### Union Calendar No. 185

110TH CONGRESS 1ST SESSION

# H. R. 2786

[Report No. 110-295]

To reauthorize the programs for housing assistance for Native Americans.

#### IN THE HOUSE OF REPRESENTATIVES

June 20, 2007

Mr. Kildee (for himself, Mr. Pearce, Ms. Waters, Mr. Boren, Mr. Renzi, Mr. Cole of Oklahoma, and Mr. Frank of Massachusetts) introduced the following bill; which was referred to the Committee on Financial Services

August 3, 2007

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

## A BILL

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,

#### 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.

- (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 (c) Indian Housing Plans.—Subparagraph (A) of
- 11 section 102(c)(3) (25 U.S.C. 4112(c)(3)(A)) is amended
- 12 by inserting before the semicolon the following: "and a de-
- 13 scription of any amounts made available pursuant to a
- 14 grant under section 101 for the Indian tribe for any pre-
- 15 ceding fiscal year which have not been, or are not expected
- 16 to be, obligated or expended before the beginning of the
- 17 fiscal year for which the plan is submitted, including any
- 18 amounts in any reserve account established pursuant to
- 19 section 202(9)".
- 20 (d) Program Income.—Subsection (a) of section
- 21 104 (25 U.S.C. 4114(a)) is amended by adding at the end
- 22 the following:
- 23 "(4) Exclusion from Program income of
- 24 REGULAR DEVELOPER'S FEES FOR LOW-INCOME
- 25 HOUSING TAX CREDIT PROJECTS.—Notwithstanding

any other provision of the Act, any income derived 1 2 from a regular and customary developer's fee for 3 any project assisted with a low-income housing tax credit under section 42 of the Internal Revenue 4 5 Code of 1986 that is initially funded with grant 6 funds provided under this Act, which fee is approved 7 by the State housing credit agency, shall not be con-8 sidered to be program income.". 9 (d) Essential Families.—Section 201(b) (25 U.S.C. 4131(b)) is amended— 10 11 (1) in paragraph (3)— 12 (A) in the paragraph heading, by striking "Non-indian families" and inserting "Es-13 14 SENTIAL FAMILIES"; 15 (B) by striking "non-Indian"; and (C) by striking "on the Indian reservation 16 17 or other Indian area"; and 18 (2) by redesignating the last paragraph (relat-19 ing to exemption) as paragraph (7). 20 (e) ELIGIBILITY OF LOCAL LAW ENFORCEMENT OF-21 FICERS FOR RESIDENCY.—Clause (i) of section 201(b)(4)(A) (25 U.S.C. 4131(b)(4)(A)(i)) is amended by striking "or" the last place it appears and inserting ", 23

or other unit of local government, or a".

- 1 (f) Operation and Maintenance Costs.—Para-
- 2 graph (4) of section 202 (25 U.S.C. 4132(4)) is amended
- 3 by inserting after "rental assistance," the following: "op-
- 4 eration and maintenance of units developed with amounts
- 5 provided under this Act,".
- 6 (g) Reserve Funds.—Section 202 (25 U.S.C.
- 7 4132) is amended by adding at the end the following new
- 8 paragraph:
- 9 "(9) Reserve accounts.—The deposit of
- amounts, including grant amounts under section
- 11 101, in a reserve account established for an Indian
- tribe only for the purpose of accumulating amounts
- for funding affordable housing activities under this
- section in accordance with the Indian housing plan
- 15 for the tribe, except that not more than 20 percent
- of any grant amounts under section 101 on behalf
- of any Indian tribe for any fiscal year may be used
- under this paragraph. Amounts in such a reserve ac-
- count may be invested only subject to the same limi-
- 20 tations applicable to grant amounts under section
- 21 204(b). Any income resulting from amounts in any
- such reserve account shall be considered to be pro-
- gram income for purposes of this Act.".

- 1 (h) Program Requirements.—Section 203 (25)
- 2 U.S.C. 4133) is amended by adding at the end the fol-
- 3 lowing new subsections:
- 4 "(f) Use of Grant Amounts Over Extended Pe-
- 5 RIODS.—To the extent that the Indian housing plan for
- 6 a tribe provides for the use of amounts from a grant under
- 7 section 101 over more than one fiscal year or for afford-
- 8 able housing activities for which such funds will be com-
- 9 mitted for use or expended in a subsequent fiscal year,
- 10 the Secretary may not require amounts from such a grant
- 11 to be used, or committed for use, any sooner than so pro-
- 12 vided under such Indian housing plan.
- 13 "(g) DE MINIMIS EXEMPTION FOR PROCUREMENT
- 14 OF GOODS AND SERVICES.—Notwithstanding any other
- 15 provision of law, any rules and procedures regarding com-
- 16 petitive procurement otherwise applicable to a recipient
- 17 shall not apply to the recipient in the case of procurement
- 18 of goods and services under \$5,000 with grant amounts
- 19 under this Act.".
- (i) Availability of Records.—Subsection (a) of
- 21 section 208 (25 U.S.C. 4138(a)) is amended—
- 22 (1) by inserting "(1)" after "criminal conviction
- records of"; and
- 24 (2) by inserting before the period at the end the
- following: ", or (2) adult applicants for employment

