Indian Affairs - Office of Public Affairs

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For Immediate Release: June 25, 2008
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WASHINGTON – Acting Deputy Assistant Secretary for Policy and Economic Development – Indian Affairs George T. Skibine today announced a substantial enhancement in existing efforts to increase capital investment for business and economic development in Indian Country. Since the advent of the Indian Financing Act of 1974, Indian Affairs' Guaranteed Loan, Insurance, and Interest Subsidy program has provided opportunities for tribal and Indian-owned businesses to obtain adequate credit in the capital investment market

"Sustainable economies are the foundations needed by tribes to continue their progress towards self-determination and self-governance and the full exercise of their governmental authority," Skibine said. "The Guaranteed Loan Program is a significant tool to create jobs, businesses and sustainable economies that provide benefits to remote Indian reservations."

Tribes and individual Indians have been historically, and continue to be, an underserved community for capital investment. Since 1974, about $948 million has been made available to help fund Indian-owned businesses. The program significantly leverages federally appropriated funds. For example, in 2006, an appropriation of $5.5 million allowed over $103 million in loans to be guaranteed for Indian-owned businesses.

To promote increased capital investment in Indian Country, the President requested an additional $2 million for the program in his FY2009 budget request to Congress. In addition to increased funding, Skibine announced that he is also directing the Office of Indian Energy and Economic Development (IEED) to establish four Credit Office Service Centers (COSC) around the country whose sole responsibilities will be to educate both lenders and borrowers about the benefits of investing in jobs and businesses in Indian Country and to provide training and services for Indian-owned businesses. These COSCs will significantly enhance the existing guaranteed loan activities in Indian Affairs by streamlining the training available to Credit Staff, increasing the staff members' ability to collaborate with one another on projects, and fostering innovations in the program's business practices.

"Through these Service Centers, we will be making a concerted effort to increase capital investment in Indian Country, either through our Guaranteed Loan Program or through the private capital investment market," Skibine said. "The staff in these centers will get out in the field and actively promote business growth and investment in Indian Country. In addition, I have requested the IEED to set up a toll-free number where either lenders or borrowers can easily contact the appropriate Credit Staff to get information on the program or ask the status of guaranteed loan requests."

The Credit Office Service Centers will be located in Albuquerque, N.M., Reston, Va., Lakewood, Colo., and Anchorage, Alaska. Although centrally located staff will allow the program to take full advantage of its economy of scale, they will hold lending conferences, seminars and business development workshops throughout Indian Country on a regular basis.

For more information on the current schedule for the conferences, seminars and workshops, or to learn more about the Guaranteed Loan, Insurance, and Interest Subsidy program and how tribally-owned or

Indian-owned business ideas or existing businesses might benefit, please call 1-888-587-4396 or contact the IEED at 202-219-0740.

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