



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

OFFICE OF PUBLIC AND INDIAN HOUSING

May 30, 2025

**Subject:** FY 2026 Indian Housing Block Grant Formula Allocation Estimate

Dear Tribal Leader:

I am writing to provide important information on your Tribe's Indian Housing Block Grant (IHBG) formula allocation estimate for Fiscal Year (FY) 2026. The U.S. Department of Housing and Urban Development (HUD) is required by regulation to provide this information annually to all IHBG eligible Indian Tribes and their Tribally Designated Housing Entity (TDHE). HUD is posting the following information on-line at: <https://ihbgformula.com/fy2026/>:

- FY 2026 Formula Response Form (FRF) including the FY 2026 FRF Appendices A through D.
- Calendar of Critical Deadlines and Frequently Asked Questions.
- FY 2026 Correction/Challenge Log showing changes to the IHBG database between April 2, 2025, and May 5, 2025.
- The 2020 Decennial Census Implementation Analysis Spreadsheet

**FY 2026 FRF**

The FY 2026 FRF contains the data used to compute your Tribe's IHBG formula allocation estimate for FY 2026, and the estimated formula allocation for your Tribe. This estimate is based on the FY 2025 enacted level of funding for the IHBG formula program, with adjustments for repayments of over-funding and under-payments due to data or programming errors.

Please review this document very carefully and report any discrepancies to the IHBG Formula Customer Service Center within the timeframes outlined in the FY 2026 FRF. In accordance with 24 CFR §1000.315, all changes to information related to the IHBG formula must be reported on the FY 2026 FRF. Detailed instructions are included to provide guidance on reporting discrepancies and to facilitate the data correction process. Tribes should use:

- Appendix A1 to report conveyance eligibility and conveyance of Formula Current Assisted Stock (FCAS).
- Appendix A2 to report Date of Full Availability (DOFA) of FCAS.
- Appendix A3 to report conversion of FCAS units.
- Appendix A4 to report demolished and rebuilt FCAS units.
- Appendix A5 to report all other FCAS changes.
- Appendix B1 to request additions to Formula Area based on the Formula Area definition.
- Appendix B2 to request additions to Formula Area based on provision of Substantial Housing Services.
- Appendix C to report enrollment in overlapping Formula Areas.

- Appendix D to report changes to Tribal enrollment or request a change to the population cap.

In accordance with Section 302(b)(1) of the Native American Housing Assistance and Self-Determination Act, 25 U.S.C. § 4152(b)(1), Mutual Help and Turnkey III units developed under the United States Housing Act of 1937 that are conveyed or eligible to be conveyed prior to the start of the Federal fiscal year (October 1<sup>st</sup>), will cease to be eligible as FCAS in the following fiscal year, unless the Tribe can demonstrate that a unit has not been conveyed for reasons beyond its control. By the terms of their Mutual Help and Occupancy Agreements (MHOA), such units are eligible for conveyance no later than 25 years from the inception of those agreements, which generally corresponds to the DOFA. Accordingly, all units within a project that have reached their DOFA in FY 2000 may no longer be considered as FCAS. As applicable, HUD has removed these units from the Tribe's FCAS data as indicated by an "\*" next to the project number on the FCAS section of the FY 2026 FRF. However, if your Tribe believes that any of these units are still eligible as FCAS, please identify the project and unit number and provide the necessary information in accordance with the FRF as follows:

1. If the unit was converted to and is currently managed as a Low Rent unit, provide the information required in Appendix A3.
2. If there is a subsequent homebuyer with a new MHOA, or the unit is still within the term of its lease-to-own agreement, please provide the information required in Appendix A5, including the date that the current agreement was signed and the termination date of the agreement.

In accordance with 24 CFR §1000.319, IHBG formula recipients are responsible for verifying and reporting changes to their FCAS on the FRF. As an IHBG formula recipient, if your Tribe does not report changes on the FRF in a timely manner and receives an over-payment based on ineligible units, your Tribe will be required to repay the funds within five fiscal years. Tribes will not receive back-funding for any FCAS eligible units that were not reported in a timely manner.

### **FY 2026 IHBG Formula Allocation Estimate and Calculations**

HUD based the estimated IHBG formula allocation on the FY 2025 enacted level of funding for the IHBG formula program of \$1,111,000,000. Please keep in mind that the actual appropriation may differ, thus affecting your Tribe's final FY 2026 IHBG formula allocation. In addition, your final FY 2026 IHBG formula allocation may vary from this estimate based on your Tribe's or other Tribes' pending corrections and/or challenges to the data reported on the FRF.

