



Housing Assistance Council

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**Testimony of Moises Loza
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Financial Services Committee, Housing and Insurance Subcommittee
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NAHASDA: 20 Years On

Thank you, Chairman Duffy and Ranking Member Cleaver, for the opportunity to share the input of the Housing Assistance Council (HAC) as the House Financial Services Committee's Housing and Insurance Subcommittee examines federal housing programs that affect Native American communities and reservations. HAC has long held that policymakers' personal understanding of rural and tribal housing conditions is essential. Thus, HAC commends the Subcommittee's field hearing location in a tribal community as it brings attention to tribal housing issues.

For 46 years, HAC has improved housing conditions for the rural poor with an emphasis on the poorest of the poor in the most rural places. HAC's "Worst in the Nation" report on Indian housing conditions in the 1970s set a foundation at HAC for ongoing research projects, training and technical assistance engagements, and lending in tribal communities. HAC's governance has long included tribal representation. HAC's comments are rooted in HAC's experience working with tribal organizations, but HAC notes the distinct nature and sovereignty of such communities. HAC welcomes further opportunities to share regional or local-specific information with the Subcommittee upon request.

In carrying out its work in Native American communities since 1971, HAC has heralded the extraordinary resilience of Native American communities. Such resilience coupled with adequate and sustained federal resources toward housing in Native American communities can be transformative.

Native American Housing Assistance and Self-Determination Act (NAHASDA)

As a long-time advocate for improved tribal housing conditions, HAC acknowledges the need to revisit and make improvements to NAHASDA. When discussing NAHASDA, including the 2015 NAHASDA Reauthorization Act (H.R. 360), two points are salient for HAC and our Native American partners:

1. Funding is paramount. HAC partners have noted NAHASDA's superiority to its predecessor programs, which were cumbersome and inadequately oriented toward tribal self-determination. However, HAC has long advocated (including in 2013 testimony before the Senate Committee on Indian Affairs) that congressional appropriations for NAHASDA are not adequate to meet the needs on tribal lands. In short, for NAHASDA to work, funding is essential. And recent funding levels are wholly inadequate.
2. In Native American communities, as in others, improved housing conditions are a precursor for improved health outcomes, educational outcomes, and community stability.

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Tribal stakeholders often remind HAC that vast overcrowding and substandard conditions in Native American housing (e.g., lack of plumbing, makeshift roofing, black mold) hold back all ages, but especially children, from thriving. Failure to address such conditions carries a deep human toll and social costs.

Last year, horrific housing conditions in Indian Country were uncovered by the Great Falls Tribune, which noted a housing shortage that “has lingered on U.S. Indian reservations for nearly a century.” Such reports are frustrating, because HAC and our Native American partners know what works: sustained funding of federal housing programs that meet the unique needs of sovereign Indian nations.

But currently, just maintaining baseline funding levels is a challenge. The first and most important step to addressing such conditions, whether in Blackfoot Nation, Turtle Mountain, Navajo Country, or elsewhere, starts with Congress. NAHASDA reduced regulations and allowed Indian tribes to determine the best use of block grants, an important recognition of Indian self-determination and tribal self-governance. But NAHASDA’s authorization expired in 2013; each year since, the program has continued, but with funding ill-matched for growing needs. Reauthorization by Congress would bring stability, when coupled with adequate resources.

Reauthorization of NAHASDA without adequate funding would be hollow. Federal funds for Indian housing have been virtually frozen for the past 20 years. Adjusted for inflation, NAHASDA has essentially been cut by 33 percent, despite a steady stream of reports including one from HUD in 2017 quantifying deep poverty and a corresponding lack of plumbing, heating, and functional electricity as all too typical for American Indians. The Administration’s proposed budget would cut block grants for Native American housing by approximately \$50 million. Fortunately, the House Appropriations Committee has rejected that reduction. Such a cut, when combined with proposed deep cuts to programs in the United States Department of Agriculture (USDA) and elsewhere that help to bring basic services to rural and tribal areas, would not only lead to more years of substandard conditions. The cuts would also thwart economic development and increased self-sufficiency.

Estimates vary for Native Americans’ needs for new and rehabilitated housing but, over the past decade-and-a-half, surveys have agreed that the challenge is severe. In a conservative estimate, the HUD report found that roughly 68,000 new housing units are needed to reduce overcrowding and replace severely deteriorated housing in tribal areas. Further demonstrating the inadequacy of existing housing stock, the National American Indian Housing Council and the U.S. Commission on Civil Rights have both reported that waiting lists from the Indian housing authorities have totaled at least 200,000 since the beginning of the last decade.

Other Federal Programs

HAC lauds increased attention to tribal housing and infrastructure in recent years from Congress and within the USDA Rural Development agencies, including the Rural Housing Service. But much work remains. At a 2016 hearing before the Senate’s Committee on Indian Affairs, tribal representatives reported a range of experiences in working with USDA Rural Development. Such comments align with experiences of HAC and our partners.

Without question, though, the amount of USDA Rural Development resources directed toward Native American communities and reservations is troubling. At the hearing, several Senators along with other officials lamented that about 1 percent of Rural Housing Service funding goes toward

Native American communities. Improving access to these programs requires political will from agency leaders coupled with sustained oversight from Congress.

In HAC's experience with such issues, it is important that Congress and federal agencies work with tribes to identify and address administrative barriers that thwart the delivery of federal resources to tribal communities. Examples exist of committed USDA Rural Development state directors (and others within the agency) taking actions to address tribal concerns and direct resources toward the needs of Native American communities and reservations. Similar examples come from the Veterans Administration. But such actions, in order to become the norm, must be ingrained in an agency's way of doing business. Congress can encourage such actions by calling attention to the need for them, especially during transitions in Administrations and as agency officials discuss their funding needs with Congress.

Need for Capacity Building and Technical Assistance

HAC has long advocated for sustained capacity building and technical assistance funding directed toward poor rural communities; such funding is particularly important for Native American communities, too many of which lack resources and capital to take on local housing needs. For HAC, capacity building means building long-term relationships and trust between HAC staff and tribal partners. It means providing low or no-cost access to trainings, information, and peer exchanges to build skills and share ideas as our local partners navigate an increasingly complex route to create affordable homes.

Unfortunately, federal funding has stagnated for rural-focused capacity building and technical assistance, including HUD's Rural Capacity Building program, USDA's Rural Community Development Initiative, and the capacity building provided through NAHASDA, thus impacting the ability of HAC and other national organizations to provide services that our Native American partners have repeatedly reported as essential. Such capacity building not only is necessary to improve housing conditions, but also is often a precursor to social entrepreneurship (e.g., Native-led Community Development Financial Institutions) in tribal communities.

Finally, increased capacity of Native American housing entities will result in better and more efficient utilization of federal and private sources of housing funding. For example, the 50-year-old self-help housing program has shown some promise in a tribal setting, tapping USDA and other resources to assist families building their own homes via contributions of "sweat equity." Unlocking such resources—often via public-private partnerships—is dependent on the sustained capacity of locally rooted organizations.

Thank you again to the Subcommittee for its attention to Native American housing and related issues. Adequate and decent housing for all Native Americans is a moral imperative. By listening to Native American stakeholders, the Subcommittee is taking an important step.