

## **SECTION-BY-SECTION ANALYSIS OF THE NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION ACT OF 2007**

Section 1 – The short title is the “Native American Housing Assistance and Self-Determination Reauthorization Act of 2007”

Section 2 – Indian Housing Block Grant reauthorization and amendments

This section authorizes sums as necessary for the Indian Housing Block Grant for five years. In 2006 and 2007 the block grant was \$624 million (which is divided among more than 550 tribes by formula). The President’s 2008 budget requests \$627 million for the block grant.

The section makes the following amendments to NAHASDA:

- Federal Supply Sources – The purpose of this amendment is to make Federal supply sources through the GSA more accessible to tribes – for example, allowing tribes and TDHEs (tribally designated housing entities) to receive government discounts when traveling for housing business.
- Tribal Preference in Employment and Contracting – The purpose of this amendment is to expressly recognize tribal preference (pursuant to tribal law), in addition to Indian preference (which is already in statute), in hiring and contracting for NAHASDA activities.
- Program Income – The purpose of this amendment is to exclude from NAHASDA program income the development fee paid to tribes in connection with a low income housing tax credit project.
- Essential Families – This amendment permits tribes and TDHEs to provide housing or housing assistance through NAHASDA to any family determined to be essential to the well being of the community – Indian or non-Indian families. An example of an essential family is a doctor in a very rural area where other housing is not available.
- Eligibility of Local Law Enforcement Officers – This amendment adds “local” law enforcement as an eligible family for NAHASDA funding. Currently the reference is to “county” which in some cases is not sufficient to cover all law enforcement officers that serve Indian Country.
- Operation and Maintenance Costs – The amendment expressly provides that the NAHASDA grant may be used to support operational costs of units built with NAHASDA funds, such as rental assistance. In practice this already happens.
- Reserve Accounts – The amendment allows tribes to establish a reserve account up to 20% of their NAHASDA grant. It must be invested pursuant to NAHASDA requirements and any interest income is considered NAHASDA program income. The use of the funds is subject to the tribes housing plan approved by HUD. The fund will provide flexibility to tribes in managing their NAHASDA funds.
- Use of Grant Amounts over Extended Periods (Carry-over) – The amendment expressly permits a tribe to carry over its NAHASDA grant from year to year. In

practice this already happens. Carry-over funds are subject to a tribe's housing plan approved by HUD.

- De Minimis Exemption for Procurement – This amendment eliminates the competitive procurement rules and procedures for purchases of goods and services under \$5,000. (Tribes will no longer have to obtain a competitive bid for a \$20 hammer.)
- Availability of Records (Criminal background checks) – Tribes and TDHEs may currently obtain a criminal background check on tenants. This amendment expands the check to applicants for employment for work with a TDHE or doing housing-related work for a tribe.

### Section 3 – Self-Determined Housing Activities for Tribal Communities

This section creates a self-determination program whereby tribes may set aside 15% of their NAHASDA grant, up to \$1 million, for housing activities that are not approved or directly regulated by HUD. In 2011, HUD will conduct a review of the program based on results and report to Congress. Tribes are prohibited from using the money for infrastructure, commercial and economic development, and operating costs.

### Section 4 – HOME

This section provides that NAHASDA does not prohibit tribes from competing for HOME funds; and allows tribes to more freely compete for HOME funds. It clarifies that a state may not prohibit such competition for HOME funds based on NAHASDA.

### Section 5 – GAO Study of NAHASDA

Requires GAO to study the effectiveness of NAHASDA for tribes of different sizes; specifically with respect to smaller tribes for which grants of lesser or minimum amounts have been made under the Act. GAO must report to Congress in 12 months and make recommendations regarding any appropriate changes to NAHASDA derived from the study.

### Section 6 – Title VI loan guarantees education program and reauthorization of the loan guarantee program

This section requires HUD to conduct educational seminars with tribes on how to utilize the loan guarantee program authorized under Title VI and reauthorizes sums as necessary for the Title VI loan guarantee program for five years. Under the Title VI loan guarantee program, tribes can use future NAHASDA grants as collateral to obtain loans for housing activities.

### Section 7 – Title VII training and technical assistance reauthorization

This section reauthorizes sums as necessary for a national organization that represents the housing needs of tribes to provide training and technical assistance to tribes regarding

housing. It is likely that this funding would go to the National American Indian Housing Council. It was funded at \$4 million in previous years, which money comes from the full NAHASDA grant.

#### Section 8 – Title VIII Native Hawaiian block grant reauthorization

This section reauthorizes sums as necessary for the housing assistance program and block grant for Native Hawaiians for five years. It makes no program changes. The Native Hawaiian block grant was \$9 million in 2006 and 2007. The President's budget requests \$6 million for 2008.