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## MEMORANDUM

January 10, 2020

To: Housing Clients

From: HOBBS, STRAUS, DEAN & WALKER, LLP

Re: *NAIHC Legislative Committee Meeting*

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This memo reports on the monthly NAIHC Legislative Committee meeting held by telephone on January 9, 2020. The meeting was run by NAIHC Executive Director, Tony Walters.

### 1. Appropriations

#### *a. FY 2020*

In late December 2019, Congress reached an agreement on, and the President signed, a fully-funded appropriations bill for FY 2020. The bill contained level funding for both the general Indian Housing Block Grant (\$650 million) and for the IHBG Competitive Grant (\$100 million). The Tribal HUD VASH appropriation was cut to \$1 million, in part because there are significant unexpended carry-over funds in that program from prior years' appropriations. On the other hand, the appropriation for the Indian Community Development Block Grant was increased by \$5 million to \$70 million.

#### *b. FY 2021*

The FY 2021 budget cycle is about to begin. The Administration's budget is due in early February. As in prior years, the expectation is that the Administration is going to propose significant cuts to Indian housing appropriations (as well as to other Indian programs). NAIHC will lead the effort to lobby our allies in Congress to provide adequate funding, and against the proposed reductions.

#### *c. ICDBG FY 2019 and 2020*

After significant delay, HUD has released the NOFA for the FY 2019 ICDBG funds. In addition, they also included in the NOFA the FY 2020 ICDBG funds, for a total amount of \$135 million. Applications are due February 3, 2020.

## 2. Legislation

### *a. NAHASDA Reauthorization*

In early December, as described in our December 9, 2019 memo, HR 5319 was introduced in the House by a bi-partisan group of co-sponsors. The bill is largely based on prior NAHASDA reauthorization bills that NAIHC had previously advocated for. The next steps for the NAHASDA bill are, first, a Committee hearing and a markup on the House bill, then, if the bill is passed out of Committee, to the floor for a full vote of the House. Once that happens and if the bill passes the House, the bill would move to the Senate for the same process. Some of the issues that the bill faces are the Native Hawaiian provisions and the Cherokee Freedmen question. There are also some questions with the maximum 30% rule in the Tribal HUD-VASH.

The sponsors are currently trying to find time to schedule a hearing on HR 5319. There has been some discussion about including it in a more general hearing involving “rural housing” issues. No hearing or date has yet been scheduled.

### *b. Tribal HUD-VASH*

This legislation has passed the Senate (S. 723), and is currently pending in the House Financial Services Committee (HR 2999). The one hold-up on the House side is the flexibility in this bill; the House leadership has concerns with giving the Administration too much discretion in any area involving funding. The Tribal Access to Homeless Assistance Bill has passed the House (making tribes eligible for Continuum of Care bill) (HR 4029); it is pending with the Senate Banking Committee (S 2282).

There is a hearing next Tuesday on the general HUD VASH program (not just the Tribal-specific portion). NAIHC Chairman Gary Cooper has been invited and will testify about Tribal HUD-VASH.

### *c. Native American Housing Affordability Act*

S. 2725 was introduced in the Senate on October 29 (by a bi-partisan group of Senators). It would allow HUD to issue its loan guarantees prior to getting a final certified TSR from the BIA. This bill addresses a longstanding problem with the delays in getting BIA to issue certified TSRs, which has resulted in inordinate hold-ups to approving such loans. The bill has been referred to the Senate Banking Committee. The prospects for passage of this bill are favorable. It has bi-partisan support and it is narrowly targeted at a specific problem with implementing an already-existing loan guarantee program. This bill, as well as the Tribal HUD-VASH, demonstrate the Senate’s approach to Indian housing issues; in light of the struggles to get NAHASDA reauthorized, the Senate is looking at addressing important matters in a more issue-by-issue approach.

*d. American Housing and Economic Mobility Act*

S. 787 and HR 1737 would provide a 10-year reauthorization for NAHASDA and \$2.5 billion annually for IHBG. It would also remove the restriction on tribes accessing Section 8 vouchers. This bill has been introduced in the last two sessions. The likelihood of passage is small, but it is a reminder of the need to take more substantial action to address housing issues in Indian Country.

*e. Low Income Housing Tax Credits*

Senator Cantwell (D-WA) has been working on legislation to amend LIHTC for several years. Part of that effort is intended to make LIHTC more available to tribes, particularly in those states that have been reluctant to allocate LIHTC to tribal housing programs. Senator Cantwell has been aiming to develop a large list of bi-partisan co-sponsors. There is currently no available mechanism for moving this kind of legislation forward (because of the logjam in the Senate), the Senator is looking for opportunities. The two approaches for tribes were described as follows:

- Include a requirement that QAPs for each state must encourage tribal participation. This concept is, at present, very general and loose, but could in the legislative process be developed more thoroughly.
- Automatically require that any project sponsored by a tribe to get a boost in the amount of points or credits allocated.

### **3. Announcements**

NAIHC is holding its Legislative Conference in Washington, DC, on February 24-26, 2020. There will be an in-person meeting of the Legislative Committee on the first day. The next teleconference meeting will be held on February 6, 2020.

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