

PREPARED STATEMENT OF CHERYL PARISH
EXECUTIVE DIRECTOR - BAY MILLS HOUSING AUTHORITY
ON BEHALF OF
THE NATIONAL AMERICAN INDIAN HOUSING COUNCIL
BEFORE THE HOUSE COMMITTEE ON NATURAL RESOURCES
REGARDING
THE "HELPING EXPEDITE AND ADVANCE RESPONSIBLE TRIBAL
HOMEOWNERSHIP ACT OF 2009" (H.R. 2523)

October 21, 2009

Good morning, Chairman Rahall, Ranking Member Hastings, Congressman Heinrich, Congressman Kildee and Members of the Committee. My name is Cheryl Parish and I am a member of the Bay Mills Tribe of Chippewa Indians in Michigan.

I appear before you today in dual roles: I am the Executive Director of my tribe's housing authority and I also serve as the Vice Chair of the National American Indian Housing Council. Thank you for inviting me to testify today on the HEARTH Act.

Before I discuss the provisions of H.R. 2523, allow me to take you back nearly two decades when Indian tribes, tribal housing authorities and others came together to articulate a new vision for housing and housing-related community development that was rooted in the firm foundation of Indian Self-Determination. These efforts culminated into what became the *Native American Housing Assistance and Self-Determination Act of 1996*.

The primary objective of NAHASDA is to consolidate scattered Federal housing programs into one block grant and promote affordable and safe housing in Native communities. While the delivery of housing has improved markedly since 1996, many challenges remain including working with tribal trust lands which are held in common and cannot be collateralized, the lack of private capital, and dire economic conditions. These factors require vigorous Federal investment in housing and community development, and without a doubt, NAHASDA is the single biggest source of housing capital for Indian people.

Most Indian tribal land is held in trust or restricted status by the United States for the beneficial ownership of Indian tribes or individual Indians. Trust lands may not be sold but may be leased for a variety of purposes under Federal law.

The *Indian Long-Term Leasing Act of 1955* requires the approval of the Secretary of the Interior for certain types of leases of Indian trust and restricted Indian lands. Any lease that is not approved by the Secretary is invalid.

Timely processing of lease documents is critical not only for housing but also for Federal loan guarantee programs. One program -- the Indian Home Loan Guarantee Program -- also known as the Section 184 Program, addresses the lack of mortgage lending in Native communities by offering mortgage financing to eligible Native American individuals, families, tribes and tribally-designated housing entities. The Section 184 Program, through HUD, guarantees loans made by private sector lenders. Because tribal trust lands may not be foreclosed upon, this program requires the borrower to have a valid leasehold subject to the approval of the Secretary. Upon a default, the structure and leasehold interest are subject to foreclosure. The requirement of secretarial approval, in this instance, is time-consuming and is a contributing factor to the low homeownership rate in Native communities.

Current law authorizes leases for up to 25 years with an option for one additional 25-year renewal for “public, religious, educational, recreational, residential, or business purposes...”

NAHASDA increases lease terms for “housing development and residential purposes” to 50-years but keeps the requirement of secretarial approval.

The Secretary, acting through the Bureau of Indian Affairs, administers the land leasing process which can become lengthy, taking months and sometimes years hindering housing, infrastructure, and related economic development on trust lands. Because of these delays, and the desire by individual Indian tribes for more authority and tribal control in the leasing of their own lands, 45 Indian tribes have sought relief from the 1955 Act by petitioning Congress specific, tribe-by-tribe Federal legislation.

Most recently, one tribe, the Navajo Nation sought to liberalize the 1955 Act for its own trust lands. In 2000, Congress responded favorably by enacting a law authorizing the Navajo Nation to enter into lease agreements and renewals of leases without the Secretary’s approval. The Navajo Nation was required to develop its own tribal leasing regulations before instituting its land leasing regime which was approved by the Secretary in July 2006.

In May 2009, Mr. Heinrich introduced the HEARTH Act which will offer willing Indian tribes the authority to enact their own tribal leasing regulations and to negotiate and enter into certain leases without the approval of the Secretary.

It is crucial that any such proposal be entirely optional to Indian tribes to determine whether they wish to participate in such an initiative. The HEARTH Act would also require the BIA to prepare and submit to the Congress a report detailing the history and experience of Indian tribes that have chosen to assume responsibility for operating the Indian Land Title and Records Office functions from the BIA.

NAIHC supports efforts like the HEARTH Act because they respect tribal decision-making, expedite what can often be lengthy Federal processes, and will serve to improve the delivery of Federal housing assistance and expand economic opportunity to Indian Country.

On behalf of NAIHC and its membership, I am here today to strongly support the Heinrich bill.

Thank you and if you have questions I would be happy to answer them.