

106TH CONGRESS  
1ST SESSION

# H. R. 1167

To amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 1999

Mr. GEORGE MILLER of California (for himself, Mr. YOUNG of Alaska, Mr. KILDEE, Mr. DEFazio, Mr. Faleomavaega, Mr. Abercrombie, Mr. Romero-Barceló, Mr. Underwood, Mr. Kennedy of Rhode Island, Mr. Inslee, Mr. Hayworth, Mr. McDermott, Ms. Pelosi, Mr. Brown of California, Mr. Oberstar, Mr. Filner, Mr. Pastor, Mr. Frank of Massachusetts, Mr. Martinez, Ms. Stabenow, Mr. Towns, Mrs. Mink of Hawaii, Mr. Pickering, Mr. Allen, Mr. Stupak, and Mr. Frost) introduced the following bill; which was referred to the Committee on Resources

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## A BILL

To amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, 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 This Act may be cited as the “Tribal Self-Governance  
5 Amendments of 1999”.

1 **SEC. 2. FINDINGS.**

2 Congress finds that—

3 (1) the tribal right of self-government flows  
4 from the inherent sovereignty of Indian tribes and  
5 nations;

6 (2) the United States recognizes a special gov-  
7 ernment-to-government relationship with Indian  
8 tribes, including the right of the Indian tribes to  
9 self-governance, as reflected in the Constitution,  
10 treaties, Federal statutes, and the course of dealings  
11 of the United States with Indian tribes;

12 (3) although progress has been made, the Fed-  
13 eral bureaucracy, with its centralized rules and regu-  
14 lations, has eroded tribal self-governance and domi-  
15 nates tribal affairs;

16 (4) the Tribal Self-Governance Demonstration  
17 Project, established under title III of the Indian  
18 Self-Determination and Education Assistance Act  
19 (25 U.S.C. 450f note) was designed to improve and  
20 perpetuate the government-to-government relation-  
21 ship between Indian tribes and the United States  
22 and to strengthen tribal control over Federal fund-  
23 ing and program management;

24 (5) although the Federal Government has made  
25 considerable strides in improving Indian health care,  
26 it has failed to fully meet its trust responsibilities

1 and to satisfy its obligations to the Indian tribes  
2 under treaties and other laws; and

3 (6) Congress has reviewed the results of the  
4 Tribal Self-Governance Demonstration Project and  
5 finds that transferring full control and funding to  
6 tribal governments, upon tribal request, over deci-  
7 sion making for Federal programs, services, func-  
8 tions, and activities (or portions thereof)—

9 (A) is an appropriate and effective means  
10 of implementing the Federal policy of govern-  
11 ment-to-government relations with Indian  
12 tribes; and

13 (B) strengthens the Federal policy of In-  
14 dian self-determination.

15 **SEC. 3. DECLARATION OF POLICY.**

16 It is the policy of Congress to—

17 (1) permanently establish and implement tribal  
18 self-governance within the Department of Health  
19 and Human Services;

20 (2) call for full cooperation from the Depart-  
21 ment of Health and Human Services and its con-  
22 stituent agencies in the implementation of tribal self-  
23 governance—

24 (A) to enable the United States to main-  
25 tain and improve its unique and continuing re-

1 relationship with, and responsibility to, Indian  
2 tribes;

3 (B) to permit each Indian tribe to choose  
4 the extent of its participation in self-governance  
5 in accordance with the provisions of the Indian  
6 Self-Determination and Education Assistance  
7 Act relating to the provision of Federal services  
8 to Indian tribes;

9 (C) to ensure the continuation of the trust  
10 responsibility of the United States to Indian  
11 tribes and Indian individuals;

12 (D) to affirm and enable the United States  
13 to fulfill its obligations to the Indian tribes  
14 under treaties and other laws;

15 (E) to strengthen the government-to-gov-  
16 ernment relationship between the United States  
17 and Indian tribes through direct and meaning-  
18 ful consultation with all tribes;

19 (F) to permit an orderly transition from  
20 Federal domination of programs and services to  
21 provide Indian tribes with meaningful authority,  
22 control, funding, and discretion to plan, con-  
23 duct, redesign, and administer programs, serv-  
24 ices, functions, and activities (or portions there-

1 of) that meet the needs of the individual tribal  
2 communities;

3 (G) to provide for a measurable parallel re-  
4 duction in the Federal bureaucracy as pro-  
5 grams, services, functions, and activities (or  
6 portions thereof) are assumed by Indian tribes;

7 (H) to encourage the Secretary to identify  
8 all programs, services, functions, and activities  
9 (or portions thereof) of the Department of  
10 Health and Human Services that may be man-  
11 aged by an Indian tribe under this Act and to  
12 assist Indian tribes in assuming responsibility  
13 for such programs, services, functions, and ac-  
14 tivities (or portions thereof); and

15 (I) to provide Indian tribes with the ear-  
16 liest opportunity to administer programs, serv-  
17 ices, functions, and activities (or portions there-  
18 of) from throughout the Department of Health  
19 and Human Services.

20 **SEC. 4. TRIBAL SELF-GOVERNANCE.**

21 The Indian Self-Determination and Education Assist-  
22 ance Act (25 U.S.C. 450 et seq.) is amended by adding  
23 at the end the following new titles:

1                   **“TITLE V—TRIBAL SELF-**  
2                   **GOVERNANCE**

3   **“SEC. 501. ESTABLISHMENT.**

4           “The Secretary of Health and Human Services shall  
5 establish and carry out a program within the Indian  
6 Health Service of the Department of Health and Human  
7 Services to be known as the ‘Tribal Self-Governance Pro-  
8 gram’ in accordance with this title.

9   **“SEC. 502. DEFINITIONS.**

10          “(a) IN GENERAL.—For purposes of this title—

11               “(1) the term ‘construction project’ means an  
12 organized noncontinuous undertaking to complete a  
13 specific set of predetermined objectives for the plan-  
14 ning, environmental determination, design, construc-  
15 tion, repair, improvement, or expansion of buildings  
16 or facilities, as described in a construction project  
17 agreement. The term ‘construction project’ does not  
18 mean construction program administration and ac-  
19 tivities described in paragraphs (1) through (3) of  
20 section 4(m), which may otherwise be included in a  
21 funding agreement under this title;

22               “(2) the term ‘construction project agreement’  
23 means a negotiated agreement between the Secretary  
24 and an Indian tribe which at a minimum—

1           “(A) establishes project phase start and  
2 completion dates;

3           “(B) defines a specific scope of work and  
4 standards by which it will be accomplished;

5           “(C) identifies the responsibilities of the  
6 Indian tribe and the Secretary;

7           “(D) addresses environmental consider-  
8 ations;

9           “(E) identifies the owner and operations/  
10 maintenance entity of the proposed work;

11           “(F) provides a budget;

12           “(G) provides a payment process; and

13           “(H) establishes the duration of the agree-  
14 ment based on the time necessary to complete  
15 the specified scope of work, which may be 1 or  
16 more years;

17           “(3) the term ‘inherent Federal functions’  
18 means those Federal functions which cannot legally  
19 be delegated to Indian tribes;

20           “(4) the term ‘inter-tribal consortium’ means a  
21 coalition of two or more separate Indian tribes that  
22 join together for the purpose of participating in self-  
23 governance, including, but not limited to, a tribal or-  
24 ganization;

1           “(5) the term ‘gross mismanagement’ means a  
2           significant, clear, and convincing violation of com-  
3           pact, funding agreement, or regulatory, or statutory  
4           requirements applicable to Federal funds transferred  
5           to a tribe by a compact or funding agreement that  
6           results in a significant reduction of funds available  
7           for the programs, services, functions, or activities (or  
8           portions thereof) assumed by an Indian tribe;

9           “(6) the term ‘tribal shares’ means an Indian  
10          tribe’s portion of all funds and resources that sup-  
11          port secretarial programs, services, functions, and  
12          activities (or portions thereof) that are not required  
13          by the Secretary for performance of inherent Fed-  
14          eral functions;

15          “(7) the term ‘Secretary’ means the Secretary  
16          of Health and Human Services; and

17          “(8) the term ‘self-governance’ means the pro-  
18          gram established pursuant to section 501.

