOR LOW-INCOME
10 HOUSING TAX CREDIT PROJECTS.—Notwithstanding
11 any other provision of the Act, any income derived
12 from a regular and customary developer’s fee for
13 any project assisted with a low-income housing tax
14 credit under section 42 of the Internal Revenue
15 Code of 1986 that is initially funded with grant
16 funds provided under this Act, which fee is approved
17 by the State housing credit agency, shall not be con-
18 sidered to be program income.”.

19 (e) ESSENTIAL FAMILIES.—Section 201(b) (25
20 U.S.C. 4131(b)) is amended—

21 (1) in paragraph (3)—

22 (A) in the paragraph heading, by striking
23 “NON-INDIAN FAMILIES” and inserting “ES-
24 SENTIAL FAMILIES”;

25 (B) by striking “non-Indian”; and

1 (C) by striking “on the Indian reservation
2 or other Indian area”; and

3 (2) by redesignating the last paragraph (relat-
4 ing to exemption) as paragraph (7).

5 (f) ELIGIBILITY OF LOCAL LAW ENFORCEMENT OF-
6 FICERS FOR RESIDENCY.—Clause (i) of section
7 201(b)(4)(A) (25 U.S.C. 4131(b)(4)(A)(i)) is amended by
8 striking “or” the last place it appears and inserting “,
9 or other unit of local government, or a”.

10 (g) OPERATION AND MAINTENANCE COSTS.—Para-
11 graph (4) of section 202 (25 U.S.C. 4132(4)) is amended
12 by inserting after “rental assistance,” the following: “op-
13 eration and maintenance of units developed with amounts
14 provided under this Act,”.

15 (h) RESERVE FUNDS.—Section 202 (25 U.S.C.
16 4132) is amended by adding at the end the following new
17 paragraph:

18 “(9) RESERVE ACCOUNTS.—The deposit of
19 amounts, including grant amounts under section
20 101, in a reserve account established for an Indian
21 tribe only for the purpose of accumulating amounts
22 for funding affordable housing activities under this
23 section in accordance with the Indian housing plan
24 for the tribe, except that not more than 20 percent
25 of any grant amounts under section 101 on behalf

1 of any Indian tribe for any fiscal year may be used
2 under this paragraph. Amounts in such a reserve ac-
3 count may be invested only subject to the same limi-
4 tations applicable to grant amounts under section
5 204(b). Any income resulting from amounts in any
6 such reserve account shall be considered to be pro-
7 gram income for purposes of this Act.”.

8 (i) PROGRAM REQUIREMENTS.—Section 203 (25
9 U.S.C. 4133) is amended by adding at the end the fol-
10 lowing new subsections:

11 “(f) USE OF GRANT AMOUNTS OVER EXTENDED PE-
12 RIODS.—To the extent that the Indian housing plan for
13 a tribe provides for the use of amounts from a grant under
14 section 101 over more than one fiscal year or for afford-
15 able housing activities for which such funds will be com-
16 mitted for use or expended in a subsequent fiscal year,
17 the Secretary may not require amounts from such a grant
18 to be used, or committed for use, any sooner than so pro-
19 vided under such Indian housing plan.

20 “(g) DE MINIMIS EXEMPTION FOR PROCUREMENT
21 OF GOODS AND SERVICES.—Notwithstanding any other
22 provision of law, any rules and procedures regarding com-
23 petitive procurement otherwise applicable to a recipient
24 shall not apply to the recipient in the case of procurement

1 of goods and services under \$5,000 with grant amounts
2 under this Act.”.

3 (j) AVAILABILITY OF RECORDS.—Subsection (a) of
4 section 208 (25 U.S.C. 4138(a)) is amended—

5 (1) by inserting “(1)” after “criminal conviction
6 records of”; and

7 (2) by inserting before the period at the end the
8 following: “, or (2) adult applicants for employment
9 with the tribe in positions relating to the tribe’s ac-
10 tivities under this Act or its other housing-related
11 activities or with the tribally designated housing en-
12 tity, for purposes of applicant screening”.

