INTRODUCTION OF INDIAN ECONOMIC DEVELOPMENT LEGISLATION

HON. JOHN B. SHADEGG
OF ARIZONA
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Mr. SHADEGG. Mr. Speaker, I rise today to introduce three bills which will assist Indian tribes in their efforts to develop their economies. The federal government has an important obligation to the Indian community; however, simply increasing federal funding for various programs will not solve the long-term economic and social needs of all Native Americans. While the federal government has spent billions of dollars to aid Native Americans, thousands still live in substandard conditions with no real opportunity to overcome the cycle of poverty. Funds earmarked for Native Americans are in many cases being wasted by the federal bureaucracy.

I believe there is a better approach. Rather than spending ever-increasing amounts of money on wasteful programs, Congress should promote real, long-term economic development for Native Americans.

Let me be clear about what I believe is real economic development. I do not believe that gambling on reservations will provide lasting economic stability for Indians. While a small number of tribes have enjoyed huge windfalls of economic prosperity, the majority of Native Americans live in areas that do not facilitate their economic development by providing various tax and investment incentives.

The first of these bills is the Indian Reservation Jobs and Investment Act of 1999. This bill provides tax credits to otherwise taxable businesses if they locate in areas that are not eligible for any income-producing property on Indian reservations. Eligible types of property include new personal property, new construction property, and infrastructure investment property.

The second bill is the Indian Tribal Government Unemployment Compensation Act Tax Relief Amendments of 1999. This bill clarifies existing law so that tribal governments are treated identically to State and local units of government for unemployment tax purposes.

The third piece of legislation is the Tribal Government Tax-Exempt Bond Authority Amendments Act of 1999. This bill provides additional tax-exempt bond authority to tribal governments to fund infrastructure and capital formation. Currently, reservations are restricted to issue tax-exempt bonds only for “essential government functions” and certain, narrowly defined, tribally-owned manufacturing. By providing additional tax-exempt bond authority, new sources of capital can be attracted to reservations and may provide additional economic development. Incidentally, the bond authority would not be extended for the construction of gaming-related operations.