



## ASSOCIATION OF ALASKA HOUSING AUTHORITIES

*Building communities, empowering Alaskans.*

### 2019 FEDERAL LEGISLATIVE PRIORITIES

**Priority # 1: Ensure that the Census Bureau data on Alaska Natives and American Indians is accurate throughout Alaska.**

Request: Increase the accuracy of the Census Bureau data by allocating sufficient resources to properly administer Census programs, implementing more efficient information technology systems and data collection methods to reduce the risk of an undercount in Alaskan communities.

**Priority # 2: Respond to the severe underfunding of the Indian Housing Block Grant Program and ensure that “need” is not redefined outside of the Negotiated Rulemaking Process.**

Request: Continue funding an additional \$100 million appropriation competitive grant program for the Native American Housing Block Grant and honor the definition agreed upon through Negotiated Rulemaking for determining “Need” for any funding administered through HUD Office of Native American Programs (ONAP).

**Priority # 3: Support the Bureau of Indian Affairs, Housing Improvement Program (BIA HIP).**

Request: Support the BIA HIP in BIA funding appropriations to serve the lowest income population and improve deteriorating housing stock and provide low income homebuyers with down payment assistance when they qualify for a home mortgage.

“Dedicated to Increasing the Supply of Safe, Sanitary and Affordable Housing in Alaska”

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## AAHA FY 2019 Federal Legislative Priorities

**Priority # 1:** Ensure that the Census Bureau data on Alaska Natives and American Indians is accurate throughout Alaska.

**Request:** Increase the accuracy of the Census Bureau data by allocating sufficient resources to properly administer various Census programs to reduce the risk of an undercount in Alaskan communities.

**Status / Background:** Underfunding Census Bureau data collections significantly increases the risk that Alaskans will go uncounted, particularly in hard-to-count communities such as those with a high proportion of Alaska Native persons. According to U.S. Census Bureau estimates, the 2010 U.S. Census undercounted Alaskans living in the state's many special-enumeration tracts by almost 8%. This is deeply concerning because two-thirds of all Alaskans live in Hard-to-Count Census tracts, making them particularly prone to undercounting.

The American Indian and Alaska Native (AIAN) population is notoriously difficult to count accurately. Unfortunately, pressures on the Census Bureau's budget may compel the Bureau to use new, alternative methods to count the AIAN population in Alaska. For example, the Census Bureau will introduce Internet response for the first time in 2020. Also, the Bureau is changing how it identifies which housing units and group quarters to contact. These shifts in methodology are largely driven by budgetary concerns; unfortunately, these changes also have the potential to disproportionately impact Alaska's AIAN population. In 2010, Census personnel scoured every road in America to identify housing units. In 2020, they will rely instead on aerial photographs and administrative records. This change may impact data quality for Alaska. It is critical that the Census Bureau commit to using methodologies that will produce accurate counts for Alaska's AIAN population and that Congress provide the Bureau sufficient funding for that purpose.

An accurate Census count is important to AAHA members. The consequences of an undercount of Alaskans in 2020 include: decreased federal funding, reductions in essential services such as infrastructure repairs, decreased funding for education and social safety net programs, improper enforcement of laws protecting vulnerable populations, and less accurate data available to tribes and tribal organizations.

**Priority # 2:** Respond to the severe underfunding of the Indian Housing Block Grant Program and ensure that "need" is not redefined outside of the Negotiated Rulemaking Process.

**Request:** Continue funding an additional \$100 million appropriation competitive grant program for the Native American Housing Block Grant and honor the definition agreed upon through Negotiated Rulemaking for determining "Need" for any funding administered through HUD Office of Native American Programs (ONAP).



**Status / Background:** Indian housing is not merely a federal entitlement or “discretionary program,” but, like many other Indian programs, has its roots in a solemn trust responsibility to Indian nations and peoples. Housing conditions in Indian country are well documented as being some of the worst of the worst. Alaska Natives suffer from escalating and above national average rates of overcrowding, inadequate housing, and unemployment, both as to the general U.S. population, and within the Native American population as well. Indian housing programs have a unique legal and equitable justification for discrete consideration apart from actions taken relative to other federally funded programs, *including in particular, those within HUD.*

Title I of the Native American Housing and Self Determination Act (NAHASDA), the Indian Housing Block Grant, authorizes an allocation of funding for affordable housing programs in Alaska and across Indian Country. This program has essentially been flat-funded since NAHASDA passed in 1996 and continues to be grossly underfunded due to general inflation, overall increased costs of construction, and population growth. From FY 1999 to FY 2017, using the BLS Inflation Calculator, the purchasing power of \$654 million in 2018 equaled to \$444 million in 1999 dollars, which exceeds a 30% reduction. Or, in other terms, the 2018 IHBG allocation would exceed \$990 million in order to equal the investment Congress made in the program in 1998.

