

FY 2016 Appropriation Adjustment

In accordance with the Consolidated Appropriations Act, 2016, recipients with a formula allocation greater than \$8 million cannot, as of January 1, 2016, have an undisbursed block grant in the Line of Credit Control System (LOCCS) that is greater than three times the allocation they would have otherwise received in FY 2016. If three times a recipient's FY 2016 formula allocation is greater than their undisbursed block grant balance in LOCCS, HUD was required to adjust the recipient's formula allocation down by the difference between its total amount of undisbursed LOCCS balance and three times the formula allocation the recipient would have otherwise received. This provision overrides Section 203(d) of Native American Housing Assistance and Self Determination Act (NAHSADA).

As required by Congress, grant funds not allocated because of this requirement were allocated under the need component of the formula proportionately among all other NAHASDA recipients not subject to the adjustment. Please note, that for the FY 2016 formula allocation, there were no recipients subject to this reduction, as all recipients had an undisbursed block grant balance that was less than 3 times their formula allocation.