13 **SEC. 3. SELF-DETERMINED HOUSING ACTIVITIES FOR TRIB-**
14 **AL COMMUNITIES PROGRAM.**

15 (a) ESTABLISHMENT OF PROGRAM.—Title II (25
16 U.S.C. 4131 et seq.) is amended—

17 (1) by inserting after the title heading the fol-
18 lowing:

19 **“Subtitle A—General Block Grant**
20 **Program”;**

21 and

22 (2) by adding at the end the following new sub-
23 title:

1 **“Subtitle B—Self-Determined Hous-**
2 **ing Activities for Tribal Commu-**
3 **nities**

4 **“SEC. 231. PURPOSES.**

5 “The purposes of this subtitle are to establish a self-
6 determined housing activities for the tribal communities
7 program to provide Indian tribes with the flexibility to use
8 a portion of the grant amounts under section 101 for the
9 tribe in manners that are wholly self-determined by the
10 tribe for housing activities involving construction, acquisi-
11 tion, or rehabilitation of housing that will benefit the com-
12 munity served by the tribe.

13 **“SEC. 232. AUTHORITY.**

14 “(a) IN GENERAL.—Under the program under this
15 subtitle, for each of fiscal years 2008 through 2012, the
16 recipient for each qualifying Indian tribe may use the
17 amounts specified in subsection (c) in accordance with this
18 subtitle.

19 “(b) QUALIFYING INDIAN TRIBES.—For purposes of
20 this section, the term ‘qualifying Indian tribe’ means, with
21 respect to a fiscal year, an Indian tribe or tribally des-
22 ignated housing entity that—

23 “(1) a grant is made in behalf of under section
24 101;

1 “(2) has complied with the requirements under
2 subsections (b)(4) and (c)(7) of section 102; and

3 “(3) has no unresolved significant and material
4 audit findings or exceptions in the most recent an-
5 nual audit completed under chapter 75 of title 31,
6 United States Code (commonly known as the Single
7 Audit Act), or in an independent financial audit pre-
8 pared in accordance with generally accepted auditing
9 principles.

10 “(c) AMOUNT.—With respect to a fiscal year and a
11 recipient, the amounts specified in this subsection are
12 amounts from any grant under section 101 for the recipi-
13 ent for the fiscal year, as determined by the recipient, but
14 in no case exceeding the lesser of (1) 15 percent of the
15 total grant amount for the recipient for such fiscal year,
16 or (2) \$1,000,000.

17 **“SEC. 233. USE OF AMOUNTS FOR HOUSING ACTIVITIES.**

18 “(a) ELIGIBLE HOUSING ACTIVITIES.—Any amounts
19 made available for use under this subtitle by a recipient
20 for an Indian tribe shall be used only for housing activi-
21 ties, as selected at the discretion of the recipient and set
22 forth in the Indian housing plan for the tribe pursuant
23 to section 102(c)(7), for the construction, acquisition or
24 rehabilitation of housing that provide a benefit to families
25 described in section 201(b)(1).

1 “(b) PROHIBITION ON CERTAIN ACTIVITIES.—
2 Amounts made available for use under this subtitle may
3 not be used for any costs of providing infrastructure, com-
4 mercial and economic development, and operating costs of
5 housing.

6 **“SEC. 234. INAPPLICABILITY OF OTHER PROVISIONS.**

7 “(a) IN GENERAL.—Except as specifically provided
8 in this Act, the provisions of title I, subtitle A of title II,
9 and titles III through VIII shall not apply to the program
10 under this subtitle or to amounts made available in ac-
11 cordance with this subtitle.

12 “(b) APPLICABLE PROVISIONS.—The following provi-
13 sions of titles I through VIII shall apply to the program
14 under this subtitle and amounts made available in accord-
15 ance with this subtitle:

16 “(1) Section 101(c) (relating to local coopera-
17 tion agreements).

18 “(2) Subsections (d) and (e) of section 101 (re-
19 lating to tax exemption).

20 “(3) Section 102(c)(5) (relating to certification
21 of compliance).

22 “(4) Section 104 (relating to treatment of pro-
23 gram income and labor standards).

24 “(5) Section 105 (relating to environmental re-
25 view).

1 “(6) Section 201(b) (relating to eligible fami-
2 lies).

3 “(7) Section 201(b)(7) (relating to preference
4 for tribal members and other Indian families).

5 “(8) Section 203(c) (relating to insurance cov-
6 erage).

7 “(9) Section 209 (relating to noncompliance
8 with affordable housing requirement).

