



**MOST USDA RURAL HOUSING PROGRAMS FARE WELL IN FY11 FUNDING**

**COMPROMISE.** The deal worked out to fund the remainder of FY11 keeps most rural housing programs at or near FY10 levels. Section 504 loans, Section 538 loans, Rental Assistance, and the MPR preservation demonstration are all reduced. RA for preservation is the only USDA housing program that would receive no funding. The bill, H.R. 1473, is expected to pass both houses of Congress and be signed into law before April 15. Details are shown in the table below (parentheses indicate amounts that are included in totals). For more information visit HAC's website, <http://www.ruralhome.org>.

<b>USDA Rural Development Program (dollars in millions)</b>	<b>FY10 Approp.</b>	<b>FY11 Admin. Budget</b>	<b>FY11 House Proposed CR (H.R. 1)</b>	<b>FY11 Final CR (H.R. 1473) <sup>a</sup></b>	<b>FY12 Admin. Budget</b>
<b>Loans</b>					
502 Single Fam. Direct	\$1,121	\$1,200	\$1,121	\$1,121	\$211.4
502 Single Family Guar.	12,000	12,000	12,000	24,000	24,000
504 Very Low-inc. Rpr.	34.4	34	34	23.4	0
514 Farm Labor Hsg.	27.3	27	27.3	b	27
515 Rental Hsg. Direct	69.5	95.2	69.5	69.5	95.2
538 Rental Hsg. Guar.	129.1	129.1	129.1	30.9	0
Rental Prsrv. Revlg. Lns.	1.8	0	0	1	0
<b>Grants and Payments</b>					
504 Very Low-inc. Rpr.	31.6	31	31.6	c	11.5
516 Farm Labor Hsg.	9.9	10	9.9	b	9.8
523 Self-Help TA	41.9	37	37	37	0
533 Hsg. Prsrv. Grants	9.4	9.4	9.4	b	0
521 Rental Assistance	980	966	955.6	955.6	906.7
Preservation RA	(6)	0	0	0	0
New Constr. 515 RA	(2.03)	(3)	(2.03)	(2.03)	(3)
New Constr. 514/516 RA	(3.4)	(3)	(3)	(3)	(3)
542 Rural Hsg. Vouchers	16.4	18	16.4	14	16
Rental Prsrv. Demo. (MPR)	25	0	0	15	0
Rural Cmnty. Dev't Init.	6.3	0	0	5	8.4

a. Figures shown do not include 0.2% across the board reduction.

b. Budget authority (the cost to the government) in the farm labor housing account would remain at FY10 levels, but loan costs have risen as interest rates have risen, so the 514/516 program levels could be somewhat lower.

c. The CR provides for a reduction of \$1.1 million in the Rural Housing Assistance Grants pool, which funds Section 504 grants, Section 533, and some other smaller programs.

**FY11 DEAL CUTS MANY HUD PROGRAMS.** The funding compromise eliminates HUD's Housing Counseling program and Rural Innovation Fund. Section 202 elderly housing and Section 811 housing for people with disabilities would be halved. CDBG, HOME, public housing, NAHASDA, and some others would be reduced. Details are shown in the table below (parentheses indicate amounts that are included in totals). For more information visit HAC's website, <http://www.ruralhome.org>.

<b>HUD Program (dollars in millions)</b>	<b>FY10 Approp.</b>	<b>FY11 Admin. Budget</b>	<b>FY11 House Proposed CR (H.R. 1)</b>	<b>FY11 Final CR (H.R. 1473)<sup>d</sup></b>	<b>FY12 Admin. Budget</b>
Cmty. Devel. Block Grants	\$4,450	4,380.1	1,500	3,508	3,781
Sustainable Commun. Initiative	(150)	(150)	0	(100)	0
Rural Innovation Fund <sup>a</sup>	(25)	0	(25)	0	(25)
Catalytic Investment Grants <sup>b</sup>	-	(150)	0	0	0
HOME	1,825	1,650	1,650	1,610	1,650
Tenant-Based Rental Asstnce.	18,184	19,551	18,080	18,408	19,223
Vets. Affairs Spptve Hsg. Vouchers	(75)	0	(75)	(50)	(75)
Project-Based Rental Asstnce.	8,551.5	9,382.3	9,282	8,882	9,429

<b>HUD Program (dollars in millions)</b>	<b>FY10 Approp.</b>	<b>FY11 Admin. Budget</b>	<b>FY11 House Proposed CR (H.R. 1)</b>	<b>FY11 Final CR (H.R. 1473)<sup>d</sup></b>	<b>FY12 Admin. Budget</b>
Transforming Rental Asstnce. <sup>b</sup>	-	350	0	0	200
Public Hsg. Capital Fund	2,500	2,044	1,428	2,044	2,405
Public Hsg. Operating Fund	4,775	4,829	4,626	4,626	3,962
Public Hsg. Revtlzn. (HOPE VI)	135	0	0	100	0
Choice Neighbrhd. Initiative <sup>c</sup>	65	250	65	0	250
Housing Trust Fund	-	1,000	0	0	1,000
Native Amer. Hsg. Block Grant	700	580	500	650	700
Homeless Assistance Grants	1,865	2,055	1,865	1,905	2,372
Hsg. Opps. for Persons w/ AIDS	335	340	335	335	335
202 Hsg. for Elderly	825	273	238	400	757
811 Hsg. for Disabled	300	90	90	150	196
Fair Housing	72	61	72	72	72
Healthy Homes & Lead Haz. Cntl.	140	140	120	120	140
Sustainable Communities Init.	-	-	0	-	150
Self-Help Homeownshp. (SHOP)	27	0	27	27	0
Brownfields Redevelopment	17.5	0	0	0	0
Housing Counseling	87.5	88	0	0	88

a. Replaced the Rural Housing and Economic Development program.

b. New programs proposed by the Administration.

c. Demonstration initially proposed in FY 2010 budget to replace HOPE VI.

d. Figures shown do not include 0.2% across the board reduction.

**PROPOSALS FOR FY12 FUNDING PROVIDE FEW HOUSING DETAILS.** The FY12 spending plans currently under discussion are intended to provide general spending ceilings for congressional appropriations deliberations, so they do not include full details. The House and Senate are not likely to agree on a final budget resolution, but the FY12 appropriations process can move forward without it. H. Con. Res. 34, introduced by Rep. Paul Ryan (R-Wisconsin), chair of the House Budget Committee, suggests time limits and work requirements for housing aid recipients, as well as “narrowing the gap between assisted renters and unassisted renters with the same income levels,” and is available at <http://budget.house.gov>. President Obama’s proposal, issued on April 13, is summarized in a fact sheet at <http://www.whitehouse.gov/briefing-room/statements-and-releases>, which refers to the Bowles-Simpson Fiscal Commission report at <http://www.fiscalcommission.gov>. Neither provide any specifics about housing. A Senate proposal is expected in early May.

**HUD OFFERS FUNDS FOR SECTION 811, HEALTHY HOMES, AND HOMELESS FAMILIES RESEARCH, AND POSTS FY11 NOFA GENERAL SECTION.** These NOFAs are available at <http://www.hud.gov/offices/adm/grants/fundsavail.cfm> and <http://www.grants.gov>.

**HAC FACT SHEET DESCRIBES SELF-HELP PROGRAM’S IMPORTANCE FOR MINORITIES.** USDA’s *Self-Help Housing Program Supports Minority Homeownership* notes that minorities comprise a significant proportion of participants in USDA’s self-help program and recommends maintaining FY10 funding levels for the Section 502 direct and 523 programs. It is available free at <http://www.ruralhome.org>.