

104TH CONGRESS  
1ST SESSION

# S. 436

To improve the economic conditions and supply of housing in Native American communities by creating the Native American Financial Services Organization, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 16 (legislative day, JANUARY 30), 1995

Mr. CAMPBELL (for himself, Mr. INOUE, Mr. McCAIN, and Mr. DASCHLE) introduced the following bill; which was read twice and referred to the Committee on Indian Affairs

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## A BILL

To improve the economic conditions and supply of housing in Native American communities by creating the Native American Financial Services Organization, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Native American Financial Services Organization Act of  
6 1995”.

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

Sec. 1. Short title.

TITLE I—STATEMENT OF POLICY; DEFINITIONS

- Sec. 101. Policy.
- Sec. 102. Statement of purposes.
- Sec. 103. Definitions.

TITLE II—NATIVE AMERICAN FINANCIAL SERVICES ORGANIZATION

- Sec. 201. Establishment of the organization.
- Sec. 202. Authorized assistance and service functions.
- Sec. 203. Native American lending services grant.
- Sec. 204. Audits.
- Sec. 205. Annual housing and economic development reports.
- Sec. 206. Advisory Council.

TITLE III—CAPITALIZATION OF ORGANIZATION

- Sec. 301. Capitalization of the organization.
- Sec. 302. Obligations and securities of the organization.
- Sec. 303. Limit on total assets and liabilities.

TITLE IV—REGULATION, EXAMINATION, AND REPORTS

- Sec. 401. Regulation, examination, and reports.
- Sec. 402. Authority of the Secretary of Housing and Urban Development.

TITLE V—FORMATION OF NEW CORPORATION

- Sec. 501. Formation of new corporation.
- Sec. 502. Adoption and approval of merger plan.
- Sec. 503. Consummation of merger.
- Sec. 504. Transition.
- Sec. 505. Effect of merger.

TITLE VI—AUTHORIZATIONS OF APPROPRIATIONS

- Sec. 601. Authorization of appropriations for Native American Financial Institutions.
- Sec. 602. Authorization of appropriations for organization.

1           **TITLE I—STATEMENT OF**  
 2           **POLICY; DEFINITIONS**

3 **SEC. 101. POLICY.**

4           (a) IN GENERAL.—Based upon the findings and rec-  
 5 ommendations of the Commission on American Indian,  
 6 Alaska Native and Native Hawaiian Housing established

1 by the Department of Housing and Urban Development  
2 Reform Act of 1989, the Congress has determined that—

3 (1) housing shortages and deplorable living con-  
4 ditions are at crisis proportions in Native American  
5 communities throughout the United States; and

6 (2) the lack of private capital to finance hous-  
7 ing and economic development for Native Americans  
8 and Native American communities seriously exacer-  
9 bates these housing shortages and poor living condi-  
10 tions.

11 (b) POLICY OF THE UNITED STATES TO ADDRESS  
12 NATIVE AMERICAN HOUSING SHORTAGE.—It is the policy  
13 of the United States to improve the economic conditions  
14 and supply of housing in Native American communities  
15 throughout the United States by creating the Native  
16 American Financial Services Organization to address the  
17 housing shortages and poor living conditions described in  
18 subsection (a).

19 **SEC. 102. STATEMENT OF PURPOSES.**

20 The purposes of this Act are—

21 (1) to help serve the mortgage and other lend-  
22 ing needs of Native Americans by assisting in the es-  
23 tablishment and organization of Native American  
24 Financial Institutions, developing and providing fi-  
25 nancial expertise and technical assistance to Native

1 American Financial Institutions, including assist-  
2 ance concerning overcoming—

3 (A) barriers to lending with respect to Na-  
4 tive American lands; and

5 (B) the past and present impact of dis-  
6 crimination;

7 (2) to promote access to mortgage credit in Na-  
8 tive American communities in the United States by  
9 increasing the liquidity of financing for housing and  
10 improving the distribution of investment capital  
11 available for such financing, primarily through Na-  
12 tive American Financial Institutions;

13 (3) to promote the infusion of public capital  
14 into Native American communities throughout the  
15 United States and to direct sources of public and  
16 private capital into housing and economic develop-  
17 ment for Native American individuals and families,  
18 primarily through Native American Financial Insti-  
19 tutions; and

20 (4) to provide ongoing assistance to the second-  
21 ary market for residential mortgages and economic  
22 development loans for Native American individuals  
23 and families, Native American Financial Institu-  
24 tions, and other borrowers by increasing the liquidity

1 of such investments and improving the distribution  
2 of investment capital available for such financing.

3 **SEC. 103. DEFINITIONS.**

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

6 (1) ALASKA NATIVE.—The term “Alaska Na-  
7 tive” has the meaning given the term “Native” by  
8 section 3(b) of the Alaska Native Claims Settlement  
9 Act.

10 (2) BOARD.—The term “Board” means the  
11 Board of Directors of the Organization established  
12 under section 201(a)(2).

13 (3) CHAIRPERSON.—The term “Chairperson”  
14 means the chairperson of the Board.

15 (4) COUNCIL.—The term “Council” means the  
16 Advisory Council established under section 206.

17 (5) DESIGNATED MERGER DATE.—The term  
18 “designated merger date” means the specific cal-  
19 endar date and time of day designated by the Board  
20 under section 502(b).

21 (6) DIRECTOR.—The term “Director” means  
22 the Director of the Office of Federal Housing Enter-  
23 prise Oversight of the Department of Housing and  
24 Urban Development.

1           (7) FUND.—The term “Fund” means the Com-  
2           munity Development Financial Institutions Fund es-  
3           tablished under section 104 of the Riegle Commu-  
4           nity Development and Regulatory Improvement Act  
5           of 1994.

6           (8) INDIAN TRIBE.—The term “Indian tribe”  
7           means any Indian tribe, band, nation, or other orga-  
8           nized group or community, including any Alaska Na-  
9           tive village or regional or village corporation as de-  
10          fined in or established pursuant to the Alaska Na-  
11          tive Claims Settlement Act that is recognized as eli-  
12          gible for the special programs and services provided  
13          by the Federal Government to Indians because of  
14          their status as Indians.

15          (9) MERGER PLAN.—The term “merger plan”  
16          means the plan of merger adopted by the Board  
17          under section 502(a).

18          (10) NATIVE AMERICAN.—The term “Native  
19          American” means any member of an Indian tribe.

