

#### MEMORANDUM

March 3, 2022

To: TRIBAL HOUSING CLIENTS

FROM: Ed Clay Goodman & Cari L. Baermann

HOBBS, STRAUS, DEAN & WALKER, LLP

NAIHC Legislative Committee Meeting RE:

This memorandum provides a synthesis of information presented during the Native American Indian Housing Council (NAIHC) monthly Legislative Committee meeting held on March 3, 2022. NAIHC Executive Director Tony Walters presided over the Legislative Committee meeting.

#### I. **Congressional Updates**

#### A. 117th Congress Fiscal Year 2022 Appropriations

The 117<sup>th</sup> Congress is now in its second session. Any bills that were not passed from 2021 will carry over into 2022. However, those bills must be passed this year to become law. The main focuses right now include the Fiscal Year (FY) 2022 appropriations, the Build Back Better (BBB) package, and voting rights.

As we have noted previously, Congress is continuing its work on the FY 2022 appropriations process. FY 2021 ended on September 30, 2021, but rather than passing detailed, full-year FY 2022 appropriations bills, Congress has passed multiple, short-term continuing resolutions (CR) to keep the federal government funded, at largely FY 2021 funding levels and conditions. The latest CR funding bill (PL 117-86) expires March 11, 2022, and it is possible Congress will decide to pass yet another CR before that deadline.

The Biden Administration is also continuing its work on the FY 2023 budget. President Joe Biden is likely to submit his fiscal 2023 budget request shortly after March 1, 2022. NAIHC is continuing to advocate that increased funding be allocated to tribal housing this year.

# II. Update on Other Tribal Housing Bills

#### A. NAHASDA

As we reported in our last memo, both the House and Senate are working on versions of bills reauthorizing the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). We have reported on the provisions of those two bills in prior reports. The Senate NAHASDA reauthorization bill (S. 2264) has nine bipartisan co-sponsors. On February 16, 2022, the Senate NAHASDA bill was reported out of the Senate Committee on Indian Affairs. The next step is a vote by the full Senate. The bill sponsors are continuing to attempt attach the NAHASDA bill to some other "must-pass" legislation. Mr. Walters commented that the next steps for NAIHC are to increase the number of sponsors for the two bills.

### B. Tribal HUD-VASH

There has been some progress recently on the Tribal HUD-VASH legislation. As part of the Senate NAHASDA reauthorization bill, the Tribal HUD-VASH legislation was passed out of the Senate Committee on Indian Affairs and is now waiting to be considered by the full Senate. The Tribal HUD-VASH legislation is also included in the House NAHASDA reauthorization bill, as well as in standalone bills. The Tribal HUD-VASH bill would codify and make permanent the Tribal HUD-VASH program within the larger HUD-VASH program and ensure adequate funding for the program. The bill would also make all tribal nations and their tribal housing programs eligible for the Tribal HUD-VASH program. The funding structure and source of funding for a Tribal HUD-VASH is still up in the air. Tribal advocates want to ensure that the money does not come out of some other already-existing funding for tribal housing.

## C. Other Housing Bills

The Native American Rural Homeownership Improvement Act (NARHI Act) (S. 2092, H.R. 6331) are bipartisan bills being co-sponsored by nine U.S. Senators and three U.S. Representatives, respectively. The NARHI Act would provide \$50 million from the USDA single-family home loan program to Native Community Development Financial Institutions (CDFIs) to provide home loans in tribal communities. It is based on the success of the USDA 502 single-family loan pilot program in South Dakota involving USDA and two Native CDFIs in South Dakota – Four Bands Community Fund on the Cheyenne River Indian Reservation and Mazaska Owecaso Otipi Financial on the Pine Ridge Indian Reservation. If passed, the NARHI Act would expand that program to be accessible to tribes across the country. The South Dakota tribes have been working on this pilot and have found the program to be successful. The South Dakota tribes received \$2 million under this initial pilot program. If passed, the funding would increase the amount of loan funding for tribal communities would bolster local Native CDFIs. To prioritize lending on trust land, it would also waive the 20% match requirement for loans on tribal land. In addition, it authorizes an operating grant for Native CDFIs who relend under this program and appropriates \$1 million annually for technical assistance to Native CDFIs. NAIHC continues to work with bill sponsors to advocate that this bill is passed.