Approximately half of all available IHBG funding is committed to providing operating assistance to housing units built prior to NAHASDA, units that are today more than twenty years old. Only after that funding is allocated can the remaining IHBG funding be allocated to Tribes to address unmet housing needs. However, the costs of operating and maintaining all of the NAHASDA units built over the past 20 years comes out of this “Needs” portion of the allocation. Increasingly, this leaves less and less funding to meet housing needs that continue to grow. The HUD Housing Needs Assessment confirms that new development has begun to slow. We believe that is primarily because tribes need to use more of the available NAHASDA Needs Funding just to keep the lights on and the doors open.

Under the 2018 appropriations, an additional \$100M was allocated to the Native American Housing Block Grant program as a competitive program. This funding is a start to help address the critically eroded funding of the Native American Housing Block Grant, providing a boost in serving the housing needs of Alaska and Indian Country. The appropriation language for the competitive funding stipulates that recipients of the funding will be determined based on “need” and capacity. Tribal and Federal governments have already negotiated how the term “need” is to be determined for purposes of the Native American Housing Block Grants. The Association of Alaska Housing Authorities (AAHA) urges the US Department of Housing and Urban Development to not redefine the term “need” as it relates to funding the Native American Housing Block Grants, including the \$100MM competitive grants pool created by the Appropriations Act of 2018.



To redefine the term “need” would disregard the careful, extensive, and open process that the tribes and the federal government used to reach agreement on how “need” is determined for NAHBG purposes. In fact, any such attempt would lack transparency and fail to consider how need manifests differently in diverse tribal communities. For example, tribal members in remote Alaska may have nominally higher incomes than tribal members in some other parts of the country; however, they may also pay \$13.00 for a gallon of fuel to heat their homes in temperatures that dip to 50 degrees below zero in the winter. One tribal community may face housing crises due to methamphetamine contamination while another faces the loss of homes due to coastal erosion. The NAHBG allocation formula was carefully crafted to consider these circumstances. It would be inappropriate and unjustified to attempt to change how need is determined for any allocation of NAHBG resources using anything other than a full and transparent Negotiated Rulemaking process.

The divergent and critical needs of different parts of Indian Country cannot be easily rationalized into a perfect formula. However, the formula from consensus-based Negotiated Rulemaking is the best process we have to rationalize those divergent conditions. Indeed, because the process requires agreement amongst all of the tribes, rather than just the majority, it is the closest manifestation of the title of the enabling law, the Native American Housing and Self Determination Act.

**Priority # 3: Support the Bureau of Indian Affairs, Housing Improvement Program (BIA HIP).**

**Request: Support the BIA HIP funding appropriations in the amount of \$8M.**

**Status / Background:** After being funded at \$23.1 million in 2005, the Bureau of Indian Affairs, Housing Improvement Program (BIA HIP) was eliminated from the FY 2008 budget in order to fund other priorities. The funding has since been restored but at a lower level and has been targeted for elimination in the Department of Interior Budget requests for 2018 & 2019. In FY 2018, the BIA HIP program was funded at approximately \$8 million. Alaska’s demonstrated need in 2016 based on eligible applicants, exceeded \$202 million and approximately \$1.5 million was received.

The BIA HIP serves the lowest income population to improve deteriorating housing stock across the state. Categories A, B & C provide a grant to repair an existing home or to purchase/construct a new home for individuals typically disqualified for financing due to extremely low income. Category D is a fairly new program, becoming permanent in 2016. Under Category D, homebuyers are eligible to receive down payment assistance when they qualify for a home mortgage. This funding has been leveraged with other funding sources to make homeownership a reality for tribal members in Alaska. As program awareness increases, we see the Category D as being a critical tool for tribal members to continue to increase homeownership in rural Alaska.



Additionally, the Indian Health Service prioritizes BIA HIP recipients for water and sewer infrastructure to new and like-new housing. According to the HUD Housing Needs Assessment, infrastructure is one of the top three factors that increase the cost of developing new housing and sustaining existing housing. To compensate for the lack of infrastructure, homeowners often must fund necessary infrastructure themselves. Prioritization for ANTHC water and sewer projects increases the chance that homeownership can become a reality for tribal members.

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