20          (11) NATIVE AMERICAN FINANCIAL INSTITU-  
21          TION.—The term “Native American Financial Insti-  
22          tution” means a person (other than an individual)  
23          that—

24                  (A) qualifies as a community development  
25                  financial institution under section 103 of the

1 Riegle Community Development and Regulatory  
2 Improvement Act of 1994;

3 (B) satisfies the requirements established  
4 by the Riegle Community Development and  
5 Regulatory Improvement Act of 1994 and the  
6 Fund for applicants for assistance from the  
7 Fund;

8 (C) demonstrates a special interest and ex-  
9 pertise in serving the primary economic develop-  
10 ment and mortgage lending needs of the Native  
11 American community; and

12 (D) demonstrates that the person has the  
13 endorsement of the Native American commu-  
14 nity that the person intends to serve.

15 (12) NATIVE AMERICAN LENDER.—The term  
16 “Native American lender” means a Native American  
17 governing body, Native American housing authority,  
18 or other Native American Financial Institution that  
19 acts as a primary mortgage or economic develop-  
20 ment lender in a Native American community.

21 (13) NEW CORPORATION.—The term “new cor-  
22 poration” means the corporation formed in accord-  
23 ance with title V.

24 (14) NONQUALIFYING MORTGAGE LOAN.—The  
25 term “nonqualifying mortgage loan” means a mort-

1 gage loan that is determined by the Organization, on  
2 the basis of the quality, type, class, or principal  
3 amount of the loan, to fail to meet the purchase  
4 standards of the Federal National Mortgage Asso-  
5 ciation or the Federal Home Loan Mortgage Cor-  
6 poration in effect on September 30, 1994.

7 (15) ORGANIZATION.—The term “Organiza-  
8 tion” means the Native American Financial Services  
9 Organization established under section 201.

10 (16) QUALIFYING MORTGAGE LOAN.—The term  
11 “qualifying mortgage loan” means a mortgage loan  
12 that is determined by the Organization, on the basis  
13 of the quality, type, class or principal amount of the  
14 loan, to meet the purchase standards of the Federal  
15 National Mortgage Association or the Federal Home  
16 Loan Mortgage Corporation in effect on September  
17 30, 1994.

18 (17) TRANSITION PERIOD.—The term “transi-  
19 tion period” means the period beginning on the date  
20 on which the merger plan is approved by both the  
21 Secretary of Housing and Urban Development and  
22 the Secretary of the Treasury and ending on the  
23 designated merger date.



1 **TITLE II—NATIVE AMERICAN FI-**  
2 **NANCIAL SERVICES ORGANI-**  
3 **ZATION**

4 **SEC. 201. ESTABLISHMENT OF THE ORGANIZATION.**

5 (a) CREATION; BOARD OF DIRECTORS; POLICIES;  
6 PRINCIPAL OFFICE; MEMBERSHIP; VACANCIES.—

7 (1) CREATION.—

8 (A) IN GENERAL.—There is established  
9 and chartered a corporation to be known as the  
10 Native American Financial Services Organiza-  
11 tion.

12 (B) PERIOD OF TIME.—The Organization  
13 shall be a congressionally chartered body cor-  
14 porate until the earlier of—

15 (i) the designated merger date; or

16 (ii) the date on which the charter is  
17 surrendered by the Organization.

18 (C) CHANGES TO CHARTER.—The right to  
19 revise, amend, or modify the Organization char-  
20 ter is specifically and exclusively reserved to the  
21 Congress.

22 (2) BOARD OF DIRECTORS; PRINCIPAL OF-  
23 FICE.—

24 (A) BOARD.—The powers of the Organiza-  
25 tion shall be vested in a Board of Directors.

1           The Board shall determine the policies that  
2           govern the operations and management of the  
3           Organization.

4           (B) PRINCIPAL OFFICE; RESIDENCY.—The  
5           principal office of the Organization shall be in  
6           the District of Columbia. For purposes of  
7           venue, the Organization shall be considered to  
8           be a resident of the District of Columbia.

9           (3) MEMBERSHIP.—

10           (A) IN GENERAL.—

11           (i) NINE MEMBERS.—Except as pro-  
12           vided in clause (ii), the Board shall consist  
13           of 9 members, 3 of whom shall be ap-  
14           pointed by the President and 6 of whom  
15           shall be elected by the class A stockhold-  
16           ers, in accordance with the bylaws of the  
17           Organization.

18           (ii) THIRTEEN MEMBERS.—If class B  
19           stock is issued under section 301(b), the  
20           Board shall consist of 13 members, 9 of  
21           whom shall be appointed and elected in ac-  
22           cordance with clause (i) and 4 of whom  
23           shall be elected by the class B stockhold-  
24           ers, in accordance with the bylaws of the  
25           Organization.

1 (B) TERMS.—Each member of the Board  
2 shall be elected or appointed for a 4-year term,  
3 except that the members of the initial Board  
4 shall be elected or appointed for the following  
5 terms:

6 (i) Of the 3 members appointed by  
7 the President—

8 (I) 1 member shall be appointed  
9 for a 2-year term;

10 (II) 1 member shall be appointed  
11 for a 3-year term; and

12 (III) 1 member shall be ap-  
13 pointed for a 4-year term;  
14 as designated by the President at the time  
15 of the appointments.

16 (ii) Of the 6 members elected by the  
17 class A stockholders—

18 (I) 2 members shall each be  
19 elected for a 2-year term;

20 (II) 2 members shall each be  
21 elected for a 3-year term; and

22 (III) 2 members shall each be  
23 elected for a 4-year term.

1 (iii) If class B stock is issued and 4  
2 additional members are elected by the class  
3 B stockholders—

4 (I) 1 member shall be elected for  
5 a 2-year term;

6 (II) 1 member shall be elected  
7 for a 3-year term; and

8 (III) 2 members shall each be  
9 elected for a 4-year term.

10 (C) QUALIFICATIONS.—Each member ap-  
11 pointed by the President shall have expertise in  
12 1 or more of the following areas:

13 (i) Native American housing and eco-  
14 nomic development programs.

15 (ii) Financing in Native American  
16 communities.

17 (iii) Native American governing bodies  
18 and court systems.

19 (iv) Restricted and trust land issues,  
20 economic development, and small consumer  
21 loans.

