



**Prepared Statement of Tony Walters, Executive Director  
National American Indian Housing Council  
to the  
U.S. House Financial Services Committee, Housing and Insurance Subcommittee  
Field Hearing on “NAHASDA: 20 years On”**

**July 21, 2017**

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Good Afternoon. My name is Tony Walters, and I am the Executive Director of the National American Indian Housing Council. I am a member of the Cherokee Nation of Oklahoma. I would like to thank Chairman Duffy and committee members for having this hearing today and for staying engaged on tribal housing issues.

**Background on the National American Indian Housing Council**

The NAIHC was founded in 1974 and for over four decades has provided invaluable Training and Technical Assistance (T&TA) to all tribes and tribal housing entities; provided information to Congress regarding the issues and challenges that tribes face in their housing, infrastructure, and community development efforts; and worked with key federal agencies to ensure their effectiveness in native communities. Overall, NAIHC’s primary mission is to support tribal housing entities in their efforts to provide safe, decent, affordable, and culturally appropriate housing for Native people.

The membership of NAIHC is comprised of 255 members representing 478<sup>1</sup> tribes and tribal housing organizations. NAIHC’s membership includes tribes and groups throughout the United States, including Alaska and Hawaii. Our members are deeply appreciative of the consistent leadership this Committee provides in Congress related to issues affecting tribal housing programs.

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<sup>1</sup> There are 567 federally recognized Indian tribes and Alaska Native villages in the United States, all of which are eligible for membership in NAIHC. Other NAIHC members include state-recognized tribes eligible for housing assistance under the 1937 Housing Act and that were subsequently grandfathered in under the Native American Housing Assistance and Self-Determination Act of 1996, and the Department of Hawaiian Home Lands, the state agency that administers the Native Hawaiian Housing Block Grant program under Title VIII of NAHASDA.

## **Profile of Indian Country**

There are 567 federally-recognized Indian tribes in the United States. Despite progress over the last few decades, many tribal communities continue to suffer from some of the highest unemployment and poverty rates in the United States. Historically, Native Americans in the United States have experienced higher rates of substandard housing and overcrowded homes than other demographics.

The U.S. Census Bureau reported in the 2015 American Community Survey that American Indians and Alaska Natives were almost twice as likely to live in poverty as the rest of the population—26.6 percent compared with 14.7 percent. The median income for an American Indian Alaska Native household is 31% less than the national average (\$38,530 versus \$55,775)

In addition, overcrowding, substandard housing, and homelessness are far more common in Native American communities. In January of this year, the Department of Housing and Urban Development (HUD) published an updated housing needs assessment. According to the assessment, 5.6 percent of homes on Native American lands lacked complete plumbing and 6.6 percent lacked complete kitchens. These are nearly four times than the national average, which saw rates of 1.3 percent and 1.7 percent, respectively. The assessment found that 12 percent of tribal homes lacked sufficient heating.

The assessment also highlighted the issue of overcrowded homes in Indian Country, finding that 15.9 percent of tribal homes were overcrowded, compared to only 2.2 percent of homes nationally. The assessment concluded that to alleviate the substandard and overcrowded homes in Indian Country, 68,000 new units need to be built.

Since NAHASDA was enacted, tribes have built over 37,000 new units according to HUD. However, as the IHBG appropriations have remained level for a number of years, inflation has diminished the purchasing power of those dollars, and new unit construction has diminished as tribes focus their efforts on unit rehabilitation. While averaging over 2,400 new unit construction between FY2007 and 2010, new unit construction has dropped in recent years with only 2,000 new units between 2011 and 2014, and HUD estimating less than 1,000 new units in future years as tribes maintain existing housing stock.

## **NAHASDA Reauthorization Efforts**

The last NAHASDA reauthorization was enacted in 2008, and that authorization expired at the end of fiscal year 2013. This is the fourth year now that the program has been left unauthorized, and our membership continues to grow more concerned as discussions in Washington, DC focus on cutting spending and eliminating unauthorized programs.

While NAHASDA may be currently unauthorized, the United States' trust and treaty responsibilities towards Native peoples remain and will not go away. The members of this Committee know these commitments well and NAIHC is very appreciative of all your efforts in supporting tribal housing programs and tribal self-determination.

We recognize the leadership that the House and the Financial Services Committee has shown by passing a NAHASDA reauthorization in both the 113<sup>th</sup> and 114<sup>th</sup> Congress. We look forward to working with you this year to again work towards finalizing a reauthorization that can be signed into law.

### **H.R. 360**

NAIHC strongly supports the re-authorization of NAHASDA, and we supported H.R. 360, with only one primary concern. We understand the rules of the House of Representatives normally require authorizations to include a specific total amount, rather than “such sums as necessary” language. Accordingly, H.R. 360 would cap the authorization of NAHASDA at \$650 million dollars per year. Since NAHASDA was enacted 20 years ago, tribal programs have received between 600 and 650 million annually. However, when factoring for inflation, funding of \$650 million only provides tribal housing programs about 2/3 in the purchasing power they received 20 years ago.

NAIHC would request language that at a minimum allows for the authorization to grow with inflation over the authorization time period, or a higher cap that appropriators can build to over time. We believe the increase in authority and appropriations is justified as Indian Country continues to see rates of substandard housing and overcrowded homes well in excess of the national average. A HUD needs assessment published in January of this year indicated that 68,000 new units are needed in Indian Country. As the ability of tribes to develop new housing units has diminished in the last few years due to inflation, the problem cannot be solved by limiting funding to current levels.

