



The Federal Monitor

Current Affairs Affecting Tribes & Tribal Housing Programs

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The National American Indian Housing Council (NAIHC), a 501(c)(3) non-profit organization, assists tribes and tribally designated housing entities (TDHEs) in reaching their goal of providing culturally relevant, decent, safe, sanitary, quality, and affordable housing for native people in Indian communities, Alaska Native villages, and on native Hawaiian Home Lands.

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Congressional Recess

On August 2, 2011, after spending several weeks focusing on getting a deal to avert the first-ever U.S. default, lawmakers left Washington for their summer recess and will return for business in early September. When Congress returns we expect the focus will be on FY 2012 funding bills. Numerous federal budget analysts have noted that given the current state of FY 2012 budget negotiations, Congress will be hard pressed to clear many of the 12 annual spending bills when it returns from recess in early September. Congress is likely to return with less than a month before the start of the new fiscal year. Many on Capitol Hill feel it will be tough to avoid a continuing resolution or omnibus FY 2012 spending package. Some experts have noted that FY 2012 Military Construction-VA spending bill (HR 2055) is likely to become the vehicle for such a measure, since it is the only one yet to pass both chambers.

Senate Appropriations Chairman Daniel Inouye (D-HI) is beginning to draw up a timeline for moving the Senate's remaining 11 spending bills through committee. The Senate waited for the debt limit/deficit reduction package to be completed so that it would have a clearer understanding of the overall top-line spending for FY 2012 before beginning its appropriations work. The House meanwhile has completed six of the 12 spending bills. Additionally, the House Appropriations Committee has approved 9 of their 12 annual spending bills. However, they have not approved either the FY 2012 Transportation-HUD spending bill, or Labor-HHS-Education spending bill-both of which are likely to face long debates over funding levels.

Debt Limit Increase

On Aug. 2, 2011, Congress passed and President Barack Obama signed into law a landmark budget agreement to raise the nation's \$14.3 trillion debt ceiling just hours before the government's borrowing authority ran out and, in the process, avoided a first-ever U.S. government default. The U.S. Department of the Treasury and various credit rating agencies had warned of financial chaos and devastating effects to the economy if Congress failed to raise the debt ceiling.

The agreement increases the debt ceiling by at least \$2.1 trillion and cuts spending by nearly \$2.4 trillion over 10 years. The ceiling increases are to come in two steps: 1) the debt limit will be increased by \$900 billion immediately; and 2) an increase of

\$1.2 trillion to \$1.5 trillion will be later determined by Congress.

Deficit Reduction Committee

The agreement creates a 12-member bicameral, joint deficit-reduction committee, which will be responsible for putting together a \$1.5 trillion deficit reduction package that must be reported to Congress by Nov. 23, 2011, with an up or down vote by Dec. 23, 2011. If the joint committee deadlocks, or if Congress fails to act on the recommendations, it will automatically trigger a \$1.2 trillion, across-the board spending cut, divided evenly between defense and non-defense programs. The automatic spending cuts will apply to Medicare but not to Social Security, Medicaid, veterans or civil and military pay. Medicare cuts would only affect payments to providers, not beneficiaries.

An immediate reduction in the deficit would occur by placing statutory caps on discretionary spending. According to the Congressional Budget Office, statutory caps on discretionary spending for fiscal years 2012 through 2021 would save approximately \$935 billion over 10 years. Total discretionary spending caps for fiscal year 2012 would be \$1.043 trillion and for fiscal year 2013 would be \$1.047 trillion

Further, the budget agreement does not include tax increases, although the joint committee may consider such increases. The agreement also requires both the House and Senate to vote on a proposed balanced-budget amendment to the Constitution by the end of the 112th Congress.

Potential Impacts to HUD

It is too early to provide details on how this deficit reduction agreement will affect the Department of Housing and Urban Development (HUD), or any other federal agency in future funding cycles. The House Appropriation Subcommittee on Transportation, Housing and Urban Development (THUD) has not moved an FY 2012 funding proposal. As reported in NAIHC Federal Monitor on July 7, 2011, this bill is expected to be considered further in September, after the Congressional recess. NAIHC will be closely monitoring this situation and providing updates to Membership promptly.

Contact Your Member of Congress

During the August Congressional recess, we encourage you to contact your Member of Congress to seek support for Indian housing programs. Members of Congress spend the month of August in their district offices, at town hall meetings and other events being held throughout their districts. Many Members of Congress have several offices located throughout their districts and are available to meet with constituents. Below is a sample letter supporting Indian housing programs and a link that will provide local contact information for your Member of Congress.

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View sample Letter to Congress by clicking [here](#). To receive the Word version of the sample letter, please contact Shawn Pensoneau at spensoneau@naihc.net.

Contact Your Member of Congress Link Below.

<http://www.usa.gov/Contact/Elected.shtml>
