# NEWS

U.S. DEPARTMENT OF THE INTERIOR

**OFFICE OF THE**
**ASSISTANT SECRETARY - INDIAN AFFAIRS**

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Ralph E. Gonzales (202) 219-4150

## $34,615,385.00 IS AVAILABLE

## IN BUSINESS LOAN GUARANTEE AUTHORITY

## FOR AMERICAN INDIAN ENTREPRENEURS

Ada E. Deer, Assistant Secretary for Indian Affairs is thrilled to announce that there is $34.6 million in loan guarantee authority currently available to assist tribal and individual enterprises on or near Indian reservations.

"In 1974, the U.S. Congress passed the Indian Financing Act to assist Indian tribes, Native Alaska groups, and their individual members with financing of business enterprises to develop Indian reservation and tribal economies," Ms. Deer said. "Many tribes credit the loan guaranty program for spurring economic activity in their communities. The loan guaranty program is currently funded with authority to guarantee payment of up to 90 percent of the $34,615,385.00 in loans to eligible Native Americans. Tribal and American Indian entrepreneurs are encouraged to contact a local lending institutions to begin the process for a loan guaranty under this program."

The Bureau of Indian Affairs guaranteed loan program's general requirements are:

- **Eligibility** - A borrower must be a Federally recognized Indian tribe or Alaska Native group, or American Indian (an enrolled member of a federally recognized Indian tribe or Alaska Native group), or a business organization with no less than 51% American Indian ownership. The business must be on or near an Indian reservation.

- **Loan Purpose** - must be to finance American Indian and Alaska Native owned commercial, industrial, agriculture or business activity organized for profit.

- **Loan Amount** - A maximum of $5.5 million to a tribe or tribally owned business, and $500,000 to individuals or business entities other than tribes.

- **Equity Requirements** - a minimum of 20% of project funding in either cash or unencumbered