

PREPARED STATEMENT OF CHERYL PARISH, EXECUTIVE DIRECTOR
BAY MILLS HOUSING AUTHORITY

ON BEHALF OF THE NATIONAL AMERICAN INDIAN HOUSING COUNCIL

TO THE SENATE COMMITTEE ON INDIAN AFFAIRS

REGARDING THE OVERSIGHT HEARING ON TRIBAL PRIORITIES
IN THE FISCAL YEAR 2010 BUDGET

March 12, 2009

Introduction

On behalf of the National American Indian Housing Council (NAIHC), I am pleased to submit the following statement to Chairman Dorgan, Vice Chairman Barrasso, and distinguished members of the Senate Committee on Indian Affairs (“the Committee”).

I serve as the Executive Director of Bay Mills Housing Authority. I am a member of the Bay Mills Tribe of Chippewa Indians in Michigan. I am also the Vice-Chairperson of the National American Indian Housing Council (NAIHC).

The National American Indian Housing Council was founded in 1974 to support and advocate for tribes and tribally designated housing entities (TDHEs). For nearly 35 years, the NAIHC has assisted tribes with their primary goal of providing housing and community development for American Indians, Alaska Natives and native Hawaiians. The NAIHC consists of 266 members representing 460 tribes. The NAIHC is the only national Indian organization whose sole mission is to represent Native American housing interests throughout the Nation.

First of all, I would like to thank the Chairman, Vice Chairman and the Committee for holding this hearing on the tribal budget priorities as we move into the appropriations season. The lack of significant private investment, functioning housing markets and the dire economic conditions most Indian communities face mean federal investment in housing and community development in tribal communities is critical to thriving communities and economies.

Next, I would like to thank the Chairman for his leadership on tribal housing issues, which time and time again, he has recognized as a crisis in Indian Country. The year 2008 was a

landmark year for Indian Country and Indian Housing, in particular. The reauthorization of the Native American Housing Assistance and Self-Determination Act (NAHASDA) provides tribes and Native American communities with additional tools such as flexibility and greater self-management of housing programs, which are necessary to develop culturally relevant, safe, decent and affordable housing for our people.

But, as we celebrate the hope that NAHASDA presents us for improving the quality of life and living conditions for Native Americans, we must not lose sight of the stark conditions that still exist in Indian Reservations and Alaska Native communities, and on native Hawaiian Home Lands. Housing conditions in Native communities still lag far behind those of most of the nation. An estimated 200,000 housing units are needed immediately just to meet current demand, and we estimate that there are approximately 90,000 native families that are either homeless or under-housed, living in overcrowded situations. A large percentage of existing homes are in great need of rehabilitation, repair and weatherization. Unemployment rates on Indian Reservations, even before the current recessionary period, were typically well over 50 percent.

With these figures as a backdrop, the NAIHC presents the following budgetary priorities that will improve housing and living conditions in Indian Country:

Indian Housing Block Grant (IHBG)

Fund the IHBG at \$854 million dollars. The IHBG is the single largest source of capital for housing development, housing-related infrastructure, and home repair and maintenance in Indian Country. This funding level will not meet all tribal housing needs, but it will, at least, keep pace with the increased cost of housing construction, energy costs, and other inflationary factors occurring since 1997.

I would like to bring to your attention the slow pace at which IHBG funding is provided. As I am sure you are aware, it often takes several months, after an Appropriations bill is signed into law, for HUD to make these funds available to NAHASDA recipients. In contrast, the *American Recovery and Reinvestment Act of 2009* required HUD to allocate funds, by formula, within 30 days of this bill being signed. HUD complied with this requirement within weeks of

enactment. If HUD can provide IHBG funds within 30 days for the passage for this bill, then the same should be said for annual spending bills. Timely allocation of these funds enables tribes to better plan their construction and save critical time and costs, especially in northern climates where seasons are shorter.

Let me briefly address IHBG funding which is being set aside to satisfy litigation on tribal claims against HUD associated with formula current assisted stock. Funds for litigation and potential settlements should be derived from additional appropriations or another source and should not be withheld from the Indian Housing Block Grant. In 2008, HUD held back nearly \$20 million for lawsuits that have yet to be resolved. This resulted in an across the board rescission that reduced funding for all recipients. These funds need to be returned to Indian Country. No other IHBG funding should be held back by HUD in future fiscal years related to formula current assisted stock litigation.

