



NATIONAL RURAL
HOUSING COALITION

ELECTION 2016 AND RURAL HOUSING IN AMERICA

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NOVEMBER 30, 2016



NATIONAL RURAL HOUSING COALITION

THE NATIONAL RURAL HOUSING COALITION IS A NONPROFIT ADVOCACY ORGANIZATION THAT WORKS TO PROMOTE AND DEFEND THE PRINCIPLE THAT RURAL PEOPLE HAVE THE RIGHT — REGARDLESS OF INCOME — TO A DECENT, AFFORDABLE PLACE TO LIVE, CLEAN DRINKING WATER, AND BASIC COMMUNITY SERVICES.

U.S. DEPARTMENT OF AGRICULTURE: RURAL HOUSING SERVICE

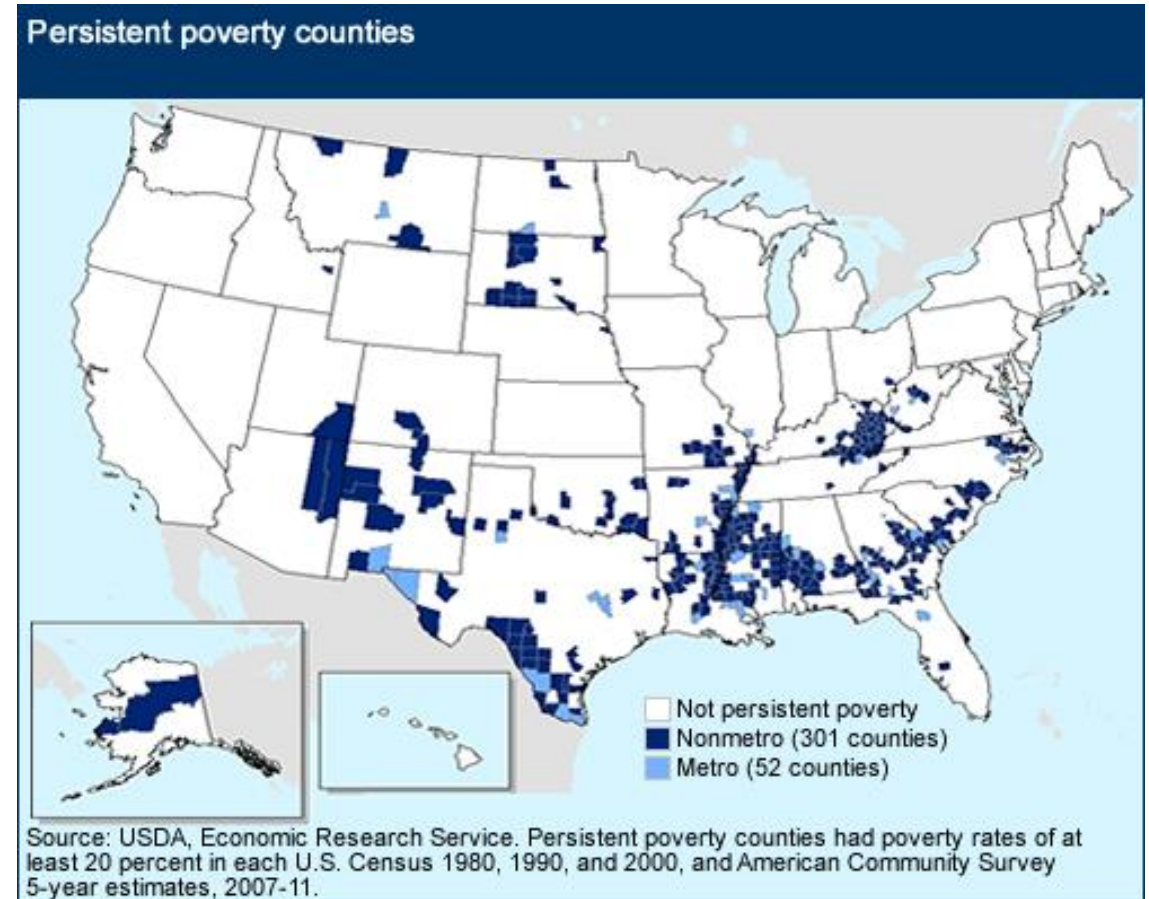
- NRHC's main focus is on advocating for and raising awareness to USDA's Rural Housing Programs.
- Single-Family Housing
 - Section 502 Direct Loan Program
 - Section 523 Mutual Self-Help Housing Program
 - Section 504 Single Family Repair Loan and Grant Program
 - Section 533 Housing Preservation Grant Program
- Multifamily Housing
 - Section 515 Rural Rental Housing Loans
 - Section 521 Rental Assistance
- Farm labor Housing
 - Section 514 Farm Labor Housing Loans
 - Section 516 Farm Labor Housing Grants