19          “(b) INDIAN TRIBE.—Where an Indian tribe has au-  
20          thorized another Indian tribe, an inter-tribal consortium,  
21          or a tribal organization to plan for or carry out programs,  
22          services, functions, or activities (or portions thereof) on  
23          its behalf under this title, the authorized Indian tribe,  
24          inter-tribal consortium, or tribal organization shall have  
25          the rights and responsibilities of the authorizing Indian



1 tribe (except as otherwise provided in the authorizing reso-  
2 lution or in this title). In such event, the term ‘Indian  
3 tribe’ as used in this title shall include such other author-  
4 ized Indian tribe, inter-tribal consortium, or tribal organi-  
5 zation.

6 **“SEC. 503. SELECTION OF PARTICIPATING INDIAN TRIBES.**

7       “(a) CONTINUING PARTICIPATION.—Each Indian  
8 tribe that is participating in the Tribal Self-Governance  
9 Demonstration Project under title III on the date of enact-  
10 ment of this title may elect to participate in self-govern-  
11 ance under this title under existing authority as reflected  
12 in tribal resolutions.

13       “(b) ADDITIONAL PARTICIPANTS.—

14               “(1) In addition to those Indian tribes partici-  
15 pating in self-governance under subsection (a), each  
16 year an additional 50 Indian tribes that meet the eli-  
17 gibility criteria specified in subsection (c) shall be  
18 entitled to participate in self-governance.

19               “(2)(A) An Indian tribe that has withdrawn  
20 from participation in an inter-tribal consortium or  
21 tribal organization, in whole or in part, shall be enti-  
22 tled to participate in self-governance provided the  
23 Indian tribe meets the eligibility criteria specified in  
24 subsection (c).

1           “(B) If an Indian tribe has withdrawn from  
2 participation in an inter-tribal consortium or tribal  
3 organization, it shall be entitled to its tribal share  
4 of funds supporting those programs, services, func-  
5 tions, and activities (or portions thereof) that it will  
6 be carrying out under its compact and funding  
7 agreement.

8           “(C) In no event shall the withdrawal of an In-  
9 dian tribe from an inter-tribal consortium or tribal  
10 organization affect the eligibility of the inter-tribal  
11 consortium or tribal organization to participate in  
12 self-governance.

13           “(c) APPLICANT POOL.—The qualified applicant pool  
14 for self-governance shall consist of each Indian tribe  
15 that—

16           “(1) successfully completes the planning phase  
17 described in subsection (d);

18           “(2) has requested participation in self-govern-  
19 ance by resolution or other official action by the gov-  
20 erning body (or bodies) of the Indian tribe or tribes  
21 to be served; and

22           “(3) has demonstrated, for the previous 3 fiscal  
23 years, financial stability and financial management  
24 capability.

1 Evidence that during such years the Indian tribe had no  
2 uncorrected significant and material audit exceptions in  
3 the required annual audit of the Indian tribe’s self-deter-  
4 mination contracts or self-governance funding agreements  
5 shall be conclusive evidence of the required stability and  
6 capability for the purposes of this subsection.

7 “(d) PLANNING PHASE.—Each Indian tribe seeking  
8 participation in self-governance shall complete a planning  
9 phase. The planning phase shall be conducted to the satis-  
10 faction of the Indian tribe and shall include—

11 “(1) legal and budgetary research; and

12 “(2) internal tribal government planning and  
13 organizational preparation relating to the adminis-  
14 tration of health care programs.

15 “(e) GRANTS.—Subject to the availability of appro-  
16 priations, any Indian tribe meeting the requirements of  
17 paragraphs (2) and (3) of subsection (c) shall be eligible  
18 for grants—

19 “(1) to plan for participation in self-governance;  
20 and

21 “(2) to negotiate the terms of participation by  
22 the Indian tribe or tribal organization in self-govern-  
23 ance, as set forth in a compact and a funding agree-  
24 ment.

1       “(f) RECEIPT OF GRANT NOT REQUIRED.—Receipt  
2 of a grant under subsection (e) shall not be a requirement  
3 of participation in self-governance.

4       **“SEC. 504. COMPACTS.**

5       “(a) COMPACT REQUIRED.—The Secretary shall ne-  
6 gotiate and enter into a written compact with each Indian  
7 tribe participating in self-governance in a manner con-  
8 sistent with the Federal Government’s trust responsibility,  
9 treaty obligations, and the government-to-government re-  
10 lationship between Indian tribes and the United States.

11       “(b) CONTENTS.—Each compact required under sub-  
12 section (a) shall set forth the general terms of the govern-  
13 ment-to-government relationship between the Indian tribe  
14 and the Secretary, including such terms as the parties in-  
15 tend shall control year after year. Such compacts may only  
16 be amended by mutual agreement of the parties.

17       “(c) EXISTING COMPACTS.—An Indian tribe partici-  
18 pating in the Tribal Self-Governance Demonstration  
19 Project under title III on the date of enactment of this  
20 title shall have the option at any time thereafter to—

21               “(1) retain its Tribal Self-Governance Dem-  
22 onstration Project compact (in whole or in part) to  
23 the extent the provisions of such compact are not di-  
24 rectly contrary to any express provision of this title,  
25 or

1           “(2) negotiate in lieu thereof (in whole or in  
2           part) a new compact in conformity with this title.

3           “(d) **TERM AND EFFECTIVE DATE.**—The effective  
4           date of a compact shall be the date of the approval and  
5           execution by the Indian tribe or another date agreed upon  
6           by the parties, and shall remain in effect for so long as  
7           permitted by Federal law or until terminated by mutual  
8           written agreement, retrocession, or reassumption.

9           **“SEC. 505. FUNDING AGREEMENTS.**

10          “(a) **FUNDING AGREEMENT REQUIRED.**—The Sec-  
11          retary shall negotiate and enter into a written funding  
12          agreement with each Indian tribe participating in self-gov-  
13          ernance in a manner consistent with the Federal Govern-  
14          ment’s trust responsibility, treaty obligations, and the gov-  
15          ernment-to-government relationship between Indian tribes  
16          and the United States.

17          “(b) **CONTENTS.**—Each funding agreement required  
18          under subsection (a) shall, as determined by the Indian  
19          tribe, authorize the Indian tribe to plan, conduct, consoli-  
20          date, administer, and receive full tribal share funding, in-  
21          cluding tribal shares of Indian Health Service competitive  
22          grants (excluding congressionally earmarked competitive  
23          grants), for all programs, services, functions, and activi-  
24          ties (or portions thereof), that are carried out for the ben-  
25          efit of Indians because of their status as Indians without

1 regard to the agency or office of the Indian Health Service  
2 within which the program, service, function, or activity (or  
3 portion thereof) is performed. Such programs, services,  
4 functions, or activities (or portions thereof) include all  
5 programs, services, functions, activities (or portions there-  
6 of) where Indian tribes or Indians are primary or signifi-  
7 cant beneficiaries, administered by the Department of  
8 Health and Human Services through the Indian Health  
9 Service and grants (which may be added to a funding  
10 agreement after award of such grants) and all local, field,  
11 service unit, area, regional, and central headquarters or  
12 national office functions administered under the authority  
13 of—

14           “(1) the Act of November 2, 1921 (25 U.S.C.  
15       13);

16           “(2) the Act of April 16, 1934 (25 U.S.C. 452  
17       et seq.);

18           “(3) the Act of August 5, 1954 (68 Stat. 674);

19           “(4) the Indian Health Care Improvement Act  
20       (25 U.S.C. 1601 et seq.);

21           “(5) the Indian Alcohol and Substance Abuse  
22       Prevention and Treatment Act of 1986 (25 U.S.C.  
23       2401 et seq.);

24           “(6) any other Act of Congress authorizing  
25       agencies of the Department of Health and Human

1 Services to administer, carry out, or provide finan-  
2 cial assistance to such programs, functions, or activi-  
3 ties (or portions thereof) described in this section; or

4 “(7) any other Act of Congress authorizing  
5 such programs, functions, or activities (or portions  
6 thereof) under which appropriations are made to  
7 agencies other than agencies within the Department  
8 of Health and Human services when the Secretary  
9 administers such programs, functions, or activities  
10 (or portions thereof).

11 “(c) INCLUSION IN COMPACT OR FUNDING AGREE-  
12 MENT.—Indian tribes or Indians need not be identified in  
13 the authorizing statute for a program or element of a pro-  
14 gram to be eligible for inclusion in a compact or funding  
15 agreement under this title.

