

**U.S. Department of Housing and Urban Development (HUD)
Indian Housing Block Grant Formula Negotiated Rulemaking Committee**

**Session 2
September 18, 2013**

The session started with an opening prayer. Then Committee members introduced themselves and stated their tribal affiliation.

Protocols

After the Committee made non-substantive corrections to the protocols, the protocols as corrected were unanimously ratified.

Presentation on the American Community Survey

Ben Winter, an analyst at the Office of Policy Development and Research (PD&R), made a presentation on the American Community Survey (ACS), which could be used for the needs portion of IHBG. For the past 10 years, the formula has been run using the 2000 Census long form.

Mr. Winter related the history of the Census' American Indian and Alaska Native (AIAN) data collection. In 2005, the Census introduced the ACS, an annual survey to replace the long form decennial questionnaire. The major difference between the 2000 decennial Census long form and the ACS is that the ACS reports annual data. The ACS is not a point-in-time survey. It is a "period" estimate. Data are collected throughout the year and aggregated. Similar to the decennial Census, the ACS is a household survey. Also similar to the decennial Census, the ACS relies on self-identification of race/ethnicity.

Since the sample size for the ACS is relatively small each year, the ACS provides one, three, and five year estimates which rely on pooled monthly samples. ACS estimates are less precise for smaller geographies and lower populations. The ACS data special tabulations can be used for all of the need components of the IHBG formula. ACS data also could be used for any new variables that are identified through the Negotiated Rulemaking process. There are a number of issues to consider when applying ACS data to the formula, including the fact that AIAN have historically been under-represented. The Committee wanted more information about AIAN response rates and on how they handle replacement for sampled households which are not found or which refuse to participate.

Presenters answered a number of questions about the ACS. The ACS pulls a statistically representative sample from a national address database. In Indian country, they often try to find specific locations/structures on a map because there are no addresses. To be fair across all geographies, we most likely would need to use the same "product," that is, the five year estimate, for all tribes. It needs to be determined how this issue affects Census challenges.

The first phase of HUD's current assessment of AIAN and Native Hawaiian housing needs has produced some preliminary findings. These include: (1) the AIAN population is growing quickly, with the subgroup growing at the fastest pace being those who also identify as "Hispanic" on the ethnicity question; (2) although both AIAN housing facilities and social and economic factors have improved, the gap between AIAN and others remains high; and (3) AIAN have a high incidence of overcrowding and high housing cost burden.

Mission and Goals

The Committee considered whether to adopt a statement of goals and mission to guide its work. They looked at the goals and mission statement that were established in 1997. Some committee members wanted to focus on the ultimate beneficiaries of NAHASDA, i.e., AIAN families, but there was some disagreement as to whether they should identify subgroups of that population based on income or other characteristics. The Committee looked at 1000.4: What are the objectives of NAHASDA, for guidance. After an extensive discussion, the Committee agreed not to establish goals. They then unanimously approved the following mission as the guiding statement for the Committee: "Determine formula criteria and regulations that are fair and equitable to all Indian tribes pursuant to the law."

Identification of Issues for Discussion

The Committee discussed the merits of identifying issues in the full Committee before splitting into Work Groups versus breaking into two Work Groups, FCAS and need, and then surfacing issues within each Work Group. It was suggested that the process of identifying issues might lead to the identification of additional Work Groups. Several members also wanted to give the audience the opportunity to identify issues. The Committee agreed to start with a one-hour brainstorming session and invited the audience to participate. They identified a large number of issues and agreed to break into two Work Groups to review the issues and determine which issues fall within the purview of FCAS, need, or other topic area. In addition, the Work Groups were directed to select Chairs.

Work Group Reports

The full Committee reconvened at 4:00 pm to hear reports from the work groups. Sami Jo Difuntorum was selected to serve as the Chair of the Needs Work Group and Jason Adams as the Chair of the FCAS Work Group. The Needs group identified which issues clearly fall within their purview and which do not. The FCAS group categorized items in the issues list using three options: Need, FCAS, and other. They determined that many issues fall into more than one area. In addition, since many issues fell into the "other" category, they asked the Committee to create another Work Group that deals with these "other" items. After they finished categorizing the issues, they looked at statutory and regulatory definitions and determined if they were relevant to FCAS.

