

PUBLIC AND INDIAN HOUSING  
 NATIVE AMERICAN HOUSING BLOCK GRANTS  
 2006 Summary Statement and Initiatives  
 (Dollars in Thousands)

NATIVE AMERICAN HOUSING BLOCK GRANTS	<u>Enacted/ Request</u>	<u>Carryover</u>	<u>Supplemental/ Rescission</u>	<u>Total Resources</u>	<u>Obligations</u>	<u>Outlays</u>
2004 Appropriation .....	\$654,100	\$127,025 <sup>a</sup>	-\$3,859	\$777,266	\$663,435	\$675,361 <sup>b</sup>
2005 Appropriation .....	627,000	118,097 <sup>c</sup>	-26,016	719,081	621,969	717,000 <sup>b</sup>
2006 Request .....	<u>582,600</u>	<u>97,112</u>	<u>...</u>	<u>679,712</u>	<u>583,000</u>	<u>727,000</u>
Program Improvements/Offsets .....	-44,400	-20,985	+26,016	-39,369	-38,969	+10,000

a/ Includes \$2.9 million in recaptures and \$611 thousand in permanent indefinite authority for Title VI Loan Guarantee upward re-estimate.

b/ Does not include \$611 thousand in permanent indefinite authority in fiscal year 2004 and \$4.3 million of permanent indefinite authority in fiscal year 2005.

c/ Includes \$4.3 million in permanent indefinite authority for Title VI Loan Guarantee upward re-estimates.

**Summary Statement**

The Budget proposes an appropriation of \$583 million for the Native American Housing Block Grant (NAHBG) program in fiscal year 2006. This represents a \$39 million decrease from the fiscal year 2005 appropriations. The funding level recognizes the low-income housing needs that exist in Indian country. This program provides a formula grant, based on need and the number of HUD-funded units in management, for housing and housing-related assistance either directly to eligible Indian tribes or through their Tribally Designated Housing Entities (TDHEs). Beginning in fiscal year 1998, the first year of funding, and continuing through fiscal year 2004 appropriation, the total funding to the grant recipients during this 7-year period has been \$4.4 billion. During this time, on average, annually 58,000 Native American households received assistance with NAHBG funds; however, it was discovered that the Department significantly exceeded its goal by assisting 173,703 households during fiscal year 2004. During 2003 and 2004, the Department improved its data tracking system used for measuring program accomplishments. This new tracking system provides a more accurate measure of program performance. Based on this newly developed data tracking system, the Department has established a more appropriate goal of assisting 170,000 families during each of fiscal years 2005 and 2006 with the amount requested.

This request includes \$4.8 million for credit subsidy to support loan guarantee authority of \$37.9 million, based on a subsidy rate of 12.26 percent for the Title VI Tribal Housing Activities Loan Guarantee program. A total of \$150 thousand is requested for administrative expenses to carry out the costs associated with the guaranteed loan program, which will be transferred and merged with the Department's appropriation for Salaries and Expenses.

No funds are included for the National American Indian Housing Council (NAIHC). Currently, the NAIHC has approximately \$8 million in unspent funds from prior Federal appropriations. This request includes up to \$2.3 million for training and technical assistance in the training, oversight and management of Indian housing and housing-related assistance. This request also includes \$57.8 million for Native American Housing and Economic Development Block Grant activities that will be transferred to this account.

**Initiatives**

In fiscal year 2006, the Department is transferring Native American Housing and Economic Development Block Grants, a set-aside, from Community Development Fund for Indian tribes to this program.

Native American Housing Block Grants

PUBLIC AND INDIAN HOUSING  
 NATIVE AMERICAN HOUSING BLOCK GRANTS  
 Summary of Resources by Program  
 (Dollars in Thousands)

<u>Budget Activity</u>	<u>2004 Budget Authority</u>	<u>2003 Carryover Into 2004</u>	<u>2004 Total Resources</u>	<u>2004 Obligations</u>	<u>2005 Budget Authority</u>	<u>2004 Carryover Into 2005</u>	<u>2005 Total Resources</u>	<u>2006 Request</u>
Formula Grants .....	\$638,888	\$96,676	\$735,564	\$652,100	\$610,774	\$83,464	\$694,238	\$517,709
Loan Guarantee - Title VI (Credit Subsidy) ..	1,839	22,716	24,555	1,689	-19,165	27,132	7,967	4,650
Administrative Expenses	149	...	149	149	149	...	149	150
Technical Assistance ..	4,474	7,633	12,107	4,606	4,464	7,501	11,965	2,308
National American Indian Housing Council	2,187	...	2,187	2,187	2,183	...	2,183	...
Working Capital Fund ..	2,704	...	2,704	2,704	2,579	...	2,579	...
Indian Tribes .....	...	...	...	...	...	...	...	57,783
Total Native American Housing Block Grants	650,241	127,025	777,266	663,435	600,984	118,097	719,081	582,600

