

REN-19-046: Calling upon HUD, in its Open Rulemaking to Authorize Tribally-Owned Insurance Underwriting Entities to Insure Tribal Housing Financed through the Section 184 Program

Sponsor: Geoffrey Blackwell

Summary:

- The U.S. Department of Housing and Urban Development (HUD) is engaging in tribal consultations on draft proposed regulatory changes to the Section 184 Indian Home Guarantee Loan Program (Section 184).
- Presently, AMERIND RISK is the only federally-chartered and tribally-owned risk management and insurance company which underwrites and insures the inventories of individual tribal citizens and tribal housing authorities built with HUD funding pursuant to the Native American Housing and Self-Determination Assistance Act (NAHASDA) of 1996.
- REN-19-046 seeks to allow tribally-owned insurance underwriting entities to insure tribal housing financed through the Section 184 program in a manner similar to regulations under NAHASDA.

Issue:

Since February 2018, HUD has been conducting consultation sessions with tribal nations and other interested parties as part of its draft proposed rulemaking for the Section 184 program. As the regulations are currently drafted, there is no provision that would allow tribally-owned insurance underwriting entities to insure tribal housing financed through the Section 184 program.

A policy mechanism exists that would authorize similar insurance underwriting activity under NAHASDA. Under Section 203(c) of NAHASDA and 24 CFR § 1000.139, insurance entities owned and controlled by recipients may provide required insurance coverage through a self-insurance plan, approved by HUD, provided by a nonprofit insurance entity that is wholly-owned and controlled by Indian Housing Block Grant recipients.

Action:

REN-19-046 calls upon HUD to create rules in the Section 184 rulemaking to authorize tribally-owned insurance underwriting companies - in a manner similar to the authorization process provided under the NAHASDA and its regulations - to insure HUD Section 184 financed properties at the tribal and individual level. REN-19-046 also supports authorization for tribally-owned insurance underwriting companies to insure the properties and interests created through any program provided by HUD's Office of Native American Programs, similar to the authorization provided under the NAHASDA program.

For additional information, please contact Tyler Scribner at tscribner@NCAI.org.

Resolution Action Plan: REN-19-046

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Action Plan:

- 30 Days:
 - Research and familiarize oneself with resolution subject area.
 - Evaluate legislative and executive branch advocacy opportunities.
 - Contact resolution sponsor to coordinate requested assistance.
- 60 Days:
 - Strategize with and assess opportunities for cross-coordination with others on the issue identified in the resolution.
 - Meet with Section 184 office to discuss the issues raised in the resolution.
 - Meet with more senior HUD officials to discuss the resolution contents.
 - Draft regulatory language that achieves the goals expressed in the resolution using existing language in section 203(c) of NAHASDA and 24 CFR § 1000.139.
 - Submit letter to HUD with draft regulatory language prior to release of proposed regulations.
- 90 Days:
 - Schedule Hill visits to educate Hill staff on tribal support for the resolution and request a support letter be submitted to HUD from either a committee or subcommittee or individual members within the following:
 - The House Committee on Financial Services, Subcommittee on Housing and Insurance;
 - House Natural Resources Committee, Subcommittee for the Indigenous Peoples of the United States;
 - Senate Committee on Banking, Housing & Urban Affairs, Subcommittee on Securities, Insurance, and Investment; and
 - Senate Committee on Indian Affairs.
- 120 Days:
 - Continue HUD and Hill advocacy.
 - Submit comments in favor of the policy solution proposed in REN-19-046 to HUD when it publishes its Notice of Proposed Rulemaking.
 - Request additional tribal letters in support while notice and comment period are officially open.