substituted "Indian and Alaska Native organizations" for "Indian organizations".

Pub. L. 102–375, §822(1)(B)(ii), which directed the substitution of "area that is not an Indian reservation or Alaska Native village" for "nonreservation area", could not be executed because the words "nonreservation area" did not appear.

Subsecs. (b), (c)(1), (d)(1), (4). Pub. L. 102–375, §822(1)(A), substituted "Commissioner" for "Secretary" wherever appearing.

1990—Subsec. (d). Pub. L. 101–408 added subsec. (d). 1987—Subsec. (a). Pub. L. 100–175, §506(c)(2), substituted "Native Hawaiians" for "Hawaiian Natives".

Pub. L. 100–175, §§ 502(1), 504(a), inserted ", on a single year or multiyear basis," after "assistance" in first sentence and inserted after first sentence "The Secretary is authorized, subject to the availability of funds appropriated under the authority of section 2992d(c) of this title, to provide financial assistance to public and nonprofit private agencies serving other Native American Pacific Islanders (including American Samoan Natives) for projects pertaining to the purposes of this Act."

1984—Subsec. (a). Pub. L. 98-558, §1002(a), inserted at end "Every determination made with respect to a request for financial assistance under this section shall be made without regard to whether the agency making such request serves, or the project to be assisted is for the benefit of, Indians who are not members of a federally recognized tribe. To the greatest extent practicable, the Secretary shall ensure that each project to be assisted under this subchapter is consistent with the priorities established by the agency which receives such assistance."

Subsec. (c)(1). Pub. L. 98-558, §1002(b), designated existing provisions as par. (1) and added par. (2).

1978—Pub. L. 95-568 substituted in subsecs. (b) and (c) "the Secretary determines" for "he determines".

#### EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by sections 502(1) and 504(a) of Pub. L. 100-175 effective Oct. 1, 1987, and amendment by section 506(c)(2) of Pub. L. 100-175 effective upon expiration of 90-day period beginning Nov. 29, 1987, see section 701(a), (c) of Pub. L. 100-175, set out as a note under section 3001 of this title.

# $\S\,2991b{-}1.$ Loan fund; demonstration project

#### (a) Grant to Office of Hawaiian Affairs to establish revolving loan fund; purposes of fund; administrative costs; matching funds

- (1) In order to provide funding that is not available from private sources, the Commissioner shall award a grant to the Office of Hawaiian Affairs of the State of Hawaii (referred to in this section as the "Office"), which shall use that grant to carry out, in the State of Hawaii, a demonstration project involving the establishment of a revolving loan fund—
  - (A) from which the Office shall make loans or loan guarantees to Native Hawaiian organizations and to individual Native Hawaiians for the purpose of promoting economic development in the State of Hawaii; and
  - (B) into which all payments, interest, charges, and other amounts collected from loans made under subparagraph (A) shall be deposited notwithstanding any other provision of law.
- (2) The agreement under which a grant is awarded under paragraph (1) shall contain provisions which set forth the administrative costs of the grantee that are to be paid out of the funds provided under the grant and a requirement that the grantee contribute to the revolving loan

fund an amount of non-Federal funds equal to the amount of such grant.

# (b) Loans or loan guarantees to borrowers; determinations; term; interest rate; default and collection procedures; prohibition on self-lending

- (1) The Office may make a loan or loan guarantee to a borrower under subsection (a)(1)(A) only if the Office determines that—
  - (A) the borrower is unable to obtain financing from other sources on reasonable terms and conditions; and
  - (B) there is a reasonable prospect that the borrower will repay the loan.
- (2) Each loan or loan guarantee made under subsection (a)(1)(A) shall be—
- (A) for a term that does not exceed 7 years; and
- (B) at a rate of interest that does not exceed a rate equal to the sum of—
  - (I) the most recently published prime rate (as published in the newspapers of general circulation in the State of Hawaii before the date on which the loan is made); and
    - (II) 3 percentage points.
- (3) The Office may require any borrower of a loan made under subsection (a)(1)(A) to provide such collateral as the Office determines to be necessary to secure the loan.
- (4) Prior to making loans under subsection (a)(1)(A), the Office shall establish written procedures and definitions pertaining to defaults and collections of payments under the loans which shall be subject to the review and approval of the Commissioner. Such Office shall provide to each applicant for a loan under subsection (a)(1)(A), at the time application for the loan is made, a written copy of such procedures and definitions.
- (5) The Office may not lend to itself any of the funds awarded under the grant.

