



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

May 14, 2015

S. 710
Native American Housing Assistance and Self-Determination
Reauthorization Act of 2015

As ordered reported by the Senate Committee on Indian Affairs on April 22, 2015

SUMMARY

S. 710 would reauthorize Native American and Native Hawaiian block grant and loan guarantee programs, which provide housing assistance, through fiscal year 2020. In addition, the bill would authorize a new set-aside program to provide rental assistance to Native American veterans who are homeless or at risk of homelessness. CBO estimates that implementing S. 710 would cost about \$2.4 billion over the 2016-2020 period, assuming appropriation of the necessary amounts.

Pay-as-you-go procedures do not apply to this legislation because it would not affect direct spending or revenues.

S. 710 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 effect of S. 710 is shown in the following table. The costs of this legislation fall within budget function 600 (income security).

	By Fiscal Year, in Millions of Dollars					2016- 2020
	2016	2017	2018	2019	2020	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Native American Housing Block Grants						
Estimated Authorization Level	656	668	681	695	709	3,410
Estimated Outlays	243	378	478	566	643	2,307
Loan Guarantees for Indian Housing						
Authorization Level	12	12	12	12	12	61
Estimated Outlays	12	12	12	12	12	61
Native Hawaiian Housing Block Grants						
Estimated Authorization Level	9	9	9	10	10	47
Estimated Outlays	1	3	5	7	9	23
Housing for Native American Veterans						
Estimated Authorization Level	4	4	4	4	4	20
Estimated Outlays	3	4	4	4	4	19
Training and Technical Assistance						
Estimated Authorization Level	4	4	4	4	4	18
Estimated Outlays	4	4	4	4	4	18
Loan Guarantees for Native Hawaiian Housing						
Authorization Level	*	*	*	*	*	2
Estimated Outlays	*	*	*	*	*	2
Assistant Secretary for the Office of Native American Programs						
Estimated Authorization Level	*	*	*	*	*	1
Estimated Outlays	*	*	*	*	*	1
Total Changes						
Estimated Authorization Level	685	697	711	725	740	3,559
Estimated Outlays	263	401	503	593	672	2,432

Notes: Components may not sum to totals because of rounding.

* = less than \$500,000.

BASIS OF ESTIMATE

CBO estimates that implementing S. 710 would cost about \$2.4 billion over the next five years, assuming appropriation of the necessary funds. For this estimate, CBO assumes that

S. 710 will be enacted near the end of fiscal year 2015, that the necessary funds will be appropriated at or near the beginning of each fiscal year, and that appropriated funds will be spent at historical rates for the affected programs.

Native American Housing Block Grants

Section 103 would authorize the appropriation of such sums as may be necessary for the Native American Housing Block Grant program through fiscal year 2020. The block grant program provides funding to tribes to acquire, construct, rehabilitate, or manage affordable housing for Native American families with low incomes. In 2015, the Congress appropriated about \$650 million for that program. Assuming continued appropriations at that level and adjusting for anticipated inflation, CBO estimates that implementing that section would cost slightly more than \$2.3 billion over the 2016-2020 period.

Loan Guarantees for Indian Housing

Section 504 would authorize the appropriation of \$12.2 million annually through 2020 for guaranteed loans to Native American families and tribes to construct, acquire or rehabilitate homes located on tribal land. CBO estimates that implementing that section would cost \$61 million over the 2016-2020 period. In 2015, the Congress appropriated \$7 million for those guarantees.

Native Hawaiian Housing Block Grants

Section 703 would authorize the appropriation of such sums as may be necessary for the Native Hawaiian Housing Block Grant program through fiscal year 2020. Such grants are used to develop, maintain, and operate affordable housing for Native Hawaiian families with low income through the Department of Hawaiian Home Lands. In 2015, the Congress appropriated \$9 million for that program. Assuming continued appropriations at that level and adjusting for anticipated inflation, CBO estimates that implementing that section would cost \$23 million over the 2016-2020 period.

Housing for Native American Veterans

Section 501 would authorize a program to provide rental assistance to Native American veterans who are homeless or at risk of homelessness. Each year 5 percent of the funds made available for the Veterans Affairs Supported Housing program (VASH) would be set aside for Native American veterans. In 2015, \$75 million was appropriated for the VASH program. Assuming a program level that is roughly equal to 5 percent of that amount, and adjusting for anticipated inflation, CBO estimates that implementing that section would cost \$19 million over the 2016-2020 period.

Training and Technical Assistance

Section 503 would authorize the appropriation of such sums as may be necessary for a national or regional organization to provide training to Indian housing authorities. In 2015, the Congress provided \$3.5 million for that purpose from funds appropriated for the Native American Housing Block Grant program. Assuming continued appropriations at that level and adjusting for anticipated inflation, CBO estimates that implementing that section would cost \$18 million over the 2016-2020 period.

Loan Guarantees for Native Hawaiian Housing

Section 704 would authorize the appropriation of \$0.4 million annually through 2020 to guarantee loans to Native Hawaiians to construct, acquire, or rehabilitate homes located on Hawaiian Home Lands. CBO estimates that implementing that section would cost \$2 million over the 2016-2020 period. In 2015, \$0.1 million was available for those guarantees.

Assistant Secretary for the Office of Native American Programs

Section 2 would establish a new position for an Assistant Secretary in the Office of Native American Programs. Based on information about the costs of the salary and benefits for an Assistant Secretary, CBO estimates that implementing the provision would cost about \$1 million over the 2016-2020 period.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 710 contains no intergovernmental or private-sector mandates as defined in UMRA. Grants authorized in the bill would benefit tribal governments that participate in housing assistance programs. Any costs to those governments for complying with grant conditions would be incurred voluntarily.

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