

Congress of the United States
Washington, DC 20510

March 6, 2019

The Honorable David Bernhardt
Acting Secretary
U.S. Department of the Interior
1849 C Street Northwest
Washington, D.C. 20240

Dear Acting Secretary Bernhardt:

As you know, the U.S. Department of Housing and Urban Development (HUD) administers the Section 184 Indian Housing Loan Guarantee Program, which encourages homeownership in tribal communities. Section 184 loans must be guaranteed by HUD to be retained in Ginnie Mae's mortgage pools. However, for Section 184 loans involving property on tribal trust and individual allotted trust land, the Bureau of Indian Affairs (BIA) must approve the loans and provide certified title status reports (TSRs) before the loans can be guaranteed by HUD.

In January 2018, Ginnie Mae issued a memorandum (APM 18-01), which established a process requiring lenders to buy out certain mortgages from Ginnie Mae's mortgage pools should they not receive their federal guarantee within one year of the mortgage pool issue date¹. It has been brought to our attention that, specific to Section 184 loans, it can take an unreasonable amount of time, sometimes longer than one year, for mortgages to receive their guarantee from HUD due to delays in the TSR certification process at the BIA. These delays could require lenders in the Section 184 Program, under APM 18-01, to buy out their mortgages that lack a guarantee from HUD.

We recognize that there are factors outside of BIA's control that can elongate the Section 184 loan process and delay TSR certifications. However, it is imperative that BIA take substantive steps to improve and accelerate this process where it can and ensure consistent TSR certification times across all BIA land titles and records offices. We also encourage BIA, in consultation with HUD, to continue educating tribes and lenders on the Section 184 Program and training them on efficient practices that could help improve the timeliness of this process.

Thank you for your prompt attention to this matter. We look forward to hearing from you on ways in which BIA will work to expedite the TSR certification process to ensure compliance with APM 18-01.

Sincerely,



JOHN THUNE
United States Senator



M. MICHAEL ROUNDS
United States Senator



DUSTY JOHNSON
Member of Congress

¹ https://www.ginniemae.gov/issuers/program_guidelines/Pages/mbsguideapmslibdisppage.aspx?ParamID=84

cc: The Honorable Ben S. Carson Sr.
Secretary
U.S. Department of Housing and Urban Development
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