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MEMORANDUM

July 13, 2018

To: Housing Clients

From: Hobbs, Straus, Dean & Walker, LLP

Re: *NAIHC Legislative Committee Meeting*

This memo reports on the monthly NAIHC Legislative Committee meeting, which was held on July 12, 2018 (by teleconference). NAIHC Executive Director Tony Walters presided over the call. Mr. Walters let the Committee members know that since former Committee Chair Gary Cooper is now the Chair of NAIHC, there are two new co-chairs for the Legislative Committee: Ray DePerry (Tule River Housing Authority) and Sami Jo Difuntorum (Siletz Tribal Housing Department). Neither of them were able to attend the July 12 meeting, however.

I. Appropriations Update

a. FY 2018

FY 2018 appropriations were approved through an omnibus appropriations bill passed and signed earlier this year (March, 23 2018), which provided for a \$655 million IHBG block grant, a \$100 million competitive grant, and \$65 million for the Indian Community Development Block Grant. The Section 184 loan guaranty was only funded at \$1 million, reduced by \$4.5 million from last year. HUD has communicated that the reason for the extreme reduction is because the loan program is a revolving fund, and as program loans have been repaid, there is no longer a need for the same level of new funding each year, because there is sufficient funding in the revolving fund to meet all the existing need.

The NOFAs for the ICDBG and for the competitive grant funds have not yet been released. HUD has indicated that the ICDBG NOFA should be released by the end of July. They do not want to create confusion by releasing both NOFAs at or near the same time, so the competitive funding NOFA will not be released until sometime this fall.

b. FY 2019

The appropriations committees in both the House and Senate have reported out their T-HUD bills. The NAHASDA funding is nearly the same as last year in both bills,

including the \$100 million competitive grant. Neither the House nor the Senate have voted on their respective bills, and no votes have yet been scheduled. However, the Senator leadership has indicated that they want to move the appropriations bills through quickly, before the end of the fiscal year. Senate Majority Leader Mitch McConnell has extended the Senate working calendar by a month to get additional work done. However, there are a number of nominations pending, including the nomination for the open seat on the U.S. Supreme Court. Because the Supreme Court nomination is controversial, it is possible that the minority (the Democrats) will slow down other Senate business.

II. Tribal Housing Legislation Update

a. Tribal HUD-VASH Legislation:

There are two bi-partisan efforts to authorize the Tribal HUD-VASH program moving forward with support in the House and Senate. The Senate version is the Tribal HUD-VASH Act (S.1333), introduced by Senator Tester (D-MT). S.1333 has been passed out of the Senate by unanimous consent

The House version is part of Representative Pearce's NAHASDA reauthorization bill (H.R. 3864), but will likely move separately due to a lack of movement on NAHASDA. The Tribal HUD-VASH authorization within the bill has broad support. NAIHC is meeting with its allies in the House to move the HUD-VASH Act forward. Mr. Walters is optimistic it will be passed this session.

b. NAHASDA Reauthorization

Mr. Walters stated that there is nothing new to report on NAHASDA reauthorization.

The House bill (H.R. 3864), sponsored by Representative Pearce, has been moved out of Committee, but there has been no word yet on when it will come to the floor for a vote. H.R. 3864 includes a \$650 million appropriations cap and does not include Native Hawaiian provisions.

There are two Senate bills still in the SCIA. Senator Hoeven's BUIILD Act, S.1275, which is a streamlined version of reauthorization, would reauthorize NAHASDA and the Section 184 loan program for seven years. It contains some limited provisions to improve NAHASDA and does not cap the authorization at \$650 million, but it does not contain all of the changes proposed by the Pearce and Udall bills. It also leaves out the Native Hawaiian provisions. Senator Udall's more comprehensive reauthorization bill, S. 1895 is similar to H.R. 3864, and would contain the current law's authorization language for funding: "appropriated such sums as may be necessary...". There has been no movement on either bill, and there has been no word from the SCIA as to how the Committee plans to move forward.

III. Healthy Homes Funding

Mr. Walters raised some points for discussion about the Healthy Homes Funding. The recent NOFA for this funding indicates that the funds cannot be used on 1937 Act units still owned and managed by the tribe or TDHE. Further, since the lead paint component is a significant piece of this funding, the funds cannot be used on homes built after 1977 – so homes constructed with NAHASDA funds cannot be assisted with such funds. These two parameters impose significant limitations on the ability of tribes to use this funding.

A representative from Ho-Chunk Housing indicated that they got clarification that these funds can be used for methamphetamine testing on an individual, as-needed basis, but cannot be used for community-wide testing. There was some further discussion about how to utilize these funds for meth clean-up, as well as to use them for HUD-VASH homes.

IV. Conclusion

The next Legislative Committee meeting will be held by teleconference on Thursday, August 2, at 1:30 EST.

If you have any questions about the items in this memorandum, please do not hesitate to contact Edmund Clay Goodman at EGoodman@hobbsstrauss.com or by phone at (503) 242-1745.