<u>FTE</u>	<u>2004 Actual</u>	<u>2005 Estimate</u>	<u>2006 Estimate</u>
Headquarters .....	30	27	27
Field .....	119	119	120
Total .....	149	146	147

Native American Housing Block Grants

**PUBLIC AND INDIAN HOUSING  
NATIVE AMERICAN HOUSING BLOCK GRANTS  
Program Offsets  
(Dollars in Thousands)**

<b>Formula Grants</b>	<u>Amount</u>
2004 Appropriation .....	\$638,888
2005 Appropriation .....	610,774
2006 Request .....	<u>517,709</u>
Program Improvements/Offsets .....	-93,065

<b>Native American Block Grant - Summary of Grant Activity</b>	<u>Actual 2002</u>	<u>Actual 2003</u>	<u>Actual 2004</u>	<u>Estimate 2005</u>	<u>Estimate 2006</u>
<b>Modernization and Housing Operations</b>					
Current Assisted Stock (1937 Act) Units .....	70,685	66,580	64,691	63,273	61,835
<b>Development a/</b>					
Rental Units constructed, acquired, or rehabbed .....	800	880	970	1,070	1,175
Homeownership Units constructed, acquired, or rehabbed .....	2,450	2,700	2,950	3,250	3,600
Total Units constructed, acquired, or rehabbed .....	3,250	3,580	3,920	4,320	4,775
<b>Performance Measures</b>					
Number of Families Assisted b/.....		87,169	173,703	170,000	170,000
Number of Units Overcrowded .....		48,083	45,054	44,587	44,125

a/ Fiscal year 2002 actual for development based on average (1998-2002).

b/ Indian tribes are Sovereign Nations that determine independently what category of eligible activities will be pursued with each fiscal year's block grant allocation. Through preliminary discussions and sharing of advance planning information it has been determined that the number of families to be served will fluctuate widely from year-to-year, due to the type of projects generally being planned. Based on an individual tribe's formula block grant amount, a tribe develops its housing plan to provide affordable housing to its members based on individual needs. Many larger tribes will be able to develop both infrastructure and housing units with its annual funding; other tribes will develop infrastructure with one grant and housing with future years' grants. Also, in any fiscal year a tribe may determine that there is a greater need to rehabilitate existing units than develop new units. Some years most tribes will plan to use their block grant allocations to pay for relatively inexpensive repairs to older homes (e.g. new roofing, storm windows and doors, room additions, etc.), which would reflect a dramatic increase in the number of families served over other years when the same amount of funds were used to build new single family homes. In response to the program evaluation conducted in fiscal year 2002, the data contained here on the number of households assisted also reflects substantially improved data collection and use of new standardized data definitions created subsequent to the program evaluation.

Proposed Actions

## Native American Housing Block Grants

In 1996, to recognize the unique nature and needs of American Indian and Alaska Native areas, Congress enacted the Native American Housing Assistance and Self-Determination Act (NAHASDA, P.L. 104-330) to better assist Native American people and their communities. The NAHBG program provides funds to tribes or their Tribally Designated Housing Entities (TDHE) to meet their critical housing needs through housing block grants designed to maintain existing units previously developed with HUD funding, to develop new units, to provide interest rate buy downs, down payments, loans and many other affordable housing activities as defined in Section 202 of the Act. NAHASDA stipulates that each eligible Indian tribe or its TDHE receive annually a single block grant to meet the housing and housing-related needs within their community. The tribe or TDHE must submit a 1-year and 5-year Indian Housing Plan (IHP), consisting of a mission statement, goals and objectives, needs statement, statement of financial and affordable housing resources, and proposed activities designed to meet the housing needs identified in the Plan. Grantees must indicate in the IHP that they will continue to manage and maintain existing dwelling units developed with HUD funds. If the IHP is found to be in compliance, the tribe receives funds through the annual formula allocation.