## (c) Notice to Commissioner of loans in default and uncollectability of such loans; instructions by Commissioner

- (1) The Office shall provide the Commissioner at regular intervals written notice of each loan made under subsection (a)(1)(A) that is in default and the status of such loan.
- (2)(A) After making reasonable efforts to collect all amounts payable under a loan made under subsection (a)(1)(A) that is in default, the Office shall notify the Commissioner that such loan is uncollectable or collectable only at an unreasonable cost. Such notice shall include recommendations for future action to be taken by the Office.
- (B) Upon receiving such notice, the Commissioner shall instruct the Office—
  - (i) to continue with its collection activities; (ii) to cancel, adjust, compromise, or reduce the amount of such loan; or
  - (iii) to modify any term or condition of such loan, including any term or condition relating to the rate of interest or the time of payment of any installment of principal or interest, or portion thereof, that is payable under such loan.
- (C) The Office shall carry out all instructions received under subparagraph (B) from the Commissioner.

## (d) Payment of administrative costs; management and technical assistance

- (1) The Office shall, out of funds available in the revolving loan fund established under such
  - (A) pay expenses incurred by the Office in administering the revolving loan fund; and
  - (B) provide competent management and technical assistance to borrowers of loans made under subsection (a)(1)(A) to assist the borrowers to achieve the purposes of such
- (2) The Commissioner shall provide to the Office such management and technical assistance as the Office may request in order to carry out the provisions of this section.

#### (e) Regulations

Not later than 120 days after November 29, 1987, the Commissioner, in consultation with appropriate agencies of the State of Hawaii and community-based Native Hawaiian organizations, shall prescribe regulations which set forth the procedures and criteria to be used-

- (1) in making loans under subsection (a)(1)(A); and
- (2) in canceling, adjusting, compromising, and reducing under subsection (c) the outstanding amounts of such loans.

The Commissioner may prescribe such other regulations as may be necessary to carry out the purposes of this section, including regulations involving reporting and auditing.

# (f) Authorization of appropriations; investment in obligations of United States

- (1) There is authorized to be appropriated for each of the fiscal years 2000 and 2001, \$1,000,000 for the purpose of carrying out the provisions of this section. Any amount appropriated under this paragraph shall remain available for expenditure without fiscal year limitation.
- (2) The revolving loan fund that is required to be established under subsection (a)(1) shall be maintained as a separate account. Any portion of the revolving loan fund that is not required for expenditure shall be invested in obligations of the United States or in obligations guaranteed or insured by the United States.

## (g) Reports to Congress; contents

- (1) The Commissioner, in consultation with the Office, shall submit a report to the President pro tempore of the Senate and the Speaker of the House of Representatives not later than January 1 following each fiscal year, regarding the administration of this section in such fiscal year.
- (2) Such report shall include the views and recommendations of the Commissioner with respect to the revolving loan fund established under subsection (a)(1) and with respect to loans made from such fund, and shall-
  - (A) describe the effectiveness of the operation of such fund in improving the economic and social self-sufficiency of Native Hawai-
  - (B) specify the number of loans made in such fiscal year:
  - (C) specify the number of loans outstanding as of the end of such fiscal year; and

(D) specify the number of borrowers who fail in such fiscal year to repay loans in accordance with the agreements under which such loans are required to be repaid.

(Pub. L. 88-452, title VIII, §803A, as added Pub. L. 100–175, title V, §506(a), Nov. 29, 1987, 101 Stat. 976; amended Pub. L. 102-375, title VIII, §822(2), Sept. 30, 1992, 106 Stat. 1296; Pub. L. 103-171, §5(3), Dec. 2, 1993, 107 Stat. 1991; Pub. L. 105-361, §3, Nov. 10, 1998, 112 Stat. 3278.)