9 “(10) Section 401 (relating to remedies for
10 noncompliance).

11 “(11) Section 408 (relating to public avail-
12 ability of information).

13 “(12) Section 702 (relating to 50-year leasehold
14 interests in trust or restricted lands for housing pur-
15 poses).

16 **“SEC. 235. REVIEW AND REPORT.**

17 “(a) REVIEW.—During calendar year 2011, the Sec-
18 retary shall conduct a review of the results achieved by
19 the program under this subtitle to determine—

20 “(1) the housing constructed, acquired, or reha-
21 bilitated under the program;

22 “(2) the effects of such housing constructed, ac-
23 quired, or rehabilitated on costs to low-income fami-
24 lies of affordable housing;

1 “(3) the effectiveness of each recipient in
2 achieving the results intended to be achieved, as set
3 forth in the Indian housing plan for the Indian tribe;
4 and

5 “(4) the need for, and effectiveness of, extend-
6 ing the duration of the program and increasing the
7 amount of grants under section 101 that may be
8 used under the program.

9 “(b) REPORT.—Not later than December 31, 2011,
10 the Secretary shall submit a report to the Congress setting
11 forth the information obtained pursuant to the review
12 under subsection (a), which shall include conclusions and
13 recommendations of the Secretary with respect to the pro-
14 gram under this subtitle, including—

15 “(1) recommendations regarding extension of
16 the program for subsequent fiscal years and increas-
17 ing the amount pursuant to section 232(c) that may
18 be used under the program; and

19 “(2) recommendations for—

20 “(A) specific Indian tribes (or recipients)
21 that should be prohibited from participating in
22 the program for failure to achieve results, and
23 the period for which such prohibition should re-
24 main in effect; or

1 “(B) standards and procedures by which
2 tribes (or recipients) may be prohibited from
3 participating in the program for failure to
4 achieve results.

5 “(c) PROVISION OF INFORMATION TO SECRETARY.—
6 Notwithstanding any other provision of the Act, recipients
7 participating in the program under this subtitle shall pro-
8 vide such information to the Secretary as the Secretary
9 may request, in sufficient detail and in a timely manner
10 sufficient to ensure that the review and report required
11 by this section is accomplished in a timely manner.”.

12 (b) AUTHORITY TO USE BLOCK GRANT AMOUNTS.—
13 Subsection (a) of section 101 (25 U.S.C. 4111(a)) is
14 amended by inserting before the period at the end of the
15 first sentence the following: “under subtitle A of title II
16 and to carry out self-determined housing activities for trib-
17 al communities programs under subtitle B of such title”.

18 (c) EXEMPTION FROM AFFORDABLE HOUSING AC-
19 TIVITIES REQUIREMENT.—Subsection (g) of section 101
20 (25 U.S.C. 4111) is amended by inserting “of this section
21 and subtitle B of title II” after “subsection (h)”.

22 (d) INDIAN HOUSING PLANS.—Section 102 (25
23 U.S.C. 4112) is amended as follows:

24 (1) 5-YEAR PLAN.—In subsection (b), by adding
25 at the end the following new paragraph:

1 “(4) SELF-DETERMINED HOUSING ACTIVITIES
2 PROGRAM.—A statement of the manner in which the
3 program for the Indian tribe under subtitle B of
4 title II will be carried out and implemented, and an
5 overview of the benefits to the low-income commu-
6 nity intended to be achieved from activities to be un-
7 dertaken during the period pursuant to the program
8 for the Indian tribe under subtitle B of title II.”.

9 (2) 1-YEAR PLAN.—In subsection (c), by adding
10 at the end the following new paragraph:

11 “(7) SELF-DETERMINED HOUSING ACTIVITIES
12 PROGRAM.—A statement of housing activities to be
13 undertaken during the period pursuant to the pro-
14 gram for the Indian tribe under subtitle B of title
15 II and a description of the benefit such activities will
16 provide for the low-income community.”.