16 “(d) FUNDING AGREEMENT TERMS.—Each funding  
17 agreement shall set forth terms that generally identify the  
18 programs, services, functions, and activities (or portions  
19 thereof) to be performed or administered, the general  
20 budget category assigned, the funds to be provided, includ-  
21 ing those to be provided on a recurring basis, the time  
22 and method of transfer of the funds, the responsibilities  
23 of the Secretary, and any other provisions to which the  
24 Indian tribe and the Secretary agree.

1       “(e) SUBSEQUENT FUNDING AGREEMENTS.—Absent  
2 notification from an Indian tribe that is withdrawing or  
3 retroceding the operation of one or more programs, serv-  
4 ices, functions, or activities (or portions thereof) identified  
5 in a funding agreement, or unless otherwise agreed to by  
6 the parties, each funding agreement shall remain in full  
7 force and effect until a subsequent funding agreement is  
8 executed, and the terms of the subsequent funding agree-  
9 ment shall be retroactive to the end of the term of the  
10 preceding funding agreement.

11       “(f) EXISTING FUNDING AGREEMENTS.—Each In-  
12 dian tribe participating in the Tribal Self-Governance  
13 Demonstration Project established under title III on the  
14 date of enactment of this title shall have the option at  
15 any time thereafter to—

16               “(1) retain its Tribal Self-Governance Dem-  
17 onstration Project funding agreement (in whole or in  
18 part) to the extent the provisions of such funding  
19 agreement are not directly contrary to any express  
20 provision of this title; or

21               “(2) adopt in lieu thereof (in whole or in part)  
22 a new funding agreement in conformity with this  
23 title.

24       “(g) STABLE BASE FUNDING.—At the option of an  
25 Indian tribe, a funding agreement may provide for a stable



1 base budget specifying the recurring funds (including, for  
2 purposes of this provision, funds available under section  
3 106(a) of the Act) to be transferred to such Indian tribe,  
4 for such period as may be specified in the funding agree-  
5 ment, subject to annual adjustment only to reflect changes  
6 in congressional appropriations by sub-sub activity exclud-  
7 ing earmarks.

8 **“SEC. 506. GENERAL PROVISIONS.**

9       “(a) **APPLICABILITY.**—The provisions of this section  
10 shall apply to compacts and funding agreements nego-  
11 tiated under this title and an Indian tribe may, at its op-  
12 tion, include provisions that reflect such requirements in  
13 a compact or funding agreement.

14       “(b) **CONFLICTS OF INTEREST.**—Indian tribes par-  
15 ticipating in self-governance under this title shall ensure  
16 that internal measures are in place to address conflicts  
17 of interest in the administration of self-governance pro-  
18 grams, services, functions, or activities (or portions there-  
19 of).

20       “(c) **AUDITS.**—

21               “(1) **SINGLE AGENCY AUDIT ACT.**—The provi-  
22 sions of chapter 75 of title 31, United States Code,  
23 requiring a single agency audit report shall apply to  
24 funding agreements under this title.

1           “(2) COST PRINCIPLES.—An Indian tribe shall  
2           apply cost principles under the applicable Office of  
3           Management and Budget Circular, except as modi-  
4           fied by section 106 or other provisions of law, or by  
5           any exemptions to applicable Office of Management  
6           and Budget Circulars subsequently granted by Of-  
7           fice of Management and Budget. No other audit or  
8           accounting standards shall be required by the Sec-  
9           retary. Any claim by the Federal Government  
10          against the Indian tribe relating to funds received  
11          under a funding agreement based on any audit  
12          under this subsection shall be subject to the provi-  
13          sions of section 106(f).

14          “(d) RECORDS.—

15                 “(1) IN GENERAL.—Unless an Indian tribe  
16                 specifies otherwise in the compact or funding agree-  
17                 ment, records of the Indian tribe shall not be consid-  
18                 ered Federal records for purposes of chapter 5 of  
19                 title 5, United States Code.

20                 “(2) RECORDKEEPING SYSTEM.—The Indian  
21                 tribe shall maintain a recordkeeping system, and,  
22                 after 30 days advance notice, provide the Secretary  
23                 with reasonable access to such records to enable the  
24                 Department of Health and Human Services to meet  
25                 its minimum legal recordkeeping system require-

1       ments under sections 3101 through 3106 of title 44,  
2       United States Code.

3       “(e) REDESIGN AND CONSOLIDATION.—An Indian  
4       tribe may redesign or consolidate programs, services, func-  
5       tions, and activities (or portions thereof) included in a  
6       funding agreement under section 505 and reallocate or re-  
7       direct funds for such programs, services, functions, and  
8       activities (or portions thereof) in any manner which the  
9       Indian tribe deems to be in the best interest of the health  
10      and welfare of the Indian community being served, only  
11      if the redesign or consolidation does not have the effect  
12      of denying eligibility for services to population groups oth-  
13      erwise eligible to be served under Federal law.

14      “(f) RETROCESSION.—An Indian tribe may retro-  
15      cede, fully or partially, to the Secretary programs, serv-  
16      ices, functions, or activities (or portions thereof) included  
17      in the compact or funding agreement. Unless the Indian  
18      tribe rescinds the request for retrocession, such retroces-  
19      sion will become effective within the time frame specified  
20      by the parties in the compact or funding agreement. In  
21      the absence of such a specification, such retrocession shall  
22      become effective on—

23              “(1) the earlier of—

24                      “(A) one year from the date of submission  
25              of such request; or

1           “(B) the date on which the funding agree-  
2           ment expires; or

3           “(2) such date as may be mutually agreed by  
4           the Secretary and the Indian tribe.

5           “(g) WITHDRAWAL.—

6           “(1) PROCESS.—An Indian tribe may fully or  
7           partially withdraw from a participating inter-tribal  
8           consortium or tribal organization its share of any  
9           program, function, service, or activity (or portions  
10          thereof) included in a compact or funding agree-  
11          ment. Such withdrawal shall become effective within  
12          the time frame specified in the resolution which au-  
13          thorizes transfer to the participating tribal organiza-  
14          tion or inter-tribal consortium. In the absence of a  
15          specific time frame set forth in the resolution, such  
16          withdrawal shall become effective on—

17                  “(A) the earlier of—

18                          “(i) one year from the date of submis-  
19                          sion of such request; or

20                          “(ii) the date on which the funding  
21                          agreement expires; or

22                  “(B) such date as may be mutually agreed  
23                  upon by the Secretary, the withdrawing Indian  
24                  tribe, and the participating tribal organization  
25                  or inter-tribal consortium that has signed the

1 compact or funding agreement on behalf of the  
2 withdrawing Indian tribe, inter-tribal consor-  
3 tium, or tribal organization.

4 “(2) DISTRIBUTION OF FUNDS.—When an In-  
5 dian tribe or tribal organization eligible to enter into  
6 a self-determination contract under title I or a com-  
7 pact or funding agreement under this title fully or  
8 partially withdraws from a participating inter-tribal  
9 consortium or tribal organization, the withdrawing  
10 Indian tribe or tribal organization shall be entitled  
11 to its tribal share of funds supporting those pro-  
12 grams, services, functions, or activities (or portions  
13 thereof) which it will be carrying out under its own  
14 self-determination contract or compact and funding  
15 agreement (calculated on the same basis as the  
16 funds were initially allocated in the funding agree-  
17 ment of the inter-tribal consortium or tribal organi-  
18 zation), and such funds shall be transferred from  
19 the funding agreement of the inter-tribal consortium  
20 or tribal organization, provided that the provisions  
21 of sections 102 and 105(i), as appropriate, shall  
22 apply to such withdrawing Indian tribe.

23 “(3) REGAINING MATURE CONTRACT STATUS.—  
24 If an Indian tribe elects to operate all or some pro-  
25 grams, services, functions, or activities (or portions

1       thereof) carried out under a compact or funding  
2       agreement under this title through a self-determina-  
3       tion contract under title I, at the option of the In-  
4       dian tribe, the resulting self-determination contract  
5       shall be a mature self-determination contract.

