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Chairman of the Board of Directors  
National American Indian Housing Council

Testimony  
Before the Committee on Indian Affairs  
United States Senate

Oversight Hearing to Examine the President's Fiscal Year 2008  
Budget Request for Tribal Programs

February 15, 2007

**G**ood morning Chairman Dorgan, Vice Chairman Thomas, Senator Murkowski and distinguished members of the Senate Committee on Indian Affairs. My name is Marty Shuravloff and I am honored to appear before you today to discuss issues relevant to the delivery of safe, decent, affordable homes to Native people across our great Nation.

As the Chairman of the National American Indian Housing Council, I have the privilege to represent the housing interests of more than 460 tribes and Alaska Native Villages. As a member of the Leisnol Village, Kodiak Island, Alaska, I serve as the Director of the Kodiak Island Housing Authority as well as a variety of appointed posts, including the Alaska Housing Finance Corporation.

The National American Indian Housing Council was founded in 1974 to support and advocate for tribes and tribally designated housing entities (TDHEs). NAIHC assists tribes with their self-determined goals of providing housing and community development for Indian people and Alaska Natives. I come to you today with the NAIHC's thoughts on the President's Fiscal Year 2008 Budget Request.

With billions of dollars in American taxpayer money fleeing overseas, now more than ever, is the time we prioritize America's neediest citizens. One in ten, over 11%, of Native American homes lack plumbing, far higher than the 1.2% the rest of the Nation faces. One in five Native Americans lives in overcrowded homes, on some reservations with as many as 25 to 30 people living in a three-bedroom house. Nearly half of Native American homes are considered inadequate by all applicable standards and less than half of all reservation homes are connected to a public sewer.

While we have heard it time and again, it bears repeating, the United States has its own places of “third world” conditions in its own backyard. Indian people are consistently near the bottom of every indicator of health year after year. In a country proud of its democratic standards, we have whole Nations of Indian people doing without. The NAIHC’s recommendations are as follows:

**Indian Housing Block Grant**

For the Indian Housing Block Grant, the primary funding for Indian housing Nation-wide, President Bush has requested \$627 million. While remaining level from the previous two appropriation cycles, this number does not take into account inflationary costs. The potency of the Federal funding for the IHBG has been steadily eroded. Funding for the IHBG in the past 9 fiscal years is as follows:

<b>Fiscal Year 1998</b>	<b>\$600 million</b>
<b>Fiscal Year 1999</b>	<b>\$620 million</b>
<b>Fiscal Year 2000</b>	<b>\$620 million</b>
<b>Fiscal Year 2001</b>	<b>\$650 million</b>
<b>Fiscal Year 2002</b>	<b>\$648.2 million</b>
<b>Fiscal Year 2003</b>	<b>\$644.8 million</b>
<b>Fiscal Year 2004</b>	<b>\$650.3 million</b>
<b>Fiscal Year 2005</b>	<b>\$622 million</b>
<b>Fiscal Year 2006</b>	<b>\$626 million</b>
<b>Fiscal Year 2007</b>	<b>\$626 million</b>

For Federal funding to approach 2002 levels accounting for inflation, **the minimum amount needed is \$748 million. The National American**

**Indian Housing Council recommends the Indian Housing Block Grant be funded at this amount for Fiscal Year 2008.**

Additionally, many tribes use their IHBG funds as security for Title VI loans. While Title VI loans are 95% guaranteed, by using IHBG funds for Title VI loans, many basic tribal construction and maintenance programs would lose funding. To participate in this potentially successful program many Indian Nations would have to sacrifice services and wager an incredible amount of debt on the possibility of future reduced Federal funding. An increase in Indian Housing Block Grant funding would help to mediate the risk of Title VI loans for tribes.

**Indian Housing Loan Guarantee (Section 184 Loans)**

For the Indian Housing Loan Guarantee Program, while an admirable \$1 million increase is proposed totaling \$6 million, “Section 184” loans do not work in all Indian areas, including many of the reservations with the largest populations in the west and Midwest for many of the same reasons Title VI loans are underused: use of IHBG funding to secure the loan. **An increase in funds above the \$6 million amount would guarantee nearly \$400 million in home loans for Indian people.**

**Indian Community Development Block Grant**

For the Indian Community Development Block Grant, which insures that Indian Communities have the infrastructure and attendant economic development needed to build livable communities, the Administration has requested \$57.4 million. **The National American Indian Housing Council recommends funding at \$77 million, a \$19.6 million increase over**

**previous year funding.** The increase will provide for the absolute bottom needs of development in Indian communities.

### **HUD Rural Housing and Economic Development**

While not a specific Indian program, HUD's Rural Housing and Economic Development is one other tool Indian Communities use to help build homes on the more isolated and primarily Western lands. It is zeroed out in President Bush's FY08 Budget. **The NAIHC recommends the continuation of funding for this invaluable program at FY05 funding of \$24 million.**

### **USDA Rural Development Programs**

The Department of Housing and Urban Development is not the only source of housing funds for Indian people. The Direct Home Loan Program and the Rental Housing Direct Loan Program, all under USDA, are zeroed out in the President's budgetary requests. The cutting of these invaluable services will adversely affect the millions of Indian people Nation-wide living in rural areas. The NAIHC recommends the continuation of funds for these beneficial programs.

