

# Support Adequate Funding for USDA Rural Housing Service in the FY 16 Budget

**From: The Honorable Ruben Hinojosa, The Honorable Sean Duffy**

**Sent By: [fernando.ruiz@mail.house.gov](mailto:fernando.ruiz@mail.house.gov)**

**Date: 2/23/2015**

**DEADLINE: WEDNESDAY, MARCH 18, 2015**

Dear Colleague,

Please join Representatives Rubén Hinojosa and Sean Duffy in sending the following letter to the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies to respectfully request adequate funding for United States Department of Agriculture (USDA) Rural Housing programs.

USDA Rural Housing programs provide a critical lifeline to low-income, rural families. Through low-cost loans, grants, and other assistance, USDA programs improve housing conditions and quality of life in rural America.

For example, according to the National Rural Housing Coalition, Section 502 Direct Loans are “critical in filling a gap in the private market by serving families that are otherwise unable to access affordable mortgage credit. Over 60 years, the program has helped more than 2.1 million families realize the American Dream and build their wealth by more than \$40 billion.”

The Section 523 Mutual Self-Help Housing program is another critical component of USDA’s Rural Housing initiatives. Self-Help Housing is the only federal program that combines “sweat equity” homeownership opportunities with technical assistance and affordable loans for America’s rural families. The President’s FY 16 budget request continues the trend of proposed large reductions to this program, funding it at again only \$10 million, significantly less than the Appropriations amount from FY 15.

Our rural communities are in dire need of affordable, livable housing. Please join us in supporting rural districts all over the country by signing this letter.

Please contact Fernando Ruiz in Rep. Hinojosa’s Office ([fernando.ruiz@mail.house.gov](mailto:fernando.ruiz@mail.house.gov)), or Caroline Robinson ([caroline.robinson@mail.house.gov](mailto:caroline.robinson@mail.house.gov)), if you would like to sign or have further questions.

Sincerely,

Rubén Hinojosa  
Member of Congress

Sean Duffy  
Member of Congress

DATE:

The Honorable Rob Aderholt  
Chairman, Subcommittee on Agriculture,  
Rural Development, Food and Drug  
Administration, and Related Agencies  
House Committee on Appropriations  
Washington DC 20510

The Honorable Sam Farr  
Ranking Member, Subcommittee on  
Agriculture, Rural Development, Food and  
Drug Administration, and Related Agencies  
House Committee on Appropriations  
Washington DC 20510

Dear Chairman Aderholt and Ranking Member Farr:

As the House Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies considers the Fiscal Year 2016 (FY16) Appropriations Bill, we write to respectfully request adequate funding for United States Department of Agriculture (USDA) Rural Housing programs.

Access to safe, decent, and affordable housing can transform lives. Yet, due to lower incomes and higher poverty rates, far too many rural families live in housing that is unaffordable, in substandard condition, or both. According to U.S. Census data, approximately, 1.5 million rural homes—or about 5.9 percent—are in substandard condition. Likewise, poverty rates in rural America (17.7 percent) are higher and more concentrated than the nation as a whole (15.0 percent). Overall, 82 percent of high-poverty counties—or 571 of the 703 counties with at least a 20 percent poverty rate—are rural. And, 86 percent of the nation’s “persistently poor” counties are rural, as well. As a result, more than 8 million families—or 30 percent of all rural households—spend more than 30 percent of their monthly income on housing costs and therefore are considered “cost burdened.”

USDA Rural Housing homeownership and rental housing programs have a proven track record of overcoming these barriers to affordable housing in rural America. By providing low-cost loans, grants, and other related assistance, these key programs have not only helped millions of rural families improve their quality of life, but have created thousands of jobs in rural America.

That’s why we believe it is critically important that this Committee provide adequate funding for USDA’s homeownership programs—including Section 502 Direct Loans—and rental housing assistance programs to support new construction and preservation, as well as rental assistance and farmworker housing. In particular, we urge you to restore reductions to the Mutual Self Help Housing Grants program, which is used to help families work on nights and weekends to build their own homes.

As you know, the Administration has not paid sufficient attention to rural housing needs in recent years. We applaud the Appropriations Committee for showing great support for these programs in the past, and we encourage you to continue to do so in the FY16 Agriculture Appropriations bill.

Sincerely,