Another bill that could benefit tribal housing is the "Tribal Trust Land Homeownership Act" (S. 3381). There are currently four bipartisan cosponsors for the bill: John Thune (R-SD), Tina Smith (D-MN), Mike Rounds (R-SD), and John Tester (D-MT). Congress is still drafting the bill, so the exact details have not been released. However, the Senate Committee on Indian Affairs considered the bill during a hearing on February 16, 2022. The bill would address issues with the Bureau of Indian Affairs' (BIA) processing title status reports for Section 184, 184A, and other lending programs. The bill would create deadlines for the BIA, which should speed up the process and decrease delays in approval of the title status reports. The bill would also create a position within the BIA that would oversee all of the mortgage processes. The position would report directly to the Secretary of Interior.

One of the participants on the call stated that a bill involving the U.S. Department of Veterans Affairs Native American Direct Loan (NADL) program may be introduced in the coming months. Last (VA) year, Senator Rounds requested a study by the U.S. Government Accountability Office (GAO) on the effectiveness of the NADL program. Senator Rounds and other bill sponsors received preliminary GAO findings and they are currently working on draft legislation. Once the full GAO report is released, the Senate Veterans Affairs Committee will hold a hearing (likely in April 2022) and will introduction legislation shortly thereafter.

# III. HUD Programs

#### A. HUD Grants

NAIHC and other tribal housing advocates continue to advocate that additional funding be provided to tribal housing, particularly in order to help tribes address issues caused by the COVID-19 pandemic.

HUD is on track to award and allocate the ICDBG FY 21 and IHBG Competitive FY 21 grants, but has not yet awarded these grants. The ICDBG FY 21 grant (\$70 million) application deadline was October 25, 2021. The IHBG Competitive FY 21 grant (\$95 million) deadline was January 4, 2022 (HUD extended the original deadline of December 1, 2021).

The March 2021 American Rescue Plan Act (ARPA) provided \$450 million for the IHBG program (IHBG-ARP), \$280 million for the ICDBG program (ICDBG-ARPA), and \$5 million for the Native Hawaiian Housing Block Grant program (NHHBG-ARP). Thus far, HUD has awarded approximately 75% of the FY 21 ICDBG-ARP funding (approx. \$210 million out of \$280 million). HUD has stated that it is no longer accepting applications for this program.

HUD has also worked to expand the Tribal HUD-VASH funding to tribes. The Notice of Funding Opportunity (NOFO) for the Tribal HUD-VASH closed on January 22, 2022. Webinars were held in early December, 2021, and are now available on the HUD website located <a href="here">here</a>.

#### B. Other HUD Activities

HUD ONAP will be holding a virtual Housing Summit on April 6 and 7, 2022, hosted by NAIHC. This event is free and registration is currently open, which can be found here.

Each year, tribes and TDHEs have the opportunity to review population income and housing conditions data that are used in calculating IHBG allocations. Tribes and TDHEs must submit Census challenges for the FY 2023 IHBG formula to HUD by **March 30, 2022**. Additional information can be found here.

On January 19, 2022, HUD issued a Dear Tribal Leader Letter regarding the IHBG Competitive program feedback. Comments should be submitted electronically to <a href="March 20">Codetalk@hud.gov</a> by March 20, 2022. The DTLL can be found <a href="here">here</a>. HUD is soliciting comments on the following questions:

- 1. What has been your experience when applying for an IHBG Competitive grant?
- 2. What challenges have you faced with the IHBG Competitive grant program?
- 3. Do you believe HUD has administered the IHBG competition fairly and equitably?
- 4. What changes could HUD make to future competitions to help address your concerns?
- 5. Do you have any other recommendations or feedback on the IHBG Competitive grant program?