Committed to the future of rural communities.

DEMOGRAPHICS AND ECONOMIC ISSUES IN RURAL AMERICA

- There are approximately 65 million people residing in rural areas or small towns.
- Income:
 - Non-metro median household income - \$44,974
 - Metro median household income - \$52,988
- Poverty:
 - Non-metro – 18.1 percent
 - Metro – 15.1 percent
- Persistent Poverty:
 - 15 percent of all non-metro counties are persistently poor
 - More than 20 percent of all southern counties are persistently poor





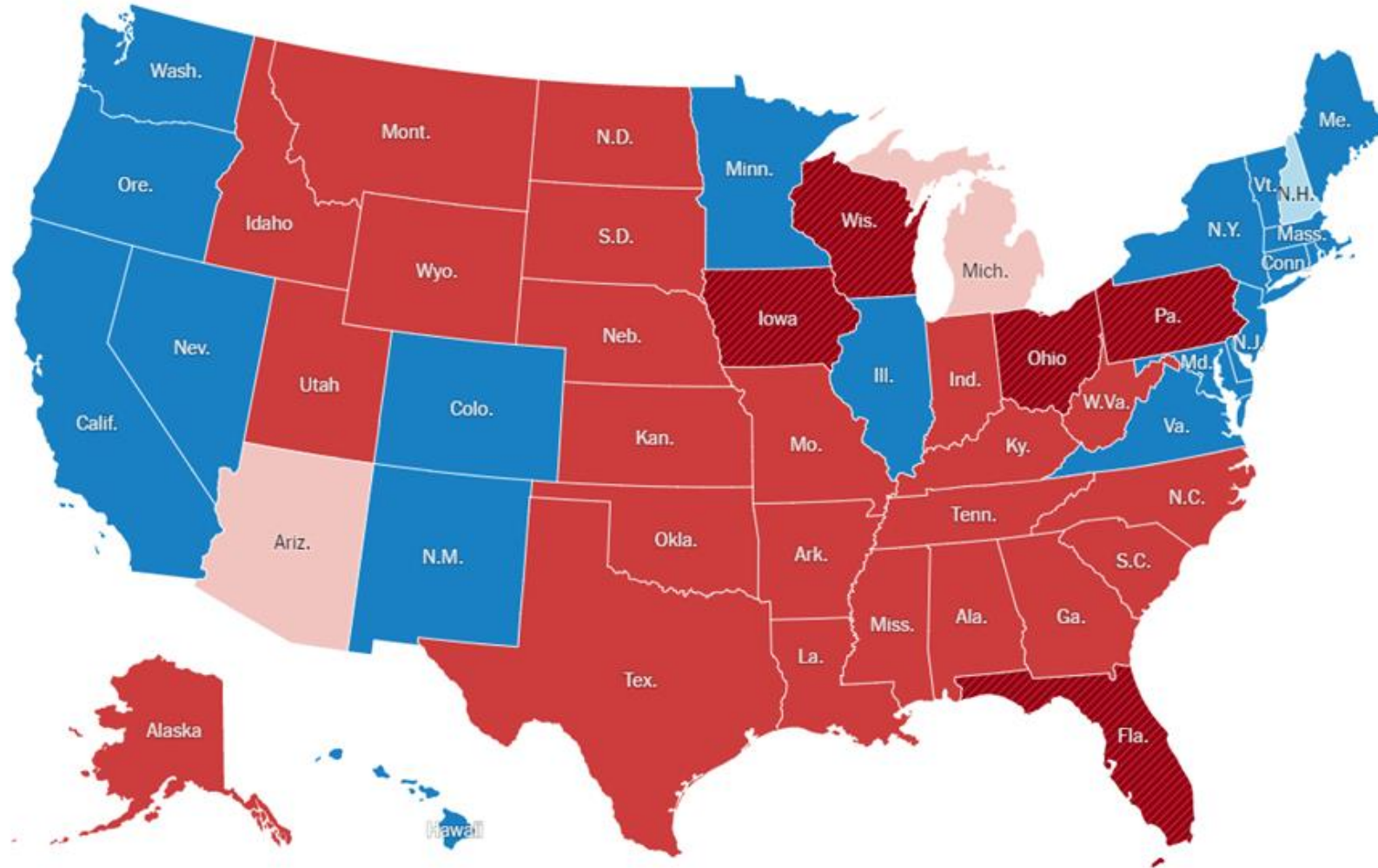
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ELECTION 2016