Training and Technical Assistance (T&TA)

Increase NAIHC's T&TA funding to \$4.8 million dollars. Tribal housing authorities rely on T&TA to effectively implement and improve their housing programs. For 35 years, the NAIHC has provided invaluable capacity-building services to tribes, their Indian housing authorities and TDHEs. These training and technical assistance services include on-site technical assistance, tuition-free training classes, and scholarship programs that help offset the cost of attending NAHASDA-specific training sessions, including NAIHC's Leadership Institute, a low-cost professional certification course for Indian housing professionals. Decreased funding has required the NAIHC to reduce, and in some cases eliminate, much needed capacity building efforts on behalf of Indian housing authorities. By a unanimous vote at the 2008 NAIHC Annual Membership meeting, a NAIHC resolution was passed to set aside IHBG funds for NAIHC's T&TA program.

With funding restored last year, the NAIHC scholarship program to attend training courses was reinstated. NAIHC scheduled 35 training sessions in 2009 and will provide 400 limited training scholarships to IHBG recipients. We seek your continued support help to restore funding so that we might continue the important capacity building efforts on behalf of tribes and their housing programs.

Indian Community Development Block Grant (ICDBG)

Fund the ICDBG at \$100 million dollars. These funds are essential to tribes for housing and economic and community development efforts. Since 2001, ICDBG has built 160 community buildings in Indian Country but ICDBG funding has actually decreased 17 percent since fiscal year 2004. We need these vital funds restored to continue to build viable communities.

Section 184 Indian Home Loan Guarantee

Continue to fund the Section 184 Program at \$9 million dollars. The Section 184 loan is a mortgage product, specifically geared towards Native Americans, to facilitate homeownership in Native American communities on their native lands and within an approved Indian area. Because of the unique status of Indian lands, these areas have been historically underserved by conventional lenders. The default rate for the Section 184 Program, notably, remains at less than 1 percent.

Title VI Tribal Housing Activities Loan Guarantee

Continue to fund Title VI at the FY 2009 recommended \$2 million dollars. The Title VI is designed to spur housing and other community development efforts, particularly if accompanied by an increase in IHBG funding that would serve as an adequate, consistent, and reliable source of income to secure the loan.

Native Hawaiian Housing

Increase the Native Hawaiian Housing Block Grant to \$20 million. Since May 2008, I am pleased to note that we represent Native people who reside on the native Hawaiian Home Lands. I am proud to welcome the Department of Hawaiian Home Lands as the newest members of National American Indian Housing Council. The funding for the native Hawaiian Housing Block Grant should be increased to address the significant needs for low-income and affordable

housing on native Hawaiian Home Lands. The Section 184A Loan Guarantee Program should continue to be funded at the \$1 million level.

Bureau of Indian Affairs Housing Improvement Program (HIP)

Fund the Housing Improvement Program at \$50 million. We know there is significant Congressional support for this much needed program. HIP grants serve the neediest of our communities; our elders and extremely low-income people. HIP provides for modest home acquisition, rehabilitation, renovation, and repair. As waiting lists for new homes grow and housing stock ages, this program helps to keep homes safe, healthy and habitable.

U.S. Department of Agriculture's Rural Housing Programs

Restore and adequately fund USDA's primary housing loan programs, particularly the Section 502 direct home loan program, the Rural Community Development Initiative, and HUD's Rural Housing and Economic Development programs. Tribes rely upon these programs, and reduction in these programs will harm tribal housing development.

American Recovery and Reinvestment Act

Just a few weeks ago, the *American Recovery and Reinvestment Act of 2009* was signed into law. Native American housing programs were included in a favorable way. Chairman, I want to thank you and this entire Committee for your support. This means a great deal to our Native American housing programs and will have a lasting impact on the communities we serve. We are working closely with HUD to implement our programs as Congress and the President intended: to quickly create jobs for American workers.

Bay Mills Indian Community

In my own community, we plan to use our IHBG funding from the ARRA for energy efficiency and to upgrade tribal homes through a weatherization program that will reduce operational costs while improving the health of our housing residents. We've recently had every

housing unit tested by the University of Illinois for heat leakage and we now have a complete inventory of which homes are in most immediate need. At this point, we do not have a figure for how many jobs this will create, but we do have commitments from our contractors and subcontractors to hire local tribal members who reside on our reservation, which is currently experiencing an unemployment rate of nearly 30 percent.