22 (D) CHAIRPERSON.—The Board shall se-  
23 lect a Chairperson from among its members, ex-  
24 cept that the initial Chairperson shall be se-  
25 lected from among the members of the initial

1 Board who have been appointed or elected to  
2 serve for a 4-year term.

3 (E) VACANCIES.—

4 (i) APPOINTED MEMBERS.—Any va-  
5 cancy in the appointed membership of the  
6 Board shall be filled by appointment by the  
7 President, but only for the unexpired por-  
8 tion of the term.

9 (ii) ELECTED MEMBERS.—Any va-  
10 cancy in the elected membership of the  
11 Board shall be filled by appointment by the  
12 Board, but only for the unexpired portion  
13 of the term.

14 (F) TRANSITIONS.—Any member of the  
15 Board may continue to serve after the expira-  
16 tion of the term for which the member was ap-  
17 pointed or elected until a qualified successor  
18 has been appointed or elected.

19 (b) POWERS OF THE ORGANIZATION.—The Organi-  
20 zation may—

21 (1) adopt, alter, and use a corporate seal;

22 (2) adopt bylaws, consistent with this Act, regu-  
23 lating, among other things, the manner in which—

24 (A) the business of the Organization shall  
25 be conducted;

1 (B) the elected members of the Board shall  
2 be elected;

3 (C) the stock of the Organization shall be  
4 issued, held, and disposed of;

5 (D) the property of the Organization shall  
6 be disposed of; and

7 (E) the powers and privileges granted to  
8 the Organization by this Act and other law  
9 shall be exercised;

10 (3) make and perform contracts, agreements,  
11 and commitments, including entering into a coopera-  
12 tive agreement with the Fund;

13 (4) prescribe and impose fees and charges for  
14 services provided by the Organization;

15 (5)(A) settle, adjust, and compromise; and

16 (B) with or without consideration or benefit to  
17 the Organization, release or waive in whole or in  
18 part, in advance or otherwise, any claim, demand, or  
19 right of, by, or against the Organization;  
20 if such settlement, adjustment, compromise, release,  
21 or waiver is not adverse to the interests of the Unit-  
22 ed States;

23 (6) sue and be sued, complain and defend, in  
24 any tribal, Federal, State, or other court;

1           (7) acquire, take, hold, and own, and to deal  
2 with and dispose of any property;

3           (8) determine the necessary expenditures of the  
4 Organization and the manner in which such expendi-  
5 tures shall be incurred, allowed, and paid, and ap-  
6 point, employ, and fix and provide for the compensa-  
7 tion and benefits of officers, employees, attorneys,  
8 and agents as the Board determines reasonable and  
9 not inconsistent with this section;

10          (9) incorporate a new corporation under State,  
11 District of Columbia, or tribal law, as provided in  
12 section 501;

13          (10) adopt a plan of merger, as provided in sec-  
14 tion 502;

15          (11) consummate the merger of the Organiza-  
16 tion into the new corporation, as provided in section  
17 503; and

18          (12) have succession until the designated merg-  
19 er date or any earlier date on which the Organiza-  
20 tion surrenders its Federal charter.

21       (c) INVESTMENT OF FUNDS; DESIGNATION AS DE-  
22 POSITARY, CUSTODIAN, OR AGENT.—

23           (1) INVESTMENT OF FUNDS.—Funds of the Or-  
24 ganization that are not required to meet current op-  
25 erating expenses shall be invested in obligations of,

1 or obligations guaranteed by, the United States or  
2 any agency thereof, or in obligations, participations,  
3 or other instruments that are lawful investments for  
4 fiduciary, trust, or public funds.

5 (2) DESIGNATION AS DEPOSITARY, CUSTODIAN,  
6 OR AGENT.—Any Federal Reserve bank or Federal  
7 home loan bank, or any bank as to which at the time  
8 of its designation by the Organization there is out-  
9 standing a designation by the Secretary of the  
10 Treasury as a general or other depositary of public  
11 money, may—

12 (A) be designated by the Organization as  
13 a depositary or custodian or as a fiscal or other  
14 agent of the Organization; and

15 (B) act as such depositary, custodian, or  
16 agent.

17 (d) ACTIONS BY AND AGAINST THE ORGANIZA-  
18 TION.—Notwithstanding section 1349 of title 28, United  
19 States Code, or any other provision of law—

20 (1) the Organization shall be deemed to be an  
21 agency covered under sections 1345 and 1442 of  
22 title 28, United States Code;

23 (2) any civil action to which the Organization is  
24 a party shall be deemed to arise under the laws of  
25 the United States, and the appropriate district court



1 of the United States shall have original jurisdiction  
2 over any such action, without regard to amount or  
3 value; and

4 (3) any civil or other action, case, or con-  
5 troversy in a tribal court, court of a State, or in any  
6 court other than a district court of the United  
7 States, to which the Organization is a party, may at  
8 any time before the commencement of the trial be  
9 removed by the Organization, without the giving of  
10 any bond or security and by following any procedure  
11 for removal of causes in effect at the time of the re-  
12 moval—

13 (A) to the district court of the United  
14 States for the district and division in which the  
15 action is pending;

16 (B) or, if there is no such district court, to  
17 the district court of the United States for the  
18 District of Columbia.

19 **SEC. 202. AUTHORIZED ASSISTANCE AND SERVICE FUNC-**  
20 **TIONS.**

21 (a) TECHNICAL ASSISTANCE AND SERVICES.—The  
22 Organization may—

23 (1) assist the Fund in the establishment and  
24 organization of Native American Financial Institu-  
25 tions;

1           (2) assist the Fund in developing and providing  
2 financial expertise and technical assistance to Native  
3 American Financial Institutions, including methods  
4 of underwriting, securing, servicing, packaging, and  
5 selling mortgage and small commercial and  
6 consumer loans;

7           (3) develop and provide specialized technical as-  
8 sistance on overcoming barriers to primary mortgage  
9 lending on Native American lands, including issues  
10 related to trust lands, discrimination, high operating  
11 costs, and inapplicability of standard underwriting  
12 criteria;

13           (4) assist the Fund in providing mortgage un-  
14 derwriting assistance (but not in originating loans)  
15 under contract to Native American Financial Insti-  
16 tutions;

17           (5) work with the Federal National Mortgage  
18 Association, the Federal Home Loan Mortgage Cor-  
19 poration, and other participants in the secondary  
20 market for home mortgage instruments in identify-  
21 ing and eliminating barriers to the purchase of Na-  
22 tive American mortgage loans originated by Native  
23 American Financial Institutions and other lenders in  
24 Native American communities;

1           (6) obtain capital investments in the Organiza-  
2           tion from Indian tribes, Native American organiza-  
3           tions, and other entities;

4           (7) assist the Fund in the operation of the Or-  
5           ganization as an information clearinghouse by pro-  
6           viding information on financial practices to Native  
7           American Financial Institutions; and

8           (8) assist the Fund in monitoring and reporting  
9           to the Congress on the performance of Native Amer-  
10          ican Financial Institutions in meeting the economic  
11          development and housing credit needs of Native  
12          Americans.

