



HAC News

HOUSE USDA APPROPRIATIONS BILL RELEASED. On May 24 the House Agriculture Appropriations Subcommittee marked up a proposal for FY12 funding, and the full committee will review it on May 31. The bill would provide more rural housing funding than had been feared, although all programs except Section 502 guarantees and Section 504 grants would be cut. The Senate is likely to propose higher figures. The unnumbered House bill is available at <http://appropriations.house.gov>.

USDA Rural Development Program (dollars in millions)	FY10 Approp.	FY11 Approp.^a	FY12 Admin. Budget	FY12 Hse. Subcmte. Proposal
Loans and Payments				
502 Single Fam. Direct	\$1,121	\$1,121	\$211.4	\$845.6
502 Single Family Guar.	12,000	24,000	24,000	24,000
504 Very Low-inc. Rpr.	34.4	23.4	0	0
514 Farm Labor Hsg.	27.3	b	27	d
515 Rental Hsg. Direct	69.5	69.5	95.2	58.6
538 Rental Hsg. Guar.	129.1	30.9	0	0
Rental Prsrv. Revlg. Lns.	1.8	1	0	0
Grants				
504 Very Low-inc. Rpr.	31.6	c	11.5	32
516 Farm Labor Hsg.	9.9	b	9.8	d
523 Self-Help TA	41.9	37	0	22
533 Hsg. Prsrv. Grants	9.4	c	0	0
521 Rental Assistance	980	955.6	906.7	890
Preservation RA	(6)	0	0	0
New Constr. 515 RA	(2.03)	(2.03)	(3)	(1.5)
New Constr. 514/516 RA	(3.4)	(3)	(3)	(2.5)
542 Rural Hsg. Vouchers	16.4	14	16	11
Rental Prsrv. Demo. (MPR)	25	15	0	0
Rural Cmnty. Dev't Init.	6.3	5	8.4	3

a. Figures shown do not include 0.2% across the board reduction. b. Budget authority (BA, 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 Rural Housing Assistance Grants pool, which funds Section 504 grants, Section 533, and some other smaller programs, is reduced by \$1.1 million from FY10 levels. d. The BA for Section 514 and 516 would fall from \$19.7 million in FY11 to \$12.5 million for FY12, but the bill does not allocate amounts specifically for loans or grants.

HOUSE SUBCOMMITTEE CONSIDERS MOVING USDA RURAL HOUSING TO HUD. On May 25 the House Financial Services Committee's Subcommittee on Insurance, Housing and Community Opportunity held a hearing on a draft bill entitled the "FHA-Rural Regulatory Improvement Act," which would move USDA's rural housing programs to a new office in HUD headed by a new Deputy Assistant Secretary for Rural Housing. The bill would also institute fees to make the Section 538 program self-supporting and make changes in FHA and Ginnie Mae. The draft bill is posted at http://financialservices.house.gov/UploadedFiles/fha_rural.pdf and hearing witnesses' testimony is at <http://financialservices.house.gov/Calendar/EventSingle.aspx?EventID=241957>.

SECTION 538 LOAN GUARANTEES AVAILABLE. The May 26 *Federal Register* will announce that lenders can apply by Dec. 30 for multifamily rental housing loan guarantees. Funds will be committed first to approved applications from prior years. See *Federal Register*, 5/26/11, or <http://www.grants.gov>. Contact an RD State Office, http://www.rurdev.usda.gov/recd_map.html, or Monica Cole, USDA, monica.cole@wdc.usda.gov, 202-720-1251.

HUD OFFERS FY11 FUNDS FOR LEAD HAZARD PROGRAMS, ASTHMA INTERVENTIONS, HOPWA, SECTION 811. Visit <http://www.hud.gov/offices/adm/grants/fundsavail.cfm> or <http://www.grants.gov>.

HOME PROGRAM UNDER SCRUTINY. *Washington Post* articles criticizing HOME for incomplete projects and unused funding are online at http://www.washingtonpost.com/2010/07/08/AFxelh3G_page.html. HUD's response was posted May 19 at <http://blog.hud.gov/>. The House Financial Services Committee will hold an oversight hearing May 31, and the Senate Banking Committee is expected to schedule a hearing.