17 (e) REVIEW OF HOUSING PLANS.—Section 103 (25
18 U.S.C. 4113) is amended by striking subsection (e) and
19 inserting the following new subsection:

20 “(e) SELF-DETERMINED ACTIVITIES PROGRAM.—
21 Notwithstanding any other provision of this section, the
22 Secretary—

23 “(1) shall review the information included in an
24 Indian housing plan pursuant to subsections (b)(4)
25 and (c)(7) only to determine whether such informa-

1 tion is included for purposes of compliance with the
2 requirement under section 232(b)(2); and

3 “(2) may not approve or disapprove an Indian
4 housing plan based on the content of the particular
5 benefits, activities, and results included pursuant to
6 such subsections.”.

7 (f) CLERICAL AMENDMENTS.—The table of contents
8 in section 1(b) (25 U.S.C. 4101 note) is amended—

9 (1) by inserting after the item for title II the
10 following new item:

“Subtitle A—General Block Grant Program”;

11 and

12 (2) by inserting before the item for title III the
13 following new items:

“Subtitle B—Self-Determined Housing Activities for Tribal Communities

“Sec. 231. Purposes.

“Sec. 232. Authority.

“Sec. 233. Use of amounts for housing activities.

“Sec. 234. Inapplicability of other provisions.

“Sec. 235. Review and report.”.

14 **SEC. 4. EFFECT OF NAHASDA ON HOME INVESTMENT PART-**
15 **NERSHIPS ACT.**

16 (a) IN GENERAL.—Title V (25 U.S.C. 4181 et seq.)
17 is amended by adding at the end the following new section:

18 **“SEC. 509. EFFECT ON HOME INVESTMENT PARTNERSHIPS**
19 **ACT.**

20 “The amendments made by this title, and the provi-
21 sions of this title and this Act, may not be construed to

1 prohibit or prevent any insular area or participating juris-
2 diction (as such terms are used for purposes of the HOME
3 Investment Partnerships Act (42 U.S.C. 12721 et seq.))
4 from providing amounts made available under such Act
5 for such area or jurisdiction to Indian tribes, or tribally
6 designated housing entities, for use in accordance with the
7 HOME Investment Partnerships Act.”.

8 (b) CLERICAL AMENDMENT.—The table of contents
9 in section 1(b) (25 U.S.C. 4101 note) is amended by in-
10 serting after the item for section 508 the following new
11 item:

“Sec. 509. Effect on HOME Investment Partnerships Act.”.

12 **SEC. 5. GAO STUDY OF EFFECTIVENESS OF NAHASDA FOR**
13 **TRIBES OF DIFFERENT SIZES.**

14 (a) IN GENERAL.—The Comptroller General of the
15 United States shall conduct a study of the effectiveness
16 of the Native American Housing Assistance and Self-De-
17 termination Act of 1996 in achieving its purposes of meet-
18 ing the needs for affordable housing for low-income Indian
19 families, as compared to the programs for housing and
20 community development assistance for Indian tribes and
21 families and Indian housing authorities that were termi-
22 nated under title V of such Act and the amendments made
23 by such title. The study shall compare such effectiveness
24 with respect to Indian tribes of various sizes and types,
25 and specifically with respect to smaller tribes for which

1 grants of lesser or minimum amounts have been made
2 under title I of such Act.

3 (b) REPORT.—Not later than the expiration of the
4 12-month period beginning on the date of the enactment
5 of this Act, the Comptroller General shall submit a report
6 to the Committee on Financial Services of the House of
7 Representatives and the Committee on Banking, Housing,
8 and Urban Affairs of the Senate regarding the results and
9 conclusions of the study conducted pursuant to subsection
10 (a). Such report shall include recommendations regarding
11 any changes appropriate to the Native American Housing
12 Assistance and Self-Determination Act of 1996 to help en-
13 sure that the purposes of such Act are achieved by all In-
14 dian tribes, regardless of size or type.

15 **SEC. 6. FEDERAL GUARANTEES FOR FINANCING FOR TRIB-**
16 **AL HOUSING ACTIVITIES.**

17 (a) EDUCATIONAL SEMINARS.—Section 604 (25
18 U.S.C. 4195) is amended by adding at the end the fol-
19 lowing: “Such activities shall include conducting edu-
20 cational seminars with tribes and tribally designated hous-
21 ing entities on how to utilize the loan guarantee program
22 under this title.”.

23 (b) AGGREGATE FISCAL YEAR LIMITATION.—Sub-
24 section (a) of section 605 (25 U.S.C. 4195(a)) is amended

1 by striking “fiscal years 1997 through 2007” and insert-
2 ing “fiscal years 2008 through 2012”.