As in prior years, the Needs component of the IHBG formula allocation was estimated using single-race and multi-race Census data. The amount of each Tribe's IHBG formula allocation was estimated based on the greater of the two. The Needs section of the FRF indicates which data was used to calculate your Tribe's IHBG formula allocation estimate.

The Needs component also incorporates minimum needs funding. In accordance with 24 CFR §1000.328, Tribes receiving less than \$200,000 under the FCAS component of the IHBG formula allocation and have households at or below 80 percent of median income are eligible to receive a minimum IHBG formula allocation under the Needs component. The minimum funding is equal to 0.007826 percent of the available appropriations for a fiscal year, after set-asides. In the FY 2026 IHBG formula allocation estimate, this amount is \$86,947.

In accordance with 24 CFR §1000.329, the IHBG formula must also establish a minimum IHBG formula allocation when there are carry-over funds. Since it is unknown if there will be carry-over funds for the FY 2026 IHBG formula allocation, a minimum IHBG formula allocation is not included in the IHBG formula allocation estimate but will be implemented in the final IHBG formula allocation provided there is carry-over.

In addition, 24 CFR §1000.342 provides for the Undisbursed Funds Factor (UDFF) in the IHBG formula. The UDFF requires specific IHBG formula calculations when Tribes with an initial IHBG formula allocation of \$5 million or more have undisbursed IHBG formula funds in the Line of Credit Control System (LOCCS) on October 1<sup>st</sup>, in an amount greater than the sum of the prior three years' initial allocation calculations. Since the amount of undisbursed funds remaining in LOCCS on October 1<sup>st</sup> is not yet known, this provision is not implemented in the estimated IHBG formula allocation. However, this factor will be applied in the IHBG formula final allocation.

Beginning in FY 2026, the data used to determine the American Indian and Alaska Native persons' variable will come from the 2020 Decennial Census, adjusted for any statistically significant undercount and updated using county-level population estimates from the Census Bureau. The data for the other six Needs variables will come from the 2017–2021 American Community Survey (ACS). The allocation was calculated in accordance with 24 CFR §1000.331 of the IHBG regulations to address potential volatility resulting from the introduction of the new data sources.

## **FY 2027 Needs Data Attachment A**

HUD does not have the most recent American Community Survey data published by Census in a form that is needed to calculate the IHBG formula allocations. As a result, the FY 2027 Needs data will be published and distributed when it is available. To provide Tribes and TDHEs with a comparable amount of time as they had in prior fiscal years to review their data, HUD is considering issuing a waiver extending the deadline for submitting the FY 2027 Needs data challenges to a later date. Tribes and TDHEs will be notified should the waiver be issued.

## **Calendar of Critical Deadlines and Frequently Asked Questions**

The Calendar of Critical Deadlines and Frequently Asked Questions document lists important deadlines, contact information for customer service, and a summary of frequently asked questions. All corrections to FCAS, Tribal Enrollment, and Formula Area must be submitted by **August 1, 2025**, to be considered for FY 2026 IHBG allocations.

## **FY 2026 IHBG Corrections/Challenge Log**

The FY 2026 IHBG Correction/Challenge Log shows the status of requests for correcting or challenging IHBG data that HUD received between April 2, 2025, and May 5, 2025, the last time the data was changed before the IHBG formula allocations estimates were calculated.

## **The 2020 Decennial Census Implementation Analysis Spreadsheet**

The 2020 Decennial Census Implementation Analysis Spreadsheet identifies the change in allocation specifically resulting from the use of 2020 Decennial Census data, in accordance with 24 CFR §1000.331 of the IHBG regulations.

HUD looks forward to continuing our government-to-government work with Tribes and Tribal organizations in FY 2026. Should you have any additional comments or questions, please contact the IHBG Formula Customer Service Center at:

101 Ridgely Avenue, Suite 10  
Annapolis, MD 21401  
Phone: 800-410-8808  
Fax: 202-393-6411  
E-Mail: [IHBGformula@firstpic.org](mailto:IHBGformula@firstpic.org)

Sincerely,



Erna F. Reeves  
Acting Deputy Assistant Secretary  
for Native American Programs