



**PLAN FOR REMAINDER OF FY11 AND ADMINISTRATION BUDGET FOR FY12**

**RELEASED.** On February 11, House appropriations chair Harold Rogers (R-KY) introduced H.R. 1, which would fund the government for the rest of FY11. On February 14, the Obama Administration's budget proposal for FY12 was released. Congress will consider funding for FY11 (from March 4, when the current continuing resolution ends, through September 30, 2011) before beginning work on FY12 appropriations. For more details visit <http://www.ruralhome.org>. Budget documents are posted at <http://www.omb.gov>, <http://www.hud.gov>, and <http://www.usda.gov>.

**USDA rural housing:** H.R. 1 would keep most USDA rural housing programs at or near FY10 funding levels, although it would eliminate rental preservation funds except for vouchers. The Administration's budget would slash Section 502 direct loans from \$1.1 billion to \$211 million, eliminate the Section 523 self-help technical assistance program, and double the Section 502 guarantee program. Like H.R. 1, it proposes to eliminate rental preservation programs, but it would increase Section 515 funding, which can be used for some preservation activities.

<b>USDA Rural Development Program (dollars in millions)</b>	<b>FY 2010 Approp.</b>	<b>FY 2011 Admin. Budget</b>	<b>FY11 Proposed CR (H.R. 1)</b>	<b>FY 2012 Admin. Budget</b>
<b>Loans</b>				
502 Single Fam. Direct	\$1,121	\$1,200	\$1,121	\$211.4
502 Single Family Guar.	12,000	12,000	12,000	24,000
504 Very Low-inc. Rpr.	34.4	34	34	0
514 Farm Labor Hsg.	27.3	27	27.3	27
515 Rental Hsg. Direct	69.5	95.2	69.5	95.2
538 Rental Hsg. Guar.	129.1	129.1	129.1	0
Rental Prsrv. Revlg. Lns.	1.8	0	0	0
<b>Grants and Payments</b>				
504 Very Low-inc. Rpr.	31.6	31	31.6	11.5
516 Farm Labor Hsg.	9.9	10	9.9	9.8
523 Self-Help TA	41.9	37	37	0
533 Hsg. Prsrv. Grants	9.4	9.4	9.4	0
521 Rental Assistance <sup>d</sup>	980	966	955.6	906.7
Preservation RA	(6)	0	0	0
New Constr. 515 RA	(2.03)	(3)	(2.03)	(3)
New Constr. 514/516 RA	(3.4)	(3)	(3)	(3)
542 Rural Hsg. Vouchers	16.4	18	16.4	16
Rental Prsrv. Demo. (MPR)	25	0	0	0
Rural Cmnty. Dev't Init.	6.3	0	0	8.4

**HUD housing:** H.R. 1 would cut large proportions of the funding for CDBG, Section 202, and Section 811, eliminate housing counselling, and reduce funds for other programs including HOME and Native American housing. It would continue funding for the Rural Innovation Fund and SHOP. The Administration's budget would cut CDBG, HOME, and Sections 202 and 811, while increasing homelessness funding and adding a full \$1 billion for the never-funded National Housing Trust Fund. The Rural Innovation Fund would be fully funded and the Self-Help Home-ownership Opportunity Program (SHOP) would be eliminated.

<b>HUD Program (dollars in millions)</b>	<b>FY10 Approp.</b>	<b>FY11 Admin. Budget</b>	<b>FY11 Proposed CR (H.R. 1)</b>	<b>FY12 Admin. Budget</b>
Cmty. Devel. Block Grants	\$4,450	4,380.1	1,500	3,781
Sustainable Communities Initiative <sup>b</sup>	(150)	(150)	0	0
Rural Innovation Fund <sup>a</sup>	(25)	0	25	25
Catalytic Investment Grants	-	(150)	-	0
HOME	1,825	1,650	1,650	1,650
Tenant-Based Rental Asstnce.	16,339	17,310	14,080	15,223
Project-Based Rental Asstnce.	8,551.5	9,382.3	8,882	9,035
Transforming Rental Asstnce.	-	350	-	200

<b>HUD Program (dollars in millions)</b>	<b>FY10 Approp.</b>	<b>FY11 Admin. Budget</b>	<b>FY11 Pro- posed CR (H.R. 1)</b>	<b>FY12 Admin. Budget</b>
Vets. Affairs Spptve Hsg. Vouchers	75	0	75	75
Public Hsg. Capital Fund	2,500	2,044	1,428	2,405
Public Hsg. Operating Fund	4,775	4,829	4,626	3,962
Public Hsg. Revltztn. (HOPE VI)	135	0	0	0
Choice Neighbrhd. Initiative	65	250	65	250
Housing Trust Fund	-	1,000	-	1,000
Native Amer. Hsg. Block Grant	700	580	500	700
Homeless Assistance Grants	1,865	2,055	1,865	2,372
Hsg. Opps. for Persons w/ AIDS	335	340	335	335
202 Hsg. for Elderly	825	273	238	757
811 Hsg. for Disabled	300	90	90	196
Fair Housing	72	61	72	72
Rural Hsg. & Econ. Dev. (RHED) <sup>a</sup>	0	0	-	0
Healthy Homes & Lead Haz. Cntl.	140	140	120	140
Sustainable Communities Initiative <sup>b</sup>	-	-	0	150
Self-Help Homeownshp. (SHOP)	27	0	27	0
Brownfields Redevelopment	17.5	0	0	0
Housing Counseling	87.5	88	0	88

a. The Rural Innovation Fund replaced RHED. b. Funded as part of CDBG in 2010 and separately in the FY12 budget.

**MORTGAGE ORIGINATORS AT FEDERALLY REGULATED LENDERS MUST REGISTER BY JULY 29.** The Secure and Fair Enforcement (SAFE) for Mortgage Licensing Act requires registration. See *Federal Register*, 2/3/11. Visit <http://mortgage.nationwidelicensingsystem.org>. Contact the mortgage registry, 240-386-4444.

**HUD PROPOSES COMBINING PUBLIC HOUSING MODERNIZATION PROGRAMS.** Comments are due April 8. See *Federal Register*, 2/7/11 or <http://www.regulations.gov>. Contact Jeffrey Riddel, HUD, 202-708-1640.

**INDIAN HOUSING BLOCK GRANT ADVANCES OFFERED FOR FY11.** HUD Notice PIH 2011-06 tells tribes and tribally designated housing entities how to request IHBG advances pending a final FY11 HUD appropriations bill. Visit

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/notices/pih](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/notices/pih). Contact an Area Office of Native American Programs, listed at <http://www.hud.gov/offices/pih/ih/index.cfm>.

**ADMINISTRATION ISSUES HOUSING FINANCE REFORM REPORT.** The report suggests reliance on the private sector. It says both homeownership and rental housing are needed. It states that USDA, HUD, and VA will establish a task force "to explore ways in which their housing finance programs can be better coordinated, or even consolidated . . ." *Reforming America's Housing Finance Market* is at <http://www.treasury.gov/initiatives/Pages/housing.aspx>.

**RURAL VOICES MAGAZINE OFFERS REFLECTIONS ON CHANGE.** "Rural Housing Leaders Reflect: Where Do We Go from Here?" is the winter issue of HAC's quarterly magazine, free at <http://www.ruralhome.org>. One print subscription per organization is free from Dan Stern, HAC, 202-842-8600, [dan@ruralhome.org](mailto:dan@ruralhome.org).