



OFFICE OF PUBLIC AND INDIAN HOUSING

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

Special Attention of:

All Tribal Government Leaders
And Tribally Designated
Housing Entities (TDHE)

Notice: PIH 2017-14

Issued: August 17, 2017

Expires: This Notice remains effective
until Amended, Superseded or Rescinded

Cross Reference(s): PIH Notice 2017-
15 and PIH Notice 2017-16.

SUBJECT: Indian Housing Block Grant (IHBG) Formula Needs Data

PURPOSE: This Notice provides tribes and tribally designated housing entities (TDHE) with information related to changes affecting the Needs data under the IHBG formula (24 CFR 1000.330).

BACKGROUND: On November 22, 2016, HUD published the final rule revising the IHBG allocation formula, authorized by section 302 of the Native American Housing Assistance and Self-Determination Act of 1996, as amended (NAHASDA). The final rule became effective on December 22, 2016, and updated HUD's regulations at 24 CFR part 1000. These regulations were developed through the Negotiated Rulemaking process, which included 24 representatives of tribal governments (or authorized designees of those tribal governments), and two HUD representatives. For additional information on the process and outcomes, please refer to the Final Rule (Native American Housing Assistance and Self-Determination Act; Revisions to the Indian Housing Block Grant Program Formula, 81 Fed. Reg. 83674 (Nov. 22, 2016)) and *PIH Notice 2017-15 "IHBG Formula FCAS Data,"* and *PIH Notice 2017-16 "Changes to the IHBG Formula Regulations."*

Specifically, the final rule updated § 1000.330, which identifies and describes the data sources used to compute Needs data component in the IHBG allocation formula. Before the final rule went into effect, Needs data was drawn from the U.S. Decennial Census data and adjusted annually using the Indian Health Service (IHS) birth and death rates. Under the new rule, beginning in Fiscal Year (FY) 2018, the American Indian and Alaska Native (AIAN) data for the "person count" Need variable will be drawn from the Decennial Census. The Decennial Census's person-count data will be updated annually using the U.S. Census Bureau Population Estimates, and adjusted for statistically significant undercounts on reservations, trust lands, and remote Alaska (§1000.330 (b)(1)). For all other Needs variables, the data source will be the American Community Survey (ACS) 5-year estimates (§1000.330 (b)(2)).

The following questions and answers provide greater detail on how HUD will apply the new Needs data in the formula.

Questions and Answers Relating to Formula Needs Data:

1) What will the Needs data be in FY 2018, and how often will it be updated?

The AIAN person-count variable will come from the FY 2010 Decennial Census, and be adjusted annually using Census population estimates. This data will remain in place until the 2020 Census counts are available to HUD. For the FY 2010 Decennial Census, data for reservations, trust lands, and remote Alaska will receive an undercount adjustment of 4.88 percent.

For all other Need variables, HUD will use a 5-year rolling average, beginning in FY 2018 with ACS data from 2009 to 2013. The ACS data will be updated every year. Therefore, in FY 2019, the ACS data will be from 2010 to 2014.

2) Can tribes still challenge their Needs data?

Yes, under §1000.330(c), tribes/THDEs can challenge their Needs data in accordance with procedures at §1000.336. Each year, Needs data challenges are due March 30th to be considered for the upcoming FY allocation. However, the first time that tribes/TDHEs will receive their Needs data under the new data sources will be on or after June 1, 2017, which is after the March 30, 2017 deadline to submit challenges for FY 2018.

To provide tribes/TDHEs with a similar amount of time as they had in prior FYs to review their data, the General Deputy Assistant Secretary has issued a waiver extending the deadline for submitting the FY 2018 Needs data challenges to March 30, 2018. If HUD is unable to finish processing a tribe's/TDHE/s request before the FY 2018 final allocation, then in accordance with §1000.336(e)(4), the tribe will receive a retroactive adjustment in a subsequent FY's allocation.

To avoid this situation in subsequent fiscal years, the Formula Response Form (FRF) will include 2 years of data. For example, the FY 2018 FRF will provide both the FY 2018 Needs data, as well as the FY 2019 Needs data. Therefore, tribes/TDHEs could challenge either the FY 2018 or the FY 2019 data provided in the FY 2018 FRF. However, in subsequent fiscal years, tribes/TDHEs would only be able to challenge the data set for the latter FY. For reference, the following chart provides the FRF publication dates, Census Challenge deadlines, and the ACS data set that will be used.

FRF	FRF Date Sent	ACS Data Used in Estimate	ACS Data Provided for Next FY	Challenge Due
FY 2018	September 6, 2017	2009-2013 (FY 2018 Data)	2010-2014 (FY 2019 Data)	March 30, 2018* (FY 2018 & 2019 Data)
FY 2019	June 1, 2018	2010-2014 (FY 2019 Data)	2011-2015 (FY 2020 Data)	March 30, 2019 (FY 2020 Data)
FY 2020	June 1, 2019	2011-2015 (FY 2020 Data)	2012-2016 (FY 2021 Data)	March 30, 2020 (FY 2021 Data)
FY 2021	June 1, 2020	2012-2016 (FY 2021 Data)	2013-2017 (FY 2022 Data)	March 30, 2021 (FY 2022 Data)

*Deadline extended via waiver.