13          (b) PURCHASES AND SALES OF MORTGAGES AND  
14          MORTGAGE-BACKED SECURITIES.—

15                 (1) IN GENERAL.—

16                         (A) AUTHORIZATION.—If a determination  
17                         is made in accordance with subparagraph (B),  
18                         the Organization may, upon receipt of a written  
19                         authorization from the Secretary of Housing  
20                         and Urban Development under this paragraph,  
21                         carry out any activity described in paragraph  
22                         (3).

23                         (B) DETERMINATION.—For purposes of  
24                         subparagraph (A), a determination made under  
25                         this section is a determination by the Secretary

1 of Housing and Urban Development that the  
2 combined purchases by the Federal National  
3 Mortgage Association and the Federal Home  
4 Loan Mortgage Corporation of residential Na-  
5 tive American nonqualifying mortgage loans  
6 originated by Native American Financial Insti-  
7 tutions and other lenders on housing consisting  
8 of between 1 and 4 dwelling units—

9 (i) in the second year following the es-  
10 tablishment of the Organization, total less  
11 than \$20,000,000 (unless the Organization  
12 can demonstrate to the Secretary of Hous-  
13 ing and Urban Development that such pur-  
14 chase goal could not be met); or

15 (ii) in any succeeding year, total less  
16 than that amount that the Secretary of  
17 Housing and Urban Development has de-  
18 termined and published as a reasonable  
19 Native American mortgage purchase goal  
20 (in accordance with paragraph (2)) for  
21 such combined purchases by the Federal  
22 National Mortgage Association and the  
23 Federal Home Loan Mortgage Corporation  
24 in such year.

1           (2) FACTORS CONSIDERED.—In determining  
2           the purchase goal described in paragraph (1)(B)(ii),  
3           the Secretary shall take into account the study by  
4           the Fund of Native American lending and invest-  
5           ment conducted pursuant to section 117(c) of the  
6           Riegle Community Development and Regulatory Im-  
7           provement Act of 1994.

8           (3) POWERS OF THE ORGANIZATION.—Upon re-  
9           ceiving a written authorization from the Secretary of  
10          Housing and Urban Development under paragraph  
11          (1), the Organization may, at any time—

12                 (A) with respect to residential mortgage  
13                 loans originated by Native American Financial  
14                 Institutions that are qualifying mortgage  
15                 loans—

16                         (i) purchase such qualifying mortgage  
17                         loans;

18                         (ii) hold such qualifying mortgage  
19                         loans for a period of not to exceed 12  
20                         months; and

21                         (iii) resell such qualifying mortgage  
22                         loans to the Federal National Mortgage  
23                         Association, the Federal Home Loan Mort-  
24                         gage Corporation, or other secondary mar-

1 ket participants, as provided in section  
2 303(b);

3 (B) with respect to residential mortgage  
4 loans originated by the Native American Finan-  
5 cial Institutions that are nonqualifying mort-  
6 gage loans—

7 (i) purchase such nonqualifying mort-  
8 gage loans from the Native American Fi-  
9 nancial Institutions for such terms as the  
10 Organization determines to be appropriate,  
11 including the life of the mortgage loan, if,  
12 with respect to any such loan—

13 (I) the Organization has reason-  
14 able assurance that the loan will be  
15 repaid within the time agreed;

16 (II) the Native American Finan-  
17 cial Institution selling the loan retains  
18 a participation of not less than 10  
19 percent in the mortgage;

20 (III) the Native American Finan-  
21 cial Institution selling the loan agrees  
22 for such period of time and under  
23 such circumstances as the Organiza-  
24 tion may require, to repurchase or re-  
25 place the mortgage upon demand of

1 the Organization in the event that the  
2 loan is in default; or

3 (IV) that portion of the outstand-  
4 ing principal balance of the loan  
5 which exceeds 80 percent of the value  
6 of the property securing such loan is  
7 guaranteed or insured by a qualified  
8 insurer, as determined by the Organi-  
9 zation; and

10 (ii) issue mortgage-backed securities  
11 or other forms of participations based on  
12 pools of such nonqualifying mortgage  
13 loans, as provided in section 303(c); and

14 (C) purchase, service, sell, lend on the se-  
15 curity of, and otherwise deal in—

16 (i) residential mortgages that are se-  
17 cured by a subordinate lien against a prop-  
18 erty consisting of 1 to 4 dwelling units  
19 that is the principal residence of the mort-  
20 gator; and

21 (ii) residential mortgages that are se-  
22 cured by a subordinate lien against a prop-  
23 erty consisting of five or more dwelling  
24 units.

25 (4) RIGHTS AND REMEDIES.—

1 (A) IN GENERAL.—The rights and rem-  
2 edies of the Organization, including any rights  
3 and remedies of the Organization on, under, or  
4 with respect to any mortgage or any obligation  
5 secured thereby, shall be immune from impair-  
6 ment, limitation, or restriction by or under any  
7 State, District of Columbia, or tribal—

8 (i) law that becomes effective after the  
9 acquisition by the Organization of the sub-  
10 ject or property on, under, or with respect  
11 to which such right or remedy arises or ex-  
12 ists or would so arise or exist in the ab-  
13 sence of such law; or

14 (ii) administrative or other action that  
15 becomes effective after such acquisition.

16 (B) QUALIFICATION.—The Organization  
17 may conduct its business without regard to any  
18 qualification or similar requirement in the Dis-  
19 trict of Columbia, or any State or tribal juris-  
20 diction.

21 **SEC. 203. NATIVE AMERICAN LENDING SERVICES GRANT.**

22 (a) INITIAL GRANT PAYMENT.—If the Fund and the  
23 Organization enter into a cooperative agreement for the  
24 Organization to provide technical assistance and other  
25 services to Native American Financial Institutions, such



1 agreement shall, to the extent that funds are available as  
2 provided in section 602, provide that the initial grant pay-  
3 ment, anticipated to be \$5,000,000, shall be made when  
4 all members of the initial Board have been appointed  
5 under section 201.

