



516 S.E. Morrison St., Ste. 1200 T 503.242.1745  
Portland, OR 97214 F 503.242.1072

HOBBSSTRAUS.COM

## MEMORANDUM

January 18, 2019

To: Housing Clients

From: Hobbs, Straus, Dean & Walker, LLP

Re: ***House to Vote Next Week on Appropriations, Including HUD Funding***

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Chairwoman of the U.S. House of Representatives Committee on Appropriations, Nita M. Lowey (D-NY), introduced legislation for a vote in the House of Representatives next week. The legislation, H.R. 648, reflects conference agreements for six appropriations bills that include the Agriculture, Commerce-Justice-Science, Financial Services, Interior-Environment, State-Foreign Operations, and Transportation-Housing and Urban Development spending bills. It does not include the Homeland Security spending bill. The package also includes language to pay federal employees who have been working without pay or who have been furloughed. It will be the tenth bill that House Democrats will consider to reopen the federal government. At this point, we are not aware of any movement by the Senate Republican leadership to allow the Senate to take up any of these bills.

Because this proposed appropriations bill focuses on what would have been the House-Senate “conferenced” versions negotiated last Congress, it is limited in scope. It includes funding for just three programs that impact Indian housing programs in the budget of the U.S. Department of Housing and Urban Development (HUD). This memorandum summarizes those proposed provisions.

**1. Native American Housing Block Grants (aka “Indian Housing Block Grants” or “IHBG”).** The proposed appropriations would provide \$755 million for the IHBG program. This amount represents a proposed \$1 million increase above the FY 2018 Omnibus Appropriations.

As with FY 2018, \$100 million of the overall IHBG amount will be allocated through competitive grants to remain available through September 30, 2023. The competitive grants will be based on need and capacity (as you know, we are still waiting for the HUD Notice of Funding Availability [NOFA] for the FY 2018 competitive grant funds to be issued, so we do not know what the factors will specifically look like). The remaining \$655,000,000 shall be for the formula funding program, to remain available until September 30, 2023. Of this amount, \$7 million is set-aside for inspections, contracting expertise, training, and technical assistance related to funding provided for the needs of Native American, including no less than \$2 million to be awarded to a national organization as authorized by section 703 of Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA), and \$2 million is set-aside for the cost of

guaranteed loans as authorized by Title VI of NAHASDA provided the principal amount is no greater than \$17,761,989.

**2. Section 184 Loan Guarantee Fund.** The proposed appropriations bill would provide \$1,440,000, to remain available until expended. The FY 2018 Omnibus provides only \$1 million for the cost of section 184 guaranteed loans. This represents a proposed increase of \$440,000.

In addition, the FY 2018 Omnibus specified that these funds were available to subsidize a total loan principal of up to \$270,270,270. The proposed bill would subsidize a total loan level of up to \$553,846,154.

**3. Native Hawaiian Housing Block Grant.** The proposed appropriations would provide \$2 million for the Native Hawaiian Housing Block Grant program, to remain available until expended, to subsidize a total loan level of up to \$553,846,154. This is the same amount of funding as FY 2018.

If you have any questions regarding this memo, please contact Ed Clay Goodman at (503) 242-1745, or by email at [egoodman@hobbsstrauss.com](mailto:egoodman@hobbsstrauss.com).