

TESTIMONY OF  
ERIC SHEPHERD, EXECUTIVE DIRECTOR  
SISSETON-WAPHETON HOUSING AUTHORITY

Before the Senate Subcommittee on Housing, Transportation and Community Development  
May 27, 2021

I'd like to thank Chairman Brown, Vice-Chairman Toomey, Senator Rounds, and the other Members of the Subcommittee for this opportunity to talk about Indian housing today. It has been an especially hard and challenging fifteen months for those of us on the Sisseton-Wapeton Reservation in South Dakota. We were hit early and hard with the COVID pandemic at home and we are still working on recovery. Housing has been at the forefront of the recovery efforts, providing a safe place for our members to shelter and recover and managing the many new relief programs that you in Congress have provided to us.

A large part of our recovery effort at Sisseton-Wapeton involves looking past the pandemic and into the long-term status of Indian housing programs, both on our Reservation and the United States as a whole. The perennially inadequate funding and other program issues that existed prior to 2020 must now be addressed to assure the long-term sustainability of Indian housing for the first Americans. To put it more plainly, we all must understand something is wrong when the base level appropriation for the Native American Housing Assistance and Self-Determination Act (NAHASDA) has not been increased since the law was originally passed twenty-five years ago. As Congress and the new Biden Administration focuses on helping American re-build its dilapidated infrastructure and recalibrate its housing assistance programs, Indian Country and Indian housing must also be given fair consideration.

I know the Sub-committee has a particular interest in the HUD Section 184 program operating in Indian Country. I can tell you that the 184 program has had limited impact on reservation lands held in trust by the United States – while a few individuals have been able to secure leasehold mortgages under the program, most of the funds go to off-reservation lands and urban areas where banks and lenders are more comfortable with providing traditional mortgages. The situation has not been helped with HUD's recent revision or the program regulations that send the program back in time before the 184 Act was passed in 1992 – requiring underwriting

provisions and fees that are not affordable or helpful to developing new housing on reservation lands.

I would like to call the Sub-Committee's attention to a number of other important issues that Congress should address regarding Indian housing programs:

1. WE APPRECIATE THE EMERGENCY FUNDS RECEIVED TO DATE AND NEED TO RECEIVE A FAIR SHARE OF THE NEW HOUSING INFRASTRUCTURE FUNDS AS WELL: The CARES Act, the Consolidated Appropriations Act of 2021, and the American Rescue Plan, have all included much needed emergency funds to support Indian Housing operations during the pandemic. We do appreciate that Congress has allocated money to alleviate the short-term effects of the COVID-19 pandemic. We can confirm that this money had an immediate and vital impact on preserving and protecting housing services and resources in our tribal communities. Our proposal is to now address the more long-term and sustainable solutions to improving Indian housing. The recently-proposed American Jobs Plan includes \$231 billion to improve and produce more housing and housing infrastructure – including a proposed amount of at least \$50 billion to renovate and rehabilitate federally-assisted housing. *We are asking you to help insure that, if new infrastructure legislation is passed, Indian housing continue to get its fair share of the funding (e.g. a five-percent set-aside for Indian housing would be \$2.5 billion).* As you are aware, federal programs have long-neglected Indian Country's need to maintain and improve its aging housing stock.

***Housing needs in tribal areas remain the most severe in the nation and resources to address the problem have declined more rapidly than for other federal housing programs.*** Katherine M. O'Regan, Assistant Secretary for PD&R, HUD, Report in the Forward (see below).

Tens of thousands of new units are needed. Thousands of existing units, some which are currently boarded up because of lack of funding and severe methamphetamine contamination, are also in need of substantial rehabilitation. The simple fact is that \$2,500,000,000 (two-billion five-hundred million dollars) of additional new funding is needed if these conditions are going to be effectively addressed. Tribes and their TDHEs

have the capacity to build and rehabilitate their housing. Most observers know and most studies show, including the recent **“Housing Needs of American Indians and Alaska Natives in Tribal Areas: A Report From the Assessment of American Indian, Alaska Native, and Native Hawaiian Housing Needs,”** by HUD PD&R and the Urban Institute, January 2017 (the Report)<sup>1</sup>, that TDHEs have, or if needed can quickly reacquire, the capacity to build housing and other related infrastructure construction on this scale. TDHEs are prepared to quickly gear up to produce a substantial number of new units. This will help tribes and Alaska villages generate for their communities and the country post-pandemic economic recovery -- just as they did successfully ten years ago after the Great Recession with American Recovery and Reinvestment Act (ARRA) moneys.

***Tribes have demonstrated the capacity to construct and rehabilitate housing for low income families at substantial levels under the NAHASDA framework. Their ability to effectively use an unexpected injection of funding under the American Recovery and Reinvestment Act (ARRA) of 2009 toward these ends in a very limited time period is particularly strong evidence supporting this conclusion.*** Page 10, Executive Summary of the Report.

***It is our recommendation and opinion that these new funds should be evenly divided between HUD’s Indian Housing Block Grants (IHBG) and IHBG Competitive Grants.*** Using the existing IHBG program to deliver some of this money would allow some of the grants to be allocated using the NAHASDA allocation formula. By this method, half of the money would be divided up among all the tribal and Alaska Native TDHEs. Then using IHBG Competitive Grants, HUD can award the other half of the funds to the those TDHEs that have the greatest need, but who also have the capacity required to quickly and effectively deliver this badly needed housing and to contribute to economic resurgence. This is exactly how TDHEs were successful when called upon a decade ago to use ARRA moneys.

2. REAUTHORIZATION AND EXPANSION OF DRUG ELIMINATION PROGRAM (42 USC 11908) -- This HUD program was highly successful in assisting tribes with funds to prevent and

---

<sup>1</sup> The Study and final Reports are available for download at:  
[https://www.huduser.gov/portal/native\\_american\\_assessment/home.html](https://www.huduser.gov/portal/native_american_assessment/home.html)

mitigate criminal and drug activity in their communities, but it has not been reauthorized since 2003 and monies have not been appropriated since 1999. With the renewed problems of methamphetamines and other drugs requiring tribally designated housing entities to expend large portions of their NAHASDA housing funds to clean-up meth and drug contaminated homes, *we believe that the program should be reauthorized, new funds be appropriated, and eligible uses of funds expanded to include methamphetamine and toxic drug clean-up.*

3. RE-AUTHORIZATION OF NAHASDA

We also want to recommend, if the opportunity arises, that NAHASDA be reauthorized. Such formal reauthorization is long overdue (NAHASDA has not be re-authorized since 2008). And if this should happen, we continue to join with most other tribes, TDHEs and national and regional native housing associations to advocate that the reauthorization modify the existing NAHASDA 30% rental payment rule.

If the Country fails now to address the plight of Indian housing, it would be disastrous to tribes and Alaska Native communities, and to those hundreds of thousands of Native people and families who suffer so greatly with overcrowded and severely substandard housing. Most tribal and Alaska Native people that today live in Indian areas, their governments and their TDHEs, have no other option but to look to the federal government for the housing funds that they so badly need. For the United States to continue, at this particular moment in history, to ignore these tribal needs would be nothing short of a tragedy and sadly yet another abandonment by the United States of longstanding concerns and obligations to tribal sovereigns, Indian people and Alaska Natives.

Thank you again for the opportunity to submit this testimony. I would be glad to answer any questions the Sub-Committee might have.

\* \* \*