Several performance measures were established to respond to the program evaluations that are designed to improve the efficiency and effectiveness of the program. The fiscal years 2004 and 2005 performance goals are:

The number of households receiving assistance with NAHBG, NHHBG, and ICDBG is 69,430 for fiscal year 2004 and 70,124 for fiscal year 2005.

Assist Tribes in the implementation of 80 percent of the Action Plans developed to address overcrowding (24 tribes in fiscal year 2004 and 34 Tribes in fiscal year 2005).

Assist 12 new Tribes to develop Action Plans to address overcrowding in fiscal years 2004 and 2005.

Reduce overcrowding by 1 percent a year to 47,602 households in fiscal year 2004 and 47,126 households in fiscal year 2005.

Increase rental housing units by 10 percent over preceding fiscal year level.

Increase homeownership units built, acquired, or converted by 10 percent over preceding fiscal year level.

Increase the number of loans, or other financial obligations, guaranteed under the Title VI program by 15 percent in fiscal year 2004 over fiscal year 2003 levels. In fiscal year 2005, an increase in the number of loans, or other financial obligations, guaranteed under the Title VI program, by 150 percent in fiscal year 2005, over fiscal year 2004 levels. In fiscal 2004, activity declined slightly; however, the current pipeline of Title VI loan applications in process at the end of the first quarter of fiscal year 2005 exceeds the number of loan guarantees issued in fiscal year 2004.

Office of Native American Programs (ONAP) has developed statistical profiles for several tribes and statistical indicators of need have been developed for each eligible NAHBG recipient using 2000 Census information, which the Department believes are the most objective and reliable data provided. In addition, other performance measures for ONAP programs and operations are being developed, implemented, and accomplished for fiscal years 2005 and 2006.

In addition, to respond to the program evaluation, the ONAP Performance Tracking System has been developed, tested, and placed in production. Area ONAP office staff are currently entering year-end information on NAHBG from grantee Annual Performance Reports and tracking logs to supplement disbursement information from the HUD LOCCS system.

## Native American Housing Block Grants

The NAHBG allows grant recipients to develop and support affordable rental and homeownership housing and provide housing services through the following eligible activities:

Development. Grant funds may be used to support acquisition, new construction, reconstruction, and the moderate or substantial rehabilitation of affordable housing, and may include real property acquisition, site improvement, development of utilities and utility services, conversion of a project to homeownership, demolition, financing, administration and planning, and other related activities.

Indian Housing Assistance. Indian housing assistance provides for modernization and operating assistance for housing previously developed or operated under a contract between the Department and an Indian Housing Authority, currently the tribe or TDHE.

Housing Services. Funds may be used to provide housing counseling for rental or homeownership assistance, establishment and support of resident management organizations, energy auditing, supportive and self-sufficiency services, and other related services assisting owners, residents, contractors and other entities, participating or seeking to participate in eligible housing activities.

Housing Management Services. Grant funds may be used to provide management services for affordable housing, such as preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

Crime Prevention and Safety Activities. Funding may be provided for safety, security, and law enforcement measures with activities appropriate to protect residents of affordable housing from crime.

Model Activities. The Department may approve housing activities under model programs that are designed to develop and support affordable housing. This complies with the mandate that new housing opportunities be developed, utilizing a wide variety of creative approaches. This ensures long-term viability by implementing ideas that supplement limited Federal grant funds with other sources of capital, loans, buy-downs, and other financing mechanisms.

Native American Housing Block Grants

**PUBLIC AND INDIAN HOUSING  
NATIVE AMERICAN HOUSING BLOCK GRANTS  
Program Offsets  
(Dollars in Thousands)**

<b>Loan Guarantee - Title VI (Credit Subsidy)</b>	<u><b>Amount</b></u>
2004 Appropriation .....	\$1,839
2005 Appropriation .....	-19,165
2006 Request .....	<u>4,650</u>
Program Improvements/Offsets .....	+23,815