228 Hillary Clinton

✓ Donald J. Trump 279

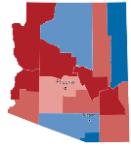
270 to win



Projected Popular Vote Margin:

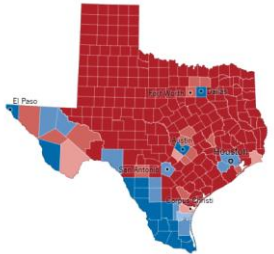
Hillary Clinton
by 1.25%

ELECTORAL COLLEGE/POPULAR VOTE CONTRADICTION



Clinton outperformed Obama in several diverse states:

Arizona +6% or +100,000 net votes than Obama 2012

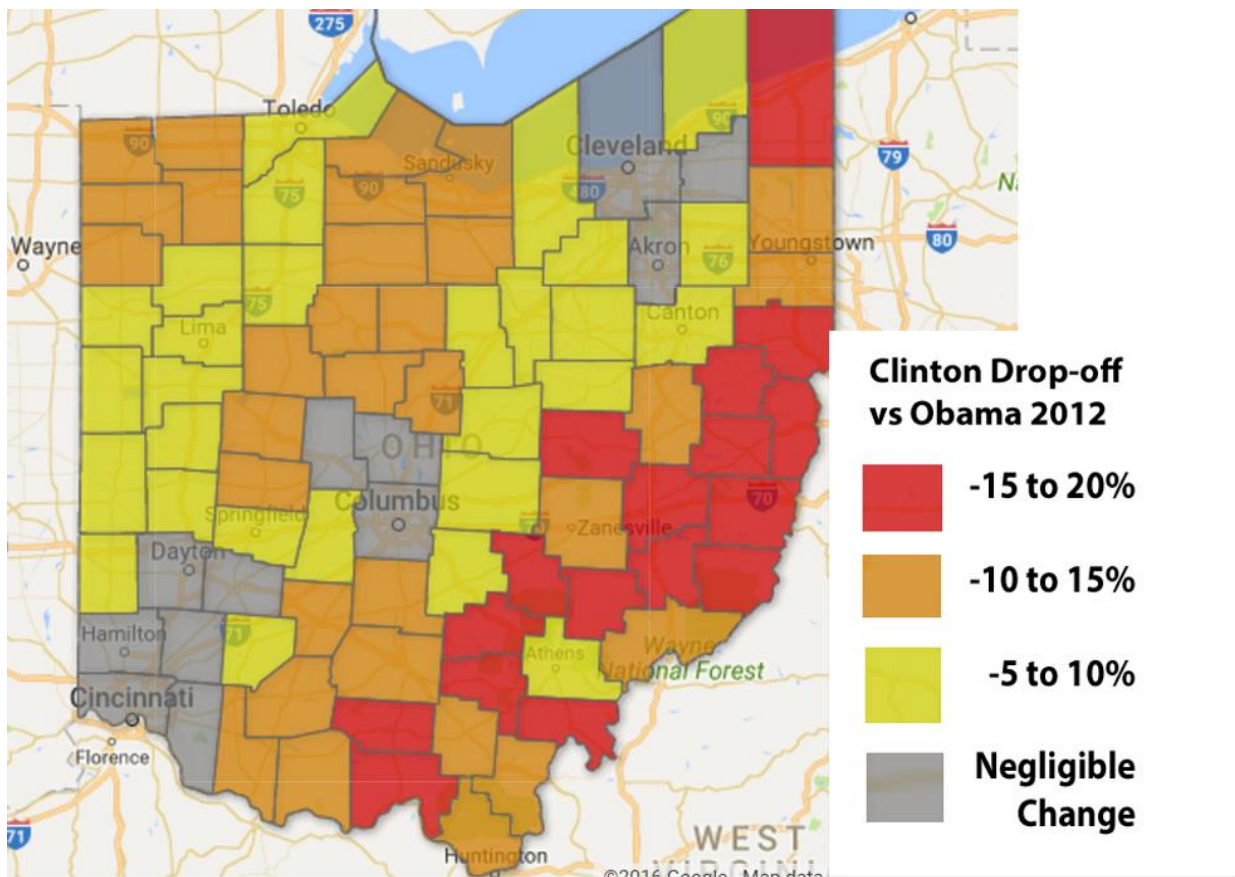


