

At a Glance

S. 2285, Native American Housing Assistance and Self-Determination Reauthorization Act of 2023

As ordered reported by the Senate Committee on Indian Affairs on July 19, 2023

| By Fiscal Year, Millions of Dollars | 2024 | 2024-2029 | 2024-2 | 2034 | |
|--|------|--|--------|------|--|
| Direct Spending (Outlays) | 0 | 0 | | 0 | |
| Revenues | 0 | 0 | | 0 | |
| Increase or Decrease (-) in the Deficit | 0 | 0 | | 0 | |
| Spending Subject to Appropriation (Outlays) | 5 | 4,197 not estimated | | | |
| Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2035? | No | Statutory pay-as-you-go procedures apply? No | | | |
| | | Mandate Effects | | | |
| Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2035? | Νο | Contains intergovernmental r | No | | |
| | | Contains private-sector mane | No | | |

The bill would

- Authorize appropriations through 2034 for the Indian Housing Block Grant and Native Hawaiian Housing Block Grant programs administered by the Department of Housing and Urban Development (HUD)
- Establish the Drug Elimination Program within HUD to help tribal entities reduce violent crime and drug activity in publicly funded housing
- Expand eligibility for tribal entities to receive funding as community-based development organizations for college housing assistance, homeownership and rental housing counseling, and new construction

Estimated budgetary effects would mainly stem from

- Authorizing the appropriation of such sums as may be necessary for the Indian Housing Block Grant program and the Native Hawaiian Housing Block Grant program
- Authorizing appropriations for various other housing and community support programs for Native American communities

Detailed estimate begins on the next page.



Bill Summary

S. 2285 would amend the Native American Housing Assistance and Self Determination Act of 1996 and would authorize appropriations through fiscal year 2034 for the Indian Housing Block Grant and Native Hawaiian Block Grant programs. In addition, the bill would:

- Authorize the use of future appropriations to renew grants for assistance to homeless veterans under the Tribal HUD-VA Supportive Housing (Tribal HUD-VASH) program, which is jointly administered by the Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA);
- Authorize the new Drug Elimination Program within HUD to provide grants to help tribal entities reduce violent crime and drug trafficking in public housing;
- Authorize appropriations through fiscal year 2034 for the Indian Home Loan Guarantee program; and
- Allow Indian tribes and tribally designated housing entities to be eligible for housing counseling grants.

Estimated Federal Cost

The estimated budgetary effect of S. 2285 is shown in Table 1. The costs of the legislation fall within budget function 600 (income security).

Basis of Estimate

For this estimate, CBO assumes that the legislation will be enacted near the middle of calendar year 2024. CBO's estimate accounts for amounts appropriated for 2024. Most programs that would be authorized by this bill received appropriations so CBO does not estimate any authorizations for those programs. Estimated outlays are based on historical spending patterns for similar activities and programs and on information from HUD.

CBO estimates that S. 2285 would authorize appropriations totaling \$6.9 billion over the 2024-2029 period and that implementing the bill would cost \$4.2 billion over the same period, assuming appropriation of the estimated amounts.

Table 1. Estimated Increases in Spending Subject to Appropriation Under S. 2285

| | By Fiscal Year, Millions of Dollars | | | | | | | |
|---|-------------------------------------|-------|-------|-------|-------|-------|-----------|--|
| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2024-2029 | |
| Indian Housing Block Grants | | | | | | | | |
| Estimated Authorization | 0 | 1,288 | 1,315 | 1,342 | 1,369 | 1,396 | 6,710 | |
| Estimated Outlays | 0 | 335 | 651 | 858 | 1,030 | 1,180 | 4,054 | |
| Native Hawaiian Housing Block Grants | | | | | | | | |
| Estimated Authorization | 0 | 22 | 23 | 23 | 24 | 24 | 116 | |
| Estimated Outlays | 0 | 2 | 6 | 11 | 16 | 21 | 56 | |
| Tribal HUD-VA Supportive Housing Program | | | | | | | | |
| Estimated Authorization | 0 | 9 | 9 | 9 | 9 | 9 | 45 | |
| Estimated Outlays | 0 | 9 | 9 | 9 | 9 | 9 | 45 | |
| Drug Elimination Program | | | | | | | | |
| Estimated Authorization | 5 | 5 | 5 | 5 | 5 | 5 | 30 | |
| Estimated Outlays | 5 | 5 | 5 | 5 | 5 | 5 | 30 | |
| Indian Home Loan Guarantee Program | | | | | | | | |
| Estimated Authorization | 0 | 2 | 2 | 2 | 2 | 2 | 10 | |
| Estimated Outlays | 0 | 2 | 2 | 2 | 2 | 2 | 10 | |
| Housing Counseling Grants | | | | | | | | |
| Estimated Authorization | * | * | * | 1 | 1 | 1 | 3 | |
| Estimated Outlays | * | * | * | * | 1 | 1 | 2 | |
| Total Changes | | | | | | | | |
| Estimated Authorization | 5 | 1,326 | 1,354 | 1,382 | 1,410 | 1,437 | 6,914 | |
| Estimated Outlays | 5 | 353 | 673 | 885 | 1,063 | 1,218 | 4,197 | |

HUD = Department of Housing and Urban Development.; * = between zero and \$500,000.