6       “(h) NONDUPLICATION.—For the period for which,  
7       and to the extent to which, funding is provided under this  
8       title or under the compact or funding agreement, the In-  
9       dian tribe shall not be entitled to contract with the Sec-  
10      retary for such funds under section 102, except that such  
11      Indian tribe shall be eligible for new programs on the same  
12      basis as other Indian tribes.

13      **“SEC. 507. PROVISIONS RELATING TO THE SECRETARY.**

14      “(a) MANDATORY PROVISIONS.—

15              “(1) HEALTH STATUS REPORTS.—Compacts or  
16      funding agreements negotiated between the Sec-  
17      retary and an Indian tribe shall include a provision  
18      that requires the Indian tribe to report on health  
19      status and service delivery—

20                      “(A) to the extent such data is not other-  
21      wise available to the Secretary and specific  
22      funds for this purpose are provided by the Sec-  
23      retary under the funding agreement; and

24                      “(B) if such reporting shall impose mini-  
25      mal burdens on the participating Indian tribe

1           and such requirements are promulgated under  
2           section 517.

3           “(2) REASSUMPTION—(A) Compacts and fund-  
4           ing agreements negotiated between the Secretary  
5           and an Indian tribe shall include a provision author-  
6           izing the Secretary to reassume operation of a pro-  
7           gram, service, function, or activity (or portions  
8           thereof) and associated funding if there is a specific  
9           finding relative to that program, service, function, or  
10          activity (or portion thereof) of—

11                   “(i) imminent endangerment of the public  
12                   health caused by an act or omission of the In-  
13                   dian tribe, and the imminent endangerment  
14                   arises out of a failure to carry out the compact  
15                   or funding agreement; or

16                   “(ii) gross mismanagement with respect to  
17                   funds transferred to a tribe by a compact or  
18                   funding agreement, as determined by the Sec-  
19                   retary in consultation with the Inspector Gen-  
20                   eral, as appropriate.

21           “(B) The Secretary shall not reassume oper-  
22           ation of a program, service, function, or activity (or  
23           portions thereof) unless (i) the Secretary has first  
24           provided written notice and a hearing on the record  
25           to the Indian tribe; and (ii) the Indian tribe has not

1 taken corrective action to remedy the imminent  
2 endangerment to public health or gross mismanage-  
3 ment.

4 “(C) Notwithstanding subparagraph (B), the  
5 Secretary may, upon written notification to the  
6 tribe, immediately reassume operation of a program,  
7 service, function, or activity (or portion thereof) and  
8 associated funding if (i) the Secretary makes a find-  
9 ing of imminent substantial and irreparable  
10 endangerment of the public health caused by an act  
11 or omission of the Indian tribe; and (ii) the  
12 endangerment arises out of a failure to carry out the  
13 compact or funding agreement. If the Secretary re-  
14 assumes operation of a program, service, function,  
15 or activity (or portion thereof) under this subpara-  
16 graph, the Secretary shall provide the tribe with a  
17 hearing on the record not later than 10 days after  
18 such reassumption.

19 “(D) In any hearing or appeal involving a deci-  
20 sion to reassume operation of a program, service,  
21 function, or activity (or portion thereof), the Sec-  
22 retary shall have the burden of proof of dem-  
23 onstrating by clear and convincing evidence the va-  
24 lidity of the grounds for the reassumption.



1           “(b) FINAL OFFER.—In the event the Secretary and  
2 a participating Indian tribe are unable to agree, in whole  
3 or in part, on the terms of a compact or funding agree-  
4 ment (including funding levels), the Indian tribe may sub-  
5 mit a final offer to the Secretary. Not more than 45 days  
6 after such submission, or within a longer time agreed upon  
7 by the Indian tribe, the Secretary shall review and make  
8 a determination with respect to such offer. In the absence  
9 of a timely rejection of the offer, in whole or in part, made  
10 in compliance with subsection (c), the offer shall be  
11 deemed agreed to by the Secretary.

12           “(c) REJECTION OF FINAL OFFERS.—If the Sec-  
13 retary rejects an offer made under subsection (b) (or one  
14 or more provisions or funding levels in such offer), the  
15 Secretary shall provide—

16                   “(1) a timely written notification to the Indian  
17 tribe that contains a specific finding that clearly  
18 demonstrates, or that is supported by a controlling  
19 legal authority, that—

20                           “(A) the amount of funds proposed in the  
21 final offer exceeds the applicable funding level  
22 to which the Indian tribe is entitled under this  
23 title;

24                           “(B) the program, function, service, or ac-  
25 tivity (or portion thereof) that is the subject of

1 the final offer is an inherent Federal function  
2 that cannot legally be delegated to an Indian  
3 tribe;

4 “(C) the Indian tribe cannot carry out the  
5 program, function, service, or activity (or por-  
6 tion thereof) in a manner that would not result  
7 in significant danger or risk to the public  
8 health; or

9 “(D) the tribe is not eligible to participate  
10 in self-governance under section 503;

11 “(2) technical assistance to overcome the objec-  
12 tions stated in the notification required by para-  
13 graph (1);

14 “(3) the Indian tribe with a hearing on the  
15 record with the right to engage in full discovery rel-  
16 evant to any issue raised in the matter and the op-  
17 portunity for appeal on the objections raised, pro-  
18 vided that the Indian tribe may, in lieu of filing such  
19 appeal, directly proceed to initiate an action in a  
20 Federal district court pursuant to section 110(a);  
21 and

22 “(4) the Indian tribe with the option of enter-  
23 ing into the severable portions of a final proposed  
24 compact or funding agreement, or provision thereof,  
25 (including lesser funding amount, if any), that the

1 Secretary did not reject, subject to any additional al-  
2 terations necessary to conform the compact or fund-  
3 ing agreement to the severed provisions. If an Indian  
4 tribe exercises the option specified herein, it shall re-  
5 tain the right to appeal the Secretary's rejection  
6 under this section, and paragraphs (1), (2), and (3)  
7 shall only apply to that portion of the proposed final  
8 compact, funding agreement or provision thereof  
9 that was rejected by the Secretary.

10 “(d) BURDEN OF PROOF.—With respect to any hear-  
11 ing or appeal or civil action conducted pursuant to this  
12 section, the Secretary shall have the burden of dem-  
13 onstrating by clear and convincing evidence the validity  
14 of the grounds for rejecting the offer (or a provision there-  
15 of) made under subsection (b).

16 “(e) GOOD FAITH.—In the negotiation of compacts  
17 and funding agreements the Secretary shall at all times  
18 negotiate in good faith to maximize implementation of the  
19 self-governance policy. The Secretary shall carry out this  
20 title in a manner that maximizes the policy of tribal self-  
21 governance, consistent with section 3.

22 “(f) SAVINGS.—To the extent that programs, func-  
23 tions, services, or activities (or portions thereof) carried  
24 out by Indian tribes under this title reduce the administra-  
25 tive or other responsibilities of the Secretary with respect

1 to the operation of Indian programs and result in savings  
2 that have not otherwise been included in the amount of  
3 tribal shares and other funds determined under section  
4 508(c), the Secretary shall make such savings available  
5 to the Indian tribes, inter-tribal consortia, or tribal organi-  
6 zations for the provision of additional services to program  
7 beneficiaries in a manner equitable to directly served, con-  
8 tracted, and compacted programs.

9       “(g) TRUST RESPONSIBILITY.—The Secretary is pro-  
10 hibited from waiving, modifying, or diminishing in any  
11 way the trust responsibility of the United States with re-  
12 spect to Indian tribes and individual Indians that exists  
13 under treaties, Executive orders, other laws, or court deci-  
14 sions.

15       “(h) DECISIONMAKER.—A decision that constitutes  
16 final agency action and relates to an appeal within the  
17 Department of Health and Human Services conducted  
18 under subsection (c) shall be made either—

19               “(1) by an official of the Department who holds  
20 a position at a higher organizational level within the  
21 Department than the level of the departmental agen-  
22 cy in which the decision that is the subject of the  
23 appeal was made; or

24               “(2) by an administrative judge.