Texas +7% or +650,000 net votes than Obama 2012



California +7% or +800,000 net votes than Obama 2012

RURAL DROP-OFF



Clinton's Swing State Drop-off from Obama (2012) in Rural and Small Towns

Michigan: -8%

Wisconsin: -12%

Pennsylvania: -14%

Final Senate Projection: Democrats 48, Republicans 52

Outstanding Races

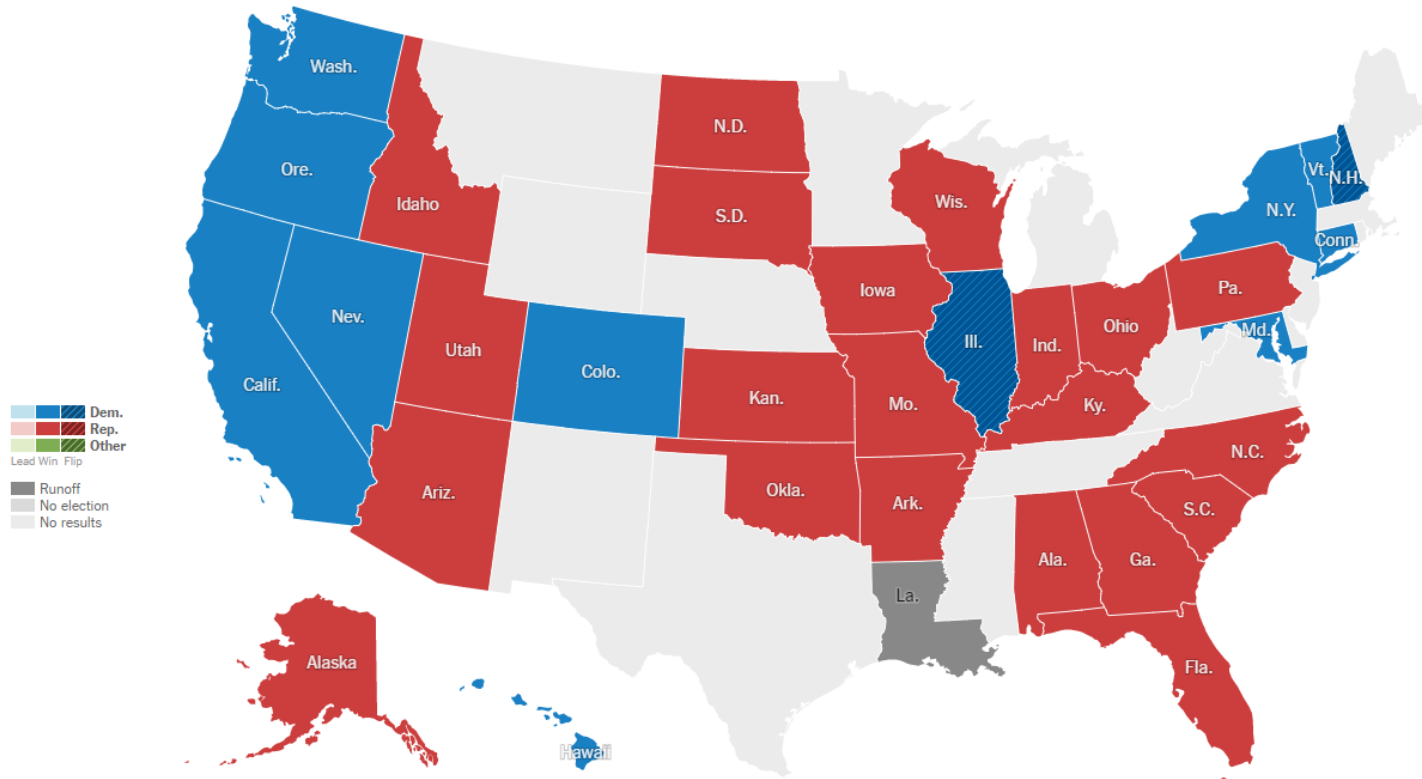
LA: **John Kennedy (R)** favored vs Foster Campbell (D) December run-off.