3 (c) AUTHORIZATION OF APPROPRIATIONS FOR CRED-
4 IT SUBSIDY.—Subsection (b) of section 605 is amended
5 by striking “fiscal years 1997 through 2007” and insert-
6 ing “fiscal years 2008 through 2012”.

7 **SEC. 7. TRAINING AND TECHNICAL ASSISTANCE.**

8 Section 703 (25 U.S.C. 4212) is amended by striking
9 “fiscal years 1997 through 2007” and inserting “fiscal
10 years 2008 through 2012”.

11 **SEC. 8. HOUSING ASSISTANCE FOR NATIVE HAWAIIANS.**

12 Section 824 (25 U.S.C. 4243), as added by section
13 513 of Public Law 106–569 (114 Stat. 2969), is amended
14 by striking “fiscal years” and all that follows and inserting
15 the following: “fiscal years 2008, 2009, 2010, 2011 and
16 2012.”.

17 **SEC. 9. DEMONSTRATION PROGRAM FOR GUARANTEED**
18 **LOANS TO FINANCE TRIBAL COMMUNITY AND**
19 **ECONOMIC DEVELOPMENT ACTIVITIES.**

20 (a) AUTHORITY.—To the extent or in such amounts
21 as are provided in appropriation Acts, the Secretary of
22 Housing and Urban Development (in this section referred
23 to as the “Secretary”) may, subject to the limitations of
24 this section and upon such terms and conditions as the
25 Secretary may prescribe, guarantee and make commit-

1 ments to guarantee, the notes and obligations issued by
2 Indian tribes or tribally designated housing entities (as
3 such term is defined in section 4 of the Native American
4 Housing Assistance and Self-Determination Act of 1996
5 (25 U.S.C. 4103)) with tribal approval, for the purposes
6 of financing activities, carried out on Indian reservations
7 and in other Indian areas, that under the first sentence
8 of section 108(a) of the Housing and Community Develop-
9 ment Act of 1974 are eligible for financing with notes and
10 other obligations guaranteed pursuant to such section
11 108.

12 (b) **LOW-INCOME BENEFIT REQUIREMENT.**—Not
13 less than 70 percent of the aggregate funds received by
14 an Indian tribe or tribally designated housing entity as
15 a result of a guarantee under this section shall be used
16 for the support of activities that benefit low-income Indian
17 families (as such term is defined for purposes of the Na-
18 tive American Housing Assistance and Self-Determination
19 Act of 1996) on Indian reservations and other Indian
20 areas.

21 (c) **FINANCIAL SOUNDNESS.**—The Secretary shall es-
22 tablish underwriting criteria for guarantees under this sec-
23 tion, including fees for such guarantees, as may be nec-
24 essary to ensure that the program under this section for
25 such guarantees is financially sound. Such fees shall be

1 established in amounts that are sufficient, but do not ex-
2 ceed the minimum amounts necessary, to maintain a nega-
3 tive credit subsidy for such program, as determined based
4 upon risk to the Federal Government under such under-
5 writing requirements.

6 (d) TERMS OF OBLIGATIONS.—Notes or other obliga-
7 tions guaranteed pursuant to this section shall be in such
8 form and denominations, have such maturities, and be
9 subject to such conditions as may be prescribed by regula-
10 tions issued by the Secretary. The Secretary may not deny
11 a guarantee under this section on the basis of the proposed
12 repayment period for the note or other obligation, unless
13 the period is more than 20 years or the Secretary deter-
14 mines that the period causes the guarantee to constitute
15 an unacceptable financial risk.

16 (e) LIMITATION ON PERCENTAGE.—A guarantee
17 made under this section shall guarantee repayment of 95
18 percent of the unpaid principal and interest due on the
19 notes or other obligations guaranteed.

