



## FINAL RULE: HOUSING IMPROVEMENT PROGRAM

Available at: <http://www.bia.gov/WhoWeAre/AS-IA/ORM/HIP/index.htm>

### What does this rule do?

This final rule updates various provisions of 25 CFR 256 (Housing Improvement Program) to align the Bureau of Indian Affairs Housing Improvement Program (HIP) with other Federal program requirements, allow leveraging of housing funds to increase the number of families served and projects funded, and provide Tribes with flexibility to better address lengthy waiting lists of Tribal members awaiting housing assistance.

### What changes does this rule make to the categories of assistance under HIP?

Currently, the HIP provides funding for four categories of housing needs:

- Category A – for repair of existing homes;
- Category B – for renovation of existing homes to standard housing condition;
- Category C-1 – for construction of replacement homes; and
- Category C-2 – for new housing.

The final rule adds a new Category D, to allow assistance (e.g., for a down payment) toward the purchase of a modest house for families that can obtain a mortgage loan from other Federal programs. This change allows families to leverage funding, making each Federal dollar stretch farther.

### What changes does this rule make to funding limits for the categories of assistance?

For each category of assistance, there is a limit on the amount of funding a recipient may receive. The final rule increases the limits for Category A and Category B funding to better reflect the actual costs of repair and renovation to standard housing condition and will allow more households to repair and renovate existing homes, rather than spending more on each individual household to build a new home – ultimately improving housing conditions for more households.

### What changes does this rule make to ranking factors?

Priority ranking for HIP assistance is based on total numeric value (points) received under the ranking factors. The final rule updates the current ranking factors, to create a level playing field among applicants and provide tribes with more flexibility to determine how best to serve applicants on their long waiting lists.

### How does the rule affect how long a HIP application is active?

The final rule also increases the time for consideration of an application to 4 years. Currently an application expires after 1 year, requiring an applicant who does not receive assistance under the HIP to reapply annually until assistance is received. The final rule places each application in the application pool for 4 years, so an applicant need only apply once every 4 years until assistance is received.

### What other changes does the rule make?

The final rule:

- Allows applicants to provide proof of a homesite lease or proof that the applicant can obtain the land, even by lease, rather than requiring proof of ownership;
- Increases square footage requirements to allow Americans with Disabilities Act (ADA) requirements to be met, when applicable;
- Updates the definition of “standard housing” to reduce crowding; and
- Updates bedroom sizes to allow Tribes the flexibility to provide for smaller square footage where appropriate.