#### AMENDMENTS

1998—Subsec. (a)(1). Pub. L. 105-361, §3(a)(1)(A), in introductory provisions, substituted "award a grant" for "award grants" and "use that grant to carry out" for "use such grants to establish and carry out"

Subsec. (a)(1)(A). Pub. L. 105–361,  $\S3(a)(1)(B)$ , inserted "or loan guarantees" after "make loans"

Subsec. (b)(1). Pub. L. 105-361, §3(a)(2)(A), substituted "a loan or loan guarantee to a borrower" for "loans to a borrower" in introductory provisions.

Subsec. (b)(2). Pub. L. 105-361,  $\S 3(a)(2)(B)(i)$ , substituted "Each loan or loan guarantee made" for "Loans made" in introductory provisions.

Subsec. (b)(2)(A). Pub. L. 105-361, §3(a)(2)(B)(ii), substituted "7 years" for "5 years".

Subsec. (b)(2)(B). Pub. L. 105–361,  $\S3(a)(2)(B)(iii)$ , substituted "that does not exceed a rate equal to the sum of—'' for ''that is 2 percentage points below the average market yield on the most recent public offering of United States Treasury bills occurring before the date on which the loan is made." and added cls. (I) and (II). Subsec. (f)(1). Pub. L. 105–361, §3(a)(3), substituted

"2000 and 2001," for "1992, 1993, and 1994,"

1993—Subsecs. (b) to (d)(1). Pub. L. 103–171,  $\S 5(3)(A)$ , struck out "to which a grant is awarded under subsection (a)(1) of this section" before "may make loans" in subsec. (b)(1), before "may require any borrower" in subsec. (b)(3), before "shall establish written" in subsec. (b)(4), before "may not lend" in subsec. (b)(5), before "shall provide the Commissioner" in subsec. (c)(1), before "shall notify the Commissioner" in subsec. (c)(2)(A), and before "shall, out of funds" in subsec.

Subsec. (d)(2). Pub. L. 103-171, §5(3)(B), struck out "to which a grant is made under subsection (a)(1) of this section" after "Commissioner shall provide to the Of-

Subsec. (f)(1). Pub. L. 103-171, §5(3)(C), substituted "each of the fiscal years 1992, 1993, and 1994, \$1,000,000" for "fiscal years 1988, 1989, and 1990 the aggregate amount \$3,000,000 for all such fiscal years".

1992—Pub. L. 102-375, §822(2)(C), (D), substituted "Commissioner" for "Secretary" wherever appearing in subsecs. (a)(1), (b)(4), (c), (d)(2), and (e) and "Office" for "agency or organization" wherever appearing in subsecs. (b)(1), (3) to (5), (c), and (d).

Pub. L. 102-375, §822(2)(B), which directed the amendment of this section by substituting "Office" for "agency or organization to which a grant is awarded under subsection (a)(1) of this section" wherever appearing, could not be executed because the words "agency or organization to which a grant is awarded under sub-section (a)(1) of this section' did not appear in the original.

Subsec. (a)(1). Pub. L. 102-375, §822(2)(A), substituted "the Office of Hawaiian Affairs of the State of Hawaii (referred to in this section as the 'Office')" for "one agency of the State of Hawaii, or to one communitybased Native Hawaiian organization whose purpose is the economic and social self-sufficiency of Native Hawaiians", struck out "5-year" before "demonstration", and in subpar. (A) substituted "the Office" for "such agency or Native Hawaiian organization"

Subsec. (a)(2). Pub. L. 102-375, \$822(2)(E), inserted before period at end "and a requirement that the grantee contribute to the revolving loan fund an amount of non-Federal funds equal to the amount of such grant".

Subsec. (b)(6). Pub. L. 102-375, \$822(2)(F) struck out par. (6) which prohibited making of loan from revolving fund after close of 5-year period beginning on Nov. 29, 1987

Subsec. (f)(1). Pub. L. 102–375, §822(2)(G), which directed substitution of "each of the fiscal years 1992, 1993, and 1994, \$1,000,000" for "fiscal years 1988, 1989, and 1990 the aggregate amount of \$3,000,000 for all such fiscal years", could not be executed because the words "fiscal years 1988, 1989, and 1990 the aggregate amount of \$3,000,000 for all such fiscal years" did not appear.

