

United States Senate

WASHINGTON, DC 20510

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October 29, 2018

The Honorable Benjamin Carson
Secretary
U.S. Department of Housing and Urban Development
451 7th St. SW
Washington, DC 20410

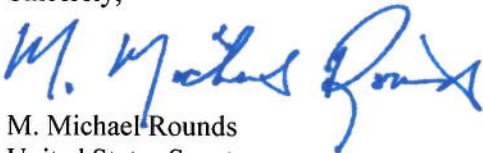
Dear Secretary Carson:

We would like to bring to your attention the newly-created "Need and Capacity" grants, established by the Consolidated Appropriations Act of 2018 (P.L. 115-141), for the purpose of providing additional housing assistance to Indian tribes participating in Housing and Urban Development (HUD) programs. After HUD implemented the American Community Survey (ACS) as a principal data source to distribute funding for the Indian Housing Block Grant (IHBG) formula, many land-based tribes in our states and other areas of the country lost adequate funding necessary to meet housing needs. With this new appropriation, Congress has provided HUD an opportunity to create a new, competitive tribal housing fund program aimed at helping tribes with severe unmet housing needs who also have the administrative capacity to spend the funds quickly and efficiently.

Because of the ACS data shortcomings in the IHBG and Indian Community Development Block Grant (ICDBG) formulas, appropriators sought to have HUD find a different means of determining which tribes should be allocated additional funds. We believe that distributing these new grants in a single nationwide competition, rather than conducting several regional competitions, would be a more equitable and efficient way to achieve that outcome. When considering tribal housing, regional competitions currently treat housing needs in one region the same as the needs in another region, when in reality, actual need may be concentrated in a few regions. In determining relative need, tribes with the lowest median incomes and highest poverty rates are more likely to lack adequate resources to meet housing needs. Using these factors to rank the level of a tribe's need, and considering housing needs collectively, on a nationwide basis, is the best way to award these funds to the tribes who need them the most.

We know that your staff in the Office of Native American Programs has begun work on a new method to distribute these grants. We would appreciate HUD's consideration and utilization of guidelines that will allow for a more fair process in determining which tribes will receive these important funds.

Sincerely,



M. Michael Rounds
United States Senator

CC: Deputy Secretary Pam Patenaude
Deputy Assistant Secretary Heidi Frechette