



National Congress of American Indians

NCAI News

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House Appropriations Committee Approves FY 2003 VA-HUD-Independent Agencies Bill

On October 9, the House Appropriations Committee approved its FY 2003 funding bill for the Departments of Veterans Affairs, Housing and Urban Development, and Independent Agencies (H.R. 5605, H.Rept. 107-740). The Senate version of the bill (S. 2797, S. Rept. 107-222) was marked up in July, but has yet to be considered by the full Senate.

We do not anticipate that the VA-HUD-Independent Agencies bill will be approved by either the House or Senate as a stand-alone measure, but instead will be incorporated into some kind of omnibus appropriations measure. At this point, it is uncertain what form the final spending bill will take or whether it will be approved prior to the November elections. That said, it is helpful to know the funding levels for key Indian programs in the House and Senate VA-HUD-Independent Agencies, since the final enacted level likely will reflect these figures.

This broadcast reports on the House bill's funding levels for the major programs of interest to tribal governments. The complete bill and its accompanying report are available at <http://thomas.loc.gov/cgi-bin/bdquery/z?d107:h.r.05605>. Details about the Senate bill are contained in Broadcast #02-059 (July 30), available at <http://www.ncai.org/data/docs/legislative/BCF02-059.pdf>.

H.R. 5605 contains \$90.9 billion in discretionary budget authority, compared to the FY 02 enacted level of \$95.41 billion and the FY 03 budget request of \$93.4 billion. The Senate bill provides \$91.43 billion in discretionary budget authority.

The President's budget included a legislative proposal to charge individual agencies, starting in fiscal year 2003, the fully accrued costs related to retirement benefits of Civil Service Retirement System employees and retiree health benefits for all civilian employees. The budget also requested an additional dollar amount in each affected discretionary account to cover these accrued costs. Because the underlying legislation has not been acted on, the FY 2003 request figures in this report have been adjusted to exclude the accrual proposal.

Department of Veterans Affairs

H.R. 5605 provides \$23.9 billion in discretionary funding for the VA, \$2.5 billion above the current level and \$1.1 billion above the budget request. The Senate bill provides \$26.5 billion in discretionary funding.

VA (\$ in millions)	FY 2002 Enacted	FY 2003 Request	FY 2003 Senate	FY 2003 House
Native American Veterans Housing Loan Program	.54	.56	.56	.56

The House Committee report directs the Secretary to implement a housing counseling requirement for first-time homebuyers and suggests that the VA consult with the Neighborhood Reinvestment Corporation on how to do so, citing NRC studies that demonstrate that pre-purchase counseling effectively reduces default rates for first-time homebuyers.

Department of Housing and Urban Development

The House bill provides \$36.1 billion for HUD, a \$1.8 billion increase in program spending and a net increase of \$1.2 billion over current funding after accounting for fee collections and rescissions.

HUD (\$ in millions)	FY 2002 Enacted	FY 2003 Request	FY 2003 Senate	FY 2003 House
Indian Housing Block Grant	648.57	646.59	648.57	649.00
Section 184 Indian Housing Loan Guarantee Program	6.0	5.0	5.0	5.3 ¹
Indian Community Development Block Grant	70.0	73.0	72.5	70.0
Rural Housing and Economic Development (small amt to tribes)	25.0	0	25.0	25.0
Empowerment Zones Round II Grantees	45.0	0	30.0	30.0

Native American Housing Block Grant –With the total, \$2 million is provided for the Section 601 Loan Guarantee Program, compared to \$5.99 million in the Senate bill, and \$5.2 million is provided to support the inspection of housing units, contract expertise, and training and technical assistance (\$2.2 million for the National American Indian Housing Council and \$3 million for HUD), compared to \$7.2 million in the Senate bill. The House bill also allocates \$600,000 to the Working Capital Fund for information systems development and training and \$150,000 to the HUD salaries and expenses account for administrative expenses.

Community Development Block Grant – Like the Senate bill, the House bill provides \$2.2 million to National American Indian Housing Council. Funds were not provided for competitive facilities grants for tribal colleges and universities, which are continued in the Senate bill at their current level of \$3 million, nor were funds provided for Alaska Native-Serving and Native Hawaiian-Serving Institutions, which are funded in the Senate bill at \$4 million. Within the total for CDBG, \$65 million is provided for Youthbuild activities, but, unlike the Senate bill, no funds are earmarked for new programs in underserved and rural areas or for the Boys and Girls Clubs of America for clubs in or near, and primarily serving residents of, public and Indian housing. Finally, the House bill includes \$144.6 million from the total CDBG allocation for economic and social revitalization efforts, including some tribe-specific earmarks.