<b>Title VI Housing Loan Guarantee - Summary of Loan Activity</b>	<u><b>Actual</b></u> <u><b>2004</b></u>	<u><b>Estimate</b></u> <u><b>2005</b></u>	<u><b>Estimate</b></u> <u><b>2006</b></u>
Number of Loan Commitments.....	4	10	15
Number of Loans Endorsed .....	4	10	15
Average Loan Size of Endorsed Loans .....	\$2,551	\$2,650	\$2,635
Number of Loans in Delinquent Status at End of fiscal year .....	0	0	0
Number of Loans that Defaulted in fiscal year .....	0	1	0
Total Number of Loans in Default .....	0	1	1
Loan Guarantee Commitment Limitation .....	16,658	17,926	37,928
Subsidy Rate .....	10.56	10.32	12.26

**Proposed Actions**

Title VI Federal Guarantees for Financing for Tribal Housing Activities. The Budget includes a set-aside of \$4.8 million for the continuation of the Title VI Indian Federal Loan Guarantee Program. The loan guarantee made under this program shall guarantee repayment of 95 percent of the unpaid principal and interest due on the obligations guaranteed. This program is authorized by Section 601 of NAHASDA, P.L. 104-330. This request will support loan guarantee authority of \$37.9 million, based on a subsidy rate of 12.26 percent for the Title VI Tribal Housing Activities Loan Guarantee program. The fiscal year 2006 Budget request represents an increase in the level of funding from the fiscal year 2005 Budget Request. The program provides loan guarantees for Native American Housing Block Grant recipients (Indian tribes and Tribally Designated Housing Entities) in need of additional funds to engage in NAHASDA-eligible affordable housing activities. The program provides a mechanism for grant recipients to leverage funds by pledging future block grants, along with additional security as required, to collateralize notes and other obligations.

## Native American Housing Block Grants

Although program activity began slowly, with the first two Title VI loan guarantees issued for approximately \$7 million in fiscal year 2000, Indian tribes and their TDHEs are now partnering with HUD and the public and private sector, resulting in a greater number of loans being underwritten. As of the end of September 2004, cumulative loan guarantees of \$84.8 million have been issued since the program's inception. Over two-thirds of this activity occurred in fiscal years 2002, 2003, and 2004. Most borrowers include leveraged funds from other sources in the projects funded with Title VI guarantees, reducing their dependence on Federal grant funds. More aggressive marketing and outreach efforts to potential borrowers and lenders by the six Area Offices of Native American Programs and the Office of Loan Guarantee has resulted in increases in both inquiries and loan guarantees, as tribes and TDHEs become more familiar with the program and recognize its usefulness.

The Office of Public and Indian Housing has been more active in marketing to lenders and has been successful in obtaining commitments from Fannie Mae and the Federal Home Loan Bank of Seattle to purchase Title VI Loans. The Office of Native American Program has also obtained contract support for quarterly regional trainings to Indian housing advocates, NAHBG recipients and banks. The fiscal year 2006 request, along with the fiscal year 2005 appropriation, will provide approximately \$56 million in loan guarantee limitation.

Native American Housing Block Grants

PUBLIC AND INDIAN HOUSING  
NATIVE AMERICAN HOUSING BLOCK GRANTS  
Program Offsets  
(Dollars in Thousands)

<b>Administrative Expenses</b>	<b><u>Amount</u></b>
2004 Appropriation .....	\$149
2005 Appropriation .....	149
2006 Request .....	<u>150</u>
Program Improvements/Offsets .....	+1

**Proposed Actions**

The Department proposes \$150 thousand for Administrative Expenses in fiscal year 2006 to carry out the guaranteed loan program. These funds will be transferred to and merged with the appropriation for Salaries and Expenses to be used only for the administrative costs of the Title VI Tribal Housing Activities Loan Guarantee program.



Native American Housing Block Grants

PUBLIC AND INDIAN HOUSING  
 NATIVE AMERICAN HOUSING BLOCK GRANTS  
 Program Offsets  
 (Dollars in Thousands)

<b>Technical Assistance</b>	<u>Amount</u>
2004 Appropriation .....	\$4,474
2005 Appropriation .....	4,464
2006 Request .....	<u>2,308</u>
Program Improvements/Offsets .....	-2,156

**Proposed Actions**

Up to \$2.3 million of the total NAHBG appropriation will be set aside for training and technical assistance to engage in the management and oversight of eligible affordable housing activities. In the past, these funds have been used for management of the NAHBG formula, support for tribal consultation activities (including negotiated rulemaking) training any outreach for the Title VI program, extensive technical assistance and training activities to address programmatic requirements, functional training for grantees and staff, and data collection for measuring performance and input for the program evaluation conducted. Technical assistance activities have been wide-ranging, including facilitation of a tribal plan to address overcrowding and teaching a tribe to manage a housing acquisition project. Up to \$1 million is proposed for a Competitive Technical Assistance program open to regional and tribal serving organizations.