The Tribal HUD-VASH program is part of the HUD-VA Supportive Housing program, which is operated jointly by HUD and VA, the Department of Veterans Affairs.

S. 2285 would require HUD to report to the Congress on tribally designated housing entities. CBO estimates that the report would increase spending subject to appropriation by less than \$500,000.

Indian Housing Block Grants

S. 2285 would authorize the appropriation of whatever amounts are necessary each year through 2034 for the Indian Housing Block Grant program, a formula grant program that supports a range of affordable housing projects on Indian reservations and in tribal areas not formally designated as tribal land. The program's authorization of appropriations expired at the end of 2013; however, the Congress has continued to appropriate funds for that program, including \$1.3 billion in 2024.

CBO estimated the authorized amounts for 2025 and later by increasing the 2024 amount using the inflation rates that underlie CBO's baseline projections. On that basis, CBO estimates that the section would authorize appropriations totaling \$6.7 billion over the



2024-2029 period and that implementing this section would cost \$4.1 billion over that same period, assuming appropriation of the estimated amounts.

Native Hawaiian Housing Block Grants

The bill would authorize the appropriation of whatever amounts are necessary each year through 2034 for the Native Hawaiian Housing Block Grant program, which supports affordable housing for low-income Native Hawaiians who reside on land managed by Hawaii's Department of Hawaiian Home Lands. In 2024, the Congress provided \$22 million for that program. CBO estimated the authorized amounts for 2025 and later by increasing the 2024 amount using the inflation rates that underlie CBO's baseline projections. On that basis, CBO estimates that the section would authorize appropriations totaling \$116 million over the 2024-2029 period and that, assuming appropriation of the estimated amounts, outlays would total \$56 million over that same period.

Tribal HUD-VA Supportive Housing Program

The Tribal HUD-VASH program, a tenant-based voucher program that is part of the larger HUD-VASH program, aids Native American veterans who are homeless or at risk of homelessness by providing grants for rental assistance. The Congress provided \$8 million for the program in 2024; it is not authorized after 2024.

S. 2285 would permanently authorize HUD to use appropriations for the tenant-based voucher program to renew grants under the Tribal HUD-VASH program. CBO estimates that HUD would allocate roughly \$8 million annually to renew grants for a total of about \$40 million over the 2024-2029 period, assuming appropriation of the estimated amounts.

The bill also would require HUD to allocate 5 percent of the funds made available for the HUD-VASH program to the Tribal HUD-VASH program. The HUD-VASH program received an appropriation of \$15 million for 2024 but it is not authorized after 2024. Assuming the Congress will provide \$15 million for the program annually over the 2025-2029 period, CBO estimates that in each year over the same period, HUD would allocate about \$1 million to the Tribal HUD-VASH program for new grants.

In total, implementing the changes to the Tribal HUD-VASH program would cost \$45 million over the 2024-2029 period, CBO estimates. Such spending would be subject to the availability of appropriated funds.

Drug Elimination Program

S. 2285 would authorize the appropriation of whatever amounts are necessary for the Drug Elimination Program through 2034, for grants to reduce drug-related and violent crime in areas of high-intensity drug trafficking around housing communities on Indian reservations and other tribal areas. Using historical spending patterns for the Public Housing Drug Elimination Program, which operated between 1989 and 2002, CBO estimates that implementing this section would cost \$30 million over the 2024-2029 period.



Indian Home Loan Guarantee Program

S. 2285 would amend and authorize the appropriation of whatever amounts are necessary over the 2024-2033 period for HUD's Indian Home Loan Guarantee Program; the 2024 appropriation for the program was \$2 million. Using information from HUD and assuming appropriation of the estimated amounts, CBO estimates that implementing the program would cost \$10 million over the 2024-2029 period.

The bill also would amend and authorize the appropriation of whatever amounts are necessary over the 2024-2033 period for loan guarantees for Native Hawaiian housing. CBO estimates that loan guarantees made under this section would have no net cost to the federal government (that is, the fees paid by private lenders would equal the expected loan guarantee payments made by the federal government).

Housing Counseling Grants

S. 2285 would make Indian tribes and tribally designated housing entities eligible for housing counseling grants. Based on the current number of Native Americans served by housing counseling grants, CBO estimates that implementing the section would cost \$2 million over the 2024-2029 period.

Pay-As-You-Go Considerations

Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

Increase in Long-Term Net Direct Spending and Deficits

CBO estimates that enacting S. 2285 would not increase net direct spending or deficits in any of the four consecutive 10-year periods beginning in 2035.

Mandates

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

Estimate Prepared By

Federal Costs:

Julia Aman (Indian home loan guarantees) Zunara Naeem (Indian and Native Hawaiian housing assistance) Robert Stewart (Indian Health Services)

Mandates: Rachel Austin



Estimate Reviewed By

Justin Humphrey Chief, Finance, Housing, and Education Cost Estimates Unit

Kathleen FitzGerald Chief, Public and Private Mandates Unit

Emily Stern Senior Adviser for Budget Analysis

Estimate Approved By

hil h

Phillip L. Swagel Director, Congressional Budget Office