



Overview of the Native American Rural Homeownership Act of 2021

The **Native American Rural Homeownership Improvement Act of 2021 (S. 2092)** would make the U.S. Department of Agriculture (USDA) 502 home loan relending pilot permanent by authorizing the USDA Secretary to use \$50 million of existing 502 direct appropriations for a national relending program so that Native community development financial institutions (CDFIs) across the country can help increase access to affordable home loans in rural Native communities.

To prioritize lending on trust land, it would also waive the 20% match requirement for loans on tribal land. In addition, it authorizes an operating grant for Native CDFIs who relend under this program and appropriates \$1 million annually for technical assistance to Native CDFIs.

This legislation was informed by the successful \$2 million demonstration involving USDA and two Native CDFIs in South Dakota – Four Bands Community Fund on the Cheyenne River Indian Reservation and Mazaska Owecaso Otipi Financial on the Pine Ridge Indian Reservation – which sought to improve the deployment rate of the 502 Direct Loan program in Native communities in South Dakota. Through this demonstration, the two Native CDFIs made nearly double the number of loans on their reservations than USDA deployed on the same two reservations during the previous decade.

This bi-partisan legislation was introduced by Senators Tina Smith (D-MN) and Mike Rounds (R-SD) and is co-sponsored by Senators Catherine Cortez Masto (D-NV), Kevin Cramer (R-ND), Brian Schatz (D-HI), Jon Tester (D-MT), John Thune (R-SD) and Elizabeth Warren (D-MA). The following national and regional tribal and rural housing organizations endorse this bill:

Enterprise Community Partners

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Great Plains Tribal Chairmen's Association

Housing Assistance Council

Local Initiatives Support Corporation (LISC)

Minnesota Housing Partnership

National American Indian Housing Council

National Congress of American Indians

National Low Income Housing Coalition

National Rural Housing Coalition

Native CDFI Network

Opportunity Finance Network

Oweesta Corporation

Rural Community Assistance Corporation (RCAC)

South Dakota Native Homeownership Coalition

Sovereign Council of Native Hawaiian Associations

United Native American Housing Association

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