

FY 2020 Programmatic and Language Appropriations Request

→ Please complete the highlighted fields below

→ NOTE: An asterisk (*) indicates a drop-down menu selection

Requesting Organization: National Rural Housing Coalition

D.C. Contact	Local Contact
Robert Rapoza National Rural Housing Coalition 1155 15th NW Washington, DC 20005 202-393-5225 202-393-3034 (fax) bob@rapoza.org	

All Requests:

Agriculture	Rural Development	Rural Housing Insurance Fund –direct home ownership loans

1. For Defense requests, please include line number (e.g., RDTE, A line 30):
2. This is request ____ of ____ submitted to this office.
3. This is request ____ of ____ in this bill.
4. Are you making this request to other offices?
If yes, please list other offices receiving this request.

Programmatic Funding Requests:

1. Amount requested:	\$1.5 billion
2. Amount included in the President's most recent budget:	0
3. Requested amount increase/decrease over the President's most recent budget:	+ \$1.5 billion
4. Referencing President's Budget for (use most recent available):	<u>Section 502 Direct Loans</u>
5. FY19 appropriated amount:	\$1 billion
6. Requested amount increase/decrease in relation to FY 19 appropriations:	+\$500 million

7. Justification for request: Section 502 direct homeownership program is targeted to very low- and low-income rural families. Since the program's inception, more than 2.1 million families own a home and have built their wealth by more than \$40 billion. In FY 19, USDA made approximately 7,200 section 502 loans.

Report or Bill Language Requests:

8. The language being requested should be included in the: bill
9. Language being requested: \$1,500,000,000 for direct loans authorized under the Housing Act of 1949.
10. Justification for request: By law, at least 40 percent of Section 502 funds must be used to assist families earning less than 50 percent of the area median income. Three-fourths (74 percent) of borrowers have incomes less than 60 percent of AMI, with an average income of \$28,275.

With a Section 502 Direct Loan, these families can access affordable, safe mortgages with interest rates starting at just 1 percent over a 38-year term. Section 502 is the most cost-effective federal housing program. On average, each loan costs less than \$10,000, over its entire lifetime. Other federal housing programs can cost more than \$7,000 each year. Section 502 Direct Loans fill a gap in the private market by serving families that are otherwise unable to access affordable mortgage credit. Demand for Section 502 loans continues to outpace supply.

11. Has this language been included in previous Fiscal Years? If so, please provide reference information below.

Fiscal Year	Bill Number	Title	Division	Section	Page Number
FY 19	H.J. Res. 31	III	Rural Development	Rural Housing	47
FY 18	HR 1625	III	Rural Development	Rural Housing	18
FY 17	HR 244	III	Rural Development	Rural Housing	16