1 **“SEC. 508. TRANSFER OF FUNDS.**

2       “(a) IN GENERAL.—Pursuant to the terms of any  
3 compact or funding agreement entered into under this  
4 title, the Secretary shall transfer to the Indian tribe all  
5 funds provided for in the funding agreement, pursuant to  
6 subsection (c), and provide funding for periods covered by  
7 joint resolution adopted by Congress making continuing  
8 appropriations, to the extent permitted by such resolu-  
9 tions. In any instance where a funding agreement requires  
10 an annual transfer of funding to be made at the beginning  
11 of a fiscal year, or requires semiannual or other periodic  
12 transfers of funding to be made commencing at the begin-  
13 ning of a fiscal year, the first such transfer shall be made  
14 not later than 10 days after the apportionment of such  
15 funds by the Office of Management and Budget to the  
16 Department, unless the funding agreement provides other-  
17 wise.

18       “(b) MULTIYEAR FUNDING.—The Secretary is here-  
19 by authorized to employ, upon tribal request, multiyear  
20 funding agreements, and references in this title to funding  
21 agreements shall include such multiyear agreements.

22       “(c) AMOUNT OF FUNDING.—The Secretary shall  
23 provide funds under a funding agreement under this title  
24 in an amount equal to the amount that the Indian tribe  
25 would have been entitled to receive under self-determina-  
26 tion contracts under this Act, including amounts for direct

1 program costs specified under section 106(a)(1) and  
2 amounts for contract support costs specified under sec-  
3 tions 106(a)(2), (a)(3), (a)(5), and (a)(6), including any  
4 funds that are specifically or functionally related to the  
5 provision by the Secretary of services and benefits to the  
6 Indian tribe or its members, all without regard to the or-  
7 ganizational level within the Department where such func-  
8 tions are carried out.

9 “(d) PROHIBITIONS.—The Secretary is expressly pro-  
10 hibited from—

11 “(1) failing or refusing to transfer to an Indian  
12 tribe its full share of any central, headquarters, re-  
13 gional, area, or service unit office or other funds due  
14 under this Act, except as required by Federal law;

15 “(2) withholding portions of such funds for  
16 transfer over a period of years; and

17 “(3) reducing the amount of funds required  
18 herein—

19 “(A) to make funding available for self-  
20 governance monitoring or administration by the  
21 Secretary;

22 “(B) in subsequent years, except pursuant  
23 to—

24 “(i) a reduction in appropriations  
25 from the previous fiscal year for the pro-

1                   gram or function to be included in a com-  
2                   pact or funding agreement;

3                   “(ii) a congressional directive in legis-  
4                   lation or accompanying report;

5                   “(iii) a tribal authorization;

6                   “(iv) a change in the amount of pass-  
7                   through funds subject to the terms of the  
8                   funding agreement; or

9                   “(v) completion of a project, activity,  
10                  or program for which such funds were pro-  
11                  vided;

12                  “(C) to pay for Federal functions, includ-  
13                  ing Federal pay costs, Federal employee retire-  
14                  ment benefits, automated data processing, tech-  
15                  nical assistance, and monitoring of activities  
16                  under this Act; or

17                  “(D) to pay for costs of Federal personnel  
18                  displaced by self-determination contracts under  
19                  this Act or self-governance;

20                  except that such funds may be increased by the Secretary  
21                  if necessary to carry out this Act or as provided in section  
22                  105(c)(2).

23                  “(e) OTHER RESOURCES.—In the event an Indian  
24                  tribe elects to carry out a compact or funding agreement  
25                  with the use of Federal personnel, Federal supplies (in-

1 cluding supplies available from Federal warehouse facili-  
2 ties), Federal supply sources (including lodging, airline  
3 transportation, and other means of transportation includ-  
4 ing the use of interagency motor pool vehicles) or other  
5 Federal resources (including supplies, services, and re-  
6 sources available to the Secretary under any procurement  
7 contracts in which the Department is eligible to partici-  
8 pate), the Secretary is authorized to transfer such per-  
9 sonnel, supplies, or resources to the Indian tribe.

10       “(f) REIMBURSEMENT TO INDIAN HEALTH SERV-  
11 ICE.—With respect to functions transferred by the Indian  
12 Health Service to an Indian tribe, the Indian Health Serv-  
13 ice is authorized to provide goods and services to the In-  
14 dian tribe, on a reimbursable basis, including payment in  
15 advance with subsequent adjustment, and the reimburse-  
16 ments received therefrom, along with the funds received  
17 from the Indian tribe pursuant to this title, may be cred-  
18 ited to the same or subsequent appropriation account  
19 which provided the funding, such amounts to remain avail-  
20 able until expended.

21       “(g) PROMPT PAYMENT ACT.—Chapter 39 of title  
22 31, United States Code, shall apply to the transfer of  
23 funds due under a compact or funding agreement author-  
24 ized under this title.



1       “(h) INTEREST OR OTHER INCOME ON TRANS-  
2 FERS.—An Indian tribe is entitled to retain interest  
3 earned on any funds paid under a compact or funding  
4 agreement to carry out governmental or health purposes  
5 and such interest shall not diminish the amount of funds  
6 the Indian tribe is authorized to receive under its funding  
7 agreement in the year the interest is earned or in any sub-  
8 sequent fiscal year. Funds transferred under this Act shall  
9 be managed using the prudent investment standard.

10       “(i) CARRYOVER OF FUNDS.—All funds paid to an  
11 Indian tribe in accordance with a compact or funding  
12 agreement shall remain available until expended. In the  
13 event that an Indian tribe elects to carry over funding  
14 from one year to the next, such carryover shall not dimin-  
15 ish the amount of funds the Indian tribe is authorized to  
16 receive under its funding agreement in that or any subse-  
17 quent fiscal year.

18       “(j) PROGRAM INCOME.—All medicare, medicaid, or  
19 other program income earned by an Indian tribe shall be  
20 treated as supplemental funding to that negotiated in the  
21 funding agreement and the Indian tribe may retain all  
22 such income and expend such funds in the current year  
23 or in future years except to the extent that the Indian  
24 Health Care Improvement Act (25 U.S.C. 1601 et seq.)  
25 provides otherwise for medicare and medicaid receipts,

1 and such funds shall not result in any offset or reduction  
2 in the amount of funds the Indian tribe is authorized to  
3 receive under its funding agreement in the year the pro-  
4 gram income is received or for any subsequent fiscal year.

5 “(k) LIMITATION OF COSTS.—An Indian tribe shall  
6 not be obligated to continue performance that requires an  
7 expenditure of funds in excess of the amount of funds  
8 transferred under a compact or funding agreement. If at  
9 any time the Indian tribe has reason to believe that the  
10 total amount provided for a specific activity in the com-  
11 pact or funding agreement is insufficient the Indian tribe  
12 shall provide reasonable notice of such insufficiency to the  
13 Secretary. If the Secretary does not increase the amount  
14 of funds transferred under the funding agreement, the In-  
15 dian tribe may suspend performance of the activity until  
16 such time as additional funds are transferred.

17 **“SEC. 509. CONSTRUCTION PROJECTS.**

18 “(a) IN GENERAL.—Indian tribes participating in  
19 tribal self-governance may carry out construction projects  
20 under this title if they elect to assume all Federal respon-  
21 sibilities under the National Environmental Policy Act of  
22 1969, the Historic Preservation Act, and related provi-  
23 sions of law that would apply if the Secretary were to un-  
24 dertake a construction project, by adopting a resolution  
25 (1) designating a certifying officer to represent the Indian

1 tribe and to assume the status of a responsible Federal  
2 official under such laws, and (2) accepting the jurisdiction  
3 of the Federal court for the purpose of enforcement of  
4 the responsibilities of the responsible Federal official  
5 under such environmental laws.

6       “(b) NEGOTIATIONS.—Construction project proposals  
7 shall be negotiated pursuant to the statutory process in  
8 section 105(m) and resulting construction project agree-  
9 ments shall be incorporated into funding agreements as  
10 addenda.

11       “(c) CODES AND STANDARDS.—The Indian tribe and  
12 the Secretary shall agree upon and specify appropriate  
13 buildings codes and architectural/engineering standards  
14 (including health and safety) which shall be in conformity  
15 with nationally recognized standards for comparable  
16 projects.

17       “(d) RESPONSIBILITY FOR COMPLETION.—The In-  
18 dian tribe shall assume responsibility for the successful  
19 completion of the construction project in accordance with  
20 the negotiated construction project agreement.

