

IHBG Formula Negotiated Rulemaking Recommendations and Proposals

<p>TAB 3: [Former #6, #26, #31, #32, & #34]</p>	<p>Small Program/Minimum Funding</p>
	<p>The proposal was first introduced on 08/20/2003. Scenarios were developed for data runs. Additional proposals submitted 09/25/2003.</p>
<p>This proposal was first introduced as a resolution from the Nevada California Indian Housing Association, titled “Resolution No. 2003-05: Establishing a Position for Baseline or Minimum Funding under the NAHASDA IHBG Formula.” There was also a recommendation to address the issue reported out from the Needs Workgroup with conceptual language. To date, there is no regulatory language associated with the proposals.</p> <p>Additional recommendations were voiced during Committee discussion for: minimum \$25,000; minimum \$50,000; and maximum funding.</p>	
<p>Reference Documents:</p> <p>TSB: #6, #26, #31, #32, #34</p> <p>TR: #11, #23, #27, #29, #33, #44, #56, #57, #58, #59, #60, #61, #62, #69, #70, #71, #72, #73, #74, #75, #76, #77, #78, #82, #83</p>	

Referenced Documents:

TR = Technical Request; TSB = Tab in September Binder

[Issue #3]
PROPOSED REGULATION
FOR
A SMALL TRIBE'S SUPPLEMENTAL GRANT PROGRAM
by
Jack Sawyers

§ 1000.350 What is the IHBG Small Tribe Supplemental Grant Program?

To supplement grant funding to small tribes each year _____% of Indian Housing Block Grant or \$10 million dollars, which ever is smaller, shall be distributed to eligible small tribes as Supplemental Grant funding. In addition to special Supplemental Grant requirements, all other rules of the NAHASDA Block Grant Program shall apply except where they conflict with the regulations of the Supplemental Grant Program.

§ 1000.352 Who is Eligible for Supplemental Grants?

Funds are to be provided to the smallest tribes eligible for Indian Housing Block Grants. However, to be eligible a tribe must first submit a Supplemental Grant Application with its Indian Housing Plans on a form prescribed by HUD. In addition to demonstrating a desire for Supplemental funding, this form is to be used by tribes to make a showing of both housing need and administrative capacity which must then be concurred in and certified by HUD before the Supplemental Grant can be awarded to the tribe. Accomplishing these qualifications makes a tribe eligible for Supplemental funding.

§ 1000.354 What Are the Supplemental Grant Amounts?

HUD will annually award Supplemental Grants in the amount of \$100,000 upon a HUD determination certifying housing need and administrative capacity for that tribe. Grants shall be given to the tribes with lowest funding first and continue until this funding pool is exhausted. If a tribe is receiving more than \$500,000 in current assisted stock funding it shall not receive any funding from this program. Furthermore, if a tribe is participating in a regional or umbrella housing authority whose participating members and regional authority annually receive in NAHASDA Block Grants (in need and current assisted stock) a total of more than \$1 million dollars, the Supplemental Grant to that tribe shall be \$50,000, and if the participating member's regional authority annually receive a total of more than \$4 million dollars, the Supplemental Grant to that tribe shall be \$25,000.

January 8, 2004

Citizen Potawatomi Nation Housing Authority

Minimum Funding Proposal

Unclaimed NAHASDA grant funds from the prior grant year and funds repaid to HUD from the prior grant year under repayment agreements shall be placed in a separate fund and allocated among tribes with a demonstrated need for funding based on administrative need that is not met by the formula for allocating funds. These funds shall be distributed among Tribes that receive less than \$100,000 annually in IHBG funds. The method and terms of distribution shall be determined through negotiations between the Tribes eligible for these funds.

Tab 3 ~ Proposed Regulation for Minimum Funding

Prepared and Submitted by: Phil Bush

1000.328 ~ What is the minimum annual IHBG amount a Tribe can receive?

Answer:

If an Indian tribe has no demonstrated need, under the need component, then the minimal funding is set at \$25,000.00.

If an Indian Tribe demonstrates that it has households below 80% of the median income within the Tribe's formula area, and the tribe's IHBG need allocation is less than \$225,000.00, then the tribe's need allocation will be adjusted to a minimum funding level of \$225,000.00.

An Indian Tribe that receives \$500,000.00 or less under the current assisted housing stock (CAHS) portion of the formula, is eligible for this allocation.

An Indian Tribe that receives CAHS funding greater than \$500,000.00, is not eligible for this allocation.

Any Tribe's annual IHBG funded allocation less the \$500,000.00 shall not be affected by this rule.

Tab 3 ~ Proposed Regulation for Minimum Funding

Prepared and Submitted by: Phil Bush

1000.----What happens if data sources for the IHBG formula are not available for a Tribe?

In the event the Tribe data sources are not available from the U.S. Decennial Census or any other source, the Tribe may have an opportunity to request from HUD up to \$50,000.00 to gather data acceptable to HUD to demonstrate and justify the affordable housing need formula allocation for the Tribe.

What is the minimum IHBG amount that a Tribe may receive under the need component of the formula?

The minimum block grant allocation in any year to a Tribe under the need component of the NHASDA allocation formula shall equal .019% of the total block grant need distribution for that year, provided that any Tribe receiving \$500,000.00 or more in FCAS funding shall not be eligible for this supplemental allocation, and provided further that a Tribe must demonstrate need of any households at or below 80% of median income to be eligible for this block grant minimum funding level.

IHBG Formula Negotiated Rulemaking Proposals from the Cherokee Nation (January 9, 2004)

Note: Any notations below of “...” indicates that language remains as written in the current language.

TAB 3: MINIMUM FUNDING PROPOSAL

Replace the third sentence in 1000.328 with:

In subsequent years, an Indian tribe whose allocation is less than \$25,000 under the need component of the formula shall have its need component of the grant adjusted to \$25,000 if its calculated FCAS amount for that year is less than \$100,000 and it provides a certification of need for the adjusted amount.

Remove the fourth sentence.

[Issue #3]
MINIMUM FUNDING
by
Darlene Tooley

§ 1000.323 What is the minimum amount an Indian tribe can receive under the need component of the formula?

In the first year of NAHASDA participation, an Indian tribe whose allocation is less than \$50,000 under the need component of the formula shall have its need component of the grant adjusted to \$50,000. An Indian tribe's IHP shall contain a certification of the need for the \$50,000 funding. In subsequent years, an Indian tribe whose allocation is less than \$25,000 under the need component of the formula shall have its need component of the grant adjusted to \$25,000.

Rationale: Under the current regulation, minimum funding expired at the end of fiscal year 2002. HUD by interim regulation, published in the Federal Register on June 24, 2003, extended the current minimum funding through fiscal year 2003, after which there will be no minimum funding under the regulations. This proposal is submitted to extend the current rule indefinitely, if no other minimum funding proposal is adopted by the Negotiated Rule Making Committee.