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MEMORANDUM

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TO: TRIBAL HOUSING CLIENTS

FROM: Ed Clay Goodman & Cari L. Baermann HOBBS, STRAUS, DEAN & WALKER, ELP

RE: NAIHC April 7, 2025 Legislative and Advocacy Strategy Session

This memorandum reports on a legislative and advocacy strategy session held by the National American Indian Housing Council (NAIHC) on April 7, 2025. NAIHC Board Chair Bobby Yandell and Tribal Interagency Advisory Committee Chair Jackie Pata facilitated the session, which included partners from outside the Indian housing world (Native Community Development Financial Institutions [CDFIs], Tribal education, and Tribal health) as well as non-Indian low-income housing advocates. The discussion, which took place over 90 minutes, was held in the NAIHC offices in Washington DC, with a number of participants joining by videoconference. The discussion covered three major topics: NAHASDA reauthorization; Native CDFIs; and the recently announced Joint Task force on housing on federal lands.

a. New Administration and Congress

Paul Moorehead, the NAIHC's outside lobbyist, gave an update on the new administration and new Congress for context. In the last Congress, which was divided between Republican control of the House and Democratic control of the Senate (with a Democrat in the White House), Congress passed only nine bills related to Indian tribes, and most of those were tribal-specific bills. This was not particularly productive. The Senate passed a NAHASDA reauthorization bill and attached it to a must-pass bill – the National Defense Authorization Act (NDAA) – but the House did not include it in its version of the NDAA, and NAHASDA was dropped during the House/Senate conference.

The new Congress (119th) is marked by Republican control of both the House and the Senate (by narrow majorities) as well as by a Republican administration in the White House. This presents some opportunities for Indian Country, as well as some challenges. As everyone is aware, the new Trump Administration began with an "explosion" of Executive Orders, many of which targeted funding and staffing for federal agencies (particularly aimed at any "diversity, equity, and inclusion" [DEI] initiatives), including funding and agencies that provide services to Indian tribes. Several agencies, including the United States Department of Housing and Urban Development (HUD), Department of Interior (DOI), and Department of Health and Human Services (HHS), subsequently issued orders or legal memorandum noting that tribal-specific programs were not covered by the anti-DEI executive orders.

The House and the Senate recently finished work on FY2025 appropriations, passing a continuing resolution for the remainder of the fiscal year, and have begun work on FY2026 appropriations. Both chambers have also passed a ten-year budget reconciliation bill, but the versions are very different.

b. Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) Reauthorization

The discussion then turned to NAHASDA reauthorization. Mr. Moorehead noted that the last time NAHASDA was reauthorized was in 2008, nearly 17 years ago, and that reauthorization expired in 2013. He noted that an unauthorized statute risks the loss of federal appropriations pursuant to that statute. He noted, as we have reported previously, the Senate passed a NAHASDA reauthorization bill in 2024, but the bill did not make it past the House, and was dropped in the conference on the NDAA. The Senate Committee on Indian Affairs (SCIA) Chair Brian Schatz (D-HI) and Vice Chair Lisa Murkowski (R-AK) have communicated that they are committed to passing NAHASDA again this year.

One of the main obstacles in the House has been in the House Financial Services Committee. Over the past several sessions Ranking Member Maxine Waters (D-CA) has sought to insert a resolution to the Cherokee "Freedmen" issue into the draft bill (i.e., by requiring that the Cherokee Nation take certain steps with regard to the Freedmen as a condition of receiving Indian Housing Block Grant funds). In addition, there has been a lack of interest overall. However, Mr. Moorehead noted that there is "reason for hope" this session. First, there are new members of the Housing Subcommittee, including Chairman Mike Flood (R-NE), who has signaled a strong interest in reauthorization generally and in NAHASDA reauthorization specifically (see the attached article from Punchbowl). Representative Flood has heard from Representative Tom Cole (R-OK, and Chair of the House Appropriations Committee) that NAHASDA reauthorization is a priority. In addition, there is a new member, Troy Downing (R-MT), who has several tribes in his district. NAIHC has had some early, positive discussions with their respective staffs. This in combination with a strong ally in SCIA, the outlook is somewhat optimistic.