21       “(e) FUNDING.—Funding for construction projects  
22 carried out under this title shall be included in funding  
23 agreements as annual advance payments, with semiannual  
24 payments at the option of the Indian tribe. Annual ad-  
25 vance and semiannual payment amounts shall be deter-

1 mined based on mutually agreeable project schedules re-  
2 flecting work to be accomplished within the advance pay-  
3 ment period, work accomplished and funds expended in  
4 previous payment periods, and the total prior payments.  
5 The Secretary shall include associated project contingency  
6 funds with each advance payment installment. The Indian  
7 tribe shall be responsible for the management of the con-  
8 tingency funds included in funding agreements.

9       “(f) APPROVAL.—The Secretary shall have at least  
10 one opportunity to approve project planning and design  
11 documents prepared by the Indian tribe in advance of con-  
12 struction of the facilities specified in the scope of work  
13 for each negotiated construction project agreement or  
14 amendment thereof which results in a significant change  
15 in the original scope of work. The Indian tribe shall pro-  
16 vide the Secretary with project progress and financial re-  
17 ports not less than semiannually. The Secretary may con-  
18 duct on-site project oversight visits semiannually or on an  
19 alternate schedule agreed to by the Secretary and the In-  
20 dian tribe.

21       “(g) WAGES.—All laborers and mechanics employed  
22 by contractors and subcontractors in the construction, al-  
23 teration, or repair, including painting or decorating of  
24 building or other facilities in connection with construction  
25 projects undertaken by self-governance Indian tribes

1 under this Act, shall be paid wages at not less than those  
2 prevailing wages on similar construction in the locality as  
3 determined by the Secretary of Labor in accordance with  
4 the Davis-Bacon Act of March 3, 1931 (46 Stat. 1494).  
5 With respect to construction, alteration, or repair work to  
6 which the Act of March 3, 1921, is applicable under the  
7 terms of this section, the Secretary of Labor shall have  
8 the authority and functions set forth in Reorganization  
9 Plan Numbered 14, of 1950, and section 2 of the Act of  
10 June 13, 1934 (48 Stat. 948).

11 “(h) APPLICATION OF OTHER LAWS.—Unless other-  
12 wise agreed to by the Indian tribe, no provision of the Of-  
13 fice of Federal Procurement Policy Act, the Federal Ac-  
14 quisition Regulations issued pursuant thereto, or any  
15 other law or regulation pertaining to Federal procurement  
16 (including Executive orders) shall apply to any construc-  
17 tion project conducted under this title.

18 **“SEC. 510. FEDERAL PROCUREMENT LAWS AND REGULA-**  
19 **TIONS.**

20 “Notwithstanding any other provision of law, unless  
21 expressly agreed to by the participating Indian tribe, the  
22 compacts and funding agreements entered into under this  
23 title shall not be subject to Federal contracting or coopera-  
24 tive agreement laws and regulations (including Executive

1 orders and the Secretary's regulations), except to the ex-  
2 tent that such laws expressly apply to Indian tribes.

3 **“SEC. 511. CIVIL ACTIONS.**

4 “(a) CONTRACT DEFINED.—For the purposes of sec-  
5 tion 110, the term ‘contract’ shall include compacts and  
6 funding agreements entered into under this title.

7 “(b) APPLICABILITY OF CERTAIN LAWS.—Section  
8 2103 of the Revised Statutes of the United States Code  
9 (25 U.S.C. 81) and section 16 of the Act of June 18, 1934  
10 (25 U.S.C. 476), shall not apply to attorney and other  
11 professional contracts entered into by Indian tribes par-  
12 ticipating in self-governance under this title.

13 “(c) REFERENCES.—All references in the Indian  
14 Self-Determination and Education Assistance Act (25  
15 U.S.C. 450 et seq.) to section 1 of the Act of June 26,  
16 1936 (25 U.S.C. 81) are hereby deemed to include section  
17 1 of the Act of July 3, 1952 (25 U.S.C. 82a).

18 **“SEC. 512. FACILITATION.**

19 “(a) SECRETARIAL INTERPRETATION.—Except as  
20 otherwise provided by law, the Secretary shall interpret  
21 all Federal laws, Executive orders and regulations in a  
22 manner that will facilitate—

23 “(1) the inclusion of programs, services, func-  
24 tions, and activities (or portions thereof) and funds

1 associated therewith, in the agreements entered into  
2 under this section;

3 “(2) the implementation of compacts and fund-  
4 ing agreements entered into under this title; and

5 “(3) the achievement of tribal health goals and  
6 objectives.

7 “(b) REGULATION WAIVER.—

8 “(1) An Indian tribe may submit a written re-  
9 quest to waive application of a regulation promul-  
10 gated under this Act for a compact or funding  
11 agreement entered into with the Indian Health Serv-  
12 ice under this title, to the Secretary identifying the  
13 applicable Federal regulation under this Act sought  
14 to be waived and the basis for the request.

15 “(2) Not later than 90 days after receipt by the  
16 Secretary of a written request by an Indian tribe to  
17 waive application of a regulation under this Act for  
18 a compact or funding agreement entered into under  
19 this title, the Secretary shall either approve or deny  
20 the requested waiver in writing. A denial may be  
21 made only upon a specific finding by the Secretary  
22 that identified language in the regulation may not be  
23 waived because such waiver is prohibited by Federal  
24 law. A failure to approve or deny a waiver request  
25 not later than 90 days after receipt shall be deemed

1 an approval of such request. The Secretary's deci-  
2 sion shall be final for the Department.

3 “(c) ACCESS TO FEDERAL PROPERTY.—In connec-  
4 tion with any compact or funding agreement executed pur-  
5 suant to this title or an agreement negotiated under the  
6 Tribal Self-Governance Demonstration Project established  
7 under title III, as in effect before the enactment of the  
8 Tribal Self-Governance Amendments of 1999, upon the re-  
9 quest of an Indian tribe, the Secretary—

10 “(1) shall permit an Indian tribe to use existing  
11 school buildings, hospitals, and other facilities and  
12 all equipment therein or appertaining thereto and  
13 other personal property owned by the Government  
14 within the Secretary's jurisdiction under such terms  
15 and conditions as may be agreed upon by the Sec-  
16 retary and the tribe for their use and maintenance;

17 “(2) may donate to an Indian tribe title to any  
18 personal or real property found to be excess to the  
19 needs of any agency of the Department, or the Gen-  
20 eral Services Administration, except that—

21 “(A) subject to the provisions of subpara-  
22 graph (B), title to property and equipment fur-  
23 nished by the Federal Government for use in  
24 the performance of the compact or funding  
25 agreement or purchased with funds under any



1 compact or funding agreement shall, unless oth-  
2 erwise requested by the Indian tribe, vest in the  
3 appropriate Indian tribe;

4 “(B) if property described in subparagraph  
5 (A) has a value in excess of \$5,000 at the time  
6 of retrocession, withdrawal, or reassumption, at  
7 the option of the Secretary upon the retroces-  
8 sion, withdrawal, or reassumption, title to such  
9 property and equipment shall revert to the De-  
10 partment of Health and Human Services; and

11 “(C) all property referred to in subpara-  
12 graph (A) shall remain eligible for replacement,  
13 maintenance, and improvement on the same  
14 basis as if title to such property were vested in  
15 the United States; and

16 “(3) shall acquire excess or surplus Government  
17 personal or real property for donation to an Indian  
18 tribe if the Secretary determines the property is ap-  
19 propriate for use by the Indian tribe for any purpose  
20 for which a compact or funding agreement is author-  
21 ized under this title.

22 “(d) MATCHING OR COST-PARTICIPATION REQUIRE-  
23 MENT.—All funds provided under compacts, funding  
24 agreements, or grants made pursuant to this Act, shall  
25 be treated as non-Federal funds for purposes of meeting

1 matching or cost participation requirements under any  
2 other Federal or non-Federal program.

3 “(e) STATE FACILITATION.—States are hereby au-  
4 thorized and encouraged to enact legislation, and to enter  
5 into agreements with Indian tribes to facilitate and supple-  
6 ment the initiatives, programs, and policies authorized by  
7 this title and other Federal laws benefiting Indians and  
8 Indian tribes.

9 “(f) RULES OF CONSTRUCTION.—Each provision of  
10 this title and each provision of a compact or funding  
11 agreement shall be liberally construed for the benefit of  
12 the Indian tribe participating in self-governance and any  
13 ambiguity shall be resolved in favor of the Indian tribe.