6 (b) PAYMENT OF GRANT BALANCE.—The payment  
7 of the grant balance of \$5,000,000 shall be made to the  
8 Organization not later than 1 year after the date on which  
9 the initial grant payment is made under subsection (a).

10 **SEC. 204. AUDITS.**

11 (a) INDEPENDENT AUDITS.—

12 (1) IN GENERAL.—The Organization shall have  
13 an annual independent audit made of its financial  
14 statements by an independent public accountant in  
15 accordance with generally accepted auditing stand-  
16 ards.

17 (2) DETERMINATIONS.—In conducting an audit  
18 under this subsection, the independent public ac-  
19 countant shall determine and report on whether the  
20 financial statements of the Organization—

21 (A) are presented fairly in accordance with  
22 generally accepted accounting principles; and

23 (B) to the extent determined necessary by  
24 the Director, comply with any disclosure re-  
25 quirements imposed under section 401.

1 (b) GAO AUDITS.—

2 (1) IN GENERAL.—Beginning after the first 2  
3 years of the operation of the Organization, unless an  
4 earlier date is required by any other statute, grant,  
5 or agreement, the programs, activities, receipts, ex-  
6 penditures, and financial transactions of the Organi-  
7 zation shall be subject to audit by the Comptroller  
8 General of the United States under such rules and  
9 regulations as may be prescribed by the Comptroller  
10 General.

11 (2) ACCESS.—To carry out this subsection, the  
12 representatives of the General Accounting Office  
13 shall—

14 (A) have access to all books, accounts, fi-  
15 nancial records, reports, files, and all other pa-  
16 pers, things, or property belonging to or in use  
17 by the Organization and necessary to facilitate  
18 the audit;

19 (B) be afforded full facilities for verifying  
20 transactions with the balances or securities held  
21 by depositaries, fiscal agents, and custodians;  
22 and

23 (C) have access, upon request to the Orga-  
24 nization or any auditor for an audit of the Or-  
25 ganization under subsection (a), to any books,

1 accounts, financial records, reports, files, or  
2 other papers, or property belonging to or in use  
3 by the Organization and used in any such audit  
4 and to any papers, records, files, and reports of  
5 the auditor used in such an audit.

6 (3) REPORTS.—The Comptroller General of the  
7 United States shall submit to the Congress a report  
8 on each audit conducted under this subsection.

9 (4) REIMBURSEMENT.—The Organization shall  
10 reimburse the General Accounting Office for the full  
11 cost of any audit conducted under this subsection.

12 **SEC. 205. ANNUAL HOUSING AND ECONOMIC DEVELOP-**  
13 **MENT REPORTS.**

14 Not later than 1 year after the date of enactment  
15 of this Act, and annually thereafter, the Organization shall  
16 collect, maintain, and provide to the Secretary of Housing  
17 and Urban Development, in a form determined by the Sec-  
18 retary, such data as the Secretary determines to be appro-  
19 priate with respect to the Organization's—

20 (1) mortgages on properties consisting of be-  
21 tween 1 and 4 dwelling units;

22 (2) mortgages on properties consisting of five or  
23 more dwelling units; and

24 (3) activities relating to economic development.

1 **SEC. 206. ADVISORY COUNCIL.**

2 (a) ESTABLISHMENT.—The Board shall establish an  
3 Advisory Council in accordance with this section.

4 (b) MEMBERSHIP.—

5 (1) IN GENERAL.—The Council shall consist of  
6 13 members, who shall be appointed by the Board,  
7 including 1 representative from each of the 12 dis-  
8 tricts established by the Bureau of Indian Affairs  
9 and 1 representative from the State of Hawaii.

10 (2) QUALIFICATIONS.—Not less than 6 of the  
11 members of the Council shall have financial exper-  
12 tise, and not less than 9 members of the Council  
13 shall be Native Americans.

14 (3) TERMS.—Each member of the Council shall  
15 be appointed for a 4-year term, except that the ini-  
16 tial Council shall be appointed, as designated by the  
17 Board at the time of appointment, as follows:

18 (A) Four members shall each be appointed  
19 for a 2-year term.

20 (B) Four members shall each be appointed  
21 for a 3-year term.

22 (C) Five members shall each be appointed  
23 for a 4-year term.

24 (c) DUTIES.—The Council shall advise the Board on  
25 all policy matters of the Organization. Through the re-  
26 gional representation of its members, the Council shall

1 provide information to the Board from all sectors of the  
2 Native American community.

3 **TITLE III—CAPITALIZATION OF**  
4 **ORGANIZATION**

5 **SEC. 301. CAPITALIZATION OF THE ORGANIZATION.**

6 (a) CLASS A STOCK.—The class A stock of the Orga-  
7 nization shall—

8 (1) be issued only to Indian tribes;

9 (2) be allocated on the basis of Indian tribe  
10 population, as determined by the Secretary of Hous-  
11 ing and Urban Development in consultation with the  
12 Secretary of the Interior;

13 (3) have such par value and other characteris-  
14 tics as the Organization shall provide;

15 (4) be vested with voting rights, each share  
16 being entitled to 1 vote;

17 (5) be nontransferable; and

18 (6) be surrendered to the Organization if the  
19 holder ceases to be recognized as an Indian tribe  
20 under this Act.

21 (b) CLASS B STOCK.—

22 (1) IN GENERAL.—The Organization may issue  
23 class B stock evidencing capital contributions in the  
24 manner and amount, and subject to any limitations

1 on concentration of ownership, as may be established  
2 by the Organization.

3 (2) CHARACTERISTICS.—Any class B stock is-  
4 sued under paragraph (1) shall—

5 (A) be available for purchase by investors;

6 (B) be entitled to such dividends as may  
7 be declared by the Board in accordance with  
8 subsection (c);

9 (C) have such par value and other charac-  
10 teristics as the Organization shall provide;

11 (D) be vested with voting rights, each  
12 share being entitled to 1 vote; and

13 (E) be transferable only on the books of  
14 the Organization.

15 (c) CHARGES AND FEES; EARNINGS.—

16 (1) CHARGES AND FEES.—The Organization  
17 may impose charges or fees, which may be regarded  
18 as elements of pricing, with the objectives that—

19 (A) all costs and expenses of the oper-  
20 ations of the Organization should be within the  
21 income of the Organization derived from such  
22 operations; and

23 (B) such operations would be fully self-  
24 supporting.

