



## UNITED SOUTH AND EASTERN TRIBES, INC.

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USET Resolution No. 2007:007

### ISSUANCE OF TAX-EXEMPT BONDS BY INDIAN NATIONS: PROPOSED RULEMAKING BY THE UNITED STATES TREASURY DEPARTMENT

- WHEREAS,** United South and Eastern Tribes, Incorporated (USET) is an intertribal organization comprised of twenty-four (24) federally recognized Tribes; and
- WHEREAS,** the actions taken by the USET Board of Directors officially represent the intentions of each member Tribe, as the Board of Directors comprises delegates from the member Tribes' leadership; and
- WHEREAS,** because of their economic circumstances and restrictions on their ability to pledge their land, many Indian Nations are unable to procure financing for governmental projects on reasonable terms and at acceptable interest rates; and
- WHEREAS,** the United States (U.S.) historically has assisted state and local governments by allowing them to issue tax-free bonds, thereby substantially reducing their borrowing costs; and
- WHEREAS,** Indian Nations are only permitted to issue tax-exempt securities if the proceeds of those securities are devoted to "essential governmental functions"; and
- WHEREAS,** the U.S. Treasury Department, on August 9, 2006, announced its intention to promulgate new rules defining the meaning of the phrase "essential governmental function" and invited all interested parties, including Indian Nations, to submit comments regarding this rulemaking process; therefore, be it
- RESOLVED** the USET Board of Directors urges the U.S. Treasury Department to draft rules and regulations that are mindful of Tribal sovereignty, take into account the unique legal and economic circumstances of Indian Nations, and construe the phrase "essential governmental function" in the context of an Indian Nation's inability to discharge its governmental obligations absent its pursuit of economic enterprises; and, be it further
- RESOLVED** the USET Board of Directors urges each member Tribe of USET to: submit formal written comments to the U.S. Treasury Department regarding this rulemaking process by the November 7, 2006 deadline, and to continually monitor the status of the proposed regulations promulgated by the U.S. Treasury Department and avail itself of the opportunity to comment on those proposed regulations.

#### CERTIFICATION

This resolution was duly passed at the USET Annual Meeting, at which a quorum was present, in Choctaw, MS, on Thursday, October 12, 2006.

Keller George, President  
United South and Eastern Tribes, Inc.

Eddie L. Tullis, Secretary  
United South and Eastern Tribes, Inc.

*"Because there is strength in Unity"*