1	with the tribe in positions relating to the tribe's ac-
2	tivities under this Act or its other housing-related
3	activities or with the tribally designated housing en-
4	tity, for purposes of applicant screening".
5	SEC. 3. SELF-DETERMINED HOUSING ACTIVITIES FOR TRIB-
6	AL COMMUNITIES PROGRAM.
7	(a) Establishment of Program.—Title II (25
8	U.S.C. 4131 et seq.) is amended—
9	(1) by inserting after the title heading the fol-
10	lowing:
11	"Subtitle A—General Block Grant
12	Program";
13	and
14	(2) by adding at the end the following new sub-
15	title:
16	"Subtitle B—Self-Determined Hous-
17	ing Activities for Tribal Commu-
18	nities
19	"SEC. 231. PURPOSES.
20	"The purposes of this subtitle are to establish a self-
21	determined housing activities for the tribal communities
22	program to provide Indian tribes with the flexibility to use
23	a portion of the grant amounts under section 101 for the
24	tribe in manners that are wholly self-determined by the
25	tribe for housing activities involving construction, acquisi-

- 1 tion, or rehabilitation of housing that will benefit the com-
- 2 munity served by the tribe.
- 3 "SEC. 232. AUTHORITY.
- 4 "(a) In General.—Under the program under this
- 5 subtitle, for each of fiscal years 2008 through 2012, the
- 6 recipient for each qualifying Indian tribe may use the
- 7 amounts specified in subsection (c) in accordance with this
- 8 subtitle.
- 9 "(b) Qualifying Indian Tribes.—For purposes of
- 10 this section, the term 'qualifying Indian tribe' means, with
- 11 respect to a fiscal year, an Indian tribe or tribally des-
- 12 ignated housing entity that—
- "(1) a grant is made in behalf of under section
- 14 101;
- 15 "(2) has complied with the requirements under
- subsections (b)(4) and (c)(7) of section 102; and
- 17 "(3) has no unresolved significant and material
- audit findings or exceptions in the most recent an-
- nual audit completed under chapter 75 of title 31,
- 20 United States Code (commonly known as the Single
- Audit Act), or in an independent financial audit pre-
- pared in accordance with generally accepted auditing
- principles.
- 24 "(c) Amount.—With respect to a fiscal year and a
- 25 recipient, the amounts specified in this subsection are

- 1 amounts from any grant under section 101 for the recipi-
- 2 ent for the fiscal year, as determined by the recipient, but
- 3 in no case exceeding the lesser of (1) 15 percent of the
- 4 total grant amount for the recipient for such fiscal year,
- 5 or (2) \$1,000,000.

#### 6 "SEC. 233. USE OF AMOUNTS FOR HOUSING ACTIVITIES.

- 7 "(a) Eligible Housing Activities.—Any amounts
- 8 made available for use under this subtitle by a recipient
- 9 for an Indian tribe shall be used only for housing activi-
- 10 ties, as selected at the discretion of the recipient and set
- 11 forth in the Indian housing plan for the tribe pursuant
- 12 to section 102(c)(7), for the construction, acquisition or
- 13 rehabilitation of housing that provide a benefit to families
- 14 described in section 201(b)(1).
- 15 "(b) Prohibition on Certain Activities.—
- 16 Amounts made available for use under this subtitle may
- 17 not be used for any costs of providing infrastructure, com-
- 18 mercial and economic development, and operating costs of
- 19 housing.

#### 20 "SEC. 234. INAPPLICABILITY OF OTHER PROVISIONS.

- 21 "(a) In General.—Except as specifically provided
- 22 in this Act, the provisions of title I, subtitle A of title II,
- 23 and titles III through VIII shall not apply to the program
- 24 under this subtitle or to amounts made available in ac-
- 25 cordance with this subtitle.