14 **“SEC. 513. BUDGET REQUEST.**

15 “(a) IN GENERAL.—The President shall identify in  
16 the annual budget request submitted to the Congress  
17 under section 1105 of title 31, United States Code, all  
18 funds necessary to fully fund all funding agreements au-  
19 thorized under this title, including funds specifically iden-  
20 tified to fund tribal base budgets. All funds so appro-  
21 priated shall be apportioned to the Indian Health Service.  
22 Such funds shall be provided to the Office of Tribal Self-  
23 Governance which shall be responsible for distribution of  
24 all funds provided under section 505. Nothing in this pro-  
25 vision shall be construed to authorize the Indian Health

1 Service to reduce the amount of funds that a self-govern-  
2 ance tribe is otherwise entitled to receive under its funding  
3 agreement or other applicable law, whether or not such  
4 funds are made available to the Office of Tribal Self-Gov-  
5 ernance under this section.

6 “(b) **PRESENT FUNDING; SHORTFALLS.**—In such  
7 budget request, the President shall identify the level of  
8 need presently funded and any shortfall in funding (in-  
9 cluding direct program and contract support costs) for  
10 each Indian tribe, either directly by the Secretary, under  
11 self-determination contracts, or under compacts and fund-  
12 ing agreements authorized under this title.

13 **“SEC. 514. REPORTS.**

14 “(a) **ANNUAL REPORT.**—Not later than January 1  
15 of each year after the date of the enactment of this title,  
16 the Secretary shall submit to the Committee on Resources  
17 of the House of Representatives and the Committee on  
18 Indian Affairs of the Senate a written report regarding  
19 the administration of this title. Such report shall include  
20 a detailed analysis of the level of need being presently  
21 funded or unfunded for each Indian tribe, either directly  
22 by the Secretary, under self-determination contracts under  
23 title I, or under compacts and funding agreements author-  
24 ized under this Act. In compiling reports pursuant to this  
25 section, the Secretary may not impose any reporting re-

1 requirements on participating Indian tribes or tribal organi-  
2 zations, not otherwise provided in this Act.

3 “(b) CONTENTS.—The report shall be compiled from  
4 information contained in funding agreements, annual  
5 audit reports, and Secretarial data regarding the disposi-  
6 tion of Federal funds and shall—

7 “(1) identify the relative costs and benefits of  
8 self-governance;

9 “(2) identify, with particularity, all funds that  
10 are specifically or functionally related to the provi-  
11 sion by the Secretary of services and benefits to self-  
12 governance Indian tribes and their members;

13 “(3) identify the funds transferred to each self-  
14 governance Indian tribe and the corresponding re-  
15 duction in the Federal bureaucracy;

16 “(4) identify the funding formula for individual  
17 tribal shares of all headquarters funds, together with  
18 the comments of affected Indian tribes or tribal or-  
19 ganizations, developed under subsection (c);

20 “(5) identify amounts expended in the pre-  
21 ceding fiscal year to carry out inherent Federal  
22 functions, including an identification of those func-  
23 tions by type and location;

24 “(6) contain a description of the method or  
25 methods (or any revisions thereof) used to determine

1 the individual tribal share of funds controlled by all  
2 components of the Indian Health Service (including  
3 funds assessed by any other Federal agency) for in-  
4 clusion in self-governance compacts or funding  
5 agreements;

6 “(7) prior to being submitted to Congress, be  
7 distributed to the Indian tribes for comment, such  
8 comment period to be for no less than 30 days; and

9 “(8) include the separate views and comments  
10 of the Indian tribes or tribal organizations.

11 “(c) REPORT ON FUND DISTRIBUTION METHOD.—  
12 Not later than 180 days after the date of enactment of  
13 this title, the Secretary shall, after consultation with In-  
14 dian tribes, submit a written report to the Committee on  
15 Resources of the House of Representatives and the Com-  
16 mittee on Indian Affairs of the Senate which describes the  
17 method or methods used to determine the individual tribal  
18 share of funds controlled by all components of the Indian  
19 Health Service (including funds assessed by any other  
20 Federal agency) for inclusion in self-governance compacts  
21 or funding agreements.

22 **“SEC. 515. DISCLAIMERS.**

23 “(a) NO FUNDING REDUCTION.—Nothing in this  
24 title shall be construed to limit or reduce in any way the  
25 funding for any program, project, or activity serving an

1 Indian tribe under this or other applicable Federal law.  
2 Any Indian tribe that alleges that a compact or funding  
3 agreement is in violation of this section may apply the pro-  
4 visions of section 110.

5 “(b) FEDERAL TRUST AND TREATY RESPONSIBIL-  
6 ITIES.—Nothing in this Act shall be construed to diminish  
7 in any way the trust responsibility of the United States  
8 to Indian tribes and individual Indians that exists under  
9 treaties, Executive orders, or other laws and court deci-  
10 sions.

11 “(c) TRIBAL EMPLOYMENT.—For purposes of section  
12 2(2) of the Act of July 5, 1935 (49 Stat. 450, chapter  
13 372) (commonly known as the National Labor Relations  
14 Act), an Indian tribe carrying out a self-determination  
15 contract, compact, annual funding agreement, grant, or  
16 cooperative agreement under this Act shall not be consid-  
17 ered an employer.

18 “(d) OBLIGATIONS OF THE UNITED STATES.—The  
19 Indian Health Service under this Act shall neither bill nor  
20 charge those Indians who may have the economic means  
21 to pay for services, nor require any Indian tribe to do so.

22 **“SEC. 516. APPLICATION OF OTHER SECTIONS OF THE ACT.**

23 “(a) MANDATORY APPLICATION.—All provisions of  
24 sections 5(b), 6, 7, 102(c) and (d), 104, 105(k) and (l),  
25 106(a) through (k), and 111 of this Act and section 314

1 of Public Law 101–512 (coverage under the Federal Tort  
2 Claims Act), to the extent not in conflict with this title,  
3 shall apply to compacts and funding agreements author-  
4 ized by this title.

5 “(b) DISCRETIONARY APPLICATION.—At the request  
6 of a participating Indian tribe, any other provision of title  
7 I, to the extent such provision is not in conflict with this  
8 title, shall be made a part of a funding agreement or com-  
9 pact entered into under this title. The Secretary is obli-  
10 gated to include such provision at the option of the partici-  
11 pating Indian tribe or tribes. If such provision is incor-  
12 porated it shall have the same force and effect as if it  
13 were set out in full in this title. In the event an Indian  
14 tribe requests such incorporation at the negotiation stage  
15 of a compact or funding agreement, such incorporation  
16 shall be deemed effective immediately and shall control the  
17 negotiation and resulting compact and funding agreement.

18 **“SEC. 517. REGULATIONS.**

19 “(a) IN GENERAL.—

20 “(1) Not later than 90 days after the date of  
21 enactment of this title, the Secretary shall initiate  
22 procedures under subchapter III of chapter 5 of title  
23 5, United States Code, to negotiate and promulgate  
24 such regulations as are necessary to carry out this  
25 title.

1           “(2) Proposed regulations to implement this  
2 title shall be published in the Federal Register by  
3 the Secretary no later than 1 year after the date of  
4 enactment of this title.

5           “(3) The authority to promulgate regulations  
6 under this title shall expire 21 months after the date  
7 of enactment of this title.

8           “(b) COMMITTEE.—A negotiated rulemaking com-  
9 mittee established pursuant to section 565 of title 5,  
10 United States Code, to carry out this section shall have  
11 as its members only Federal and tribal government rep-  
12 resentatives, a majority of whom shall be nominated by  
13 and be representatives of Indian tribes with funding agree-  
14 ments under this Act, and the Committee shall confer  
15 with, and accommodate participation by, representatives  
16 of Indian tribes, inter-tribal consortia, tribal organiza-  
17 tions, and individual tribal members.

18           “(c) ADAPTATION OF PROCEDURES.—The Secretary  
19 shall adapt the negotiated rulemaking procedures to the  
20 unique context of self-governance and the government-to-  
21 government relationship between the United States and  
22 Indian tribes.

23           “(d) EFFECT.—The lack of promulgated regulations  
24 shall not limit the effect of this title.



