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**U.S. DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT**

**FIELD HEARING BEFORE THE SUBCOMMITTEE ON HOUSING AND  
COMMUNITY OPPORTUNITY**

**COMMITTEE ON FINANCIAL SERVICES  
UNITED STATES HOUSE OF REPRESENTATIVES**

**ON  
THE INDIAN VETERANS HOUSING OPPORTUNITY ACT OF 2009**

**APRIL 10, 2010**

Good morning Madam Chairwoman and Members of the Subcommittee. I am pleased to be here today to testify before the Committee on H.R. 3553, the “Indian Veterans Housing Opportunity Act of 2009.”

I am happy to be here to listen to, and learn from, the testimony of the Native American veterans and leaders who have also been invited here today. We at HUD are eager to learn from their experiences, and to work together to craft solutions that will benefit this distinguished group of citizens, American Indian veterans. On behalf of Secretary Donovan, I offer greetings to everyone here and thank you for coming today.

**INTRODUCTION**

Let me say early on that the Department is interested in doing all it can to provide decent, safe, and sanitary housing to Americans who have risked their lives to preserve our freedoms.

The 2008 Consolidated Appropriations Act provided \$75 million to fund the HUD-Veterans Affairs Supportive Housing voucher program. The HUD-VASH program combines voucher rental assistance for homeless veterans with case management and clinical services provided by communities and by the VA at 132 of its medical centers.

In addition, the HUD Veteran Resource Center, HUDVET, was created as a result of a unique partnership between national veteran service organizations and HUD. This directory, which is available on HUD's website, and which is also accessible by a toll-free telephone number, increases knowledge of, and participation in, the wide variety of HUD homeless assistance programs and services for veterans and other individuals who are homeless or at risk of becoming homeless. HUDVET is also a source of information on other related Federal programs, such those to combat domestic violence, enhance community and economic development, aid runaway youth, and increase affordable housing for senior citizens and Americans with disabilities.

It is our hope that, equipped with this knowledge, armed forces personnel and veterans can become more involved in the community-based planning and decision-making process, as well as increasing their use of services and local resources.

Regarding the bill under discussion today, H.R. 3553, HUD is currently reviewing it, and we look forward to working with Congress to develop legislation that promotes housing opportunities for Native Americans.

HUD is aware of the distinguished role Native Americans have played in the defense of our country. They have the highest rate of enlistment in our armed services of any group of Americans. These veterans, who wish to live on their homelands among their extended families, certainly deserve our deference and our full consideration of their unique circumstances. While here on the Navajo Nation, I cannot fail to mention the outstanding contribution made by the Navajo Code Talkers during World War II.

Since its inception, the Native American Housing Assistance and Self-Determination Act (NAHASDA) has been embraced by tribal leaders and Indian housing entities because it gives them the flexibility to design and run housing programs according to local needs. The Congressional Findings in the Act state that federal assistance shall be provided in a manner that recognizes the right of Indian self-determination and tribal self-governance by making such assistance available directly to the Indian tribes or tribally designated housing entities (TDHE) under authorities similar to those accorded Indian tribes in Public Law 93-638 (25 U.S.C. 450 *et seq.*).

### NATIVE AMERICAN HOUSING NEEDS

The 2000 U.S. Census reported that 4.3 million people self-identified as American Indians or Alaska Natives, and about 36 percent of that number lived in American Indian areas or Alaska Native village statistical areas<sup>1</sup>. In fiscal year 2010, HUD's Indian Housing Block Grant program served approximately 1.5 million Native Americans in their Indian service areas.

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<sup>1</sup> U.S. Census Bureau, Census 2000 summary File 4. *We the People: American Indians and Alaska Natives in the United States*, Census 2000 Special Reports, Issued February 2006.

Within the last decade, numerous studies have attested to the critical housing and economic development needs on tribal lands. HUD's research, using 2000 Census data, determined that, nationwide, almost 543,000 American Indian and Alaska Native households have "severe housing needs," which are defined as living in conditions that are overcrowded, substandard, or cost-burdensome.

According to a Harvard University study in 2002, approximately 40 percent of on-reservation housing is considered inadequate, as compared with roughly 6 percent nationwide. HUD also acknowledges the great need that still exists in most of Indian Country for safe, sanitary, and affordable housing.

The CDFI Fund in its *Native American Lending Study*, published in 2001, identified 17 major barriers to capital access, relating to legal infrastructure, government operations, economic, financial, and physical infrastructure, and education and cultural issues. A decade later many of these barriers remain. It is generally accepted that there is a need for 200,000 new housing units in Indian Country.

Each year, with average annual funding of about \$632 million, the Indian Housing Block Grant program (IHBG) has assisted approximately 7,500 families by providing the funds for a new home, or substantially rehabilitating an existing home. Approximately 5,000 more families each year are provided emergency housing assistance, and about 6,000 are provided some type of rental voucher through IHBG. IHBG funds are also used to maintain and manage existing housing stock, develop housing infrastructure, and protect residents of low-income housing with crime prevention and safety activities.

### ANALYSIS OF THE BILL

This bill would exclude VA disability compensation, and dependency and indemnity compensation, from the calculation of income for determining eligibility for the IHBG program, which is authorized by NAHASDA. It would amend the definition of "income" for purposes of program eligibility.

As in most government-assisted housing programs, income is used to determine eligibility for participation in the IHBG program. Most families that receive IHBG assistance must be low-income Indian families on a reservation or in an Indian area. The term "*low-income family*" is defined in the statute to mean a family whose income does not exceed 80 percent of the median income for the area, with adjustments for smaller and larger families. When determining income for admission, the tribe or TDHE must include income from all sources for each family member, with certain limited exceptions. The payments referred to in this bill are not excluded.

A mechanism already exists in the IHBG regulations whereby a tribe or its housing entity may use up to 10 percent of its IHBG funds to serve Native American applicants whose incomes are between 80 and 100 percent of median income. And, with HUD approval, a tribe may serve families who earn more than 100 percent of median income. However, under HUD regulations

at 24 C.F.R. 1000.110, these non-low-income residents must be charged more than low-income families.

NAHASDA was amended in 2008 to provide that a tribe may serve over-income Indian families if such action is determined to be essential to the well-being of the community. These families can be served by the program if their need for housing cannot reasonably be met without such assistance. Tribal leaders are currently meeting to negotiate regulations to implement this revised provision.

### CONCLUSION

This concludes my prepared statement. Thank you again for the opportunity to appear before you today to provide comments on H.R. 3553. I look forward to working with the Subcommittee on these issues now and in the future. I would be happy to answer any questions you may have.