The President  
The White House  
Washington, D.C.

Dear Mr. President:

We are writing about a very serious shortage of funds for the farm labor housing program operated by the Farmers Home Administration under sections 514 and 516 of the Housing Act of 1949. At this writing the backlog of requests for funds exceeds $18.7 million.

The housing of migrant and seasonal farmworkers is appallingly inadequate. Of the 600,000 housing units in which the nation's 3 million farmworkers and their families subsist, at least half, or 300,000 units, are so substandard they need complete replacement. The remaining 300,000 units need some degree of repair or renovation. Tragically, the low annual income of farmworkers precludes their participation in federal rental or home ownership housing programs. The farm labor housing program of the FmHA remains their only hope.

In an effort to meet this tremendous housing need, Congress in 1970 amended sections 514 and 516 to make the program more economically feasible. This was accomplished by reducing the interest rate on loans under section 514 from 5 percent to 1 percent and by increasing the maximum allowable grant under section 516 from 56 and 2/3 percent to 90 percent of capital costs.

It appears that our 1970 amendments have generated such interest in the program that applications now far exceed the availability of funds. In the first six months of operation under the liberalized grant and loan provisions, the Farmers Home Administration developed a backlog of more than $18.7 million in requests. It is not known how many millions of dollars in grant requests are being held at the State and County offices, but these offices have been directed to cease forwarding applications to the national FmHA office.
The Farmers Home Administration is operating at a program level of $3.76 million for FY 1972. An additional amount of $3 million in appropriated funds has been frozen by the Office of Management and Budget. We request that you release these "reserve funds" immediately in order to meet part of the current backlog.

We further request that the Department of Agriculture seek supplemental funding of up to $30 million for the FY 1972 farm labor housing program. We will, of course, work in the Senate to appropriate these supplemental funds.

Finally, we understand that the budget request for FY 1973 of $2.5 million for farm labor housing grants was established prior to the development of the current request backlog. Because of the $18.7 million in pending requests and because of the program's unique applicability to the housing needs of farmworkers, we request that you increase the FY 1973 budget request to achieve a program level of $50 million. We assure you of our full support in seeking the additional authorization that this will require.

We look forward to working with you to make the promise of decent housing a reality for the nation's farmworkers and their families.

Sincerely,

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