May 27, 2020

SUBJECT: SECTION 184 Skilled Worker Program

Dear Tribal Leader:

Skilled workers are vital to any community’s overall wellbeing and ability to achieve sustainable economic growth. Every community needs police officers, doctors, nurses, teachers, engineers, architects, and other technical and skilled workers. Unfortunately, some Tribal communities – particularly those located in very remote areas – have historically struggled to attract skilled workers because of a lack of available housing.

To address this problem, in the Consolidated Appropriations Act of 2017, Congress appropriated an additional $1,727,000 for the costs of guaranteeing loans under the Section 184 Indian Home Loan Guarantee Program (Section 184). Specifically, this funding must be used to guarantee Section 184 loans issued to Tribes and Tribally Designated Housing Entities (TDHEs) for the construction of rental housing for skilled workers. To help implement this program, Congress also authorized HUD to specify any additional program requirements with respect to these loans through the publication of a Mortgagee Letter or Notice.

The Office of Native American Programs (ONAP) is seeking your feedback on how the Section 184 Skilled Worker Program should be designed and implemented to work for your communities. ONAP seeks your feedback on the following questions:

1. In your experience, have skilled workers in your tribal community experienced challenges or barriers to utilizing Section 184? If so, how?

2. What professions does your tribe consider to be “skilled workers”? Which “skilled workers” does your tribe most wish to attract, and how might the Section 184 Skilled Workers program enable or support recruitment strategies?

Some ideas that ONAP is currently considering include, but are not limited to, the following:

1. Charging a reduced or de minimis upfront guarantee fee and eliminating the annual guarantee fee for loans guaranteed under this program.

2. Requiring use restrictions or other binding commitments to be recorded on the rental housing units constructed under this program to ensure that the housing will remain available to house skilled workers.
3. Defining skilled workers to include professionals such as teachers, educational paraprofessionals, fire fighters, police officers, forensic science technicians, doctors, nurses, health technicians, mental health counselors, lawyers, paralegals, plumbers, electricians, carpenters, engineers, architects, and Information Technology professionals.

4. Allowing a Tribe or TDHE to adopt policies that propose additional professions that could qualify under this program, subject to HUD review and approval.

Please submit your feedback on the Section 184 Skilled Worker Program via email to the following address: 184SkilledWorker@hud.gov. Comments will be accepted through Monday, August 10, 2020.

Input from Tribal Leaders is essential to developing requirements for the Section 184 Skilled Worker Program. Our goal is to help you construct rental housing to house skilled workers and other professionals so that a lack of available housing is no longer a barrier to critical services that skilled workers can provide to your community members.

Thank you for your continued partnership and collaboration in the effective delivery of HUD’s programs.

Sincerely,

Heidi J. Frechette
Deputy Assistant Secretary
for Native American Programs