



# NATIONAL RURAL HOUSING COALITION



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## Rural Definition Milestone, House THUD Subcommittee

### Rural Definition Milestone

As you know, NRHC celebrated a great victory earlier this year, when Congress enacted the Farm Bill, which extended eligibility for USDA Rural Housing programs through the 2020 Census and increased the population limit from 25,000 to 35,000.

**Starting today, all new communities that fall under the revised definition are officially eligible.** This means that low-income families living in these communities now have access to USDA Rural Housing loans, grants, and other assistance.

To find out whether your community is eligible under the revised definition, check out NRHC's easy-to-use [Rural Definition Guide](#) or [USDA's Eligibility Maps](#).

Communities that were previously eligible and that remain eligible under the revised definition should see no interruption in accessing USDA Rural Housing programs.

Please note that on October 1, 2014, any community that is scheduled to lose its eligibility for USDA Rural Housing programs will officially lose access to these programs. This includes communities that--according to the 2010 Census--now have populations above the allowable thresholds, communities that have become urban or associated with an urban area, and communities that are no longer "rural in character."

### **House Transportation, HUD Appropriations Subcommittee Markup**

Tomorrow morning, the House Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies (THUD) will mark up its [draft FY15 THUD Appropriations bill](#).

Overall, the House Subcommittee's THUD allocations are a mixed bag, with one clear winner and several losers. The only program that the House has allocated more funding for in FY15 than FY14 is the Section 202 Housing for the Elderly (\$420) program. On the other hand, funding for HOME Investment Partnerships Program (\$700 million), the Transformation Initiative (\$0), and Choice Neighborhoods (\$25M) are significantly less than FY14 rates and the President's Budget Request. Unfortunately, the Washington Post article from several years ago which identified several issues with the HOME program has not been forgotten by many Members of Congress.

Some programs, including Capacity Building (\$35M) and Housing Counseling (\$45M) are funded at levels equal to FY14.

The remaining programs were modestly reduced from FY14 rates, though largely in line with the President's Budget Request. Funding for NeighborWorks America (\$132M), Mortgage Foreclosure Mitigation (\$50M), SHOP (\$10M), and Section 108 CDBG Loan Guarantees (\$500M/\$0 BA) are all lower than in FY14, but equal to the President's Budget Request.

Surprisingly, the House funds Community Development Block Grants at \$3B. While this is a slight decrease from FY14 rates (\$3.03B), it is modestly more than the \$2.8B allocated in the President's Budget Request. Given significant cuts to CDBG in recent years, \$3B is a welcoming sign.

| HUD Programs (\$ in millions)   | FY14 Final Bill | FY15 President | FY15 House |
|---------------------------------|-----------------|----------------|------------|
| Neighborhood Reinvestment Corp  | 136.6           | 132            | 132        |
| Mortgage Foreclosure Mitigation | 67.5            | 50             | 50         |
| HOME Investment Partnerships    | 1,000           | 945            | 700        |
| Capacity Building               | 35              | 20             | 35         |

|                                     |       |       |       |
|-------------------------------------|-------|-------|-------|
| Transformation Initiative           | 40    | 40    | 0     |
| Housing Counseling                  | 45    | 55    | 45    |
| Community Development Fund          | 3,100 | 2,870 | 3,060 |
| --CDBG Formula Fund                 | 3,030 | 2,837 | 3,000 |
| Choice Neighborhoods Initiative     | 90    | 120   | 25    |
| Housing Trust Fund                  | 0     | 1,000 | 0     |
| SHOP                                | 50    | 10    | 10    |
| Section 108 Program Levels          | 150   | 500   | 500   |
| Section 108 Budget Authority        | 3     | 0     | 0     |
| Section 202 Housing for the Elderly | 383   | 440   | 420   |

Thank you for your support,

Sarah Mickelson