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REAUTHORIZING PROVISIONS IN THE NATIVE AMERICAN  
HOUSING ASSISTANCE AND SELF-DETERMINATION ACT  
OF 1996 RELATING TO NATIVE HAWAIIAN LOW-INCOME  
HOUSING AND FEDERAL LOAN GUARANTEES FOR NA-  
TIVE HAWAIIAN HOUSING

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MARCH 16 (legislative day, MARCH 15), 2006.—Ordered to be printed

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Mr. MCCAIN, from the Committee on Indian Affairs,  
submitted the following

### R E P O R T

[To accompany S. 598]

The Committee on Indian Affairs, to which was referred the bill (S. 598) to reauthorize the provisions in the Native American Housing Assistance and Self-Determination Act of 1996 relating to Native Hawaiian low-income housing and Federal loan guarantees for Native Hawaiian housing, reports favorably thereon and recommends that the bill do pass.

#### PURPOSE

The purpose of S. 598 is to reauthorize provisions in the Native American Housing Assistance and Self-Determination Act of 1996 relating to Native Hawaiian low-income housing and Federal loan guarantees for Native Hawaiian housing.<sup>1</sup>

#### BACKGROUND

In 1921, after receiving testimony from the Department of the Interior comparing the relationship between the United States and Native Hawaiians to the trust relationship between the United States and Indian tribes, Congress enacted the Hawaiian Homes Commission Act of 1920. This Act set aside approximately 203,000

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<sup>1</sup>S. 598 would amend 25 U.S.C. 4243, which authorizes appropriations for the Native Hawaiian housing assistance provisions enacted in 2000 (*see* 25 U.S.C. 4221, *et seq.*) for fiscal years 2001 through 2005, by changing the authorization period to “fiscal years 2006 through 2009”.

acres of lands for the benefit of Native Hawaiians. As a condition to admission into the Union in 1959,<sup>2</sup> the State of Hawaii was required to adopt the Hawaiian Home Commission Act, 1920,<sup>3</sup> as a part of its constitution and to administer these lands for the benefit of Native Hawaiians. Approximately 19,000 Native Hawaiians live on Hawaiian Home Lands,<sup>4</sup> with an additional 18,384 having been placed on the Department of Hawaiian Home Lands waiting list.<sup>5</sup>

According to the 2000 Census, there are 401,000 Native Hawaiians with approximately 240,000 residing in the State of Hawaii.<sup>6</sup> Without adjusting for Hawaii's higher cost of living, the median family income of Native Hawaiians living in Hawaii was \$49,214 in 1999.<sup>7</sup> This amount supports larger than average families—the average Native Hawaiian household consists of 3.4 individuals, compared to 2.9 individuals statewide.<sup>8</sup> The per capita income of Native Hawaiians living in Hawaii is about \$14,199 compared to the statewide per capita income of \$21,525.<sup>9</sup> The Hawaii State Department of Health found that 19.1% of Native Hawaiians were living in poverty in 2000.<sup>10</sup>

Generally, the programs reauthorized by this bill provide block grants to the Department of Hawaiian Home Lands for affordable housing activities for low-income Native Hawaiian families who are eligible to reside on Hawaiian Home Lands.<sup>11</sup> Affordable housing activities under the block grants include assisting Native Hawaiians in the acquisition, construction, or reconstruction of affordable housing, site improvement, financing, housing counseling, and other services related to assisting owners and tenants participating or seeking to participate in other assisted housing activities.<sup>12</sup>

#### SECTION-BY-SECTION ANALYSIS

##### *Section 1. Reauthorization*

Section 824 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4243) is amended by striking “fiscal years” and all that follows and inserting “fiscal years 2006 through 2009”.

#### LEGISLATIVE HISTORY

S. 598 was introduced on March 10, 2005, by Senator Inouye, for himself, and referred to the Committee on Indian Affairs. Senator Akaka became a cosponsor on July 11, 2005. On June 29, 2005, the Committee on Indian Affairs ordered the bill to be favorably reported without amendment.

<sup>2</sup> See section 4 of the Hawaii Admission Act, Pub. L. No. 86–3, 73 Stat. 4 (March 18, 1959).

<sup>3</sup> Act of July 9, 1921 (42 Stat. 108).

<sup>4</sup> *The Native Hawaiian and Other Pacific Islander Population: 2000*, United States Census Bureau, p. 10 (December 2001).

<sup>5</sup> Department of Hawaiian Home Lands, Waiting List as of December, 2004.

<sup>6</sup> *Building with Aloha: Strategies for Increasing Native Hawaiian Homeownership*, prepared for Pacific American Foundation (April 1, 2003), at p. 11.

<sup>7</sup> *Income and Poverty Among Native Hawaiians, Summary of Ka Huaka'i Findings*, Kamehaha Schools (September 2005).

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> *Building with Aloha: Strategies for Increasing Native Hawaiian Homeownership*, at p. 17, citing Office of Health Status Monitoring, Hawaii State Department of Health, 2000.

<sup>11</sup> See 25 U.S.C. 4222(a) and 4228(a)(2)(A) and (D).