"(b) APPLICABLE PROVISIONS.—The following provi-1 2 sions of titles I through VIII shall apply to the program 3 under this subtitle and amounts made available in accord-4 ance with this subtitle: "(1) Section 101(c) (relating to local coopera-5 6 tion agreements). 7 "(2) Subsections (d) and (e) of section 101 (re-8 lating to tax exemption). 9 "(3) Section 102(c)(5) (relating to certification 10 of compliance). "(4) Section 104 (relating to treatment of pro-11 12 gram income and labor standards). 13 "(5) Section 105 (relating to environmental re-14 view). "(6) Section 201(b) (relating to eligible fami-15 lies). 16 17 "(7) Section 201(b)(7) (relating to preference 18 for tribal members and other Indian families). 19 "(8) Section 203(c) (relating to insurance cov-20 erage). 21 "(9) Section 209 (relating to noncompliance 22 with affordable housing requirement). 23 "(10) Section 401 (relating to remedies for noncompliance). 24

"(11) Section 408 (relating to public avail-1 2 ability of information). 3 "(12) Section 702 (relating to 50-year leasehold interests in trust or restricted lands for housing pur-4 5 poses). 6 "SEC. 235. REVIEW AND REPORT. 7 "(a) Review.—During calendar year 2011, the Sec-8 retary shall conduct a review of the results achieved by 9 the program under this subtitle to determine— 10 "(1) the housing constructed, acquired, or reha-11 bilitated under the program; 12 "(2) the effects of such housing constructed, ac-13 quired, or rehabilitated on costs to low-income fami-14 lies of affordable housing; "(3) the effectiveness of each recipient in 15 16 achieving the results intended to be achieved, as set 17 forth in the Indian housing plan for the Indian tribe; 18 and "(4) the need for, and effectiveness of, extend-19 20 ing the duration of the program and increasing the 21 amount of grants under section 101 that may be 22 used under the program. "(b) Report.—Not later than December 31, 2011, 23 the Secretary shall submit a report to the Congress setting forth the information obtained pursuant to the review

under subsection (a), which shall include conclusions and 2 recommendations of the Secretary with respect to the pro-3 gram under this subtitle, including— "(1) recommendations regarding extension of 4 5 the program for subsequent fiscal years and increas-6 ing the amount pursuant to section 232(c) that may 7 be used under the program; and 8 "(2) recommendations for— "(A) specific Indian tribes (or recipients) 9 that should be prohibited from participating in 10 11 the program for failure to achieve results, and 12 the period for which such prohibition should re-13 main in effect; or 14 "(B) standards and procedures by which 15 tribes (or recipients) may be prohibited from 16 participating in the program for failure to 17 achieve results. 18 "(c) Provision of Information to Secretary.— 19 Notwithstanding any other provision of the Act, recipients participating in the program under this subtitle shall pro-21 vide such information to the Secretary as the Secretary may request, in sufficient detail and in a timely manner 23 sufficient to ensure that the review and report required by this section is accomplished in a timely manner".

- 1 (b) AUTHORITY TO USE BLOCK GRANT AMOUNTS.— 2 Subsection (a) of section 101 (25 U.S.C. 4111(a)) is 3 amended by inserting before the period at the end of the first sentence the following: "under subtitle A of title II 4 5 and to carry out self-determined housing activities for trib-6 al communities programs under subtitle B of such title". 7 (c) Exemption From Affordable Housing Ac-8 TIVITIES REQUIREMENT.—Subsection (g) of section 101 (25 U.S.C. 4111) is amended by inserting "of this section and subtitle B of title II" after "subsection (h)". 10 (d) Indian Housing Plans.—Section 102 (25 11 12 U.S.C. 4112) is amended as follows: 13 (1) 5-YEAR PLAN.—In subsection (b), by adding 14 at the end the following new paragraph: 15 "(4) Self-determined housing activities 16 PROGRAM.—A statement of the manner in which the 17 program for the Indian tribe under subtitle B of 18 title II will be carried out and implemented, and an 19 overview of the benefits to the low-income commu-20 nity intended to be achieved from activities to be un-21 dertaken during the period pursuant to the program 22 for the Indian tribe under subtitle B of title II.".
- 24 at the end the following new paragraph:

(2) 1-YEAR PLAN.—In subsection (c), by adding

23

1	"(7) Self-determined housing activities					
2	PROGRAM.—A statement of housing activities to be					
3	undertaken during the period pursuant to the pro-					
4	gram for the Indian tribe under subtitle B of title					
5	II and a description of the benefit such activities wi					
6	provide for the low-income community.".					
7	(e) Review of Housing Plans.—Section 103 (2)					
8	U.S.C. 4113) is amended by striking subsection (e) and					
9	inserting the following new subsection:					
10	"(e) Self-Determined Activities Program.—					
11	Notwithstanding any other provision of this section, the					
12	Secretary—					
13	"(1) shall review the information included in an					
14	Indian housing plan pursuant to subsections (b)(4)					
15	and (c)(7) only to determine whether such informa-					
16	tion is included for purposes of compliance with the					
17	requirement under section 232(b)(2); and					
18	"(2) may not approve or disapprove an Indian					
19	housing plan based on the content of the particular					
20	benefits, activities, and results included pursuant to					
21	such subsections.".					
22	(f) CLERICAL AMENDMENTS.—The table of content					
23	in section 1(b) (25 U.S.C. 4101 note) is amended—					
24	(1) by inserting after the item for title II the					
25	following new item:					

<sup>&</sup>quot;Subtitle A—General Block Grant Program";

- 1 and 2 (2) by inserting before the item for title III the 3 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.".