Native American Housing Block Grants

PUBLIC AND INDIAN HOUSING  
 NATIVE AMERICAN HOUSING BLOCK GRANTS  
 Program Offsets  
 (Dollars in Thousands)

<b>National American Indian Housing Council</b>	<u>Amount</u>
2004 Appropriation .....	\$2,187
2005 Appropriation .....	2,183
2006 Request .....	<u>---</u>
Program Improvements/Offsets .....	-2,183

**Proposed Actions**

No funds are included as a set-aside under the NAHBG for the National American Indian Housing Council. Over the past several fiscal years, sufficient funding has been provided to allow the organization to perform training and technical assistance for Indian tribes, TDHEs and regional housing associations. As of June 17, 2004, a backlog of unexpended funding from previous fiscal years exists. From the fiscal year 2003 grant of \$4.6 million (2.2 NAHBG, 2.4 CDBG), there is an unspent balance of \$2.8 million and from the fiscal year 2002 grant of \$2.2 million, there is an unspent balance of \$.5 million. In addition, the fiscal year 2004 grant of \$4.7 million (2.2 NAHBG, 2.5 CDBG) has not been obligated.

Native American Housing Block Grants

PUBLIC AND INDIAN HOUSING  
NATIVE AMERICAN HOUSING BLOCK GRANTS  
Program Offsets  
(Dollars in Thousands)

<b>Working Capital Fund</b>	<b><u>Amount</u></b>
2004 Appropriation .....	\$2,704
2005 Appropriation .....	2,579
2006 Request .....	<u>...</u>
Program Improvements/Offsets .....	-2,579

**Proposed Actions**

No funds are included as a set-aside under the NAHBG for the Working Capital Fund. Sufficient carryover is available to meet the needs of the program.

Native American Housing Block Grants

**PUBLIC AND INDIAN HOUSING  
NATIVE AMERICAN HOUSING BLOCK GRANTS  
Program Offsets  
(Dollars in Thousands)**

<b>Indian Tribes</b>	<u>Amount</u>
2004 Appropriation .....	...
2005 Appropriation .....	...
2006 Request .....	<u>\$57,783</u>
Program Improvements/Offsets .....	+57,783

Budget Activity Allocation

FY 2006  
(Dollars in Thousands)

Homeownership/Rehabilitation.	\$9,000
Construction/Land Acquisition	1,500
Public Facilities.....	32,000
Infrastructure.....	12,083
Employment.....	<u>3,200</u>
Total.....	57,783

Proposed Actions

In 1977, the Housing and Community Development Act of 1974 was amended to provide a special funding mechanism, the Indian Community Development Block Grant (ICDBG) program, for Native American communities. Since 1978, more than \$750 million has been provided for ICDBG funding. This budget proposes to transfer this activity from Community Development Fund; therefore, \$57.8 million is requested for Native American Housing and Economic Development Block Grant activities. Since 1974, the program has been the backbone of improvement efforts in many communities, providing a flexible source of grants funds for local governments nationwide. The program provides funds that they, with the participation of local citizens, can devote to a wide range of activities that best serve their development priorities, provided that these projects either: (1) benefit low- and moderate-income families; (2) prevent or eliminate slums or blight; or (3) meet other urgent community development needs.

## Native American Housing Block Grants

These funds are distributed as annual competitive grants. Funds are allocated to each of the six Area Offices of Native American Programs (AONAP), so applicants compete for funding only with other tribes or eligible Indian entities within their area. Eligible Activities: Grant funds may be used to improve the housing stock, provide community facilities, improve infrastructure, and expand job opportunities by supporting the economic development of the communities, especially by non-profit tribal organizations or local development corporations. Tribes and Alaskan Native Villages are restricted from using block grants for construction or improvement of governmental facilities, government operations, income payments, or unless extraordinary determinations have been made for new housing construction. Up to \$4 million may be used for imminent threats to health and safety under a separate competition pursuant to the regulations in 24 CFR 1003, subpart E.