1           (2) EARNINGS.—All earnings from the oper-  
2           ations of the Organization shall be annually trans-  
3           ferred to the general surplus account of the Organi-  
4           zation. At any time, funds in the general surplus ac-  
5           count may, in the discretion of the Board, be trans-  
6           ferred to the reserves of the Organization.

7           (d) CAPITAL DISTRIBUTIONS.—

8           (1) IN GENERAL.—Except as provided in para-  
9           graph (2), the Organization may make such capital  
10          distributions (as such term is defined in section  
11          1303 of the Federal Housing Financial Safety and  
12          Soundness Act of 1992) as may be declared by the  
13          Board. All capital distributions shall be charged  
14          against the general surplus account of the Organiza-  
15          tion.

16          (2) RESTRICTION.—The Organization may not  
17          make any capital distribution that would decrease  
18          the total capital (as such term is defined in section  
19          1303 of the Federal Housing Financial Safety and  
20          Soundness Act of 1992) of the Organization to an  
21          amount less than the capital level for the Organiza-  
22          tion established under section 401, without prior  
23          written approval of the distribution by the Director.

1 **SEC. 302. OBLIGATIONS AND SECURITIES OF THE ORGANI-**  
2 **ZATION.**

3 (a) IN GENERAL.—

4 (1) AUTHORIZATION.—The Organization may—

5 (A) borrow funds to give security or pay  
6 interest or other return; and

7 (B) issue upon the approval of the Sec-  
8 retary of the Treasury, notes, debentures,  
9 bonds, or other obligations having maturities  
10 and bearing such rate or rates of interest as  
11 may be determined by the Organization with  
12 the approval of the Secretary of the Treasury;  
13 if such borrowing and issuing of obligations qualifies  
14 as a transaction by an issuer not involving any pub-  
15 lic offering under section 4(2) of the Securities Act  
16 of 1933.

17 (2) RESTRICTIONS.—

18 (A) IN GENERAL.—Obligations issued by  
19 the Organization under this section shall not be  
20 obligations of the United States or any agency  
21 of the United States.

22 (B) NO GUARANTEES.—Payment of the  
23 principal of or interest on such obligations shall  
24 not be guaranteed by the United States or any  
25 agency of the United States. The obligations is-



1           sued by the Organization under this section  
2           shall so plainly state.

3           (b) RESALES OF QUALIFYING MORTGAGE LOANS.—

4 The sale or other disposition by the Organization of quali-  
5 fying mortgage loans under section 202(b) shall be on  
6 such terms and conditions relating to resale, repurchase,  
7 substitution, replacement or otherwise as the Organization  
8 may prescribe, except that the Organization may not guar-  
9 antee or insure the payment of any mortgage loan sold  
10 under section 202(b).

11          (c) SECURITIES BACKED BY NONQUALIFYING MORT-  
12 GAGE LOANS.—Securities in the form of debt obligations  
13 or trust certificates of beneficial interest, or both, and  
14 based upon nonqualifying mortgage loans held and set  
15 aside by the Organization under section 202(b)—

16           (1) may be issued upon the approval of the Sec-  
17 retary of the Treasury; and

18           (2) shall have such maturities, and shall bear  
19 such rate or rates of interest, as may be determined  
20 by the Organization with the approval of the Sec-  
21 retary of the Treasury;

22 if such issuance qualifies as a transaction by an issuer  
23 not involving any public offering under section 4(2) of the  
24 Securities Act of 1933.

1 (d) PROHIBITIONS AND RESTRICTIONS; CREATION  
2 OF LIENS AND CHARGES.—

3 (1) IN GENERAL.—The Organization may, by  
4 regulation or by writing executed by the Organiza-  
5 tion—

6 (A) establish prohibitions or restrictions on  
7 the creation of indebtedness or obligations of  
8 the Organization or of liens or charges upon  
9 property of the Organization, including after-ac-  
10 quired property; and

11 (B) create liens and charges, which may be  
12 floating liens or charges, upon all or any part  
13 or parts of the property of the Organization, in-  
14 cluding after-acquired property.

15 (2) EFFECT.—Any prohibition, restriction, lien,  
16 or charge established under paragraph (2) shall—

17 (A) have such effect, including such rank  
18 and priority, as may be provided by regulations  
19 of the Organization or by any writing executed  
20 by the Organization; and

21 (B) create a cause of action which may be  
22 enforced by action in the United States district  
23 court for the District of Columbia or in the  
24 United States district court for any judicial dis-

1           trict in which any of the property affected is lo-  
2           cated.

3           (3) JURISDICTION; SERVICE OF PROCESS.—  
4           Process in any action described in paragraph (2)  
5           may run to or be served in any judicial district or  
6           in any place subject to the jurisdiction of the United  
7           States.

8           (e) VALIDITY OF PROVISIONS; VALIDITY OF RE-  
9           STRICTIONS, PROHIBITIONS, LIENS, OR CHARGES.—This  
10          section and any restriction, prohibition, lien, or charge re-  
11          ferred to in subsection (b) shall be fully effective notwith-  
12          standing any other law, including any law of or relating  
13          to sovereign immunity or priority.

14   **SEC. 303. LIMIT ON TOTAL ASSETS AND LIABILITIES.**

15          The aggregate of—

16               (1) the total equity of the Organization, includ-  
17               ing all capital from any issuance of class B stock;  
18               and

19               (2) the total liabilities of the Organization, in-  
20               cluding all obligations issued or incurred by the Or-  
21               ganization;

22          shall not at any time exceed \$20,000,000.

1           **TITLE IV—REGULATION,**  
2           **EXAMINATION, AND REPORTS**

3   **SEC. 401. REGULATION, EXAMINATION, AND REPORTS.**

4           (a) EFFECTIVE DATE OF SECTION.—This section  
5 shall take effect on the date on which the Secretary of  
6 Housing and Urban Development makes a determination  
7 in accordance with section 202(b) that the Organization  
8 may purchase and sell mortgages and mortgage-backed se-  
9 curities.

10          (b) IN GENERAL.—The Organization shall be subject  
11 to the regulatory authority of the Office of Federal Hous-  
12 ing Enterprise Oversight of the Department of Housing  
13 and Urban Development with respect to all matters relat-  
14 ing to the financial safety and soundness of the Organiza-  
15 tion.

16          (c) DUTY OF DIRECTOR.—The Director shall ensure  
17 that the Organization is adequately capitalized and oper-  
18 ating safely as a congressionally chartered body corporate.