Environmental Protection Agency

The House bill provides EPA with \$8.2 billion for the EPA, \$583 million above the President's request and \$126 million more than the current funding level.

EPA (\$ in millions)	FY 2002 Enacted	FY 2003 Request	FY 2003 Senate	FY 2003 House
Environmental Programs and Management	2,093.5 ²	2,047.7	2,140.5	2,111.7
Water and Wastewater Grants for Alaska Natives and Rural Areas	40.0	40.0	45.0	35.0
Clean Water State Revolving Fund – Tribal Set-Aside	20.2	18.2	21.8	19.5
Safe Drinking Water State Revolving Fund	850.0	850.0	875.0	850.0
Superfund	1,311.3 ³	1,272.9	1,272.9	1,422.89 ⁴

¹ Like the Senate bill, House bill guarantees a total loan volume of \$197.24 million. In addition, the House bill provides \$100,000 for the Indian Land Title Report Commission and authorizes the transfer of \$200,000 to the HUD salaries and expenses account for administrative expenses.

² Includes \$39 million in supplemental funding.

EPA (\$ in millions)	FY 2002 Enacted	FY 2003 Request	FY 2003 Senate	FY 2003 House
Leaking Underground Storage Tank Facilities	73.0	72.3	72.3	72.3
State and Tribal Assistance Grants	3,738.3 ⁵	3,463.8	4,009.6	3,789.2
Tribal General Assistance Grants	52.5	57.5	57.5	57.5

Within the amount provided for State and Tribal Assistance Grants, \$11.04 million is earmarked for air resource assistance grants to tribes. The Senate bill does not include a similar provision.

The House bill continues language, as included in the Senate bill and requested by the Administration to:

- Waive the 1.5 percent cap on the tribal set aside from the Section 319 Non-Point Source Pollution Grant program
- Increase the tribal set aside cap on the Clean Water State Revolving Loan Fund to 1.5 percent
- Allow the EPA to award cooperative agreements to tribes or intertribal consortia to assist in implementing federal environmental programs in the absence of an acceptable tribal program, provided that funding for these agreements is not drawn from funds designated for state financial assistance programs

Federal Emergency Management Agency

The House bill provides \$3.6 billion, nearly \$7 billion less than current funding and \$3.1 billion less than the request. Like the Senate bill, it replaces the formula-based Hazard Mitigation Grant Program, currently funded through the Disaster Relief Fund, with a pre-disaster mitigation program to provide competitive grants for projects that reduce future disaster risks. This program is funded at \$250 million in the House bill, \$50 million less than the budget request but \$75 million more than the Senate level.

FEMA (\$ in millions)	FY 2002 Enacted	FY 2003 Request	FY 2003 Senate	FY 2003 House
Disaster Relief Fund (Discretionary and Emergency Response)	6,520.9	1,842.8	1,842.8	\$1,820.0
Emergency Management Planning and Assistance	617.3	3,747.2	1,747.2	367.04
Emergency Food and Shelter Program	140.0	153.0	153.0	153.0
Flood Map Modernization Fund	0	300.0	300.0	200.0

Community Development Financial Institutions Fund

CDFI (\$ in millions)	FY 2002 Enacted	FY 2003 Request	FY 2003 Senate	FY 2003 House
Native American, Native Alaskan, Native Hawaiian Set-Aside	5.0	0	5.0	2.0

The House bill includes \$2 million for financial and technical assistance to Native American, Alaska Native, and Native Hawaiian communities, a \$3 million cut from the current level. The Senate bill provides level funding of \$5 million for this purpose. Senate report language states that the funds should be used for grants, loans,

³ Includes \$41.3 million in supplemental funding.

⁴ Of the total, \$12.7 million is transferred to the Office of Inspector General and \$86.17 million is transfer to the Science and Technology Account.

⁵ Includes \$5 million in supplemental funding.

and technical assistance and training programs to coordinate development strategies, increased access to equity investments, and loans for development activities. The Senate report also expresses concern that the CDFI Fund has not released all of the set-aside FY 2001 and 2002 funds.

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