Despite that primary concern, H.R. 360 largely improves and builds upon existing NAHASDA provisions. Title I of the bill would place deadlines on HUD to act upon waiver requests, and include language that would greatly simplify NEPA reviews for tribal projects. Because tribal projects routinely combine multiple federal sources of funding, compliance with multiple environmental review processes wastes time and resources, so any effort to reduce those burdens, while still complying with the spirit of NEPA is appreciated in Indian Country. Title I would also require a study to streamline Indian Housing Plans, and allow for multi-year housing plans. This provision builds upon self-determination policies and is in line with other successful self-governance policies used by the Bureau of Indian Affairs and Indian Health Service.

Title II of H.R. 360 includes multiple provisions that provide flexibility to tribal housing programs. This includes providing tribes a greater ability to use Native-owned companies in construction, which helps spur job creation in these communities as well. Another provision allows tribes more flexibility in determining minimum rent requirements, recognizing tribes’ rights to self-governance. Title II also provides greater flexibility for converting a tribal family from renter to a homebuyer, and other helpful leasing provisions. Finally, Title II provides tribal housing programs access to sanitation facilities funding from the Indian Health Service.

Title III contains the 5-year reauthorization and would also place incorporate the 3x language affecting undisbursed funds developed through negotiated rulemaking into the

NAHASDA statute. NAIHC does not believe that language is necessary, as negotiated rulemaking allows for periodic updates to the rules as needed to address changing circumstances. While NAIHC does not believe it is needed, we do appreciate that H.R. 360 simply adopted the current policy as decided through negotiated rulemaking with tribes.

Title IV would streamline the audit process by ensuring that HUD is timely in its communications with tribes who are working to correct insufficiencies found in their programs.

Title V includes making the tribal HUD-VASH program permanent, which NAIHC support. A bipartisan bill in the Senate, S. 1333, includes some additional language that would address a few of the problems identified in the demonstration phase of tribal HUD-VASH implementation. Title V also includes a reauthorization of the 184 loan guarantee program.

Title VII of H.R. 360 would establish a demonstration project providing a tribes a new method of leveraging their NAHASDA funding with private investment. We believe any efforts to expand access to capital and getting new private investments in Indian Country is worth looking into and tribes who are willing to utilize the demonstration program should have that option.

Finally, NAIHC supports reauthorization of the Title VIII programs for Native Hawaiians, and support its inclusion in any NAHASDA reauthorization bill.

With all of the improvements contained in H.R. 360, NAIHC would strongly support its re-introduction this Congress, and looks forward to working with the bill sponsors and leadership of this Committee to finally enact a NAHASDA reauthorization.

### **Concerns with the Administration's FY 2017 Omnibus Signing Statement**

On May 5, when President Trump signed into law the FY 2017 omnibus spending bill, the President issued a signing statement that characterized the "Native American Housing Block Grants" as quote "a program that allocated benefits on the basis of race."

All of the members of this Committee know full well that tribal programs are not based on race, but on the political relationship that have existed between Native peoples and the United States for over two hundred years.

The relationship is grounded in the United States Constitution and treaties, Congressional statutes and numerous Supreme Court decisions. So we ask that members of Congress work with the new Administration to ensure it knows the history and importance of tribal programs.

There are numerous Supreme Court cases that can be cited upholding this principle of federal Indian Law and countless legal articles that chronicle this background. NAIHC is happy to provide documentation to the Committee if necessary, but believes the question is well settled and did not see the need to include such information here.

## **Concerns with the Administration's FY 2018 Budget Proposal**

While the signing statement could be dismissed as not fully understanding the background of federal Indian law, the Administration's FY 2018 funding proposals is much more concerning. In short, NAIHC believes that the budget, if enacted, would devastate tribal housing programs across the country.

The budget provides substantial cuts or completely eliminates the Community Development Block Grant at HUD, the CDFI Fund at Treasury, and Rural Development programs at the USDA.

The proposed budget would also cut the Indian Housing Block Grant to \$600 million, which is essentially the same level of funding tribal housing programs received in 1996. However adjusting for inflation, the proposal represents a cut of about one-third compared to 1996 funding levels.

The HUD tribal housing needs assessment released in January showed that tribes have rates of substandard housing and overcrowded homes well in excess of the national average. The report indicated that 68,000 new units are needed in Indian Country. As the ability of tribes to develop new housing units has diminished in the last few years due to inflation, the problem cannot be compounded by the severe program funding cuts proposed in the Administration's FY 2018 budget.

NAIHC asks that members of this Committee work with their colleagues who sit on the Appropriations Committee to support adequate funding of the Indian Housing Block Grant and other tribal housing programs. Funding the IHBG at \$900 million would provide tribes relatively the same purchasing power it had in 1996 and NAIHC requests no less than \$700 million for FY 2018. Congress should also reject the proposed cuts to the other programs listed above, as they provide tribes additional resources for their housing programs. Funding tribal housing programs not only fulfills Congressional trust and treaty responsibilities, but does so in a way that spurs economic development, creates jobs and builds credit in tribal communities.