19          (d) POWERS OF DIRECTOR.—The Director shall have  
20 all of the exclusive powers granted the Director under sub-  
21 sections (b), (d), and (e) of section 1313 of the Housing  
22 and Community Development Act of 1992, as determined  
23 by the Director to be necessary or appropriate to regulate  
24 the operation of the Organization.

25          (e) REPORTS TO DIRECTOR.—

1           (1) ANNUAL REPORT.—Not later than 1 year  
2 after the date of enactment of this Act, and annually  
3 thereafter, the Organization shall submit to the Di-  
4 rector a report describing the financial condition and  
5 operations of the Organization. The report shall be  
6 in such form, contain such information, and be sub-  
7 mitted on such date as the Director shall require.

8           (2) OTHER REPORTS.—In addition to the re-  
9 ports submitted under paragraph (1), the Organiza-  
10 tion shall submit to the Director any report required  
11 by the Director pursuant to section 1314 of the  
12 Housing and Community Development Act of 1992.

13           (3) CONTENTS OF REPORT.—Each report sub-  
14 mitted under this subsection shall contain a declara-  
15 tion by the president, vice president, treasurer, or  
16 any other officer of the Organization designated by  
17 the Board to make such declaration, that the report  
18 is true and correct to the best of such officer's  
19 knowledge and belief.

20           (f) FUNDING OFHEO OVERSIGHT.—

21           (1) ASSESSMENT AND COLLECTION.—The Di-  
22 rector shall assess and collect from the Organization  
23 such amounts as are necessary to reimburse the Of-  
24 fice of Federal Housing Enterprise Oversight for the  
25 reasonable costs and expenses of the activities un-

1 dertaken by the Office of Federal Housing Enter-  
2 prise Oversight to carry out the duties of the Direc-  
3 tor under paragraph (2), including the costs of ex-  
4 aminations and overhead expenses.

5 (2) REQUIREMENTS.—Annual assessments im-  
6 posed by the Director shall be—

7 (A) imposed prior to October 1 of each  
8 year;

9 (B) collected at such time or times during  
10 each assessment year as determined necessary  
11 or appropriate by the Director;

12 (C) deposited into the Federal Housing  
13 Enterprises Oversight Fund established by sec-  
14 tion 1316(f) of the Housing and Community  
15 Development Act of 1992; and

16 (D) available, to the extent provided in ap-  
17 propriations Acts, for carrying out the respon-  
18 sibilities of the Director under this section.

19 **SEC. 402. AUTHORITY OF THE SECRETARY OF HOUSING**  
20 **AND URBAN DEVELOPMENT.**

21 Except for the authority of the Director under in sec-  
22 tion 401, the Secretary of Housing and Urban Develop-  
23 ment shall—

24 (1) have general regulatory power over the Or-  
25 ganization; and

1           (2) issue such rules and regulations applicable  
2           to the Organization as determined necessary or ap-  
3           propriate by the Secretary to ensure that the pur-  
4           poses specified in section 102 are accomplished.

5           **TITLE V—FORMATION OF NEW**  
6           **CORPORATION**

7           **SEC. 501. FORMATION OF NEW CORPORATION.**

8           (a) IN GENERAL.—In order to continue the accom-  
9           plishment of the purposes specified in section 102 beyond  
10          the terms of the charter of the Organization, the Board  
11          shall, not later than 10 years after the date of enactment  
12          of this Act, cause the formation of a new corporation  
13          under the laws of any tribe, any State, or the District of  
14          Columbia.

15          (b) POWERS OF NEW CORPORATION NOT PRE-  
16          SCRIBED.—Except as provided in this section, the new  
17          corporation may have any corporate powers and attributes  
18          permitted under the laws of the jurisdiction of its incorpo-  
19          ration which the Board shall determine, in its business  
20          judgment, to be appropriate.

21          (c) USE OF NAFSO NAME PROHIBITED.—The new  
22          corporation may not use in any manner the name “Native  
23          American Financial Services Organization” or “NAFSO”  
24          or any variation of thereof.

1 **SEC. 502. ADOPTION AND APPROVAL OF MERGER PLAN.**

2 (a) IN GENERAL.—Not later than 10 years after the  
3 date of enactment of this Act, the Board shall prepare,  
4 adopt, and submit to the Secretary of Housing and Urban  
5 Development and the Secretary of the Treasury for ap-  
6 proval, a plan for merging the Organization into the new  
7 corporation.

8 (b) DESIGNATED MERGER DATE.—

9 (1) IN GENERAL.—The Board shall establish  
10 the designated merger date in the merger plan as a  
11 specific calendar date on which and time of day at  
12 which the merger of the Organization into the new  
13 corporation shall take effect.

14 (2) CHANGES.—The Board may change the  
15 designated merger date in the merger plan by adopt-  
16 ing an amended plan of merger.

17 (3) RESTRICTION.—Except as provided in para-  
18 graph (4), the designated merger date in the merger  
19 plan or any amended merger plan shall not be later  
20 than 11 years after the date of enactment of this  
21 Act.

22 (4) EXCEPTION.—Subject to the restriction  
23 contained in paragraph (5), the Board may adopt an  
24 amended plan of merger that designates a date later  
25 than 11 years after the date of enactment of this  
26 Act if the Board submits to both the Secretary of



1       Housing and Urban Development and the Secretary  
2       of the Treasury a report—

3               (A) stating that an orderly merger of the  
4       Organization into the new corporation is not  
5       feasible before the latest date designated by the  
6       Board;

7               (B) explaining why an orderly merger of  
8       the Organization into the new corporation is  
9       not feasible before the latest date designated by  
10      the Board;

11              (C) describing the steps that have been  
12      taken to consummate an orderly merger of the  
13      Organization into the new corporation not later  
14      than 11 years after the date of enactment of  
15      this Act; and

16              (D) describing the steps that will be taken  
17      to consummate an orderly and timely merger of  
18      the Organization into the new corporation.

19              (5) LIMITATION.—The date designated by the  
20      Board in an amended merger plan shall not be later  
21      than 12 years after the date of enactment of this  
22      Act.

23              (6) CONSUMMATION OF MERGER.—The con-  
24      summation of an orderly and timely merger of the  
25      Organization into the new corporation shall not

1 occur later than 13 years after the date of enact-  
2 ment of this Act.

3 (c) GOVERNMENTAL APPROVALS OF MERGER PLAN  
4 REQUIRED.—The merger plan or any amended merger  
5 plan shall take effect on the date on which the plan is  
6 approved by both the Secretary of Housing and Urban De-  
7 velopment and the Secretary of the Treasury.