48 Democrats

36 Democrats not up for election
Gained 2 seats

51 Republicans

30 Republicans not up for election
Lost 2 seats



Retiring:

- Barbara Boxer (D-CA)
- Barbara Mikulski (D-MD)
- Harry Reid (D-NV)
- David Vitter (R-LA)
- Dan Coats (R-IN)

Defeated:

- Mark Kirk (R-IL)

Newly Elected:

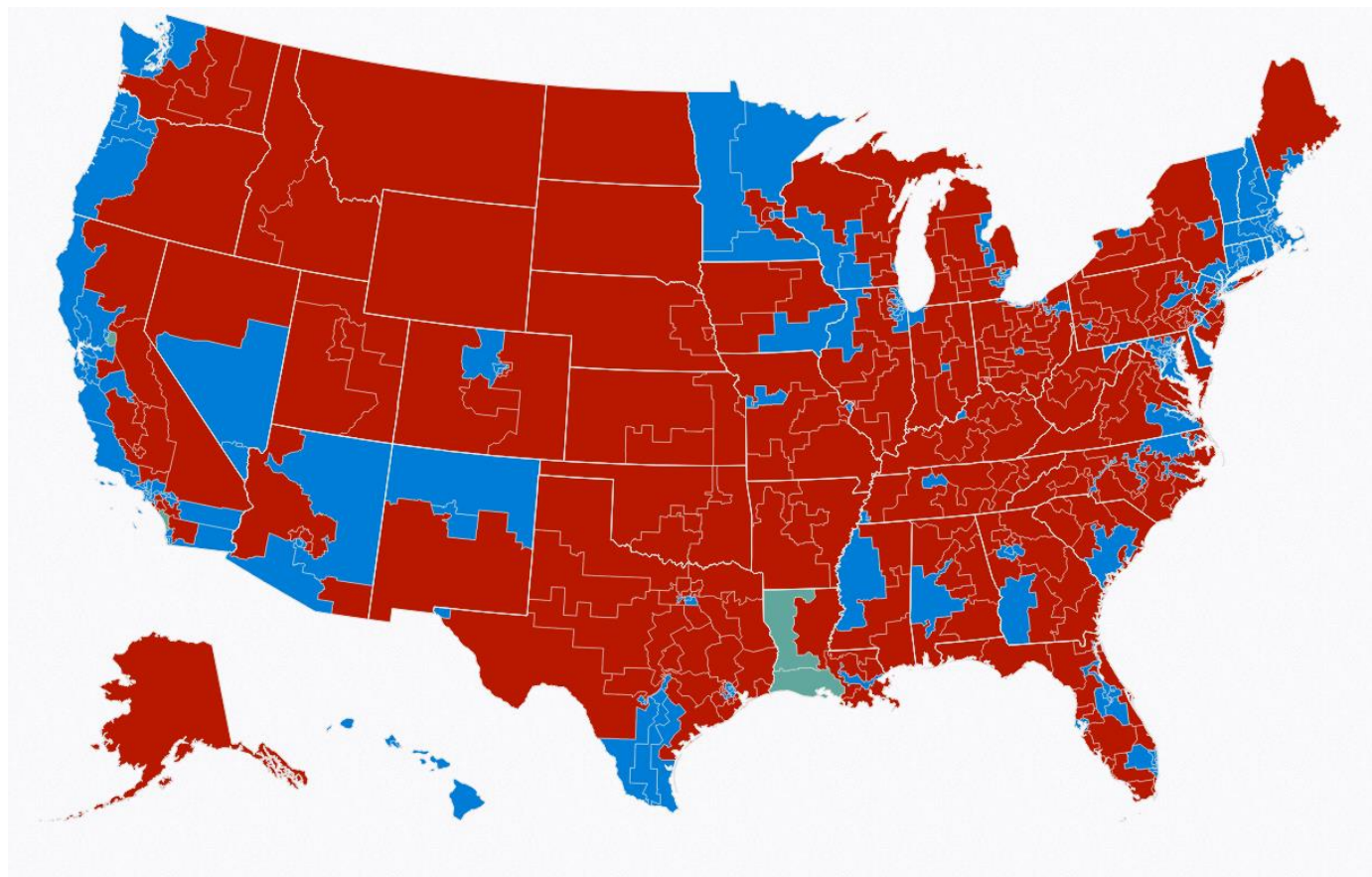
- Tammy Duckworth (D-IL)
- Chris Van Hollen (D-MD)
- Catherine Cortez Mastro (D-NV)
- Todd Young (R-IN)

Incumbents Surviving Close Calls:

- Pat Toomey (R-PA) 1.7%
- Michael Bennett (D-CO) 3.1%
- Roy Blunt (R-MO) 3.2%