Subsec. (f)(3). Pub. L. 102-375, §822(2)(H), struck out par. (3) which read as follows:

"(A) All monies that are in the revolving loan fund at the close of the 5-year period beginning on November 29, 1987, and that are not otherwise needed (as determined by the Secretary) to carry out the provisions of this section shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(B) All monies deposited in the revolving loan fund after the close of such period pursuant to subsection (a)(1)(B) of this section shall be deposited into the Treasury of the United States as miscellaneous receipts."

Subsec. (g). Pub. L. 102–375, §822(2)(I), amended subsec. (g) generally. Prior to amendment, subsec. (g) read as follows:

"(1) The Secretary, in consultation with the agency or organization to which a grant is awarded under subsection (a)(1) of this section, shall submit to the Congress—

"(A) an interim report not later than 2 years after November 29, 1987; and

"(B) a final report not later than 4 years after November 29, 1987;

regarding the administration of this section.

"(2) Each such report shall include the views and recommendations of the Secretary regarding—

"(A) the effectiveness of the demonstration project; "(B) whether the demonstration project should be expanded to other groups eligible for assistance under this subchapter; and

"(C) whether the duration of the demonstration project should be extended."

#### EFFECTIVE DATE

Section effective upon expiration of 90-day period beginning Nov. 29, 1987, see section 701(c) of Pub. L. 100-175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

# § 2991b-2. Establishment of Administration for Native Americans

#### (a) Establishment

There is established in the Department of Health and Human Services (referred to in this subchapter as the "Department") the Administration for Native Americans (referred to in this subchapter as the "Administration"), which shall be headed by a Commissioner of the Administration for Native Americans (referred to in this subchapter as the "Commissioner"). The Administration shall be the agency responsible for carrying out the provisions of this subchapter.

# (b) Commissioner

The Commissioner shall be appointed by the President, by and with the advice and consent of the Senate.

# (c) Duties

The Commissioner shall—

(1) provide for financial assistance, loan funds, technical assistance, training, research and demonstration projects, and other activities, described in this subchapter;

- (2) serve as the effective and visible advocate on behalf of Native Americans within the Department, and with other departments and agencies of the Federal Government regarding all Federal policies affecting Native Americans:
- (3) with the assistance of the Intra-Departmental Council on Native American Affairs established by subsection (d)(1), coordinate activities within the Department leading to the development of policies, programs, and budgets, and their administration affecting Native Americans, and provide quarterly reports and recommendations to the Secretary;

(4) collect and disseminate information related to the social and economic conditions of Native Americans, and assist the Secretary in preparing an annual report to the Congress about such conditions:

(5) give preference to agencies described in section 2991b(a) of this title that are eligible for assistance under this subchapter, in entering into contracts for technical assistance, training, and evaluation under this subchapter; and

(6) encourage agencies that carry out projects under this subchapter, to give preference to Native Americans, in hiring and entering into contracts to carry out such projects.

# (d) Intra-Departmental Council on Native American Affairs

(1) There is established in the Office of the Secretary the Intra-Departmental Council on Native American Affairs. The Commissioner shall be the chairperson of such Council and shall advise the Secretary on all matters affecting Native Americans that involve the Department. The Director of the Indian Health Service shall serve as vice chairperson of the Council.

(2) The membership of the Council shall be the heads of principal operating divisions within the Department, as determined by the Secretary, and such persons in the Office of the Secretary as the Secretary may designate.

(3) In addition to the duties described in subsection (c)(3), the Council shall, within 180 days following September 30, 1992, prepare a plan, including legislative recommendations, to allow tribal governments and other organizations described in section 2991b(a) of this title to consolidate grants administered by the Department and to designate a single office to oversee and audit the grants. Such plan shall be submitted to the committees of the Senate and the House of Representatives having jurisdiction over the Administration for Native Americans.

# (e) Staffing levels

The Secretary shall assure that adequate staff and administrative support is provided to carry out the purpose of this subchapter. In determining the staffing levels of the Administration, the Secretary shall consider among other factors the unmet needs of the Native American population, the need to provide adequate oversight and technical assistance to grantees, the need to carry out the activities of the Council, the additional reporting requirements established, and the staffing levels previously maintained in support of the Administration.