# IV. Treasury Programs

### A. Emergency Rental Assistance Program

As we have reported in prior memos, Tribes received an \$800 million set-aside from the Emergency Rental Assistance (ERA) Program fund to assist eligible households who are facing eviction due to unpaid rents and utilities, or the inability to pay prospective rents and utilities. Treasury recently released reporting data based on the December 31, 2021 reporting period. The data indicates that in the national ERA Program, states and local programs have expended \$14,843,047,210 out of \$25 billion (59%). The tribal ERA program has expended \$181,689,229 out of the \$800 million (22.7%). Mr. Walters noted that the tribal expenditure data may not have captured all the funds that have been expended by tribes.

# B. Treasury's Homeowner Assistance Fund

As we have reported in prior memos, the American Rescue Plan Act (ARPA) provides approximately \$498 million in funding to tribes for the Homeowner Assistance Fund (HAF) Program. The HAF Program provides mortgage assistance to homeowners to prevent the foreclosure or post-foreclosure eviction of a homeowner due to the COVID-19 pandemic. Funding for the HAF Program is allocated through the Treasury for distribution. Allocations are based on the IHBG formula for FY 2021. Tribes or TDHEs that wished to receive HAF funding were required to submit a Notice of Request for HAF funding by December 15, 2021. Most

tribes are still waiting to receive Treasury approval of their HAF plans. However, Mr. Walters commented that some tribes have received HAF plan approvals and HAF funds.

NAIHC has training funds available for both the ERA Program and HAF Program. The application form for these training funds is available by contacting <u>training@naihc.net</u>.

### V. Other Matters

# A. NAIHC Legislative Conference and Annual Convention

Due to concerns of COVID-19 safety issues, the annual NAIHC Legislative Conference has been postponed to September 19, 2022. NAIHC is also considering holding a virtual session in the spring, potentially to be held around the time of the release of the Biden Administration's Budget. NAIHC is still planning on holding its NAIHC Annual Convention in person on May 16–19, 2022, in Seattle Washington. Registration is currently open.

# B. NAIHC Legislative Committee Meetings

The NAIHC Legislative Committee meetings will continue to be held the first Thursday of each month on a videoconference platform. Anyone who would like to submit questions prior to the calls may do so through the link provided in the NAIHC email sent out prior to each call. Sending in questions and comments ahead of time allows NAIHC to provide detailed responses during the call. Participants can reach out to NAIHC staff with any questions or comments by sending an email to <a href="mailto:Twalters@NAIHC.net">Twalters@NAIHC.net</a>.

# C. Additional Monthly Forums

NAIHC will continue to hold additional monthly forums to focus on more in-depth conversations, which will be held on the second Wednesday of each month. The next monthly forum will be held on March 9, 2022. The forums will cover a rotating discussion on a single topic. Currently, NAIHC is holding forums the three following topics: (1) Treasury programs; (2) HUD Continuum of Care; and (3) HUD Housing Counseling. NAIHC welcomes any other topics individuals would like covered during these monthly forums. One participant suggested the Tribal HUD-VASH program and Section 8 housing vouchers as topics for monthly forums. NAIHC is also asking for volunteers to help lead discussions during the forums.

# D. Other Updates

NAIHC will continue to provide virtual training and technical assistance. NAIHC sends out a Native housing newsletter every two weeks. Any tribe who does not currently receive the newsletter can go to the NAIHC website to sign up.

# Conclusion

If you have any questions, please do not hesitate to contact Ed Clay Goodman at <a href="EGoodman@hobbsstraus.com"><u>EGoodman@hobbsstraus.com</u></a> or Cari Baermann at <a href="CBaermann@hobbsstraus.com"><u>CBaermann@hobbsstraus.com</u></a> or by phone at (503) 242-1745.