Conclusion

Thank you, Chairman Dorgan, Vice-Chairman Barrasso, and members of this committee, for your invitation to share and discuss our Fiscal Year 2010 budgetary priorities for Native American housing needs. Your continued support of Native American communities is truly appreciated, and the National American Indian Housing Council is eager to work with you and your professional staff on any and all issues to improve Indian housing programs and living conditions for America's indigenous people.



Native American Housing Appropriations

March 2, 2009



Housing Appropriations Dollars in Millions	FY 2004 Enacted	FY 2005 Enacted	FY 2006 Enacted	FY 2007 CR	FY 2008 Enacted	FY 2009			FY 2010 NAIHC Proposed Budget	
						President's Request	NAIHC Proposed Budget	Omnibus Conference Report		American Recovery & Reinvestment
						Feb 4, 2008	Feb 25, 2008	Feb 23, 2009		Feb 17, 2008
HUD										
All Amounts are Before any Across-the-Board Reductions										
Indian Housing Block Grant - NAHASDA	650.3	622	624	624	630	627	789	645	255	854 ^a
Set-Asides: HUD Implementation, Training & Technical Assistance	4.5	4.5	4	4	4.3	4.3	4.3	4.3	2.8	TBD ^b
Training & Technical Assistance (to NAIHC)	2.2	2.2	1	0	2	0	2.2	3.5		4.8
Title VI Loan Guarantee	2	2	2	2	2	2	2	2	2	2
Total Available for Formula after Set-Asides	639	611	617	617	622	621	781	635		847
American Recovery and Reinvestment Act of 2009 (competitive)									242	
NAIHC T&TA; SHOP 2004-2006, Neighborhood Initiatives 2008	2.5	2.4	1	0	1		2.6			
Native Hawaiian Housing Block Grant	9.5	9	9	9	9	6	10	10	10.2	20
Set-Aside: HUD Training and Technical Assistance	0.4	0.5	0.3	0.3	0.3	0.3	0.3	0.3		0.3
Loan Guarantees										
Section 184 Home Ownership	5	5	4	6	8	9	9	9		9
Section 184A Home Ownership (Hawaiian)	1	1	1	1	1	0	1	1		1
Community Development Block Grant (CDBG)	4,357	4,150	4,178	4,178	3,866	3,000	4,368	3,642	1,000	4,562
Set-Asides: Indian Community Development Block Grant (ICDBG)	75	68	59	59	62	57	77	65	10	100
Imminent Threat (Set-Asides from ICDBG)		4	4	4	4	4	4	4		4
Rural Housing and Economic Development	25	24	17	17	17	0	25	26		30
Economic Development Assistance for Tribes								5		12
Healthy Homes Initiative (Office of Lead Hazard Control)	10	9	9	9	9	15	15	15	100	20
Labor										
YouthBuild (Transferred to Labor in FY 2006)	65	62	50	50	60	50	65	70	50	65
Veterans Affairs										
Native American Veteran Housing Loan Program	0.6	0.6	0.7	0.7	0.6	0.6	0.6	0.6		0.7
Interior										
BIA Indian Loan Guarantee Program	6	6	5	5	6	8	8	8	10	9
BIA Housing Improvement Program (HIP)	20	19	19	19	14	0	50	14	20	50
IHS Sanitation Facilities Construction	94	92	94	94	96	94	121	96	100	128
USDA										
Section 502 Single-Family Loans (Direct)	1,366	1,150	1,129	1,129	1,129	0	1,500	1,121	1,000	1,500
Section 502 Single-Family Loans (Guaranteed)	2,725	3,309	2,891	2,891	4,220	4,849	4,800	6,224	10,500	4,800
Section 515 Multi-Family Loans (Direct)	117	100	98	98	70	0	150	70		150
Section 538 Multi-Family Loans (Guaranteed)	100	100	98	98	130	300	150	129		150
Section 533 Housing Preservation Grants	10	9	10	10	9	12	15	9		15

^a Any funds to satisfy Formula Current Assisted Stock litigation should be derived from additional appropriations or another source and should not be allowed to cause harm to IHBG recipients.

^b To Be Determined. NAIHC membership has expressed a concern about the quality of training provided by HUD contractors.