



U. S. Department of Housing and Urban Development
Washington, D.C. 20410-5000

OFFICE OF THE ASSISTANT SECRETARY
FOR PUBLIC AND INDIAN HOUSING

Ms. Carol Loughlin
Deputy Director
TML Intergovernmental Risk Pool
211 East Seventh Street
Austin, Texas 78701

Dear Ms. Loughlin:

Thank you for your letter of February 22, 1995, in regard to the proposed endorsements to be attached to policies issued to public housing authorities. The Department of Housing and Urban Development has no objection to this procedure. It would give the PHA the advantage of a three year rate with no increase in premium, other than for an increase in exposure units; but if the rate per unit was going to be increased, provide sufficient advance notice in order that the PHA could obtain other insurance proposals.

Since the TML is not a PHA-owned insurance entity from which a housing authority can purchase insurance on a non-competitive basis, it will still be necessary for the Authority to obtain competitive proposals at the end of the three year term, even though rates are not going to be increased.

If you have any questions, please call Arthur Methvin at (202) 708-1872.

Sincerely,

A handwritten signature in cursive script, appearing to read "MaryAnn Russ".

MaryAnn Russ, Director
Office of Assisted Housing