The program is authorized by section 106(a) of the Housing and Community Development Act of 1974, as amended (42USC 5301ff). Regulations are found at 24 CFR Part 1003. The Office of Public and Indian Housing, and the Office of Native American Programs (ONAP) administer it. All Federally recognized Indian Tribes and Alaskan Native Villages are eligible to participate in the program. Projects funded by grants must primarily benefit low- and moderate-income persons (generally defined as members of low- and moderate-income families that earn no more than 80 percent of the median income in the area).

Native American Housing Block Grants

**PUBLIC AND INDIAN HOUSING  
NATIVE AMERICAN HOUSING BLOCK GRANTS  
Performance Measurement Table**

Program Name: <b>NATIVE AMERICAN HOUSING BLOCK GRANTS</b>					
Program Mission: In 1996, to recognize the unique nature and needs of American Indian and Alaska Native areas, Congress enacted the Native American Housing Assistance and Self-Determination Act (NAHASDA, P.L. 104-330) to better assist Native American people and their communities. The NAHBG program provides funds to tribes or their tribally designated housing entities (TDHE) to meet their critical housing needs through housing block grants designed to maintain existing units previously developed with HUD funding and to develop new units. NAHASDA stipulates that each eligible Indian tribe or its TDHE receive annually a single block grant to meet the housing and housing-related needs within their community.					
Performance Indicators	Data Sources	Performance Report		Performance Plan	
		2004 Plan	2004 Actual	2005 Plan	2006 Plan
The number of households receiving housing assistance with CDBG, HOME, HOPWA, SHOP, IHBG, and NHHBG.	PIH Office of Native American Programs Administrative Data derived from Access Database and LOCCS System	69,430	173,703	170,000	170,000
Assist tribes in the implementation of 80 percent of the action plans developed to address overcrowding.	Administrative Reports	24 tribes	24 tribes	24 tribes	34 tribes
Reduce overcrowding by 1 percent.	Administrative Reports	47,602	45,054	44,587	44,125
Increase rental housing units by 10 percent over fiscal year 2005 levels.	Performance Tracking Database (Access)	880	970	1,070	1,177
Assist 12 new participating tribes in the development of action plans to address overcrowding.	Administrative Reports	12 tribes	12 tribes	12 tribes	12 tribes
Increase the number of loans or other financial obligations guaranteed by Title VI by 15 percent over fiscal year 2003 activity.	Loan Guarantee Certificates	4 Loan Guarantees	4 Loan Guarantees	10 Loan Guarantee 150% increase over 2003	15 Loan Guarantee 33% increase over 2004
Increase homeownership units built, acquired or converted by 10 percent over fiscal year 2005 levels.	Performance Tracking Database (Access)	2,700	2,950	3,250	3,600

## Native American Housing Block Grants

### Explanation of Indicators

The goal of assisting 52,000 Native American families in fiscal year 2003 was exceeded. During fiscal year 2003, 87,169 families were assisted, 35,169, or 68 percent, above the fiscal year 2003 goal. For fiscal years 2004 and 2005, the goal shifts from number of families assisted to the actual number of new homeownerships and rental housing units completed.

#### Title VI Federal Guarantee Program

The goal of 15 Title VI loan guarantees for fiscal year 2003 was exceeded--by completing 17 loans, 13 percent more than the target. For fiscal year 2004 and fiscal year 2005, the goal shifts from actual guarantees issued to percentage increases, which will more accurately measure the performance of the program. The fiscal year 2005 goal is to increase Title VI loan guarantees by 150 percent. In fiscal year 2006, the percentage increase for loan guarantee activities is expected to increase by 33 percent.

The Assistant Secretary for Public and Indian Housing and the Deputy Assistant Secretary for the Office of Native American Programs will continue the quantifiable performance measurements for the Office. Program goals for the NAHBG program and its embedded Title VI program for fiscal year 2005 are incorporated into the strategic planning process for the Department, and baseline data has been established for all performance measures related to the NAHBG and Title VI programs by which this year's progress will be measured.

Long-term and annual performance measures have been developed by ONAP and are based on both HUD Goals and national objectives as stated in NAHASDA. This includes measurement of ONAP's long-term programmatic performance through fiscal year 2008. Accomplishment of these performance objectives enhances the Department's ability to achieve its five Strategic Goals.

Native American Housing Block Grants

**PUBLIC AND INDIAN HOUSING  
NATIVE AMERICAN HOUSING BLOCK GRANTS  
Justification of Proposed Changes in Appropriations Language**

The 2006 President's Budget includes proposed changes in the appropriations language listed and explained below. New language is italicized and underlined, and language proposed for deletion is bracketed.

