

**Congress of the United States**  
Washington, DC 20510

August 4, 2020

The Honorable Sonny Perdue  
Secretary  
U.S. Department of Agriculture  
1400 Independence Avenue, SW  
Washington, DC 20250

Dear Secretary Perdue,

As we continue to look for solutions to expand access to homeownership in tribal communities, we write to applaud the U.S. Department of Agriculture (USDA) for the implementation of the Section 502 home loan relending demonstration on tribal lands in South Dakota. Based on the success of this program in deploying mortgage capital to Native borrowers, we request that you allocate additional resources for the demonstration.

The South Dakota Rural Development Office has successfully collaborated with two Native community development financial institutions (CDFIs) to develop a pilot program to address the lack of Section 502 direct loans in Indian Country. Through this partnership, the Native CDFIs have deployed nearly \$2 million in mortgage capital to eligible 502 borrowers in less than a year, more than three times the amount of capital deployed to the same reservations in the previous nine years. In addition, the Native CDFIs estimate that there is demand for more than \$3 million worth of 502 direct loans should additional funding be provided for the pilot.

We appreciate USDA's commitment to helping tribal families achieve homeownership and expanding the footprint of a successful USDA program to new communities. Thank you in advance for your consideration of this request.

Sincerely,



JOHN THUNE  
United States Senator



M. MICHAEL ROUNDS  
United States Senator



DUSTY JOHNSON  
Member of Congress