<sup>12</sup> See 25 U.S.C. 4229.

A House companion measure to S. 598, H.R. 2912, was introduced on June 15, 2005, by Representative Case, for himself and Representative Abercrombie, and referred to the Committee on Financial Services. On July 29, 2005, the bill was referred to the Subcommittee on Housing and Community Opportunity.

#### COMMITTEE RECOMMENDATIONS AND TABULATION OF VOTE

On June 29, 2005, in an open business meeting, the Committee by voice vote approved the bill without amendment and ordered it to be favorably reported to the Senate.

#### COST AND BUDGETARY CONSIDERATIONS

The cost estimate of the Congressional Budget Office on S. 598 is set forth below:

*S. 598—A bill to reauthorize provisions in the Native American Housing Assistance and Self-Determination Act of 1996 relating to Native Hawaiian low-income housing and Federal loan guarantees for Native Hawaiian housing*

Summary: S. 598 would reauthorize the appropriation of such sums as necessary through 2009 for Native American Housing Block Grants, Community Development Hawaiian Block Grants, Indian Housing Loan Guarantees, and Native Hawaiian Housing Loan Guarantees as provided under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). Under current law, these programs are authorized through 2005.

In 2005, about \$637 million was appropriated for these block grant and loan guarantee programs under NAHASDA. Assuming continued appropriations at that level and adjusting for anticipated inflation, CBO estimates that implementing S. 598 would cost about \$2 billion over the 2006–2010 period.

Enacting this bill would not affect direct spending or receipts. S. 598 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

Estimated cost to the Federal Government: The estimated budgetary impact of S. 598 is shown in the following table. Estimated outlays are based on historical patterns for the block grant and loan guarantee programs. The costs of this legislation fall within budget functions 600 (income security) and 370 (commerce and housing credit).

	By fiscal year, in millions of dollars—					
	2005	2006	2007	2008	2009	2010
SPENDING SUBJECT TO APPROPRIATIONS						
Spending for NAHASDA Programs Under Current Law:						
Budget Authority <sup>a</sup> .....	637	0	0	0	0	0
Estimated Outlays .....	660	627	417	152	64	31
Proposed Changes:						
Native American Housing Block Grants:						
Estimated Authorization Level .....	0	634	647	660	673	0
Estimated Outlays .....	0	13	216	487	585	615
Community Development Hawaiian Block Grants:						
Estimated Authorization Level .....	0	9	9	9	10	0
Estimated Outlays .....	0	9	9	9	10	0
Indian Housing Loan Guarantees:						
Estimated Authorization Level .....	0	5	5	5	5	0

	By fiscal year, in millions of dollars—					
	2005	2006	2007	2008	2009	2010
Estimated Outlays .....	0	5	5	5	5	0
Native Hawaiian Housing Loan Guarantees:						
Estimated Authorization Level .....	0	1	1	1	1	0
Estimated Outlays .....	0	1	1	1	1	0
Total Proposed Changes:						
Estimated Authorization Level .....	0	650	663	676	689	0
Estimated Outlays .....	0	28	231	503	601	615
Total Spending for NAHASDA Programs Under S. 598:						
Estimated Authorization Level .....	637	650	663	676	689	0
Estimated Outlays .....	660	655	648	654	665	646

Notes—Details may not sum to totals because of rounding.

NAHASDA = Native American Housing Assistance and Self-Determination Act of 1996.

<sup>a</sup>The 2005 level is the amount appropriated for that year for all NAHASDA programs that would be reauthorized under S. 598. Those programs consist of Native American Housing Block Grants, Community Development Hawaiian Block Grants, Indian Housing Loan Guarantees, and Native Hawaiian Housing Loan Guarantees.

Intergovernmental and private-sector impact: S. 598 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would benefit the state of Hawaii by reauthorizing a grant program for low-income housing.

Estimate prepared by: Federal Costs: Susanne Mehlman and Jimin Chung. Impact on State, Local, and Tribal Governments: Sarah Puro. Impact on the Private Sector: Craig Cammarata.

Estimate approved by: Robert A. Sunshine, Assistance Director for Budget Analysis.

#### EXECUTIVE COMMUNICATIONS

The Committee has not received any executive communications on S. 598.

#### REGULATORY AND PAPERWORK IMPACT

Paragraph 11(b) of rule XXVI of the Standing Rules of the Senate requires each report accompanying a bill to evaluate the regulatory and paperwork impact that would be incurred in carrying out the bill. The Committee believes that S. 598 will have a minimal impact on regulatory or paperwork requirements.

#### CHANGES IN EXISTING LAW

In compliance with subsection 12 of rule XXVI of the Standing Rules of the Senate, the Committee finds the provisions of S. 598 change the existing law in the following (existing law proposed to be omitted is enclosed in black brackets and new text is in italic):

Section 824/25 U.S.C. 4243

There are authorized to be appropriated to the Department of Housing and Urban Development for grants under this subchapter such sums as may be necessary for each of **[fiscal years 2001, 2002, 2003, 2004, and 2005]** *fiscal years 2006 through 2009*.