Ms. Pata and Mr. Yandell both noted that the plan for this year is to pass NAHASDA reauthorization "no matter what." Ms. Pata circulated a NAHASDA reauthorization handout from NAIHC that includes the priorities and talking points for a NAHASDA reauthorization bill (attached). At the meeting, Ms. Pata said NAIHC would push for the following items to be included (but noting that reauthorization was the priority and NAIHC would consider dropping some items if needed to get that done):

- Reauthorization term of 10 years
- Consolidate and streamline reporting to HUD
- Repeal Build America Buy America as applied to Tribal housing
- Fix issues with Continuum of Care
- Fix issues raised by HUD's housing counseling regulations

- Remove prohibition against using IHS sanitation funds for NAHASDA-funded housing projects
- Make Tribal HUD-VASH permanent
- Address the 30% maximum rent rule by allowing Tribes to set their own rents
- Authorize 99-year lease terms for all Tribes for housing purposes
- Authorize reports to Congress
- Include Native Hawaiian provisions
- TDHEs can operate their programs without annual certifications from the Tribes

A participant raised the question of what NAIHC's strategy will be to address the issues raised by Representative Waters regarding the Cherokee Freedmen issue. The response included additional education and outreach to Representative Waters and other Committee members, working with both Republican and Democratic leadership, and repeated contacts and "relentless pressure." The last point was made by the new NAIHC Executive Director, Rudy Soto, who said that NAIHC plans to be on the Hill and in offices "a lot" in the upcoming months.

c. Native CDFIs

The discussion of Native CDFIs focused on challenges and opportunities under the new Administration and Congress. The new Administration is posing cuts to CDFI Fund staff as well as for zeroing out CDFI funding. It was noted, however, that the first Trump Administration also proposed zeroing out CDFI funding, but that Congress always restored it. This will require advocacy, but these are also opportunities to educate members of the Administration and Congress of the values of CDFIs. Secretary Turner will be a prime focus of these efforts, specifically to show him how effectively CDFIs are at leveraging federal funds.

The advocacy strategy will have multiple prongs. First will be reaching out to Republican legislators in states where Native CDFI funding has been used successfully, in order to persuade them to be advocates for and defenders of the CDFI program. Second will be the ongoing effort to educate and work with Secretary Turner. Third will be the development of data on the utility and necessity of Native CDFIs. Fourth will involve demonstrating the effectiveness of CDFIs at leveraging federal dollars.

d. HUD–DOI Joint Task Force on Federal Lands for Housing

As we previously reported, on March 17, 2025, HUD Secretary Turner and DOI Secretary Burgum announced a joint task force to reduce housing costs and open access to <u>underutilized federal lands suitable for residential development</u>. Secretary Turner and Burgum published an article in the Wall Street Journal about the task force, titled "Federal Land Can Be Home Sweet Home." <u>https://www.wsj.com/opinion/federal-land-can-be-home-sweet-home-joint-task-force-hud-interior-department-housing-affordability-3a281d36</u>. The main points of the article are set out in the first three paragraphs:

America needs more affordable housing, and the federal government can make it happen by making federal land available to build affordable housing stock.

The Interior Department oversees more than 500 million acres of federal land, much of it suitable for residential use. The Department of Housing and Urban Development brings expertise in housing policy and community development. Together we are creating the Joint Task Force on Federal Land for Housing to increase housing supply and decrease costs for millions of Americans.

Under this agreement, HUD will pinpoint where housing needs are most pressing and guide the process by working with state and local leaders who know their communities best. Interior will identify locations that can support homes while carefully considering environmental impact and land-use restrictions. Working together, our agencies can take inventory of underused federal properties, transfer or lease them to states or localities to address housing needs, and support the infrastructure required to make development viable—all while ensuring affordability remains at the core of the mission.

The article goes on to discuss the need for removing regulatory barriers: "Historically, building on federal land is a nightmare of red tape—lengthy environmental reviews, complex transfer protocols and disjointed agency priorities. This partnership will cut through the bureaucracy. Interior will reduce the red tape behind land transfers or leases to public housing authorities, nonprofits and local governments." Neither the article nor the press release linked above provide much more detail on the type of housing or which lands will be selected and used. This task force presents both a cause for concern (including whether the agencies anticipate identifying "unused" tribal lands held in trust for this purpose without first consulting with the tribes) as well as an opportunity to direct additional housing resources to tribal lands in a government-to-government manner.

The bottom line is that Tribes need more information, and need to be a part of the discussion going forward. HUD is still trying to figure out how this concept will work, and that presents an opportunity for Tribes to weigh in with approaches that will benefit Indian Country.

Conclusion

If you have any questions about this memorandum or any of the topics discussed within, please contact Ed Clay Goodman (<u>egoodman@hobbsstraus.com</u>) or Cari Baermann (<u>cbaermann@hobbsstraus.com</u>). Both may also be reached at 503-242-1745.