1       “(e) EFFECT OF CIRCULARS, POLICIES, MANUALS,  
2 GUIDANCES, AND RULES.—Unless expressly agreed to by  
3 the participating Indian tribe in the compact or funding  
4 agreement, the participating Indian tribe shall not be sub-  
5 ject to any agency circular, policy, manual, guidance, or  
6 rule adopted by the Indian Health Service, except for the  
7 eligibility provisions of section 105(g).

8 **“SEC. 518. APPEALS.**

9       “In any appeal (including civil actions) involving deci-  
10 sions made by the Secretary under this title, the Secretary  
11 shall have the burden of proof of demonstrating by clear  
12 and convincing evidence—

13               “(1) the validity of the grounds for the decision  
14       made; and

15               “(2) the decision is fully consistent with provi-  
16       sions and policies of this title.

17 **“SEC. 519. AUTHORIZATION OF APPROPRIATIONS.**

18       “There are authorized to be appropriated such sums  
19 as may be necessary to carry out this title.

1 **“TITLE VI—TRIBAL SELF-GOV-**  
2 **ERNANCE—DEPARTMENT OF**  
3 **HEALTH AND HUMAN SERV-**  
4 **ICES**

5 **“SEC. 601. DEMONSTRATION PROJECT FEASIBILITY.**

6 “(a) **STUDY.**—The Secretary shall conduct a study  
7 to determine the feasibility a Tribal Self-Governance Dem-  
8 onstration Project for appropriate programs, services,  
9 functions, and activities (or portions thereof) of the agen-  
10 cy.

11 “(b) **CONSIDERATIONS.**—When conducting the study,  
12 the Secretary shall consider—

13 “(1) the probable effects on specific programs  
14 and program beneficiaries of such a demonstration  
15 project;

16 “(2) statutory, regulatory, or other impedi-  
17 ments to implementation of such a demonstration  
18 project;

19 “(3) strategies for implementing such a dem-  
20 onstration project;

21 “(4) probable costs or savings associated with  
22 such a demonstration project;

23 “(5) methods to assure quality and account-  
24 ability in such a demonstration project; and

1           “(6) such other issues that may be determined  
2           by the Secretary or developed through consultation  
3           pursuant to section 602.

4           “(c) REPORT.—Not later than 18 months after the  
5           enactment of this title, the Secretary shall submit a report  
6           to the Committee on Resources of the House of Represent-  
7           atives and the Committee on Indian Affairs of the Senate.  
8           The report shall contain—

9           “(1) the results of the study;

10           “(2) a list of programs, services, functions, and  
11           activities (or portions thereof) within the agency  
12           which it would be feasible to include in a Tribal Self-  
13           Governance Demonstration Project;

14           “(3) a list of programs, services, functions, and  
15           activities (or portions thereof) included in the list  
16           provided pursuant to paragraph (2) which could be  
17           included in a Tribal Self-Governance Demonstration  
18           Project without amending statutes, or waiving regu-  
19           lations that the Secretary may not waive;

20           “(4) a list of legislative actions required in  
21           order to include those programs, services, functions,  
22           and activities (or portions thereof) included in the  
23           list provided pursuant to paragraph (2) but not in-  
24           cluded in the list provided pursuant to paragraph

1 (3) in a Tribal Self-Governance Demonstration  
2 Project; and

3 “(5) any separate views of tribes and other en-  
4 tities consulted pursuant to section 602 related to  
5 the information provided pursuant to paragraph (1)  
6 through (4).

7 **“SEC. 602. CONSULTATION.**

8 “(a) STUDY PROTOCOL.—

9 “(1) CONSULTATION WITH INDIAN TRIBES.—

10 The Secretary shall consult with Indian tribes to de-  
11 termine a protocol for consultation under subsection  
12 (b) prior to consultation under such subsection with  
13 the other entities described in such subsection. The  
14 protocol shall require, at a minimum, that—

15 “(A) the government-to-government rela-  
16 tionship with Indian tribes forms the basis for  
17 the consultation process;

18 “(B) the Indian tribes and the Secretary  
19 jointly conduct the consultations required by  
20 this section; and

21 “(C) the consultation process allow for sep-  
22 arate and direct recommendations from the In-  
23 dian tribes and other entities described in sub-  
24 section (b).

1           “(2) OPPORTUNITY FOR PUBLIC COMMENT.—In  
2           determining the protocol described in paragraph (1),  
3           the Secretary shall publish the proposed protocol  
4           and allow a period of not less than 30 days for com-  
5           ment by entities described in subsection (b) and  
6           other interested individuals, and shall take com-  
7           ments received into account in determining the final  
8           protocol.

9           “(b) CONDUCTING STUDY.—In conducting the study  
10          under this title, the Secretary shall consult with Indian  
11          tribes, States, counties, municipalities, program bene-  
12          ficiaries, and interested public interest groups, and may  
13          consult with other entities as appropriate.

14       **“SEC. 603. DEFINITIONS.**

15          “(a) IN GENERAL.—For purposes of this title, the  
16          Secretary may use definitions provided in title V.

17          “(b) AGENCY.—For purposes of this title, the term  
18          ‘agency’ shall mean any agency or other organizational  
19          unit of the Department of Health and Human Services,  
20          other than the Indian Health Service.

21       **“SEC. 604. AUTHORIZATION OF APPROPRIATIONS.**

22          “‘There are authorized to be appropriated for fiscal  
23          years 2000 and 2001 such sums as may be necessary to  
24          carry out this title. Such sums shall remain available until  
25          expended.’”.

1 **SEC. 5. AMENDMENTS CLARIFYING CIVIL PROCEEDINGS.**

2 (a) BURDEN OF PROOF IN DISTRICT COURT AC-  
3 TIONS.—Section 102(e)(1) of the Indian Self-Determina-  
4 tion and Education Assistance Act (25 U.S.C. 450f(e)(1))  
5 is amended by inserting after “subsection (b)(3)” the fol-  
6 lowing: “or any civil action conducted pursuant to section  
7 110(a)”.

8 (b) EFFECTIVE DATE.—The amendment made by  
9 this section shall apply to any proceedings commenced  
10 after October 25, 1994.

11 **SEC. 6. SPEEDY ACQUISITION OF GOODS, SERVICES, OR**  
12 **SUPPLIES.**

13 Section 105(k) of the Indian Self-Determination and  
14 Education Assistance Act (25 U.S.C. 450j(k)) is  
15 amended—

16 (1) by striking “carrying out a contract” and  
17 all that follows through “shall be eligible” and in-  
18 serting the following: “or Indian tribe shall be  
19 deemed an executive agency, and the employees of  
20 the tribal organization or the Indian tribe, as the  
21 case may be, shall be eligible”; and

22 (2) by adding at the end thereof the following:  
23 “At the request of an Indian tribe, the Secretary  
24 shall enter into an agreement for the acquisition, on  
25 behalf of the Indian tribe, of any goods, services, or  
26 supplies available to the Secretary from the General

1 Services Administration or other Federal agencies  
2 that are not directly available to the Indian tribe  
3 under this section or any other Federal law, includ-  
4 ing acquisitions from prime vendors. All such acqui-  
5 sitions shall be undertaken through the most effi-  
6 cient and speedy means practicable, including elec-  
7 tronic ordering arrangements.

8 **SEC. 7. PATIENT RECORDS.**

9 Section 105 of the Indian Self-Determination and  
10 Education Assistance Act (25 U.S.C. 450j) is amended by  
11 adding at the end the following new subsection:

12 “(o) At the option of a tribe or tribal organization,  
13 patient records may be deemed to be Federal records  
14 under the Federal Records Act of 1950 for the limited  
15 purposes of making such records eligible for storage by  
16 Federal Records Centers to the same extent and in the  
17 same manner as other Department of Health and Human  
18 Services patient records.”.

19 **SEC. 8. REPEAL.**

20 Title III of the Indian Self-Determination and Edu-  
21 cation Assistance Act (25 U.S.C. 450f note) is hereby re-  
22 pealed.

23 **SEC. 9. SAVINGS PROVISION.**

24 Funds appropriated for title III of the Indian Self-  
25 Determination and Education Assistance Act (25 U.S.C.

1 450f note) shall be available for use under title V of such  
2 Act.

3 **SEC. 10. EFFECTIVE DATE.**

4 Except as otherwise provided, the provisions of this  
5 Act shall take effect on the date of the enactment of this  
6 Act.

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