20 (f) SECURITY AND REPAYMENT.—

21 (1) REQUIREMENTS ON ISSUER.—To ensure the
22 repayment of notes or other obligations and charges
23 incurred under this section and as a condition for
24 receiving such guarantees, the Secretary shall re-

1 quire the Indian tribe or housing entity issuing such
2 notes or obligations to—

3 (A) enter into a contract, in a form accept-
4 able to the Secretary, for repayment of notes or
5 other obligations guaranteed under this section;

6 (B) demonstrate that the extent of such
7 issuance and guarantee under this section is
8 within the financial capacity of the tribe; and

9 (C) furnish, at the discretion of the Sec-
10 retary, such security as may be deemed appro-
11 priate by the Secretary in making such guaran-
12 tees, including increments in local tax receipts
13 generated by the activities assisted by a guar-
14 antee under this section or disposition proceeds
15 from the sale of land or rehabilitated property,
16 except that such security may not include any
17 grant amounts received or for which the issuer
18 may be eligible under title I of the Native
19 American Housing Assistance and Self-Deter-
20 mination Act of 1996.

21 (2) FULL FAITH AND CREDIT.—The full faith
22 and credit of the United States is pledged to the
23 payment of all guarantees made under this section.
24 Any such guarantee made by the Secretary shall be
25 conclusive evidence of the eligibility of the obliga-

1 tions for such guarantee with respect to principal
2 and interest, and the validity of any such guarantee
3 so made shall be incontestable in the hands of a
4 holder of the guaranteed obligations.

5 (g) TRAINING AND INFORMATION.—The Secretary,
6 in cooperation with Indian tribes and tribally designated
7 housing entities, shall carry out training and information
8 activities with respect to the guarantee program under this
9 section.

10 (h) LIMITATIONS ON AMOUNT OF GUARANTEES.—

11 (1) AGGREGATE FISCAL YEAR LIMITATION.—

12 Notwithstanding any other provision of law and sub-
13 ject only to the absence of qualified applicants or
14 proposed activities and to the authority provided in
15 this section, to the extent approved or provided in
16 appropriations Acts, the Secretary may enter into
17 commitments to guarantee notes and obligations
18 under this section with an aggregate principal
19 amount not to exceed \$200,000,000 for each of fis-
20 cal years 2008 through 2012.

21 (2) AUTHORIZATION OF APPROPRIATIONS FOR

22 CREDIT SUBSIDY.—There are authorized to be ap-
23 propriated to cover the costs (as such term is de-
24 fined in section 502 of the Congressional Budget Act
25 of 1974) of guarantees under this section such sums

1 as may be necessary for each of fiscal years 2008
2 through 2012.

3 (3) AGGREGATE OUTSTANDING LIMITATION.—

4 The total amount of outstanding obligations guaran-
5 teed on a cumulative basis by the Secretary pursu-
6 ant to this section shall not at any time exceed
7 \$1,000,000,000 or such higher amount as may be
8 authorized to be appropriated for this section for
9 any fiscal year.

10 (4) FISCAL YEAR LIMITATIONS ON TRIBES.—

11 The Secretary shall monitor the use of guarantees
12 under this section by Indian tribes. If the Secretary
13 finds that 50 percent of the aggregate guarantee au-
14 thority under paragraph (3) has been committed, the
15 Secretary may—

16 (A) impose limitations on the amount of
17 guarantees pursuant to this section that any
18 one Indian tribe may receive in any fiscal year
19 of \$25,000,000; or

20 (B) request the enactment of legislation in-
21 creasing the aggregate outstanding limitation
22 on guarantees under this section.

23 (i) REPORT.—Not later than the expiration of the 4-
24 year period beginning on the date of the enactment of this
25 Act, the Secretary shall submit a report to the Congress

1 regarding the utilization of the authority under this sec-
2 tion by Indian tribes and tribally designated housing enti-
3 ties, identifying the extent of such utilization and the
4 types of projects and activities financed using such author-
5 ity and analyzing the effectiveness of such utilization in
6 carrying out the purposes of this section.

7 (j) TERMINATION.—The authority of the Secretary
8 under this section to make new guarantees for notes and
9 obligations shall terminate on October 1, 2012.

10 **SEC. 10. LIMITATION ON USE OF FUNDS.**

11 No amounts made available pursuant to any author-
12 ization of appropriations under this Act, or under the
13 amendments made by this Act, may be used to employ
14 workers described in section 274A(h)(3)) of the Immigra-
15 tion and Nationality Act (8 U.S.C. 1324a(h)(3)).

Passed the House of Representatives September 6,
2007.

Attest:

LORRAINE C. MILLER,

Clerk.

By DEBORAH M. SPRIGGS,

Deputy Clerk.