8 (d) REVISION OF DISAPPROVED MERGER PLAN RE-  
9 QUIRED.—If either the Secretary of Housing and Urban  
10 Development or the Secretary of the Treasury, or both,  
11 disapprove the merger plan or any amended merger  
12 plan—

13 (1) each Secretary that disapproves the plan  
14 shall notify the Organization of such disapproval and  
15 indicate the reasons for the disapproval; and

16 (2) not later than 30 days after the date of no-  
17 tification of disapproval under paragraph (1), the  
18 Organization shall submit to both the Secretary of  
19 Housing and Urban Development and the Secretary  
20 of the Treasury for approval an amended merger  
21 plan responsive to the reasons for the disapproval in-  
22 dicated in such notification.

23 (e) NO STOCKHOLDER APPROVAL OF MERGER PLAN  
24 REQUIRED.—The approval or consent of the stockholders

1 of the Organization shall not be required to accomplish  
2 the merger of the Organization into the new corporation.

3 **SEC. 503. CONSUMMATION OF MERGER.**

4 The Board shall ensure that the merger of the Orga-  
5 nization into the new corporation is accomplished in ac-  
6 cordance with—

7 (1) the merger plan approved by the Secretary  
8 of Housing and Urban Development and the Sec-  
9 retary of the Treasury; and

10 (2) all applicable laws of the jurisdiction in  
11 which the new corporation is incorporated.

12 **SEC. 504. TRANSITION.**

13 (a) CONTINUATION OF RIGHTS, DUTIES, AND RE-  
14 STRICTIONS.—Except as provided in this section, the Or-  
15 ganization shall, during the transition period, continue to  
16 have all of the rights, privileges, duties, and obligations,  
17 and shall be subject to all of the limitations and restric-  
18 tions, set forth in this Act.

19 (b) COLLATERALIZATION OF OUTSTANDING OBLIGA-  
20 TIONS.—

21 (1) IN GENERAL.—The Organization shall pro-  
22 vide for all debt obligations of the Organization that  
23 are outstanding on the date before the designated  
24 merger date to be secured as to principal and inter-

1 est by obligations of the United States held in trust  
2 for the holders of such obligations.

3 (2) REQUIREMENTS, TERMS, AND CONDI-  
4 TIONS.—The collateralization and the trust referred  
5 to in the preceding sentence shall be subject to such  
6 requirements, terms, and conditions as the Secretary  
7 of the Treasury determines to be necessary or appro-  
8 priate.

9 (c) ISSUANCE OF NEW OBLIGATIONS DURING TRAN-  
10 SITION PERIOD.—As needed to carry out the purposes for  
11 which it was formed, the Organization may, during the  
12 transition period, continue to issue obligations under sec-  
13 tion 303. Any new obligation issued during the transition  
14 period shall mature before the designated merger date.

15 **SEC. 505. EFFECT OF MERGER.**

16 (a) TRANSFER OF ASSETS AND LIABILITIES.—

17 (1) TRANSFER OF ASSETS.—On the designated  
18 merger date, all property, real, personal, and mixed,  
19 all debts due on any account, and any other interest  
20 of or belonging to or due to the Organization shall  
21 be transferred to and vested in the new corporation  
22 without further act or deed, and title to any prop-  
23 erty, whether real, personal, or mixed, shall not in  
24 any way be impaired by reason of the merger.

1           (2) TRANSFER OF LIABILITIES.—On the des-  
2           ignated merger date, the new corporation shall be  
3           responsible and liable for all obligations and liabil-  
4           ities of the Organization and neither the rights of  
5           creditors nor any liens upon the property of the Or-  
6           ganization shall be impaired by the merger.

7           (b) TERMINATION OF THE ORGANIZATION AND ITS  
8           FEDERAL CHARTER.—On the designated merger date—

9           (1) the surviving corporation of the merger  
10          shall be the new corporation;

11          (2) the Federal charter of the Organization  
12          shall terminate; and

13          (3) the separate existence of the Organization  
14          shall terminate.

15          (c) REFERENCES TO THE ORGANIZATION IN LAW.—  
16          After the designated merger date, any reference to the Or-  
17          ganization in any law or regulation shall be deemed to  
18          refer to the new corporation.

19          (d) SAVINGS CLAUSE.—

20          (1) PROCEEDINGS.—The merger of the Organi-  
21          zation into the new corporation shall not abate any  
22          proceeding commenced by or against the Organiza-  
23          tion before the designated merger date, except that  
24          the new corporation shall be substituted for the Or-

1 organization as a party to any such proceeding as of  
2 the designated merger date.

3 (2) CONTRACTS AND AGREEMENTS.—All con-  
4 tracts and agreements to which the Organization is  
5 a party and which are in effect on the day before the  
6 designated merger date shall continue in effect ac-  
7 cording to their terms, except that the new corpora-  
8 tion shall be substituted for the Organization as a  
9 party to those contracts and agreements as of the  
10 designated merger date.

## 11 **TITLE VI—AUTHORIZATIONS OF** 12 **APPROPRIATIONS**

### 13 **SEC. 601. AUTHORIZATION OF APPROPRIATIONS FOR NA-** 14 **TIVE AMERICAN FINANCIAL INSTITUTIONS.**

15 (a) IN GENERAL.—There are authorized to be appro-  
16 priated to the Fund, without fiscal year limitation,  
17 \$20,000,000 to provide financial assistance to Native  
18 American Financial Institutions.

19 (b) NOT MATCHING FUNDS.—To the extent that a  
20 Native American Financial Institution receives a portion  
21 of an appropriation made under subsection (a), such funds  
22 shall not be considered to be matching funds required of  
23 the Native American Financial Institution under section  
24 108(e) of the Riegle Community Development and Regu-  
25 latory Improvement Act of 1994.

1 **SEC. 602. AUTHORIZATION OF APPROPRIATIONS FOR OR-**  
2 **GANIZATION.**

3 The Secretary of Housing and Urban Development  
4 may, to the extent provided in advance in an appropria-  
5 tions Act, provide not more than \$10,000,000 to the Fund  
6 for the funding of a cooperative agreement to be entered  
7 into by the Fund and the Organization for technical as-  
8 sistance and other services to be provided by the Organiza-  
9 tion to Native American Financial Institutions.

○

S 436 IS—2

S 436 IS—3

S 436 IS—4