3) How can tribes/TDHEs challenge their Needs Data?

HUD has updated the document, *Challenging U.S. Decennial Census Data: Guidelines for the Indian Housing Block Grant Formula*. These guidelines are on the HUD website at:

https://portal.hud.gov/hudportal/HUD?src=/program_offices/public_indian_housing/ih/coltalk/onap/ihbgformula

4) Can tribes/TDHEs challenge the current ACS data using other ACS data? For example, can tribes/TDHEs use 1-year ACS data to challenge 5-year data, or can tribes/TDHEs challenge 2009 to 2013 using 2010 to 2014 data?

No. The purpose of a Census data challenge is to provide tribes/TDHEs with the opportunity to correct Census data, not request the use of different sets of Census data. Only locally collected data, in accordance with the procedures in the *Challenging U.S. Decennial Census Data: Guidelines for the Indian Housing Block Grant Formula*, is acceptable.

5) How long will data from a successful Census Challenge be retained in the formula?

Data from a successful Census data challenge will be retained in the IHBG Formula for 5 FYs, inclusive of the first allocation to which it is applied. For example, if a Census challenge is accepted for FY 2018 allocation, it will be retained in the formula from FY 2018 through FY 2022, unless the tribe/TDHE informs HUD otherwise. During that 5-year period, a tribe/TDHE may ask to use the Census Needs data planned for that FY instead of using the successful challenge data. However, once a tribe decides to return to Census Needs data, the tribe may no longer use the previously approved Census challenge data, but may submit a new Census challenge.

6) If a tribe/TDHE successfully challenges Needs data for reservation/trust land or remote Alaska, will the undercount adjustment still be applied?

No. The purpose of applying the adjustment is to correct a presumed undercount in Census data. Since the Census challenge corrects Census data with locally collected data, the need to correct a presumed undercount is no longer applicable.

7) When conducting a Census Challenge, must tribes/TDHEs collect and submit data on all seven Needs variables?

Tribes/TDHEs can choose the variables for which they are going to collect data. However, they cannot submit data for a subset of these variables. Once a tribe/TDHE determines the variables for which data will be collected, and collects the data, the tribe/TDHE must provide to HUD the data on these variables. A tribe/TDHE cannot provide a subset of data if the survey results in larger counts for some variables and smaller counts for other variables.

8) Can tribes/TDHEs submit Census challenges with data that is older than the Needs data currently being challenged?

No. The data submitted for a Census challenge cannot be older than the data being challenged. For example, if a tribe/TDHE submits a Census challenge for FY 2018, the data submitted for the AIAN person-count variable cannot be older than FY 2010, and the data submitted for the remaining six variables cannot be older than FY 2009.

9) If a tribe/TDHE successfully challenged the AIAN person count variable, will this variable be adjusted in future fiscal years?

Yes. The AIAN person count variable from a successful Census challenge will be adjusted from the FY of acceptance using the Census population estimates.

10) Can a tribe/TDHE challenge the Census Growth Estimate?

The Census Growth Estimate must be challenged directly with the U.S. Census Bureau. The Census Population Estimate program has a method for challenging the population counts for a county. Information on the procedures for making these challenges is found here:

<https://www.census.gov/programs-surveys/popest/about/challenge-program.html>.

Tribes/TDHEs may also challenge the AIAN population count for their Formula Area using the same methodology as described in the document, *Challenging U.S. Decennial Census Data: Guidelines for the Indian Housing Block Grant Formula*.

11) How will the undercount be applied to Formula Areas in Alaska that are both "remote" and "not remote"?

A small number of Alaska Native Villages and some balance of Alaska Native Regional Corporations have AIAN persons living in areas that were defined as both “remote” and “not remote” for the 2010 Decennial Census enumeration areas. In those cases, the 4.88 percent weight will be applied only for the AIAN population in the “remote area.” For example, if an area has a population of 100, and 80 are in remote areas, the population adjustment will be calculated as follows:

$$(80 * 1.0488) + 20 = 104.$$

Should you have any questions, please contact the IHBG Formula Customer Service Center at:

1025 Connecticut Avenue, NW, Suite 214
 Washington, DC 20036
 Phone: 800-410-8808
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 E-Mail: IHBGformula@firstpic.org

Individuals with speech or hearing impairments may access the above telephone number via TTY by calling the toll-free Federal Relay Service at 1-800-877-8339.

/s/

Dominique Blom, General Deputy Assistant Secretary
for Public and Indian Housing