#### SEC. 4. EFFECT OF NAHASDA ON HOME INVESTMENT PART-

- 5 NERSHIPS ACT.
- 6 (a) IN GENERAL.—Title V (25 U.S.C. 4181 et seq.)
- is amended by adding at the end the following new section:
- 8 "SEC. 509. EFFECT ON HOME INVESTMENT PARTNERSHIPS
- 9 ACT.
- 10 "The amendments made by this title, and the provi-
- 11 sions of this title and this Act, may not be construed to
- prohibit or prevent any insular area or participating juris-
- diction (as such terms are used for purposes of the HOME
- Investment Partnerships Act (42 U.S.C. 12721 et seq.))
- from providing amounts made available under such Act 15
- for such area or jurisdiction to Indian tribes, or tribally 16
- 17 designated housing entities, for use in accordance with the
- 18 HOME Investment Partnerships Act.".
- 19 (b) CLERICAL AMENDMENT.—The table of contents
- 20 in section 1(b) (25 U.S.C. 4101 note) is amended by in-

- 1 serting after the item for section 508 the following new
- 2 item:

"Sec. 509. Effect on HOME Investment Partnerships Act.".

#### 3 SEC. 5. GAO STUDY OF EFFECTIVENESS OF NAHASDA FOR

- 4 TRIBES OF DIFFERENT SIZES.
- 5 (a) IN GENERAL.—The Comptroller General of the
- 6 United States shall conduct a study of the effectiveness
- 7 of the Native American Housing Assistance and Self-De-
- 8 termination Act of 1996 in achieving its purposes of meet-
- 9 ing the needs for affordable housing for low-income Indian
- 10 families, as compared to the programs for housing and
- 11 community development assistance for Indian tribes and
- 12 families and Indian housing authorities that were termi-
- 13 nated under title V of such Act and the amendments made
- 14 by such title. The study shall compare such effectiveness
- 15 with respect to Indian tribes of various sizes and types,
- 16 and specifically with respect to smaller tribes for which
- 17 grants of lesser or minimum amounts have been made
- 18 under title I of such Act.
- 19 (b) Report.—Not later than the expiration of the
- 20 12-month period beginning on the date of the enactment
- 21 of this Act, the Comptroller General shall submit a report
- 22 to the Committee on Financial Services of the House of
- 23 Representatives and the Committee on Banking, Housing,
- 24 and Urban Affairs of the Senate regarding the results and
- 25 conclusions of the study conducted pursuant to subsection

- 1 (a). Such report shall include recommendations regarding
- 2 any changes appropriate to the Native American Housing
- 3 Assistance and Self-Determination Act of 1996 to help en-
- 4 sure that the purposes of such Act are achieved by all In-
- 5 dian tribes, regardless of size or type.
- 6 SEC. 6. FEDERAL GUARANTEES FOR FINANCING FOR TRIB-
- 7 AL HOUSING ACTIVITIES.
- 8 (a) EDUCATIONAL SEMINARS.—Section 604 (25)
- 9 U.S.C. 4195) is amended by adding at the end the fol-
- 10 lowing: "Such activities shall include conducting edu-
- 11 cational seminars with tribes and tribally designated hous-
- 12 ing entities on how to utilize the loan guarantee program
- 13 under this title.".
- 14 (b) AGGREGATE FISCAL YEAR LIMITATION.—Sub-
- 15 section (a) of section 605 (25 U.S.C. 4195(a)) is amended
- 16 by striking "fiscal years 1997 through 2007" and insert-
- 17 ing "fiscal years 2008 through 2012".
- 18 (c) Authorization of Appropriations for Cred-
- 19 IT Subsidiary.—Subsection (b) of section 605 is amended
- 20 by striking "fiscal years 1997 through 2007" and insert-
- 21 ing "fiscal years 2008 through 2012".
- 22 SEC. 7. TRAINING AND TECHNICAL ASSISTANCE.
- 23 Section 703 (25 U.S.C. 4212) is amended by striking
- 24 "fiscal years 1997 through 2007" and inserting "fiscal
- 25 years 2008 through 2012".

#### 1 SEC. 8. HOUSING ASSISTANCE FOR NATIVE HAWAIIANS.

- 2 Section 824 (25 U.S.C. 4243), as added by section
- 3 513 of Public Law 106–569 (114 Stat. 2969), is amended
- 4 by striking "fiscal years" and all that follows and inserting
- 5 the following: "fiscal years 2008, 2009, 2010, 2011 and
- 6 2012.".

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