

# NATIONAL RURAL HOUSING COALITION

October 8, 2021

Joseph R. Biden  
President of the United States  
The White House  
Washington, DC

Dear Mr. President:

We write in support of the House Financial Services Committee Budget Reconciliation legislation and the provisions to increase support for affordable housing programs and in particular the Committee's proposal to increase investments in improving housing in rural America. Like the rest of the United States, America's small towns and farming communities face a severe shortage of affordable housing:

- According to US Census data, between 1999 and 2008, the average annual production of new single-family houses in non-metro areas totaled 221,000. In the period 2009 to 2017, average production fell to 68,000 per year.<sup>1</sup>
- Rental housing, where it is available, often costs too much. According to a recent report by the Harvard Joint Center for Housing Studies, 41 percent (5 million households) of rural renters are cost-burdened, meaning they pay more than 30 percent of their income for housing costs, and nearly half of rural households (2.1 million) pay more than 50 percent of their income for housing.<sup>2</sup>
- Rural communities lack safe drinking water or adequate waste disposal facilities in the United States. In fact, hundreds of thousands of rural families lack running water in their homes. More than two million Americans do not have access to safe drinking water and sanitation, including 1.4 million who lack access to indoor plumbing.<sup>3</sup>
- Years of declining investment in the renovation of existing and construction of new housing in our small towns and farming communities has resulted in a housing deficit. A recent *Wall Street Journal* article noted, "Fewer homes are being built per household than almost any other time in US history, and it is even worse in rural areas." As a result, in some rural communities, economic growth is impeded not by the lack of jobs but by the lack of housing for workers.<sup>4</sup>

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<sup>1</sup> United States Census Bureau. (2018). *Metropolitan Statistical Area Status for New Single-Family Houses Completed*. Retrieved from <https://www.census.gov/construction/chars/pdf/metro.pdf>

<sup>2</sup> Harvard Joint Center for Housing Studies, "America's Rental Housing." 2017. [http://www.jchs.harvard.edu/sites/default/files/harvard\\_jchs\\_americas\\_rental\\_housing\\_2017\\_0.pdf](http://www.jchs.harvard.edu/sites/default/files/harvard_jchs_americas_rental_housing_2017_0.pdf)

<sup>3</sup> "Closing the Water Gap in the United States." *U.S. Water Alliance*. [http://uswateralliance.org/sites/uswateralliance.org/files/Closing%20the%20Water%20Access%20Gap%20in%20the%20United%20States\\_DIGITAL.pdf](http://uswateralliance.org/sites/uswateralliance.org/files/Closing%20the%20Water%20Access%20Gap%20in%20the%20United%20States_DIGITAL.pdf)

<sup>4</sup> Raice, Shayndi. "Rural America Has Jobs. Now It Just Needs Housing." *Wall Street Journal* May 30, 2018. <https://www.wsj.com/articles/scarcity-of-housing-in-rural-america-drives-worker-shortage-1527672602>

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In its history, the rural housing programs administered by the U.S. Department of Agriculture (USDA) have made housing opportunities available to millions of low income families, financing over 2 million home mortgages and some 500,000 units of affordable rental housing. However, over the last 20 years rural housing assistance has slowed to a trickle. USDA funding for rural home loans for low income families, affordable rental housing and farmworker and related assistance, when accounting for inflation, is down by over 60 percent. As a result, USDA finances less than 7000 mortgages a year for low and very low-income homeowners. Due to these budget cuts, Agriculture does not provide any direct loans for new construction of affordable rental housing, does little in the way of preserving existing rental housing and annually builds only about 200 units of housing for migrant and seasonal farmworkers.

A generation of budget cuts and neglect have left rural America with an affordable housing crisis. The House budget reconciliation legislation provides an historic opportunity to improve housing opportunity for rural, Native American and minority low income households and provide needed stimulus to local rural economies.

There is no better way to “Build Back Better” in rural America than to invest \$5 billion in federal rural housing programs as proposed by the House for home ownership, rental housing construction and preservation, home repair, farmworker housing and rental assistance. This investment will result construction or preservation of over some 90,000 units of affordable rural housing, assistance to thousands of rent-overburden families and new home opportunities for some 18,000 low income households and rehabilitation of some 40,000 units.

Thank you for your consideration of this request and your attention to this matter.

Sincerely,



Robert A. Rapoza  
Executive Secretary