### **Bureau of Indian Affairs Housing Improvement Program (HIP)**

HIP was the original housing program for tribes at BIA before the beginning of HUD assistance. Even after implementation of the NAHASDA block grant, the BIA HIP program continues to play an important role in tribal housing. Much of the housing stock in Indian Country is aging or of initially low quality. Rehabilitation is therefore one of the most desperately needed

services. Funding for HIP FY07 was \$23 million. For FY08, the BIA HIP is zeroed out. Tribes would be well served to see this funding kept and if possible increased to supplement other housing efforts.

### **National American Indian Housing Council**

The NAIHC is the only national Indian-led organization providing guidance, technical assistance, training and related capacity-building services for Indian housing authorities and tribally designated housing entities.

The NAIHC trains thousands of Indian housing and associated staff each year with a full range of programs and services, including housing program management, financial planning, environmental compliance, methamphetamine awareness and many more services. In Fiscal Year 2005 and 2006, more than 5,000 Indian housing staff participated in our tuition-free training.

The NAIHC has been an integral force for beneficial change in Indian housing. In the early 1990s, Indian tribes, housing authorities and others came together to share their vision of how Indian Self Determination should influence housing and related community development. The NAIHC was instrumental in shaping these discussions and in helping to draft the Native American Housing Assistance and Self-Determination Act of 1996 (“NAHASDA”) 25 U.S.C. §§4101 et seq.

Although great strides have been made since the Act’s inception, much more is necessary to make an even more powerful impact for Native people. The National American Indian Housing Council is vital to that goal.

**Section 703** of the NAHASDA calls for the appropriation of funding for “a national organization representing Native American housing interests [to provide] training and technical assistance to Indian housing authorities and tribally designated housing entities.” The National American Indian Housing Council is that organization. The Federal funding the NAIHC receives is not an earmark added to the appropriations cycle. The authorizing language of NAHASDA calls for the direct appropriation of funds for the purposes the NAIHC provides, separate from similar activities under HUD.

Yet in spite of positive outcomes like the maintaining of Indian housing funding levels and increases in Native home purchase loan originations over the past couple of years, the NAIHC has been zeroed out in Fiscal Year 2008 funding.

Congressional members and staff, to meet their obligations to Indian people, must be aware of the dire housing circumstances most Indian people live with everyday. The National American Indian Housing Council is one of the few organizations capable of bringing that knowledge to Congress and the public. The NAIHC recommends funding be restored to the Council at \$4.6 million for FY08.

**Reauthorization of the Native American Housing  
and Self-Determination Act**

Lastly, the Congressional passage of NAHASDA revolutionized the way Federal housing programs and services were designed and implemented in Native communities. Since the time of the Founding Fathers, Native Americans have made treaty abrogations of land and resources to the United States in exchange for basic services, such as housing. Unlike previous

Federal attempts, NAHASDA stressed this trust responsibility of the United States Government to Native American people.

With implementation of NAHASDA, the Federal government recognized the uniqueness of the problems facing Indian communities. NAHASDA replaced confusing and scattered grant programs with one block grant that afforded tribes the flexibility to design housing unique to each Indian community's need; it encouraged tribes to develop long-term comprehensive housing strategies through the preparation of housing plans; and finally it enabled tribes unprecedented opportunities to use different sources of financing to meet housing needs in their community.

NAHASDA is scheduled for reauthorization this year. The lack of significant private investment, functioning housing markets and the dire economic conditions most Indian communities face mean that federal dollars make up a significant amount of total housing resources for Native people. NAHASDA is integral to these resources and without the legislation specific to Indian communities, there would be few options left to house America's neediest citizens. We respectfully request for this Act's reauthorization and this Committee's active and vigorous support for it in the Senate.

In conclusion, I would like to thank you, Chairman Dorgan, Vice Chairman Thomas and the members of the Committee for your continuing support of Indian people. The National American Indian Housing Council is eager to work with the Committee on all the issues affecting Indian housing programs – no matter how difficult –that together we can achieve better - housing and a brighter future for America's first citizens.



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*The National American Indian Housing Council is a 501(c)(3) organization representing tribes and tribal housing organizations nationwide. It operates a national technical assistance and training program as well as the Native American Housing Resource Center in Washington, DC through an appropriation from the Congress administered by HUD. NAIHC's headquarters office is located at 50 F Street NW, Suite 3300, Washington, DC 20001; phone: (202) 789-1754; fax: (202) 789-1758; websites: [www.naihc.net](http://www.naihc.net), [www.nativeamericanhomebuyer.com](http://www.nativeamericanhomebuyer.com).*