



806 SW Broadway, Suite 900
Portland, OR 97205

T 503.242.1745
F 503.242.1072

HOBBSSTRAUS.COM

MEMORANDUM

May 1, 2017

To: HOUSING CLIENTS

From: HOBBS, STRAUS, DEAN & WALKER, LLP

Re: ***Agreement Reached on Appropriations for Remainder of FY 2017;
IHBG and ICDBG Funding to Remain at FY 2016 Levels***

Congressional leaders have announced an agreement on an Omnibus Appropriations bill that will fund the federal government through the end of FY 2017. Doing so averts the possibility of a federal government shut-down, which would have been the result of a failure to reach agreement by Friday, May 5, 2017. The agreement also frees Congress to take up other priorities, including work on the budget for FY 2018. The agreement is expected to pass both houses of Congress and to be signed by the President later this week.

Congress had previously adopted a Continuing Resolution (CR) for FY 2017 funding that was due to expire on April 28, 2017. Late last week, Congress adopted a one-week CR that goes through May 5, 2017. The agreement on an Omnibus Appropriations bill means that the government will be funded through September 30, 2017.

The Omnibus Appropriations bill largely maintains funding at FY 2016 levels. It does include an increase in defense spending of \$15 billion (approximately half of what the Administration sought), and an increase in appropriations for “border security” of \$1.5 billion (though such funding cannot be used for the “border wall” that is a priority of the Administration). The bill also increases funding for the National Institutes of Health, preserves funding for Planned Parenthood, and makes permanent federally-funded health care benefits for retired coal miners (these last three items were points of contention over the possible shut-down). The bill also does not contain the approximately \$18 billion in cuts to domestic programs that the Administration had sought.

The bill keeps Indian housing appropriations at their FY 2016 levels. (Attached is a managers’ summary of the Transportation-HUD provisions of the bill.) The Indian Housing Block Grant appropriation is \$654 million, with \$3.5 million for training and technical assistance (and with \$2 million of that going to “a national organization as authorized under section 703 of NAHASDA”), \$3.5 million to HUD for inspection of Indian housing units, contract expertise, training, and technical assistance”, and \$2 million to the Title VI Loan Guaranty program (to guaranty a maximum of \$17,857,142

in loans). The provision concerning the IHBG also contains the same language as in previous years concerning unexpended funds: recipients whose unexpended funds in LOCCS exceeds more than three times the current appropriation will have their 2017 appropriation reduced (with this provision applicable only to those recipients receiving \$5 million or more in IHBG). The bill also provides \$5.5 million to the Section 184 Loan Guaranty (to guaranty a maximum of \$1,341,463,415). The bill funds the Native Hawaiian Housing Block Grant at \$2 million. The bill also funds the Indian Community Development Block Grant at \$60 million, with up to \$4 million for “emergencies that constitute imminent threats to health and safety.”

If you have any questions about the items in this memorandum, please do not hesitate to contact Edmund Clay Goodman at EGoodman@hobbsstrauss.com or by phone at (503) 242-1745.