- Ron Johnson (R-WI) 3.4%
- Richard Burr (R-NC) 6.8%
- Marco Rubio (R-FL) 7.7%

HOUSE PROJECTIONS: DEMOCRATS PICKUP 6

- **Republicans 241**
 - (239 decided + 2 likely wins)
- **Democrats: 194**
 - (193 decided + 1 likely win in CA-7)



APPROPRIATIONS COMMITTEE - HOUSE

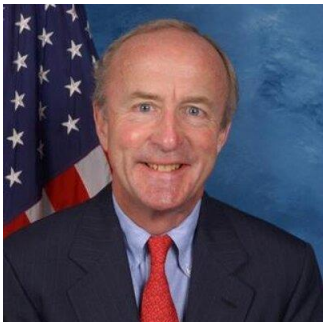


- Rep. Hal Rogers (KY-R) is the current Chairman of the full House Appropriations Committee, but has reached the end of his term limit for that position.

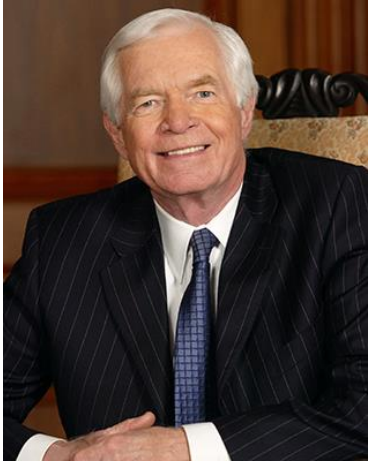
- Rep. Rodney Frelinghuysen (NJ-R) is expected to succeed him.

