

Effect of District Court Judgments

In accordance with court orders, HUD is complying with the District Court decision ordering HUD to pay judgments this FY. As such, the judgment payments are being made from this FY's IHBG appropriation, as well as, for some Plaintiffs, from IHBG funds appropriated in FY 2008 but set-aside for specific Plaintiffs. The Court also ordered that Plaintiffs' payments be in addition to the allocation each Plaintiff would otherwise be due, irrespective of that Plaintiff's judgment. In effect, the judgment payments made from available FY 2015 IHBG funds reduced the total funds available to be calculated in the formula. While each individual Plaintiff's own judgment was not applied to reduce the funds available in that Plaintiff's share under the formula, lawsuit Plaintiffs were impacted by the judgments paid to other Plaintiffs.

Because the FCAS component of the IHBG formula is calculated first, and without regard to the total amount of funds available for distribution, the judgment payments reduced the amount of funds available for distribution in the Need component of the IHBG formula. As a result, the amount shown under the Need component may be less than what was provided in HUD's preliminary grant estimates sent May 30, 2014. Each tribe's IHBG Allocation and Formula Data form shows the impact that this reduction to the total funds available had on the tribe's final allocation.

The Government is appealing these decisions to the United States Court of Appeals for the Tenth Circuit.