



Fast Facts!

Farm Labor Housing Strengthens Rural Economies

What is it?

- ❖ Section 514/516 is the *only* federal program that provides affordable loans and grants to purchase, construct, or repair housing for America’s farm laborers. Funds may also be used to install necessary facilities, including water and waste disposal systems.
 - Under the program, farmers, nonprofit organizations, and local governments, are eligible to receive low-interest loans.
 - Public bodies – typically housing authorities – and nonprofit organizations may receive grants to cover up to 90 percent of development costs.

Proposed Funding Levels

Section 514 Loans

FY12 Appropriations:	\$20.8M
FY13 Budget Request:	\$26.0M
FY13 Senate:	\$26.0M
FY13 House:	\$21.0M

Section 516 Grants

FY12 Appropriations:	\$7.1M
FY13 Budget Request:	\$9.0M
FY13 Senate:	\$9.0M
FY13 House:	\$7.0M

Why is it important?

- ❖ Agriculture is a driving force of the U.S. rural economy, but its sustainability depends on a steady supply of farm laborers. Without the assistance of Section 514/516, many farms are unable to attract the labor they need to be successful.
- ❖ Farmworkers have the worst housing needs of all rural people. More than 60 percent of the 3 million farmworkers in the U.S live in poverty – a rate 5 times the national average. As such, farmworkers must overcome powerful barriers to decent housing, forcing many to live in substandard, crowded conditions.
- ❖ Section 514/516 is chronically underfunded and cannot keep pace with increasing need.
 - In FY 2010, USDA received \$62.7 million in Section 514 loan applications, more than 4 times the amount issued. It received \$18 million – or twice the amount awarded – in Section 516 grant applications.
 - On average, Section 514/516 finances only 600 units per year. Compare that to Texas, where more than 99 percent of the state’s farm labor housing needs are unmet. In California, more than 800 families are currently on the wait list for a single farm labor housing project.

Learn more about how the FY 2013 budget impacts rural communities.

The National Rural Housing Coalition is national member organization of community groups, public officials, and non-profit developers who believe that rural people have the right, regardless of income, to decent, affordable housing, clean drinking water, and basic community services.