T-1667

Public Law 91-229

April 11, 1970
[S. 227]

AN ACT

To provide for loans to Indian tribes and tribal corporations, and for other purposes.

Indians.
Loans

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to make loans from the Farmers Home Administration Direct Loan Account created by section 338(c), and to make and insure loans as provided in sections 308 and 309, of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1988(c), 1928, 1929), to any Indian tribe recognized by the Secretary of the Interior or tribal corporation established pursuant to the Indian Reorganization Act (25 U.S.C. 477), which does not have adequate uncommitted funds, to acquire lands or interests therein within the tribe's reservation as determined by the Secretary of the Interior, or within a community in Alaska incorporated by the Secretary pursuant to the Indian Reorganization Act, for use of the tribe or the corporation or the members of either. Such loans shall be limited to such Indian tribes or tribal corporations as have reasonable prospects of success in their proposed operations and as are unable to obtain sufficient credit elsewhere at reasonable rates and terms to finance the purposes authorized in this Act.

75 Stat. 316, 308
82 Stat. 770.
48 Stat. 988

Limitation.

Title in trust.

SEC. 2. Title to land acquired by a tribe or tribal corporation with a loan made or insured pursuant to this Act may, with the approval of the Secretary of the Interior, be taken by the United States in trust for the tribe or tribal corporation.

Rights and privileges.

SEC. 3. A tribe or tribal corporation to which a loan is made or insured pursuant to this Act (1) may waive in writing any immunity from suit or liability which it may possess, (2) may mortgage or otherwise hypothecate trust or restricted property if (a) authorized by its constitution or charter or by a tribal referendum, and (b) approved by the Secretary of the Interior, and (3) shall comply with rules and regulations prescribed by the Secretary of Agriculture in connection with such loans.

Mortgaged property.

SEC. 4. Trust or restricted tribal or tribal corporation property mortgaged pursuant to this Act shall be subject to foreclosure and sale or conveyance in lieu of foreclosure, free of such trust or restrictions, in accordance with the laws of the State in which the property is located.

Interest rate.

SEC. 5. Loans made or insured pursuant to this Act will be subject to the interest rate provisions of section 307(a) of the Consolidated Farmers Home Administration Act of 1961, as amended, and to the provisions of subtitle D of that Act except sections 340, 341, 342, and 343 thereof: *Provided*, That section 334 thereof shall not be construed to subject to taxation any lands or interests therein while they are held by an Indian tribe or tribal corporation or by the United States in trust for such tribe or tribal corporation pursuant to this Act.

75 Stat. 308.
7 USC 1927.

7 USC 1990, 1921 note, 1013a, 1991, 1984.

Approved April 11, 1970.