- Rep. Robert Aderholt (AL-R) is the current Chairman of the House Agriculture Appropriations Subcommittee. He is expected to move on after this term.

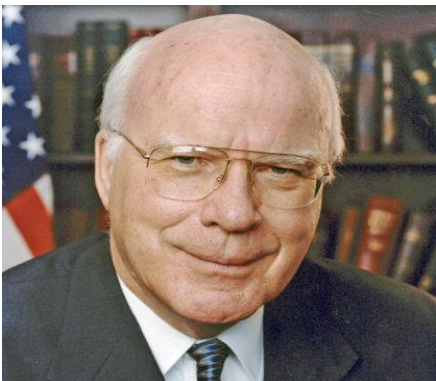
- Rep. Farr (CA-D), the Ranking Member of the House Agriculture Appropriations Subcommittee, is retiring after this term.



APPROPRIATIONS COMMITTEE – SENATE



- The current Chairman of the Senate Appropriations Committee is Sen. Thad Cochran (R-MS)
- Senator Patrick Leahy (D-VT) replaces Sen. Barbara Mikulski as ranking member
- The current Chairman of the Senate Appropriations Subcommittee on Agriculture is Sen. Jerry Moran (R-KS) and the current Ranking Member is Sen. Jeff Merkley (D-OR).



HOUSE FINANCIAL SERVICES AND SENATE BANKING



- Rep. Jeb Hensarling (R-TX) continues as Chairman of House Financial Services and Maxine Waters (D-CA) as Ranking Member.
- Sen. Richard Shelby continues as Chairman of the Banking Committee and Sherrod Brown (D-OH) will again serve as Ranking Member.

HOUSE AND SENATE LEADERSHIP



- House

- Speaker of the House: Paul Ryan (R-WI)
- Majority Leader: Kevin McCarthy (R-CA)
- Minority Leader: Nancy Pelosi (D-CA)

- Senate

- Majority Leader: Mitch McConnell (R-KY)
- Minority Leader: Charles Schumer (D-NY)



GOING FOR IT ALL

- Recent history indicates that 1st year of Presidency is best time to strike:
- 2001 - Bush Tax Cuts;
- 2009 - Obama Stimulus, Affordable Care Act, Dodd Frank



TRUMP'S TAX PLAN

**10-Year Cost
Static Scoring**

Cost of \$6.2 trillion + \$1 trillion in interest

Tax Rates/Brackets

Three individual tax brackets:
12, 25, 33%

**Capital Gains, Dividends, Interest
Income**

Repeal ACA investment surtax, tax carried interest as
ordinary income

TRUMP'S TAX PLAN (CONT'D)

Individual Exemptions, Deductions, & Credits

Consolidate/increase standard deduction, cap individual deductions at \$100k for individuals, \$200k for couples, create childcare tax credit, increase EITC

Business Taxes

Reduce corporate rate to 15 percent by eliminating most business tax deductions and credits , most pass-throughs taxed at 15 percent

Elimination of business tax credits (LIHTC, NMTC, HTC, Bonds)

Offsets

1% per year reduction in discretionary spending
Higher economic growth

TRUMP'S INFRASTRUCTURE PLAN: "AMERICA'S INFRASTRUCTURE FIRST"

- \$ 1 trillion
- Create jobs through construction and manufacturing related to infrastructure needs;
- Use deficit-natural infrastructure tax-credits to increase private infrastructure investments;
- Approve private-sector energy infrastructure projects, including pipelines and coal export facilities;
- and
- Make clean water a priority – triple funding for state revolving loan fund programs to help state and local governments upgrade critical drinking water and wastewater infrastructure.

TRUMP'S INFRASTRUCTURE PLAN: "AMERICA'S INFRASTRUCTURE FIRST (CONT'D)

- **"I don't even think it's (infrastructure) a big part of it," he said.** "It's going to be a big number but I think I am doing things that are more important than infrastructure, but infrastructure is still a part of it, and we're talking about a very large-scale infrastructure bill. And that's not a very Republican thing — I didn't even know that, frankly."



