



HAC News

SENATE REJECTS EFFORTS TO FURTHER REDUCE RURAL HOUSING AND SHOP FUNDS. On November 1 the Senate passed H.R. 2112, combining the USDA, Commerce/Justice, and Transportation/HUD FY12 appropriations bills, with the funding levels reported in [HAC News, 9/28/11](#) (HUD) and [9/14/11](#) (USDA). There was no vote on an amendment from Sen. John McCain (R-AZ) that would have eliminated funding for HUD's SHOP program. An amendment offered by Sen. Tom Coburn (R-OK) to cut USDA RD funding by 40% was defeated 85-13. The Senate did not consider a statement from the Obama Administration that requested increases in some HUD programs but asked that USDA rural housing programs be reduced to the Administration's budget levels (see [HAC News, 2/16/11](#)), which would have reduced Section 502 direct loans by 80% and eliminated the Section 523 self-help program and rental preservation programs. The bill does cut CDBG, HOME, and other HUD programs, and eliminates HUD's Rural Innovation Fund. It is expected to be considered soon by a House-Senate conference committee. Details and the Administration's statement are on HAC's site, <http://www.ruralhome.org>.

HOUSE SUBCOMMITTEES SET HEARING ON HOME FRAUD. Witnesses appearing on November 2 include people convicted of defrauding the HOME program, as well as HUD officials. Read testimony and watch the hearing live at <http://financialservices.house.gov/Calendar/EventSingle.aspx?EventID=266369>. HAC will post a summary afterwards at <http://www.ruralhome.org>.

TENANT RESOURCE NETWORK FUNDS OFFERED FOR SPECIFIED HUD PROPERTIES. Nonprofits with at least five years of tenant organizing experience can apply by December 6 to educate tenants and involve them in preservation of affordable units in specific properties listed in the NOFA. Visit <http://www.hud.gov/offices/adm/grants/fundsavail.cfm> or <http://www.grants.gov>. Contact Claire Trivedi, HUD, 202-708-3000.

USDA PROPOSES FY12 FEE FOR SECTION 502 GUARANTEED LOANS. To make the program self-supporting, RHS proposes to charge an annual fee of 0.3% of the outstanding principal balance, beginning with all loans obligated on or after October 1, 2011. (Legislation authorizes an annual fee of up to 0.5%.) The one-time guarantee fee is 2% for purchases and 1% for refinances. Deadline for comments is December 27. See [Federal Register, 10/28/11](#) or <http://www.regulations.gov>. Contact Cathy Glover, RD, 202-720-1452, cathy.glover@wdc.usda.gov.

HUD ANNOUNCES FY12 DIFFICULT DEVELOPMENT AREAS AND ASKS WHAT FMRS TO USE. Designations of Qualified Census Tracts published October 6, 2009 remain in effect. HUD requests comments, due December 27, on whether it should use Small Area Fair Market Rents, rather than metropolitan-area FMRS, in future designations of metropolitan DDAs. See [Federal Register, 10/27/11](#) or <http://www.regulations.gov>. Contact Michael K. Hollar, HUD, 202-402-5878, Michael.K.Hollar@hud.gov.

PROPOSED RULE AIMS TO INCREASE NATIVE AMERICAN ACCESS TO RURAL UTILITIES PROGRAMS. Substantially Underserved Trust Areas would be eligible for more flexible terms and waivers of requirements in USDA's rural utilities programs. Comments are due 12/13/11. See [Federal Register, 11/1/11](#) or <http://www.regulations.gov>. Contact Michele Brooks, Rural Utilities Service, 202-720-9542.

HUD REVISES HANDBOOK GUIDANCE ON DISPLACEMENT CAUSED BY CDBG OR HOME FUNDS. See Change 11 and Chapter 7 at <http://www.hud.gov/offices/adm/hudclips/handbooks/cpdh/1378.0/index.cfm>. The National Low Income Housing Coalition analyzes improvements and changes at <http://www.nlihc.org/doc/Memo16-38.pdf>. Contact a HUD office.

HOUSING POLICY COMMISSION LAUNCHED. The Bipartisan Policy Center's Housing Commission is chaired by Christopher Bond, Henry Cisneros, Mel Martinez, and George Mitchell. It plans to study the entire housing sector and to issue "realistic and actionable policy recommendations" early in 2013. Visit <http://www.bipartisanpolicy.org/projects/housing>. Contact the Center, bipartisaninfo@bipartisanpolicy.org, 202-204-2400.

26% OF RURAL CHILDREN LIVE IN PERSISTENT POVERTY COUNTIES. A Carsey Institute research brief reports that 81% of counties with persistent child poverty are nonmetro, clustered in Appalachia, the Mississippi Delta, the Southeast, parts of the Southwest, and the Great Plains, and that policy often overlooks needy rural families. *More Poor Kids in More Poor Places: Children Increasingly Live Where Poverty Persists* is at <http://carseyinstitute.unh.edu/CarseySearch/search.php?id=176>. Contact carsey.communications@unh.edu, 603-862-2821.

INDIAN HOUSING NEEDS STUDY UPDATES ONLINE. Visit <http://tinyurl.com/3ly2bpx> for news about HUD's Assessment of Native American, Alaska Native and Native Hawaiian Housing Needs, currently underway. Contact Jennifer Stoloff, HUD, jennifer.a.stoloff@hud.gov, 202-402-5723.