The Committee unanimously agreed to form a "special topics" Work Group to address all the issues that do not fit under FCAS or needs. In addition, interested persons were asked to sign up for the Drafting Work Group.

Public Comment

Edward T. Begay, a member of the Navajo Tribe, addressed the Committee. There were no other public comments.

Assignment of Issues to Work Groups

The Committee reviewed a chart showing how the FCAS and Needs Work Groups categorized each issue (see Attachment 1) and went through each issue to ensure that every issue on the list was assigned to a Work Group. The Committee unanimously agreed that any issue that appears in either FCAS or Need and also in "other" be removed from the "other" category. After some discussion, the Committee determined that some issues appropriately can be addressed by both the FCAS and Needs Work Groups. After a break, the Committee addressed the issues that appear to be listed twice, and eliminated those issues that were determined to be duplicates.

The meeting ended with a closing prayer.

Attachments

1. Matrix of Needs, FCAS, and Other issues

Issues for Work Groups - Combined Matrix

9/25/2013, 9:19 AM

ISSUE	NEEDS WORKING GROUP		FCAS WORKING GROUP			COMMITTEE DISCUSSION
	Needs	Other	FCAS	Needs	Other	Work Group
Tribal Sovereignty and self-determination	X				X	Needs
Revise and refine – look at – definitions	X		X	X	X	All Groups
Infrastructure for remote areas	X				X	Needs
Definition of a small Tribes	X		X	X	X	
NAHASDA assisted units		X	X		X	FCAS
Maximum funding amount	X				X	Needs
Does the formula meet the statutory requirement to serve low income AIAN families	X			X	X	Needs
Data challenge procedures	X		X	X		Both FCAS and Needs
Use of TDC factor	X		X	X		
Housing self determination act: shelter housing	X				X	Needs
Technical corrections that may be needed in other areas of the formula and regulations based on any changes we make	X		X	X	X	
Review of all regulations under subpart D and any statutory changes	X		X	X	X	
2008 Statutory amendments	X		X	X	X	
Tribal Needs protection from FCAS draws		X	X	X		
How many small Tribes are there?	X		X	X	X	
Comparisons of total small tribes' funding to total funding	X		X	X	X	
Agree to variables that will be looked at before doing data runs		X	X	X	X	
Recipients of FCAS money but have no needs		X	X		X	FCAS
HUD processes/practices that could be conflict with proposals	X		X	X	X	
Consideration of ACS data	X			X		Needs

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ISSUE	NEEDS WORKING GROUP		FCAS WORKING GROUP			COMMITTEE DISCUSSION
	Needs	Other	FCAS	Needs	Other	Work Group
Tribal Enrollment data	X			X		Needs
Weighting factors	X			X		Needs
Selection of Variables	X			X		Needs
Change of data in need component	X			X		Needs
Change of terminology in need component	X			X		Needs
Continued use of FCAS definitions		X	X			FCAS
Overlapping formula areas	X			X		Needs
Expansion of formula areas	X			X		Needs
Minimum funding amount	X			X		Needs
Use of AEL factor		X	X			FCAS
Consideration of alternative data sets	X			X		Needs
Section 302 C (1)		X			X	Other
Amending the definition of formula median income to allow use of national median income	X			X		Needs
Extent of poverty and economic distress	X			X		Needs
Overcrowding issues	X			X		Needs
Families v. households	X			X		Needs
Allocation on a competitive basis – set aside		X			X	Other
Need to build capacity		X			X	Other
Need to develop private capital markets		X			X	Other
1000.306 C –		X	X			FCAS
Data sources: e.g., outdated BIA data sources	X			X		Needs
Section 8		X	X			FCAS
Housing shortage	X			X		Needs
Impacts of funding: e.g., local governments		X			X	Other
Section 1000.330 – Supplement IHS data for populations that don't have IHS data	X			X		Needs

Issues for Work Groups - Combined Matrix
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ISSUE	NEEDS WORKING GROUP		FCAS WORKING GROUP			COMMITTEE DISCUSSION
	Needs	Other	FCAS	Needs	Other	Work Group
Formula areas under subsection 1: optional or mandatory	X			X		Needs
Implementing all or part of the HEARTH Act into NAHASDA		X			X	Other
Leverage federal funds with NAHASDA funds		X			X	Other

Issues that the Committee has not yet discussed are highlighted in yellow