TRUMP'S 100 DAY PLAN:

On His Own:

- Cancel "every unconstitutional executive action, memorandum, and order issued by President Obama"
- Deport "more than two million criminal illegal immigrants from the country;"
- Suspend immigration "from terror-prone regions where vetting cannot safely occur;"
- Allow the Keystone XL pipeline to move forward;
- Lift restrictions on fossil fuel production;
- Cancel "billions in payments to U.N. climate change programs;"
- Establish "a requirement that for every new federal regulation, two existing regulations must be eliminated;" and
- End federal funding for "sanctuary cities"
- Impose federal hiring freeze

With Congress:

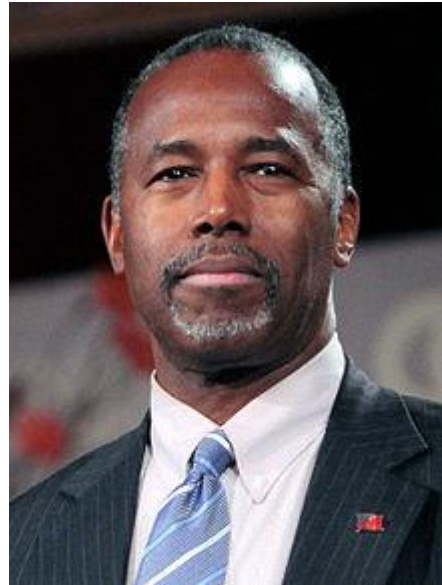
- Repeal and replace Affordable Care Act;
- Select a Supreme Court nominee in the mold of the late Justice Antonin Scalia;

Constitutional Amendment:

- Establish term limit for members of Congress.

TRUMP CABINET

- HUD: Ben Carson





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NRHC RECOMMENDATIONS



NRHC RECOMMENDATIONS

- Increase Section 502 direct loans to \$2 billion: this would provide loans to some 15,000 low-income families, 40% would be very-low income.
- Double Mutual Self-Help Housing grants to \$60 million. These additional funds will allow USDA to double the program and provide housing opportunities to more than 50,000 low income families.
- Provide \$100 million equally divided for Section 504 Loans and Grants, increasing the grant limit and mortgage trigger amount to \$15,000, and \$30 million for Section 533.
- Add \$100 million in new budget authority for rural rental housing activities, including: \$50 million for Section 515, and \$50 million for activities authorized under the MPR.
- At minimum future budgets should maintain assistance for units currently under contract and include an increase to accommodate the proposed restoration of a new construction program for rural rental housing.
- Provide not less than \$50 million each in Section 514 loans and Section 516 grants for farm labor housing.
- Increase appropriations USDA for water-sewer grants by \$500 million.
- Allocate to USDA 20% of the Trump proposed increase for SRF's (\$6 billion) for improving rural water-sewer systems and housing with inadequate plumbing.
- Maintain and increase LIHTC (Cantwell-Hatch) and improve targeting to persistently poor rural communities.

WHAT LIES AHEAD

- **Where Do We Stand Now? Continuing Resolution through December 9 will be extended until March 31.**

WHAT LIES AHEAD (CONT'D)

- Reductions in Domestic Discretionary Spending
 - Undoing the 2015 budget agreement;
 - Immediate reductions to FY 17; and
 - Further Reductions in FY 18 and beyond.

WHAT LIES AHEAD (CONT'D)

- Consolidating and Restructuring of Federal Programs
 - Transfer rural rental assistance to HUD?
 - Transfer Rural Housing Service to HUD?
 - Block Grant for Rural Development Programs?

- Heritage Foundation Rural Housing Service:

“The purpose and need for the Rural Housing Service, a rural development agency of the U.S. Department of Agriculture, is unclear. .. Congress should restore a free-market housing-finance system by shutting down the RHS and eliminating its direct-loan, loan-guarantee, and grant-assistance programs.”



QUESTIONS?

VISIT WWW.RURALHOUSINGCOALITION.ORG FOR MORE INFORMATION!