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), [~~\$627,000,000~~] \$582,600,000, to remain available until expended, [of which \$2,200,000 shall be contracted through the Secretary as technical assistance and capacity building to be used by the National American Indian Housing Council in support of the implementation of NAHASDA;] of which [~~\$4,500,000~~] \$2,308,000 shall be to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance, including up to \$300,000 for related travel[; and of which \$2,600,000 shall be transferred to the Working Capital Fund]: of which \$57,783,000 shall be for the Indian Community Development Block Grant program under title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C 5301 et seq.) for grants to Indian tribes notwithstanding section 106(a)(1) of such Act, of which up to \$4,000,000 may be used for emergencies that constitute imminent threats to health and safety, notwithstanding any other provision of law (including section 205 of the Act): Provided, That of the amount provided under this heading, [~~\$2,000,000~~] \$4,800,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: *Provided further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed [~~\$17,926,000~~] \$37,928,222: *Provided further*, That for administrative expenses to carry out the guaranteed loan program, up to \$150,000 from amounts in the first proviso, which shall be transferred to and merged with the appropriation for "Salaries and [expenses] Expenses", to be used only for the administrative costs of these guarantees.

[Of the unobligated balances remaining from funds appropriated in fiscal year 2004 and prior years under the heading "Native American housing block grants" for activities related to title VI of NAHASDA, \$21,000,000 are rescinded.]

**Explanation of Changes**

Transfer set-aside from Community Development Fund for Indian tribes for economic development.



Native American Housing Block Grants

PUBLIC AND INDIAN HOUSING  
NATIVE AMERICAN HOUSING BLOCK GRANTS  
Crosswalk of 2004 Availability  
(Dollars in Thousands)

<u>Budget Activity</u>	<u>2004 Enacted</u>	<u>Supplemental/ Rescission</u>	<u>Approved Reprogrammings</u>	<u>Transfers</u>	<u>Carryover</u>	<u>Total 2004 Resources</u>
Formula Grants .....	\$642,680	-\$3,792	...	...	\$96,676	\$735,564
Loan Guarantee - Title VI (Credit Subsidy) .....	1,850	-11	...	...	22,716	24,555
Administrative Expenses .....	150	-1	...	...	...	149
Technical Assistance .....	4,500	-26	...	...	7,633	12,107
National American Indian Housing Council .....	2,200	-13	...	...	...	2,187
Working Capital Fund .....	2,720	-16	...	...	...	2,704
Indian Tribes .....	<u>...</u>	<u>...</u>	<u>...</u>	<u>...</u>	<u>...</u>	<u>...</u>
Total .....	654,100	-3,859	...	...	127,025	777,266

Transfers to Other Accounts

For administrative expenses, \$150 thousand was transferred to the Salaries and Expenses account to be used for the administrative cost of the Title VI Tribal Housing Activities Federal Loan Guarantee program.

Native American Housing Block Grants

PUBLIC AND INDIAN HOUSING  
 NATIVE AMERICAN HOUSING BLOCK GRANTS  
 Crosswalk of 2005 Changes  
 (Dollars in Thousands)

<u>Budget Activity</u>	<u>2005 President's Budget Request</u>	<u>Congressional Appropriations Action on 2005 Request</u>	<u>2005 Supplemental/ Rescission</u>	<u>Reprogrammings</u>	<u>Carryover</u>	<u>Total 2005 Resources</u>
Formula Grants .....	\$639,500	\$615,700	-\$4,926	...	\$83,464	\$694,238
Loan Guarantee - Title VI (Credit Subsidy) .....	1,850	1,850	-21,015	...	27,132	7,967
Administrative Expenses .....	150	150	-1	...	...	149
Technical Assistance .....	5,000	4,500	-36	...	7,501	11,965
National American Indian Housing Council .....	...	2,200	-17	...	...	2,183
Working Capital Fund .....	500	2,600	-21	...	...	2,579
Indian Tribes .....	...	...	...	...	...	...
Total Changes .....	647,000	627,000	-26,016	...	118,097	719,081

Transfers to Other Accounts

For administrative expenses, \$150 thousand will be transferred to the Salaries and Expenses account to be used for the administrative cost of the Title VI Tribal Housing Activities Federal Loan Guarantee program.