



Administration again proposes to eliminate many housing programs.

The [Trump Administration's budget](#) for fiscal year 2020, released on March 11 and 18, looks much like [last year's](#) proposal. It would eliminate all USDA rural housing programs except Section 502 guarantees, Section 538 guarantees, Section 521 Rental Assistance, and Section 542 vouchers. It would rescind \$40 million of Rental Assistance funding that is scheduled to be carried over from FY19 and institute a \$50 minimum rent (with hardship exceptions) for tenants in USDA-financed properties. The budget includes no funding for HUD's CDBG, HOME and SHOP programs and the public housing capital fund and would reduce the funding for most other HUD programs. It would eliminate the National Housing Trust Fund. [Experts](#) calculate that 140,000 HUD vouchers would be lost. Rent increases and work requirements would be imposed on tenants receiving HUD aid.

Congress is not expected to use this budget as its starting point for determining FY20 funding. The House and Senate will try to develop their own budgets to guide their appropriations bills. Legislators will also consider raising the [Budget Control Act's](#) funding caps in order to avoid significant cuts in federal programs. Details on the Administration's budget are on [HAC's website](#) and a recording of HAC's March 20 webinar on the budget proposal, which includes an explanation of the upcoming process in Congress, will be [available online](#).

Budget would slash ERS funding, report on proposed move not yet complete.

On March 12, USDA Secretary Sonny Perdue [announced](#) USDA has narrowed the list of 136 applicants to 67 possible [new locations](#) for the Economic Research Service and the National Institute of Food and Agriculture. On the same day, USDA's inspector general [told](#) the House Agriculture Appropriations Subcommittee her office is working on a report considering whether the department has the legal and budgetary authority to move the agencies. The subcommittee will hold another [hearing](#) March 27 focused solely on the proposed move.

The Administration's [budget](#) proposes to cut ERS's funding from \$86.8 million [in FY19](#) to \$60.5 million in FY20. Of that reduced amount, [\\$15.5 million](#) would be spent to realign and move the agency. Staff levels would be cut in half, from 329 in FY19 to 160 in FY20. The Administration [proposes](#) that ERS will discontinue "all research and statistics related to the rural economy," as well as research on several other topics. The budget also [requests](#) \$9.5 million to relocate NIFA and would cut a number of NIFA's research programs, but that agency's staffing level would remain steady.

Deadline extended for smaller PHAs to apply for Moving to Work demo.

The deadline is [now May 13](#) for high-performing PHAs that administer 1,000 or fewer housing choice vouchers and public housing units to apply for HUD's [Moving to Work demonstration](#). Larger PHAs can apply [by June 12](#) for a separate cohort.

Youth Homelessness Demonstration Program will select eight rural communities.

[YHDP applications](#) are [due May 15](#). The program will support up to 25 communities, at least eight of which will be rural, to develop and implement a coordinated community approach to preventing and ending homelessness for people age 24 and under. HUD's website offers [tools](#) to help determine the rurality of targeted places. For more information, contact [Caroline Crouse](#), HUD, 202-402-4595.

U.S. faces shortage of 7 million rental homes for extremely low-income renters.

[The Gap: A Shortage of Affordable Homes 2019](#) reports a shortage of 7 million affordable and available rental homes for America's extremely low-income renter households, those with incomes at or below the poverty level or 30% of their area median income. The study, from the National Low Income Housing Coalition, says there are fewer

than four affordable and available homes for every 10 of the lowest-income households nationwide. State level data are posted as well.

Rural student homelessness growing at almost four times the national rate.

From 2014 to 2017, [student homelessness](#) increased by 3% nationwide and 11% in rural school districts. The states with the highest growth of student homelessness include Montana, Nebraska, and Minnesota. Overall, 2.1 percent of students in rural districts were homeless compared to 2.9 percent of students in non-rural districts. The Institute for Children, Poverty & Homelessness [issued](#) a report and several briefs on related subjects.

Closing digital divide could add \$140 billion to U.S. economy, study says.

A U.S. Chamber of Commerce [report](#), commissioned by Amazon, estimates that increased use of digital tools could add \$47 billion per year to the U.S. gross domestic product. While nearly 20% of rural small businesses already generate over 80% of their revenue with online sales, the report argues that increased adoption of digital tools could add more than 360,000 jobs, increase annual revenues of rural small business by almost \$85 million per year and create the greatest impact for smaller business, especially in the rural south. More information and state level data are available [online](#).

Capitol Hill rural housing hearing rescheduled for April 2.

HAC CEO David Lipsetz will be one of the witnesses at a hearing titled [“The Affordable Housing Crisis in Rural America: Assessing the Federal Response,”](#) convened by the House Financial Services Committee’s Subcommittee on Housing, Community Development and Insurance. The hearing, postponed from [February](#), will be broadcast live [online](#), April 2 at 2 p.m. eastern.

Local solutions go national at People & Places 2019.

HAC is a co-host of [People & Places 2019](#) on April 15-17 in Arlington, VA. Eighteen national nonprofits have joined forces to present this national community development event. We’re raising up local solutions that advance prosperity in low-income neighborhoods and communities of color. HAC has organized a workshop on April 15, 4:15-5:45 pm, titled “Rural Arts & Design: A Proven Strategy Toward Equity, Affordable Homes and Stronger Local Economies.” Learn what’s working to promote equitable development, strengthen the flow of capital, remediate blight, make places healthier and much more. Together, our networks will go to Congress to raise our voices on behalf low-income people and disinvested places. [Register](#) by April 9.

HAC webinar to review Section 502 updates.

[“USDA Section 502 Loan Program Updates: USDA Handbook 1-3550 Updates from 2017-2019”](#) is scheduled for March 27 at 2 pm eastern time. It will cover changes to the Section 502 direct loan program implemented during FY17 and 18, most of which relate to the determination and documentation of applicant assets, income and credit history. For more information, contact [HAC staff](#), 404-892-4824.

HAC symposium on rural veterans’ housing and services scheduled for April in Arkansas.

HAC’s 5th Annual National Symposium on Veterans Housing Issues will be held April 18-19 at Arkansas State University in Jonesboro, sponsored by the Home Depot Foundation. This year’s theme centers on addressing the critical needs around housing, homelessness and aging solutions for rural veterans, within the context of the Delta Regional Authority’s [eight-state service area](#). There is no fee to attend, but space is limited and advance [registration](#) is required. For more information, contact [Cheryl Cobbler](#), HAC.

Need capital for your affordable housing project?

HAC’s [loan funds](#) provide low interest rate loans to support single- and multifamily affordable housing projects for low-income rural residents throughout the U.S. and territories. Capital is available for all types of affordable and mixed-income housing projects, including preservation, farmworker, senior and veteran housing. HAC loan

funds can be used for pre-development, site acquisition, site development and construction/rehabilitation. Contact HAC's loan fund staff at hacloanfund@ruralhome.org, 202-842-8600.

Please note: HAC is not able to offer loans to individuals or families. Borrowers must be nonprofit or for-profit organizations or government entities (including tribes).